Illinois Finance Authority

August 8, 2006
11:30 AM
Board Meeting
Plaza Club
130 E. Randolph, 40th Floor
Chicago, Illinois

Jose Garcia

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ILLINOIS FINANCE AUTHORITY
BOARD MEETING
August 8, 2006
Chicago, Illinois

EXECUTIVE SESSION
8:30 a.m.
Illinois Finance Authority
180 N. Stetson, Suite 2555

- Opening Remarks
- Executive Director's Report
- Review State Officials and Employees Ethics Act, 5 ILCS 430--Kimberly Copp, General Counsel
- Financials
- Staff Reports
- Project Reports
- Adjournment

BOARD MEETING
11:30 a.m.
One Prudential Plaza
130 E. Randolph, Plaza Club
40th Floor

AGENDA

- Call to Order
- Chairman's Report
- Roll Call
- Executive Director's Report
- Acceptance of Financials
- Approval of Minutes
- Project Approvals
- Resolutions / Amendments

AGRICULTURE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
Agri-Debt Restructuring Guarantee						
1	Gary L. and Patricia R. Munson	Woodhull	197,000	0	0	CM
Agri-Industry Guarantee						
2	Biofuels Company of America, LLC	Danville	15,000,000	15	90	ST
3	Applewood Farms LLC	Jacksonville	~~1,649,330~~	22	5	ER
Agricultural Participation Loan						
4	Michael and Steven Schmidt (Central IL Ag., Inc.)	Atlanta	250,000	4	6	JS
Rural Development Loan						
5	Jeffrey Landscaping & Outdoor Products, Inc.	Taylorville	85,000	7	0	ER
TOTAL AGRICULTURE PROJECTS			17,181,330	48	101	

Bio Desel Plant

HEALTHCARE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds *Preliminary*						
6	Midwest Regional Medical Center	Galena	50,000,000	18	140	PL/DS
Participation Loan						
7	St. Margaret's Hospital	Spring Valley	500,000	0	0	JS
TOTAL HEALTHCARE PROJECTS			50,500,000	18	140	

COMMUNITIES AND CULTURE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds *Preliminary*						
8	Quad County Urban League	Aurora	5,190,000	4.5	125	ST/JM
9	North American Spine Society	Burr Ridge	12,500,000	20	60	SCM
501(c)(3) Bonds *Final*						
10	Presbyterian Home	Evanston	30,000,000	0	0	SCM
TOTAL COMMUNITIES AND CULTURAL PROJECTS			47,690,000	24.5	185	

BUSINESS AND INDUSTRY

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
Participation Loans						
11	TRH Properties, LLC	Decatur	100,000	10	0	JS
Venture Capital						
12	River Glass	Champaign & West Chicago	300,000	4	0	ST
Freight Transfer Facilities Revenue Bonds *Preliminary*						
13	Ridge Property Services II, LLC and its successors, affiliates, and assigns	Will County	591,000,000	1,007	500	RKF
Solid Waste Disposal Revenue Bonds *Preliminary*						
14	Ameren Energy Generating Company	Coffeen	200,000,000	0	75	RKF
15	Ameren Energy Resources Generating Company	Fulton County & Bartonville	100,000,000	0	50	RKF
TOTAL BUSINESS AND INDUSTRY PROJECTS			891,400,000	1,021	625	

HIGHER EDUCATION

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds *Final*						
16	Hebrew Theological College	Skokie & Chicago	11,400,000	6	30	RKF
17	CHF-DeKalb, LLC and its affiliates	DeKalb	19,000,000	2	30	RKF
TOTAL HIGHER EDUCATION PROJECTS			11,400,000	6	30	

GRAND TOTAL			1,018,171,330	1,118	1,081	

Tab ## Resolutions/Project Revisions/Amendatory Resolutions

18	Request to modify the Agri-Industry Guarantee Guidelines for projects that the Authority will guarantee for less than 85% of the debt amount.	ST
19	Request to extend a commitment to participate in a loan to Ex-Tech Plastics, Inc.	SCM
20	Request to support the conversion of Fairview Ministeries Series 2004-C Bonds from taxable to tax-exempt debt.	PL/DS

Other

Adjournment

Jm

Illinois Finance Authority
Executive Director's Report
August 8, 2006

To: IFA Board of Directors and Office of the Governor

From: Jill Rendleman, Interim Executive Director

I. Financial Performance

The Illinois Finance Authority is presenting financial information based upon consolidated financial statements including monies appropriated to IFA by the State and bonds held by IFA. The financial position remains strong consisting of equity of $88,384,347with total assets of $152,611,299 and liabilities and bonds payable of $64,226,952. This compares favorably to the July 2005 balance sheet consisting of equity of $85,762,445, with total assets of $152,053,688 with and liabilities of $66,291,243. Net income for the month of July ended at $334,463 or $212,227 above performance plan. Strong non-appropriated revenues of $773,033 and reduced operating expenses resulted in this positive variance.

II. Sales Activities

The first month of Fiscal Year 2007 is the largest project month in IFA history with August requests exceeding the $1 Billion level. The projects positively reflect the strength and diversity of Illinois' economy with market totals of $17.3M in agriculture, $50.5M in health care, $58.2M in communities and culture, $891.9M in business and industry, and $11.4M in higher education.

Health Care: Healthcare totals are relatively low this month reflecting historical trends during late summer. Healthcare funding managers and the Director of Marketing and Public Relations worked with Public Financial Management on a project to construct a matrix of IFA healthcare products and services as part of a larger engagement to review IFA's position in the healthcare market sector. Funding managers also called on several borrowers with an interest in the IFA Revolving Fund Pooled Financing Program. Rich Frampton explored potential financing options for senior apartment conversion and potential replacement facilities for Mt. Sinai Hospital in Chicago. There were 26 in person sales calls made to health care clients in July.

Higher Education: Higher Education funding managers have been active this month exploring opportunities to create a financing program for both public and private higher education institutions relating to capital needs relative to rising energy costs. Meetings have been held with the Illinois Board of Higher Education to discuss IFA financing options for an energy purchase program for Illinois Universities. The Executive Director and healthcare funding managers met with the Program Manager of the Chicago Energy Resources Center at the University of Illinois in Chicago. Additionally funding managers met with the Vice Chancellor of Finance of Chicago City Colleges to determine options for IFA to partner with the city college's system to finance future projects and renovations, as well as alternative financing for hedging fixed price energy purchase contracts. Funding manager Nona Myers met with staff of the Illinois Board of Higher Education regarding the feasibility of financing a text book loan program to fulfill statutory requirement to review the merits of a textbook loan program. Funding managers made 5 in person calls or presentations to higher education institutions in July.

Agriculture: Preparations are being made for the upcoming Illinois State Fair in Springfield. IFA will be presenting it's first Annual "Outstanding Agricultural Lender Award" on Agricultural Day to be held August 15th. IFA staff asked the Illinois Bankers Association's Agricultural Committee to select the winner, Ray Brunch, of Citizens National Bank in Macomb. Staff and members of the board of directors planning to attend the Illinois State Fair should look for the large LED screen set up on Main Street for IFA message clips relating to our agricultural programs. The agricultural staff made 20 in person business development calls for potential projects in the month of July.

Communities and Culture: IFA staff continued to focus on partnership activities with other economic development organizations including Illinois Community Action Association, DCEO, USDA, EPA State Fire Marshall and the GOMB. IFA staff participated in a meeting held in Galesburg to discuss the fiber optics proposal to link towns from Galesburg to Chicago with high speed internet access. Planning sessions have been developed with the State Fire Marshall's Office for the Ambulance Loan Program. Sharnell Curtis-Martin worked with IFA Executive Director to address the funding needs of the Illinois Facilities Fund which includes an expansion of the IFA Charter Schools program to allow IFF to borrow monies to purchase buildings for future charter school expansion or renovation. The community and culture staff made 20 in person business development calls for potential projects in the month of July.

Industry and Commerce: Major projects requests have surfaced in the Industry and Commerce sector as a large intermodal project in Will County is under development beginning with a presentation for the group by Rich Frampton, Vice President, and the Executive Director. The proposed bond issue which would finance a new transportation infrastructure, which is on today's agenda, would be the first in Illinois, and potentially the second in the nation, authorized under a new US Department of Transportation SAFETEA-LU legislation which provides grants from USDOT and tax exempt financing status for infrastructure developments. Additional presentations were made to several large coal and alternative energy groups. Chief Credit Officer, Steven Trout, will provide a summary of the coal projects under consideration by IFA. Downstate funding manager, Rick Pigg, continues to focus on building relationships with independent bankers and local economic development professionals and the Department of Commerce and Economic Opportunity. IFA Executive Director and the Chief Credit Officer met with Chicago Community Ventures, a nonprofit organization referred to IFA by DCEO which focuses on small business lending in economically distressed areas of Chicago. IFA will be considering the potential to partner with a bank in providing funding for this loan program. IFA Chief Financial Officer, Jose Garcia, represented IFA in a presentation at the Hispanic Business Expo. Industry and commerce funding managers made more calls than any other sector with 47 in person sales calls in the month of July.

III. Marketing and Public Relations

Director of Marketing and Public Relations, Diane Hamburger participated in strategic presentations which were a part of Illinois Finance Authority's request for qualifications for financial advisory services. Materials were developed for the large coal project presentations made in August. Additional Freedom of Information Requests have been made by SEIU, requiring a large time commitment from IFA staff. Additionally, Diane played a key role in coordinating the healthcare market assessment underway with IFA staff and consultants in that area. A tremendous effort went into the design and development of the IFA LED message board which will display IFA agricultural program information for attendees of the Illinois State Fair.

IV. Human Resources and Operations

Chief Administrative Officer, Stuart Boldry, has complete several major projects this month including a review and update of the employee benefits program which improves IFA's competitiveness within the market place for attracting and retaining quality staff including positive revisions to IFA's deferred and incentive compensation plans. Additional training sessions were also held.

V. Legal and Legislative Issues

The bill to increase IFA bonding authority for bonds outstanding to $25.2 Billion, SB 1625, has been signed into law by the Governor. IFA bonds outstanding currently stand at $22 Billion. The Ambulance Loan Program Bill, SB623, which creates a revolving loan fund for communities to borrow funds through IFA to purchase ambulances, has been signed into law by the Governor. Funding has yet to be approved for the ambulance program. After an extensive RFQ process, Kimberly Copp and Brian Hynes of Shefsky and Froelich have been selected as IFA General Counsel. Also selected were firms which will represent IFA in specific legal areas including financing transactions, venture capital, contracting, credit and collections, legislative, human resources, and compliance. These firms include Mayer, Brown, Rowe & Maw; Chapman & Cutler; KMZ Rosenman; Laner Muchin; Franszek Sullivan; Pugh, Jones, Johnson, & Quandt; McGuire Woods, and Jones Day.

VI. Audit and Compliance

The Financial and Compliance Audit for Fiscal Year 2006 will begin the second week of August. Executive Director has had numerous conversations with the Jon Fox from the Office of the Auditor General, concerning the timeliness and efficiency of the 2006 Audit Schedule. The Office of the Auditor General has agreed to aggressively move forward the timeframes of the IFA Audit to accommodate requests from the legislature and the capital markets industry partners who follow IFA management, standings, and capabilities. Currently there are 9 audit findings under review with 6 findings 100% complete, 2 findings 60% or substantially completed, and 1 finding less than 50% complete. IFA's General Counsel will review provisions of the State of Illinois Ethics Act with members of the board of directors during the Executive Session to discuss any questions or issues raised by board members.

Overview of Illinois Coal Projects Under Development
As of July 2006

Project Name	**Prairie State Energy Campus**	**Rentech Energy Midwest Corporation Project**	**Elwood Energy Center**	**Taylorville Energy Campus**	**Steelhead Energy Company, LLC**
Developers	Peabody Energy	Rentech, Inc. ✓	Indeck Energy ✓	ERORA Group	Madison Power
Other Owners	Various Midwest Muni Coops				ArcLight Capital
Location	Marissa (Washington County)	East Dubuque	Elwood (Will County)	Taylorville (Christian County)	Outside Marion (Williamson County)
Project Cost	\$2.0-\$2.5 Billion	\$800 Million (gasification for fertilizer and fuels production)	\$ 966 Million	\$ \$1.4 Billion	\$1.7 Billion
Power Source	Pulverized coal	Gasification	Circulating fluidized bed	Integrated Gasification Combined Cycle	Integrated Combined Cycle with Methanation Plant
Fuel Source	Minemouth (owned by Peabody)	Coal (now evaluating bids to supply plant)	Coal and pet coke	Minemouth (pursuant to long-term contract)	Minemouth
Emission Controls *	SCR, ESP & FGD	Acid gas removal and sulfur recovery units 100% CO2 captureable	SNCR Baghouse	SCR, ESP & FGD	SCR, ESP & FGD
Rated Output MWe	2 @ 810 gross (1,500 net)	25 MWe of electricity for sale 920 tons/day ammonia products 1,800 barrels/day of clean fuels	2 @ 330 gross (600 net)	630 (net) or 773 (gross)	544 (net) and 95 MMSCFD synthetic natural gas
Air Permit Status	Final permit issued (under appeal)	Filed application in June 2006. Late 2006 decision expected.	Final permit issued (under appeal)	Initial application to be filed in mid-2005	Filed early 2005
Construction Target Date	2006	Third Quarter 2007	2006	Late 2007	Late 2006 or 2007

* Key: SCR-Selective Catalytic Reduction, ESP-Electrostatic Precipitators, FGD-Scrubbers

Other Projects Under Discussion

- US Department of Energy has announced that Tuscola, IL and Mattoon, IL are 2 of 4 finalists to serve as the site for FutureGen, an experimental near-zero emission, \$1 billion 275 megawatt, coal-fired electricity and hydrogen production plant to be built by a government and industry partnership later this decade. A decision is expected in September 2007.
- Power Holdings, LLC is evaluating a \$ 1.0 billion 550 megawatt Illinois coal gasification to synthetic natural gas project in Rend Lake. Air permits to be sought in 2006.
- Clean Coal Power Resources is evaluating a \$4.5 billion 2,400 megawatt Illinois coal gasification to power and synthetic natural gas project in Rend Lake (Fayette County). No deadline for submitting an air permit application has been publicly announced.
- .Dynegy Midwest Energy is evaluating a \$2.2 billion, 1,500 megawatt pulverized Illinois coal project in Baldwin. Air permit applications were filed with IEPA in April 2002 and are still under review. DCEO's Office of Coal Development and IFA staff has not heard from the development team within the past 12 months.
- Illinois Energy Group is evaluating a \$1.5 billion 1,500 megawatt pulverized Illinois coal power project in Benton. Air permit applications were filed with IEPA in June 2002 and are still under review. DCEO's Office of Coal Development and IFA staff has not heard from the development team within the past 12 months.

Sources: Developer presentations and websites, DCEO's Office of Coal Development staff and the Illinois Environmental Protection Agency website.

- New Loans Funded $953K
- Investments $60,695,759 Loan Balance
- Budget Variance
- Detail of non-major Funds.

Illinois Finance Authority
Consolidated
Balance Sheet
for the First Month Ending July 31, 2006

	July 2005	July 2006	July Budget	Variance to budget
ASSETS				
CASH & INVESTMENTS, UNRESTRICTED	$ 36,972,270	$ 33,659,863	$ 30,514,621	$ 3,145,242
LOAN RECEIVABLE, NET	75,770,683	78,715,857	78,647,960	67,897
ACCOUNTS RECEIVABLE	477,047	713,135 72,750	500,000	213,135
OTHER RECEIVABLES	28,720	1,493,615	1,150,499	343,116
PREPAID EXPENSES	81,694	153,797	170,604	(16,807)
TOTAL CURRENT ASSETS	113,330,413	114,736,268	110,983,684	3,752,584
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	69,402	149,024	148,437	587
DEFERRED ISSUANCE COSTS	1,155,109	933,005	943,515	(10,510)
OTHER ASSETS				
CASH, INVESTMENTS & RESERVES	27,987,349	27,035,894	29,925,271	(2,889,377)
VENTURE CAPITAL INVESTMENTS	5,318,237	5,679,735	5,526,007	153,729
OTHER City of Cairo $4,000,000 1986 Loan	4,193,178	4,077,373	4,079,602	(2,229)
TOTAL OTHER ASSETS	37,498,764	36,793,001	39,530,880	(2,737,878)
TOTAL ASSETS	$ 152,053,688	$ 152,611,299	$ 151,606,516	$ 1,004,784
			60,095,000 B/P	
LIABILITIES				
CURRENT LIABILITIES	$ 564,359	$ 1,078,113	$ 989,473	$ 88,640
LONG-TERM LIABILITIES	65,726,884	63,148,838	62,444,923	703,915
TOTAL LIABILITIES	66,291,243	64,226,952	63,434,396	792,556
EQUITY				
CONTRIBUTED CAPITAL	36,061,462	36,061,462	36,061,462	(0)
RETAINED EARNINGS	13,000,022	15,015,017	15,015,017	-
NET INCOME / (LOSS)	4,676,316	334,463	122,235	212,227
RESERVED/RESTRICTED FUND BALANCE	19,303,495	24,279,992	24,279,992	-
UNRESERVED FUND BALANCE	12,721,150	12,693,412	12,693,412	-
TOTAL EQUITY	85,762,445	88,384,347	88,172,119	212,227
TOTAL LIABILITIES & EQUITY	$ 152,053,688	$ 152,611,299	$ 151,606,516	$ 1,004,784

82,715,857
72,750
82,788,607

$1.8 restricted Proceeds for operation

$ 975K for Bonds paid off.

Illinois Finance Authority
Consolidated - Detail
Balance Sheet
for the First Month Ending
July 31, 2006

	General Fund	Bond Fund	Firetruck Revolving Fund	Non Major Funds YTD	YTD FY 2007
Assets					
Current assets:					
Cash and cash equivalents – unrestricted	9,801,734	(0)	-	14,550,288	24,352,023
Investments – unrestricted	2,509,201	0	-	1,984,181	4,493,382
Restricted current assets:					-
Cash and cash equivalents	-	633,260	1,343,918	-	1,977,178
Accrued interest receivable	-	1,210,129	5,500	-	1,215,629
Restricted investments	-	61,079	-	-	61,079
Other receivable	-	4,393	-	-	4,393
Receivables:					-
Accounts	785,885	-	-	-	785,885
Interest and other	82,031	-	-	11,382	93,414
Prepaid expenses and deposits	153,797	-	-	-	153,797
Total Current Assets	13,332,649	1,908,861	1,349,418	16,545,851	33,136,780
Noncurrent assets:					
Restricted Noncurrent assets					
Cash and cash equivalents	-	-	-	21,291,122	21,291,122
Interest receivable	-	185,679	-	70,000	255,679
Guarantee payments receivable	-	-	-	616,239	616,239
Allowance for doubtful accounts	-	-	-	(538,866)	(538,866)
Deferred issuance costs, net of accumulated amortization	-	234,437	-	-	234,437
Investments	-	8,445,473	-	-	8,445,473
Bonds and notes receivable	-	51,939,200	-	-	51,939,200
Loans receivable	-	-	8,766,437	398,148	9,164,585
Allowance for doubtful accounts	-	-	-	(106,862)	(106,862)
Investments in partnerships and companies	-	-	-	5,679,735	5,679,735
Loans Receivable	18,808,280	-	-	5,076,500	23,884,780
Allowance for doubtful accounts	(2,238,595)	-	-	-	(2,238,595)
Due from other funds long term	2,574,614	-	-	712,374	3,286,988
Property and equipment, at cost	370,948	-	-	5,500	376,448
Accumulated depreciation	(223,574)	-	-	(3,850)	(227,424)
Deferred issuance costs, net of accumulated amortization	-	-	-	698,568	698,568
Total Noncurrent Assets:	19,291,673	60,804,788	8,766,437	33,898,607	122,761,506
Total Assets	32,624,322	62,713,650	10,115,855	50,444,459	155,898,286
Liabilities					
Current liabilities:					
Accounts payable	11,791	-	-	-	11,791
Accrued expenses	784,798	-	-	-	784,798
Accrued interest payable	-	1,367,462	-	5,150	1,372,612
Due to employees	33,827	-	-	-	33,827
Due to primary government	162,490	-	-	25,000	187,490
Due to local government units	-	211	-	-	211
Current portion of Long term debt	-	-	-	54,846	54,846
					-
Total Current Liabilities	992,906	1,367,673	-	84,996	2,445,575
Noncurrent liabilities:					
Long-term debt	-	-	-	828,060	828,060
Bonds payable	-	60,095,000	-	-	60,095,000
Deferred revenue net of accumulated amortization	-	-	-	977,359	977,359
Due to other funds - long term	-	-	-	3,286,988	3,286,988
Deferred loss on early extinguishment of Debt	-	(119,043)	-	-	(119,043)
Total Noncurrent Liabilities	-	59,975,957	-	5,092,407	65,068,364
Total Liabilities	992,906	61,343,631	-	5,177,403	67,513,939
Net Assets					
Invested in capital assets	147,374	-	-	1,650	149,024
Restricted	-	1,370,019	10,115,855	20,844,485	32,330,359
Unrestricted	31,484,042	-	-	24,420,921	55,904,963
Total Net Assets	31,631,416	1,370,019	10,115,855	45,267,056	88,384,346

Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
for Period Ending July 31, 2006

	Actual July 2006	Budget July 2006	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2007	Budget YTD FY 2007	Year to Date Variance Actual vs. Budget	YTD % Variance	Explanations
REVENUE									
INTEREST ON LOANS	265,148	295,949	(30,801)	(10.41%)	265,148	295,949	(30,801)	(10.41%)	
INVESTMENT INTEREST & GAIN(LOSS)	187,282	177,171	10,111	5.71%	187,282	177,171	10,111	5.71%	
ADMINISTRATIONS & APPLICATION FEES	495,666	297,350	198,316	66.69%	495,666	297,350	198,316	66.69%	
ANNUAL ISSUANCE & LOAN FEES	85,922	85,000	922	1.08%	85,922	85,000	922	1.08%	
OTHER INCOME	10,923	38,552	(27,629)	(71.67%)	10,923	38,552	(27,629)	(71.67%)	
TOTAL REVENUE	1,044,941	894,022	150,918	16.88%	1,044,941	894,022	150,918	16.88%	
EXPENSES									
EMPLOYEE RELATED EXPENSES									
COMPENSATION & TAXES	227,133	249,045	(21,912)	(8.80%)	227,133	249,045	(21,912)	(8.80%)	Open positions & Deferred Comp.
BENEFITS	22,294	28,499	(6,205)	(21.77%)	22,294	28,499	(6,205)	(21.77%)	
TEMPORARY HELP	3,787	-	3,787	0.00%	3,787	-	3,787	0.00%	
EDUCATION & DEVELOPMENT	337	-	337	0.00%	337	-	337	0.00%	
TRAVEL & AUTO	7,334	11,000	(3,666)	(33.33%)	7,334	11,000	(3,666)	(33.33%)	
TOTAL EMPLOYEE RELATED EXPENSES	260,885	288,544	(27,658)	(9.59%)	260,885	288,544	(27,658)	(9.59%)	
PROFESSIONAL SERVICES									
CONSULTING, LEGAL & ADMIN	64,390	51,335	13,055	25.43%	64,390	51,335	13,055	25.43%	
LOAN EXPENSE & BANK FEE	224,280	223,897	383	0.17%	224,280	223,897	383	0.17%	
ACCOUNTING & AUDITING	27,587	31,392	(3,805)	(12.12%)	27,587	31,392	(3,805)	(12.12%)	
MARKETING GENERAL	3,623	20,833	(17,210)	(82.61%)	3,623	20,833	(17,210)	(82.61%)	
FINANCIAL ADVISORY	29,566	29,167	399	1.37%	29,566	29,167	399	1.37%	
CONFERENCE/TRAINING	550	1,700	(1,150)	(67.65%)	550	1,700	(1,150)	(67.65%)	
MISCELLANEOUS PROFESSIONAL SERVICES	1,758	5,250	(3,493)	(66.52%)	1,758	5,250	(3,493)	(66.52%)	
DATA PROCESSING	1,202	3,200	(1,998)	(62.44%)	1,202	3,200	(1,998)	(62.44%)	
TOTAL PROFESSIONAL SERVICES	352,955	366,774	(13,818)	(3.77%)	352,955	366,774	(13,818)	(3.77%)	
OCCUPANCY COSTS									
OFFICE RENT	23,681	26,709	(3,028)	(11.34%)	23,681	26,709	(3,028)	(11.34%)	
EQUIPMENT RENTAL AND PURCHASES	3,490	3,750	(260)	(6.93%)	3,490	3,750	(260)	(6.93%)	
TELECOMMUNICATIONS	5,043	5,667	(624)	(11.01%)	5,043	5,667	(624)	(11.01%)	
UTILITIES	641	750	(109)	(14.48%)	641	750	(109)	(14.48%)	
DEPRECIATION	3,783	4,750	(967)	(20.36%)	3,783	4,750	(967)	(20.36%)	
INSURANCE	1,151	1,167	(16)	(1.36%)	1,151	1,167	(16)	(1.36%)	
TOTAL OCCUPANCY COSTS	37,790	42,793	(5,003)	(11.69%)	37,790	42,793	(5,003)	(11.69%)	
GENERAL & ADMINISTRATION									
OFFICE SUPPLIES	5,780	7,833	(2,053)	(26.21%)	5,780	7,833	(2,053)	(26.21%)	
BOARD MEETING - EXPENSES	3,738	2,667	1,071	40.14%	3,738	2,667	1,071	40.14%	
PRINTING	1,174	1,167	7	0.58%	1,174	1,167	7	0.58%	
POSTAGE & FREIGHT	2,442	2,917	(475)	(16.28%)	2,442	2,917	(475)	(16.28%)	
MEMBERSHIP, DUES & CONTRIBUTIONS	892	2,875	(1,983)	(68.97%)	892	2,875	(1,983)	(68.97%)	
PUBLICATIONS	5,408	167	5,241	3,138.59%	5,408	167	5,241	3,138.59%	
OFFICERS & DIRECTORS INSURANCE	13,500	13,500	-	0.00%	13,500	13,500	-	0.00%	
MISCELLANEOUS	-	167	(167)	(100.00%)	-	167	(167)	(100.00%)	
TOTAL GENERAL & ADMINISTRATION EXPENSES	32,934	31,293	1,641	5.24%	32,934	31,293	1,641	5.24%	
LOAN LOSS PROVISION	25,000	25,000	-	0.00%	25,000	25,000	-	0.00%	
OTHER									
INTEREST EXPENSE	736	717	19	2.62%	736	717	19	2.62%	
TOTAL OTHER	736	717	19	2.62%	736	717	19	2.62%	
TOTAL EXPENSES	710,301	755,120	(44,819)	(5.94%)	710,301	755,120	(44,819)	(5.94%)	
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS)	334,639	138,902	195,737	140.92%	334,639	138,902	195,737	140.92%	
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	(177)	(16,667)	16,490	(98.94%)	(177)	(16,667)	16,490	(98.94%)	
NET INCOME/(LOSS)	334,463	122,235	212,227	173.62%	334,463	122,235	212,227	173.62%	

Illinois Finance Authority
Consolidated
Statement of Activities
Comparison
July 2005 and July 2006

	Actual July 2006	Actual July 2005	Current Month Variance	Current % Variance	Actual YTD FY 2007	Actual YTD FY 2006	Year to Date Variance	YTD % Variance
REVENUE								
INTEREST ON LOANS	265,148	67,915	197,234	290.41%	265,148	67,915	197,234	290.41%
INVESTMENT INTEREST & GAIN(LOSS)	187,282	(41,042)	228,323	(556.32%)	187,282	(41,042)	228,323	(556.32%)
ADMINISTRATIONS & APPLICATION FEES	495,666	213,853	281,813	131.78%	495,666	213,853	281,813	131.78%
ANNUAL ISSUANCE & LOAN FEES	85,922	108,860	(22,938)	(21.07%)	85,922	108,860	(22,938)	(21.07%)
OTHER INCOME	10,923	3,805,767	(3,794,844)	(99.71%)	10,923	3,811,982	(3,801,059)	(99.71%)
TOTAL REVENUE	1,044,941	4,155,352	(3,110,412)	(74.85%)	1,044,941	4,161,568	(3,116,627)	(74.89%)
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	227,133	252,667	(25,534)	(10.11%)	227,133	252,667	(25,534)	(10.11%)
BENEFITS	22,294	27,516	(5,222)	(18.98%)	22,294	27,516	(5,222)	(18.98%)
TEMPORARY HELP	3,787	4,228	(441)	(10.43%)	3,787	4,228	(441)	(10.43%)
EDUCATION & DEVELOPMENT	337	-	337	0.00%	337	-	337	0.00%
TRAVEL & AUTO	7,334	4,165	3,169	76.10%	7,334	4,165	3,169	76.10%
TOTAL EMPLOYEE RELATED EXPENSES	260,885	288,576	(27,690)	(9.60%)	260,885	288,576	(27,690)	(9.60%)
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	64,390	37,100	27,290	73.56%	64,390	37,100	27,290	73.56%
LOAN EXPENSE & BANK FEE	224,280	(958,924)	1,183,203	(123.39%)	224,280	(958,924)	1,183,203	(123.39%)
ACCOUNTING & AUDITING	27,587	33,423	(5,836)	(17.46%)	27,587	33,423	(5,836)	(17.46%)
MARKETING GENERAL	3,623	2,453	1,170	47.71%	3,623	2,453	1,170	47.71%
FINANCIAL ADVISORY	29,566	8,000	21,566	269.58%	29,566	8,000	21,566	269.58%
CONFERENCE/TRAINING	550	-	550	0.00%	550	-	550	0.00%
MISCELLANEOUS PROFESSIONAL SERVICES	1,758	-	1,758	0.00%	1,758	-	1,758	0.00%
DATA PROCESSING	1,202	1,581	(379)	(23.98%)	1,202	1,581	(379)	(23.98%)
TOTAL PROFESSIONAL SERVICES	352,955	(876,367)	1,229,322	(140.27%)	352,955	(876,367)	1,229,322	(140.27%)
OCCUPANCY COSTS								
OFFICE RENT	23,681	15,433	8,248	53.44%	23,681	15,433	8,248	53.44%
EQUIPMENT RENTAL AND PURCHASES	3,490	1,873	1,617	86.35%	3,490	1,873	1,617	86.35%
TELECOMMUNICATIONS	5,043	4,325	718	16.61%	5,043	4,325	718	16.61%
UTILITIES	641	638	4	0.59%	641	638	4	0.59%
DEPRECIATION	3,783	1,798	1,985	110.44%	3,783	1,798	1,985	110.44%
INSURANCE	1,151	735	416	56.64%	1,151	735	416	56.64%
TOTAL OCCUPANCY COSTS	37,790	24,801	12,989	52.37%	37,790	24,801	12,989	52.37%
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	5,780	7,161	(1,380)	(19.28%)	5,780	7,161	(1,380)	(19.28%)
BOARD MEETING - EXPENSES	3,738	2,493	1,244	49.90%	3,738	2,493	1,244	49.90%
PRINTING	1,174	-	1,174	0.00%	1,174	-	1,174	0.00%
POSTAGE & FREIGHT	2,442	1,716	727	42.35%	2,442	1,716	727	42.35%
MEMBERSHIP, DUES & CONTRIBUTIONS	892	2,019	(1,127)	(55.82%)	892	2,019	(1,127)	(55.82%)
PUBLICATIONS	5,408	373	5,035	1,350.06%	5,408	373	5,035	1,350.06%
OFFICERS & DIRECTORS INSURANCE	13,500	8,699	4,801	55.19%	13,500	8,699	4,801	55.19%
TOTAL GENERAL & ADMINISTRATION EXPENSES	32,934	22,461	10,474	46.63%	32,934	22,461	10,474	46.63%
LOAN LOSS PROVISION	25,000	25,000	-	0.00%	25,000	25,000	-	0.00%
OTHER								
INTEREST EXPENSE	736	781	(45)	(5.80%)	736	781	(45)	(5.80%)
TOTAL OTHER	736	781	(45)	(5.80%)	736	781	(45)	(5.80%)
TOTAL EXPENSES	710,301	(514,748)	1,225,049	(237.99%)	710,301	(514,748)	1,225,049	(237.99%)
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS)	334,639	4,670,100	(4,335,461)	(92.83%)	334,639	4,676,316	(4,341,676)	(92.84%)
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	(177)	-	(177)	0.00%	(177)	-	(177)	0.00%
NET INCOME/(LOSS)	334,463	4,670,100	(4,335,637)	(92.84%)	334,463	4,676,316	(4,341,853)	(92.85%)

IFA Aging Report - Loans

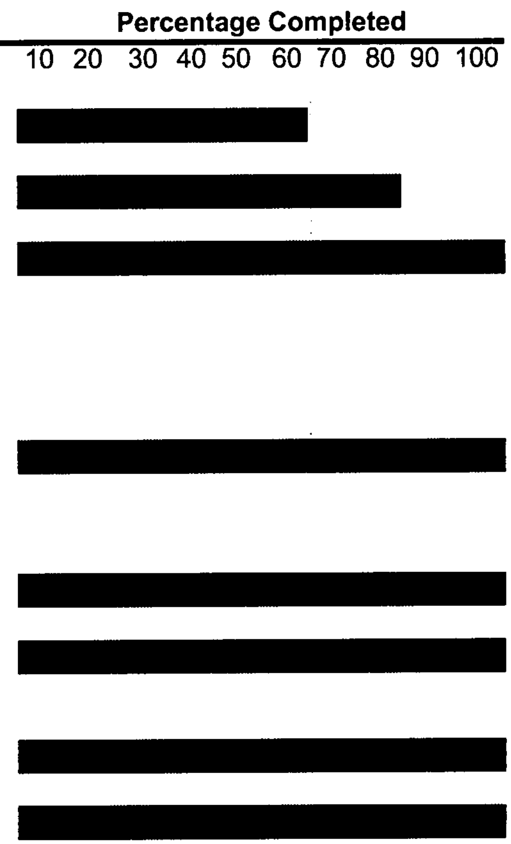
July 31, 2006

Client#	Client Name	Date of Closing	P.A	Payment 7/31/2006	Original Loan Amt	1 - 30 days	31 - 60 days	61 -90 days	Past Due 91-180 days	181-days - 1 Year	Over 1 Year	Loan Balance 7/31/2006
PARTICIPATION LOANS												
9580-pl	Act Bending & Steel Company, Inc.	4/3/2001		Past Due	300,000						143,236	143,236
9879-PL	Alexis Fire Equipment	3/4/2004	Senica	Yes	247,611							117,475
	American Allied Freight Car Co. Inc.	3/23/2005	Senica	Yes	246,766							212,369
9830-PL	Arnold, Michael & Sandy	7/15/2003	Senica	Yes	147,407							132,151
9677-PL	Berry, Todd (Precision Laser)	11/5/2001	Senica	Yes	188,613							144,104
2110-PL	Bob Brady Dodge, Inc. (J & C Investment)	1/4/2000	Senica	Yes	300,000							210,807
9757-PL	Brahler, Richard W.	4/30/2002	Senica	Yes	297,592							261,202
	Bramm, Karen	3/22/2005	Reed	Annual Payment	847,739							835,251
1943-PL	Bushert, Forrest D.	8/10/1998	Senica	Yes	240,000							165,406
1881-PL	Caywood's Youth Center, Inc.	6/16/1998	Pigg	Yes	237,500							172,091
9792-PL	Chapman, Marc (Quality Water Sev. Inc)	10/25/2002	Senica	Yes	227,387							148,228
9817-PL	Centurion Investments	11/4/2003	Pigg	Yes	300,000							278,336
	Community Memorial Hospital Association	4/19/2006	Senica	Yes	389,000							378,802
9588-PL	Cushing, Steve & Ed	5/21/2001	Pigg	Yes	149,238							79,392
	DayOne Network	7/14/2006	Trout	New Loan	487,500							487,500
	Deli Star Corporation	1/10/2005	Pigg	Yes	150,000							28,307
	Doreen's Pizza Inc.	4/27/2006	Curtis-Martin	No	69,289	570						68,140
	Doreen's Pizza Inc.	4/27/2006	Curtis-Martin	Yes	285,364							282,049
	DVA Development, LLC	6/30/2006	Senica	Yes	500,000							499,120
	Earl & Sue Hesterberg	10/25/2005	Bittner	Annual Payment	103,500							100,000
9835-PL	Eagle Theater Corporation	9/8/2003	Trout/Albright	Yes	295,071	2,304						255,779
	Excel Crusher Technologies	4/19/2005	Senica	Yes	1,000,000							790,408
9793-PL	Excel Foundry	3/27/2003	Senica	Yes	237,112							166,256
	Excel Foundry	5/24/2005	Senica	Yes	762,562							640,537
	Excel Foundry	4/20/2006	Senica	Yes	926,349							893,218
	Robert and Phyllis Fleming	4/20/2006	Reed	Yes	62,500							58,552
	Flower Properties, LLC	3/2/2006	Senica	yes	300,000	2,310						294,917
	Freeport Area Economic Development	3/13/2006	Frampton	Yes	211,905							209,163
	GPM Manufacturing Inc.	4/4/2006	Curtis-Martin	Yes	208,188							197,574
	Jeffrey J. Gutzwiller	12/8/2005	Senica	Yes	135,168							132,026
	Jeffrey Stark & Michael Haag	1/25/2006	Reed	Quarterly Pymnt/	222,915							213,914
	Jay and Collen Baxter	6/30/2006	Senica	New Loan	101,842							101,842
	James and Justin Beard	6/30/2006	Senica	New Loan	79,010							79,010
	Ray and Loretta Aden	12/29/2005	Reed	Annual Payment	150,000							117,500
1904-PL	Hagel & Leong (2nd loan)	2/8/2002	Senica	Yes	100,817							12,838
9726-PL	Kevin Krosse	2/15/2002	Senica	Yes	114,084	990						87,411
9783-PL	Keyser, David (Klean Wash, Inc.)	8/13/2002	Senica	Yes	100,000							36,911
	Kenneth & Virginia Lasater	9/14/2005	Reed	Annual Payment	443,594							443,594
	Kophamer Grain	11/14/2005	Bittner	Quarterly Pymnt/	241,000							235,696
1907-PL	Lincoln Tool Company	6/12/1997	Senica	Yes	150,000						101,467	101,467
	Madonna L. Morell	2/15/2006	Reed	Annual Payment	200,000							200,000
	Macon Metal Products	6/14/2006	Senica	New Loan / Pymnt Yes	87,962							85,966
	Mark & Sara Lefler	3/1/2006	Reed	Yes	120,000							115,685
	Martin & Rebecca Koster	7/27/2005	Reed	Quarterly Pymnt	200,000							193,418
1927-PL	Moerchen, William J.	6/12/1997	Pigg	Yes	300,000							57,643
	Network Innovations, Inc.	2/17/2005	Curtis-Martin	Yes	520,000							506,999
	Newline Harwoods, Inc	11/4/2004	Senica	Yes	294,601							229,219
	Octochem	12/31/2003	Pigg	No	281,538	1,999	1,999					258,588
	P & P Press	1/24/2006	Senica	Yes	642,008							616,104
	Perkins & Perkins Ltd. Partnership	8/23/2005	Senica	Yes	165,191							135,160
	Roesch, Inc	9/23/2004	Pigg	Yes	294,368							251,905
	Darrel Runge	3/7/2006	Reed	Annual Payment	236,000							236,000
	Rutger, Alan & Kimberly	2/10/2006	Reed	Annual Payment	322,000							322,000
9781-PL	S & B Investments	2/18/2003	Pigg/Trout	Yes	197,889							165,125
9699-PL	Shults Machine	11/26/2002	Pigg	No	234,693	2,800						161,452
9579-PL	Siebenberger, Douglas & Robt. Ewen	5/17/2002	Pigg	Yes	235,699							199,963
9225-PL	Siracusa, Charles & Sharon	3/23/2000	Frampton	Yes	300,000	2,121						229,349
1869-PL	Specialty Machine & Tool, Inc.	4/2/1997	Cochran	Past due	87,173						71,943	71,943
	Spaulding Composites, Inc	3/23/2005	Curtis-Martin	Yes	622,508							589,653
	Soylutions	6/9/2006	Pigg/Trout	Yes	800,000							794,777
	Steve Birch	6/23/2006	Reed	Annual Payment	126,760							126,760
	TRH Properties	7/24/2006	Senica	New Loan	285,000							285,000
9671-PL	Upchurch Oil & Ready Mix Concrete	5/4/2001	Pigg	yes	300,000	3,189						168,892
	Uresil	12/1/2004	Curtis-Martin	Yes	300,000							230,508
	Vee Properties South, LLC	6/30/2006	Curtis-Martin	yes	997,524							995,049
9631-PL	The Weisiger Family Trust	4/6/2001	Senica	yes	250,000							215,277
2164-PL	Wiegand, Beth A.	6/10/1999	Senica	Yes	183,484							135,657
	Roy Wiegand	1/5/2006	Reed	Yes	172,800							161,782
9782-PL	Wilson, Michael L. Sr.	12/6/2002	Senica	No Past due	296,032						269,811	269,811
	WorkSaver Inc	12/31/2003	Pigg	Yes	112,500							59,938
9672-PL	Young, Clinton (Precision Pattern)	8/1/2001	Senica	Interest Payment only	149,601							138,556
PL-Motion Picture Financing												
9733-PL/MPF	Big Picture Chicago,LLC	2/20/2002			82,500						16,432	16,432
9739-PL/MPF	SMS Productions	7/29/2002	Trout		49,270							-
	TOTAL				22,196,917	16,283	1,999	-	-	-	602,888	18,037,187
PL/MPF Late amounts are estimates.												
DL Loans												
98	Roe Machine Co.	12/31/1980	Pigg	Paid off 3/31/06	45,000							-
1470	T.K.G. Inc.	8/26/1994	Pigg	Past due	179,000						107,808	107,808
	TOTAL				224,000	-	-	-	-	-	107,808	107,808
FMHA Loans												
9627	Grayson Hill Energy, LLC	1/31/2001	Pigg	Yes	130,000							69,255
1952	Sublette Developers, Inc.	1/15/1998	Albright	NO	150,000	1,110						103,413
9643	Ultra Play Systems, Inc.	5/3/2001	Pigg	Yes Not Posted	90,000	1,315						29,665
	Derel's BBQ	12/1/2005	Pigg	Yes	108,688							104,332
	TOTAL				678,688	2,425	-	-	-	-	-	306,665
Municipalities												
	Beach Park Community Consolidated School	3/14/2006	Myers	Paid in full	1,500,000							-
	Austin Township	3/1/2005	Myers	No pymnt due	85,000							76,500
	Village of Montrose	5/10/2006	Watson	No pymnt due	72,750							72,750
	TOTAL					-	-	-	-	-	-	149,250
	Illinois Facilities Fund	2/10/2000		No pymnt due	1,000,000	-	-	-	-	-	-	1,000,000
	TOTAL				1,000,000	-	-	-	-	-	-	1,000,000
	-											
	GRAND TOTAL					18,708	1,999	-	-	-	710,695	19,600,909

Illinois Finance Authority
FY 04/05 Audit Findings
Update as of July 31, 2006

Total Number of 14

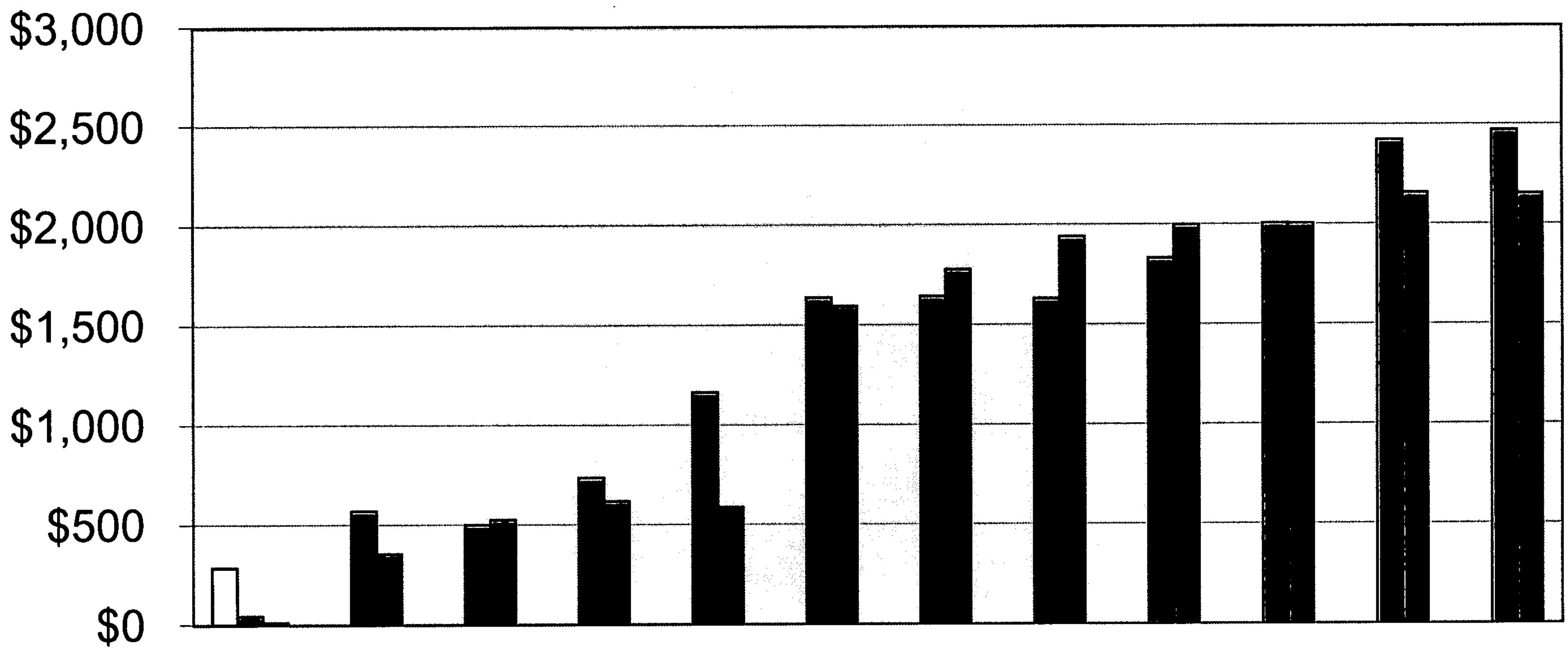
Item Number	Description	Status Action Items/ Action Items Completed
FY 04 Findings		
05-03	Failure to Monitor Bond Compliance	5/8
05-04	Non Compliance with Illinois Procurement Code and SAMS	2/3
05-05	Voucher Processing Controls Need to be Improved	**Complete**
FY 05 Findings		
05-01	Noncompliance with the State Officers and Employees Money Disposition ACT	**Complete**
05-02	Noncompliance with the Personnel Code	Under Review
05-06	Untimely Submission of Qrtly State Property Reports	**Complete**
05-07	Untimely Submission of Receipt Deposits Transmittals	**Complete**
05-08	Noncompliance with Printing Requirements of Procurement Code	**Complete**
05-09	Lack of Interest Rate Risk and Credit Risk Policy	**Complete**



<50% = Partially Completed or under review	1
60% = Substantially Completed	2
100% = Completed	6

Cumulative Net Income

Non-Appropriated



	July	Aug	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun
FY 2007 Actual	$285											
FY 2007 Plan	$44	$570	$501	$733	$1,161	$1,636	$1,642	$1,630	$1,832	$2,005	$2,420	$2,467
Actual FY06	$12	$356	$524	$618	$586	$1,592	$1,778	$1,940	$1,998	$2,004	$2,157	$2,152

(In thousands)

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 11:30 a.m., on July11, 2006 at the Plaza Club, One Prudential Plaza, 130 E. Randolph Street, 40th floor, Chicago, Illinois:

Members present:
David C. Gustman, Chairman
Michael W. Goetz
Dr. Roger D. Herrin
Edward H. Leonard, Sr.
Terrence M. O'Brien
Andrew W. Rice
Juan B. Rivera
Lynn F. Talbott
Joseph P. Valenti
Bradley A. Zeller

Members abseut:
Magda M. Boyles
Ronald E. DeNard
Demetris A. Giannoulias
Martin H. Nesbitt

Members participating by telephone:
James J. Fuentes

GENERAL BUSINESS

Call to Order and Roll Call

Chairman Gustman called the meeting to order at 11:34 a.m. with the above members present. Chairman Gustman asked Carla Burgess Jones, Secretary, to call the roll. Ms. Burgess Jones called the roll. There being ten (10) members physically present and one (1) member present by telephone, Ms. Burgess Jones declared a quorum present.

Interim Executive Director's Report

Chairman Gustman welcomed everyone present and asked Interim Executive Director Rendleman to give her report. Interim Executive Director Rendleman announced that going into fiscal year 2007 that the Authority continues to exceed performance plans and that the Authority issued over $5B in approved transactions for bond transactions. Director Rendleman then announced that there would be 26 projects presented to the Board for approval at the meeting.

Director Rendleman thanked IFA staff for their hard work during fiscal year 2006 and introduced those staff members that were present at the meeting.

Acceptance of Financial Statements and Fiscal Year 2007 Budget

Financial statements for period ending June 30, 2006 were accepted by all board members present.

Chairman Gustman asked for a motion to approve the Fiscal Year 2007 Budget. Chairman Gustman noted that the Fiscal Year 2007 Budget had previously been reviewed and discussed by the Board. Upon a motion by Mr. Valenti and seconded by Mr. Goetz. Approval of the FY 2007 Budget was unanimously approved by all members present and by Mr. Fuentes via telephone.

Minutes

Chairman Gustman requested leave to apply the last unanimous vote to accept the minutes of the IFA's board meeting held on June 13, 2006. Leave was granted and minutes of the June 13, 2006 meeting were approved with 11 ayes, 0 nays, and 0 abstentions.

Projects

Chairman Gustman asked Interim Executive Director Rendleman to present the projects for consideration to the Board. Chairman Gustman reminded everyone that the Board considered each of the projects to be presented in detail at the 8:30 a.m. meeting of the Committee of the Whole. Director Rendleman presented the following projects to the Board for approval:

No. 1: A-SG-TX-6145 – Gordon R. and Denise A. McClure
Request for final approval of the issuance of a Specialized Livestock Guarantee in an amount not-to-exceed $518,000 to provide permanent financing of a 2,000 head swine finishing building. **(06-07-01).**

No. 2: A-DR-TX-GT-6121 – Lloyd E. Stribling, II
Request for final approval of the issuance of a Restructuring Agri Debt Guarantee in an amount not-to-exceed $199,043 to extend a prior agri debt guarantee loan for an additional ten years. **(06-07-02).**

No. 3: A-DR-GT-6144 – Mark A. Komnick
Request for approval of an Agri Debt Guarantee in an amount not-to-exceed $150,000 to refinance three existing equipment loans. **(06-07-03).**

Chairman Gustman asked if there were any guests attending the meeting with respect to project Nos. 1 through 3. There being none, Chairman Gustman asked if the Board had any questions with respect to project Nos. 1 through 3. There being none, Chairman Gustman requested leave to record the last unanimous vote in favor of the projects. Leave was granted. The projects were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 4: A-ID-TX-CD-6119 and A-AI-TX-GT-6120 – Biodiesel Investment Group, LLC
Request for preliminary approval of a Taxable Industrial Revenue Bond and an Agri-Industry Guarantee in amounts not-to-exceed $30,000,000 and $15,000,000 respectively to finance construction of a biodiesel plant. This project is expected to create 15 new jobs. **(06-07-04).**

No. 5: <u>**B-LL-TX-XXX – Mark and Linda Priest**</u>

Request for preliminary approval of an Agricultural Participation Loan in an amount not-to-exceed $332,500 to provide permanent financing for farm equipment and purchase of farm land. This project is expected to create 1 new job. **(06-07-05).**

No. 6: <u>**B-LL-TX-6147 – Tony Nohl**</u>

Request for preliminary approval of an Agricultural Participation Loan in an amount not-to-exceed $90,000 to provide permanent financing for a farm shed. **(06-07-06).**

No. 7: <u>**A-LL-TX-6112 – Agri-Wind LLC, Agri-Wind Project LLC**</u>

Request for preliminary approval of an Agricultural Participation Loan in an amount not-to-exceed $2,000,000 for the purpose of providing permanent financing for the purchase and installation of wind turbines. Funds to purchase the loan will be funded by the RED Fund's $4M grant. This project is expected to create 12 construction jobs. **(06-07-07).**

Chairman Gustman asked if there were any guests attending the meeting with respect to the Agri-Wind. Eric Reed introduced Matt Kaufman, Developer/Owner who provided an overview of the Agri-Wind project.

No. 8: <u>**A-LL-TX-6149 – Oak Prairie Wind Farm LLC**</u>

Request for preliminary approval of an Agricultural Participation Loan in an amount not-to-exceed $2,000,000 to provide permanent financing for the purchase of wind turbines. Funds to purchase the loan will be funded by the RED Funds's $4M grant. This project is expected to create 3 new jobs and 40 construction jobs. **(06-07-08)**

No. 9: <u>**A-ID-TE-CD-6103 – Sunrise Ag Service Company**</u>

Request for final approval of an Industrial Revenue Bond to purchase land, machinery and equipment, fund building costs and legal, professional and engineering costs in an amount not-to-exceed $5,500,000. This project is expected to create 9 new jobs and 35 construction jobs. Volume Cap in the amount of $5,500,000 will be required for the project. **(06-07-09)**

No. 10: <u>**A-FB-TE-CD-6130 – Scott E. Campbell, A-FB-TE-CD-6131 – Robert Maulding, A-FB-TE-CD-6132 – Bruce & Teresa Ochs**</u>

Request for final approval of Beginning Farmer Bonds to purchase farmland in respective amounts not-to-exceed $129,500, $72,000 and $90,000. **(06-07-10)**

Chairman Gustman asked if there were any other guests attending the meeting with respect to project Nos. 4 through 10. There being none, Chairman Gustman asked if the Board had any questions with respect to project Nos. 4 through 10. There being none, Chairman Gustman requested leave to record the last unanimous vote in favor of the projects. Leave was granted. The projects were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 11: **H-HO-TE-CD-6133 – Kewanee Hospital**

Request for final approval of the issuance of 501c3 Bonds in an amount not-to-exceed $45,000,000 for the purpose of: (i) funding new projects; (ii) reimbursing prior capital expenditures; (iii) refinancing certain outstanding debt; (iv) funding a debt service reserve fund; (v) funding capitalized interest and (vi) paying costs of issuance. This project is expected to create 150-175 construction jobs. **(06-07-11).**

Chairman Gustman asked if there were any guests attending the meeting with respect to this project. Pamela Lenane introduced Kelly Arduino, VP of Raymond James & Associates, Underwriter for the project. Ms. Arduino thanked the IFA for assisting her client with their funding needs.

No. 12: **H-SL-RE-TE-CD-6109 – Lutheran Hillside Village**

Request for final approval of the issuance of 501c3 Bonds in an amount not-to-exceed $50,000,000 for the purpose of: (i) funding an escrow to advance refund outstanding Series 2001A and Series 2001B Bonds; (ii) funding a debt service reserve fund; and (iii) paying costs of issuance relating to the bonds. **(06-07-12).**

No. 13: **H-SL-RE-TE-CD-6012 – Three Crowns Park**

Request for final approval of the issuance of 501c3 Bonds in an amount not-to-exceed $65,000,000 for the purpose of: (i) paying for development, marketing, construction and other related costs associated with the redevelopment project; (ii) establishing debt service reserve funds; (iii) funding interest payments, letter of credit, remarketing and other fees and ongoing issuance costs for a period of approximately 24 months and (iv) paying certain costs of issuance related to the bonds. This project is expected to create 40 new jobs and 125 construction jobs. **(06-07-13).**

Chairman Gustman asked if there were any guests attending the meeting with respect to this project. Dennis Trauvetter, CFO, Three Crowns Park provided an overview of the project.

No. 14:H-HO-TE-CD-6014 – Rush University Medical Center Obligated Group

Request for final approval of 501c3 Bonds for the purpose of refinancing outstanding IHFA bonds, (Series 1983, 1989A, 1993, 1996A and 1998B), reimburse capital expenditures, fund debt service reserve and pay issuance costs in an amount not-to-exceed $250,000,000. **(06-07-14).**

Chairman Gustman asked if there were any guests attending the meeting with respect to this project. Pamela Lenane introduced Catherine Johnson, Sr. VP, CFO and Treasurer of Rush provided an overview of the project.

Chairman Gustman asked if there were any other guests attending the meeting with respect to project Nos. 11 through 14. There being none, Chairman Gustman asked if the Board had any questions with respect to project Nos. 11 through 14. There being none, Chairman Gustman requested leave to record the last unanimous vote in favor of the projects. Leave was granted. The projects were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 15: <u>E-NP-TE-CD-6139 – Victory Gardens Theater</u>

Request for preliminary approval of the issuance of a 501c3 Bonds in an amount not-to-exceed $6,000,000 for the purpose of financing construction of a new theatre for the Victory Gardens Theatre to be located in the Biograph Theatre and to finance other related renovations. This project is expected to create 3 new jobs and 170 construction jobs. **(06-07-15).**

Chairman Gustman asked if there were any guests attending the meeting with respect to this project. Townsend Albright introduced Michael Cleavenger, Director of Institutional Advancement, who provided an overview of the project.

No. 16: <u>N-NP-TE-CD-6136 – Oak Park Residence Corporation</u>

Request preliminary approval of the issuance of 501c3 Revenue Bonds in an amount not-to-exceed $3,000,000 for the purpose of refinancing existing debt, acquisition of a building and land and pay certain issuance costs. **(06-07-16)**.

Chairman Gustman asked if there were any guests attending the meeting with respect to this project. Sharnell Curtis-Martin introduced Ed Solan, Executive Director who provided an overview of the project.

No.17: <u>N-NP-TE-CD-6137 – Lawrence Hall Youth Services</u>

Request preliminary approval of 501c3 Revenue Bonds in an amount not-to-exceed $15,000,000 for the purpose of financing construction, rehabilitation, acquisition of machinery and equipment, capitalized interest and pay certain issuance costs. This project is expected to create 150 construction jobs. **(06-07-17).**

Chairman Gustman asked if there were any guests attending the meeting with respect to this project. Sharnell Curtis-Martin introduced Mark Nufer, CFO who provided an overview of the project.

No.18: <u>N-NP-TE/TX-CD-6068- Chicago Christian Industrial League</u>

Request final approval of 501c3 Revenue Bonds in an amount not-to-exceed $11,000,000 for the purpose of financing acquisition of land, construction and pay certain issuance costs. The Authority will fund a debt service reserve fund for $500,000 as credit enhancement for the bonds. This project is expected to create 11 new jobs and 95 construction jobs. **(06-07-18).**

No.19: <u>L-GO-MO – Local Government 2006-B Pool</u>

Request final approval of a Local Government Pooled Bond in an amount not-to-exceed $5,000,000 for the purpose of improving water and sewer systems. These bonds will be backed by a pledge of the State's moral obligation. **(06-07-19).**

No. 20: LSD-TE-CD-6122 – Waterloo Community Unit School District Number 5

Request final approval for the issuance of bonds in an amount not-to-exceed $41,000,000 for the purpose of financing costs of building a new high school and refinancing long term debt. This project is expected to create 40 construction jobs. **(06-07-20).**

Chairman Gustman asked if the Board had any questions with respect to project Nos. 15 through 20. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of project Nos. 15 through 20. Leave was granted. The projects were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 21: B-LL-TX-6146 – Richards Excavating Inc.

Request for final approval of a Participation Loan in an amount not-to-exceed $72,500 for the purpose of purchasing a Case CX 210 Excavator for farm waterway work. This project is expected to create 3 new jobs. **(06-08-21).**

No. 22:B-LL-TX-6148 – The Bank of Edwardsville, Trust No. 1104

Request for final approval of a Participation Loan in an amount not-to-exceed $714,000 for the purpose of providing permanent financing of a new building. This project is expected to create 7 new jobs and 45 construction jobs. **(06-07-22).**

Chairman Gustman asked if the Board had any questions with respect to project Nos. 20 and 21. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of project Nos. 21 and 22. Leave was granted. The projects were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 23: LI-ID-TE-CD-6142 – Ezine, Inc. and 4343 W. Belmont

Request preliminary approval of an Industrial Revenue Bond in an amount not-to-exceed $4,500,000 for the purpose of construction and equipping a building addition, finance and refinance the acquisition and renovation and equipping of an adjacent building that will enable consolidation and expand Ezine's operations at a single location. This project is expected to create 150 new jobs and 25 construction jobs. **(06-07-23).**

Chairman Gustman asked if there were any guests attending the meeting with respect to this project. Mr. Frampton introduced Mr. Ridvan Tatargil, President, Ezine, Inc. Mr. Tatargil provided a brief overview of the project.

Chairman Gustman requested a roll call vote to approve project no. 23. The project was approved with 10 ayes, 0 nays, and 1 abstention (Valenti). Mr. Valenti abstained from voting on the project because his bank will be the lender/bond purchaser.

No. 24: E-PC-TE-CD-6121 – Northern Illinois University Foundation

Request final approval of 501c3 Bonds in an amount not-to-exceed $15,495,000 for the purpose of financing construction of a new academic and athletic performance center for Northern Illinois University. This project is expected to create one new job and 19 construction jobs over a 13 month period. **(06-06-33).**

Chairman Gustman requested a roll call vote to approve project no. 24. The project was approved with 10 ayes, 0 nays, and 0 abstentions. Mr. Fuentes exited the phone and did not vote on project no. 24.

Resolutions/Project Revisions/Amendatory Resolutions

No. 25: N-NP-TE/TX-CD-6032- Noble Network of Charter Schools
Request approval to increase the bond size and add a taxable bond issue in an amount not-to-exceed $200,000 to pay for costs of issuance.**(06-07-25).**

No. 26: N-NP-TE/TX-CD-6031 – Aspira, Inc. of Illinois.
Request approval to increase the bond size and add a taxable bond issue in an amount not-to-exceed $400,000 to pay for costs of issuance. **(06-07-26)**.

No. 27: N-NP-TE/TX-CD-6030 – UNO Charter School Network
Request approval to increase the bond size and add a taxable bond issue in an amount not-to-exceed $1,500,000 to pay for costs of issuance and refinance existing debt. **(06-07-27).**

No. 28: 9672-PL – Clinton L. Young
Request approval to extend a Participation Loan for a period of 5 years. **(06-07-28).**

No. 29: Excel Foundry and Machine Inc.
Request approval to allow FFE Minerals USA to purchase 100% of the ownership interest of Excel Foundry and Mechanics Inc. **(06-07-29).**

No. 30: B-LL-TX-6100 – Richard A. Mehall and Catherine L. Allen
Request to extend the term of its Participation Loan from 5 years to 10 years.**(06-07-30).**

No. 31: Long Creek Township
Request approval to increase bonding amount from $1,340,00 to $1,500,000. **(06-07-31).**

No. 32: Excel Crusher Technologies, LLC
Request to approval to allow FFE Minerals USA to purchase 100% of the ownership interests of Excel Crusher Technologies, LLC. **(06-07-32).**

Chairman Gustman asked if the Board had any questions with respect to project Nos. 25 through 32. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of project Nos. 25 through 32. Leave was granted. The projects were approved with 10 ayes, 0 nays, and 0 abstentions. Mr. Fuentes exited the phone line and did not vote on project Nos. 25 through 32.

Chairman Gustman asked if there was any other business to come before the Board. There being no further business Chairman Gustman requested a motion to adjourn. Upon a motion by Mr. Rivera and seconded by Mr. Zeller, the meeting adjourned at approximately 12:23 p.m.

Respectfully Submitted,

Carla B. Burgess Jones

Carla B. Burgess Jones, Secretary

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 8, 2006

Project: **Gary L. and Patricia R. Munson**

STATISTICS

Project Number:	A-GX-TX-GT-6163	Amount:	$197,000
Type:	Restructuring Ag Debt Guaranty	IFA Staff:	Cory Mitchell
Location:	Woodhull	SIC Code:	Grain

BOARD ACTION

Approval to Extend and 85% loan guarantee in favor of Farmers State Bank of Western Illinois.
$ 167,450 of State Treasurer's Agricultural Reserve Risk Funds at risk.
Staff recommends approval, subject to satisfying all conditions of the bank loan.

PURPOSE

Extend prior Agri-Debt guarantee loan in the amount of $197,000 with IFDA for additional 10 years on a 20 year amortization as loan has balooned. Original loan balance was $300,000.

VOTING RECORD

None. This is the first time that this project has been presented to the IFA Board of Directors.

SOURCES AND USES OF FUNDS

Sources:	IFA	$167,450	Uses:		
	Farmers State Bank	$29,550		Land	$197,000
	Total	**$197,000**		**Total**	**$197,000**

JOBS

Current employment:	2	Projected new jobs:	0
Jobs retained:	0	Construction jobs:	0

BUSINESS SUMMARY

Background: Gary Munson owns and farms 375 acres, split equally between cornand soybeans. He has no livestock, however rents his buildings to a neighbor who feeds cattle in Mr. Munson's feed lots. His liquidity position has beenconsistently over 2x the past six years. His leverage position, while always low, improved significantly in 2003 due to Munson inheriting farmland from his mother's estate. Prior to that the Munsons almost doubled the value of their ag real estate in 1999, either through acquisition or re-evaluation without increasing his debt levels.

Project Rationale: Extended loan will be for the renewal of a real estate mortgage for an additional twenty years, adjustable every 5 years. Collateral on this loan will be a first mortgage on 279 acres worth \$2600/acre conservatively, or \$725,500 total. This farm is located in Henry County Illinois near Woodhull. This extension will help The Munsons continue an efficient cash flow that they have been able to maintain due to the Agri-Debt Guarantee.

FINANCING SUMMARY

Borrower: Gary L. and Patricia R. Munson

Security: 1st REM on 279 acres of raw farm land

Structure: 10 year loan, 20 year amortization, adjustable every 5 years on the anniversary date at 2.5% over the 5 year treasury constant maturity yield. Amortized annual principal and interest payments over 20 years.

PROJECT SUMMARY

Extended loan will be for the renewal of a real estate mortgage for an additional twenty years, adjustable every 5 years. Collateral on this loan will be a first mortgage on 279 acres worth \$2600/acre conservatively, or \$725,500 total. This farm is located in Henry County Illinois near Woodhull. This extension will help The Munsons continue an efficient cash flow that they have been able to maintain due to the Agri-Debt Guarantee.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Gary L. and Patricia R. Munson

Location: 9245 N. 440th Ave.
Woodhull, IL 61490 County: Henry

Organization: Sole-Proprietor

Owner: Gary L. and Patricia R. Munson

PROFESSIONAL & FINANCIAL

Accountant: n/a

Attorney: n/a

Bank: Farmers State Bank of Western Illinois , Alpha, Illinois. Bridget Lake, Vice President

LEGISLATIVE DISTRICTS

Congressional:	State Senate:	State House:
14th	37th	74th
J. Dennis Hastert	Dale E. Risinger	Donald L. Moffitt

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY

Project: Biofuels Company of America, LLC

STATISTICS

Project Number:	A-AI-TX-GT-6120	Amount:	$15, 000,000 (not-to-exceed amount)
Type:	Agri-Industry Guarantee	IFA Staff:	Steven Trout
Location:	Danville	SIC Code:	311222 Soybean Processing

BOARD ACTION

Final Approval to extend an Agri-Industry Guarantee for approximately 61% (initially $15 million) in debt in favor of Fifth Third Bank
Up to $15,000,000 of State of Illinois Funds at Risk
Staff recommends approval, subject to:

- The Borrower meeting Fifth Third's terms for the loan
- Compliance with the Authority's Act and administrative guidelines for issuing agricultural guarantees
- Receipt of DCEO's grant letter and Fifth Third's executed commitment letter
- Execution of the Authority's standard guarantee documents with addendums to reflect the loan terms

PURPOSE

To finance the construction of a 45 million-biodiesel plant on the northeast corner of Bunge North America's existing soy oil processing plant at 321 East North Street in Danville.

IFA CONTRIBUTION & PROGRAM

The Authority's issuance its guarantee will reduce the Borrower's interest rate and improve the terms of financing for this project. The guarantee is being offered together with incentives offered by DCEO to encourage the Borrower to locate the plant in Illinois.

Under the Agri-Industry Guarantee program, the Authority guarantees up to 85% of a bank's loans to Illinois farmers and agribusiness owners. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve funded for this program and are also full faith and credit obligations of the State of Illinois.

VOTING RECORD

The Board gave its preliminary approval for this project on July 11, 2006 by the following vote:

Ayes: 11 Nays: 0 Abstentions: 0 Absences: 4 (Boyles, DeNard, Giannoulias & Nesbitt)

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Guaranteed Loan	$15,000,000	Uses:	Project Costs	$40,000,000
	Unguaranteed Loan:	9,500,000		Start-up Costs	900,000
	Investor Equity:	13,100,000		Closing Costs	700,000
	DCEO Grant:	4,000,000			
	Total	**$41,600,000**		**Total**	**$41,600,000**

The investors will provide Fifth Third with letters of credit for $3,340,000 to secure a debt service reserve.

JOBS

Current employment:	300	Projected new jobs:	15	
Jobs retained:	100	Construction jobs:	90	(6 months)

BUSINESS SUMMARY

Description: The Biofuels Company of America, LLC ("Biofuels" or "the Company") is an Illinois limited liability company that is being established to develop a biodiesel plant in Illinois. Biofuels is owned by the The Biodiesel Investment Group, LLC ("BIG") and Bunge North America. The project is being financed without recourse to the Company or its owners.

BIG is a Delaware Limited Liability Company that was established in 2005 to develop a biodiesel plant in the Midwest. It is owned by several Memphis investors. The four investors and Biofuels' President & CEO are residents of Tennessee.

The geographic positioning and agricultural environment in Illinois brought the investors to the state to pursue the construction and operation of a biodiesel plant. The founding members each have strong ties to the manufacturing and agricultural industries. All have been determined to be creditworthy and dedicated to the project's success.

Shortly after its formation, BIG entered into a partnership with Bunge North America ("BNA"), the North American operating arm of Bunge Limited. Bunge Limited is an integrated, global agribusiness and food company, which is founded in 1818 and is headquartered in White Plains, New York. Bunge has 23,500 employees in 32 countries. Bunge is the world's leading oilseed processing company, the largest supplier of fertilizer in South America, and leading seller of vegetable oil to consumers. Bunge Europe has been active in biodiesel production for over 10 years. In December 2005, Diester Industrie International ("D2i") was formed by Diester Industrie (60%) and Bunge (40%) joining biodiesel businesses and assets in France, Italy, Austria and Germany. The joint venture combines technical expertise, operating assets, oil crushing and refining sourcing and knowledge. Bunge has two additional biodiesel projects underway in Spain.

Bunge North America is a vertically integrated food and feed ingredient company, supplying raw and processed agricultural commodities and specialized food ingredients to the livestock, poultry, food processor, foodservice and bakery industries. BNA is headquartered in St. Louis. BNA and its subsidiaries operate grain elevators, oilseed processing plants, edible oil refineries and packaging facilities in the US, Canada and Mexico. BNA ha soybean crushing plants in Ohio (3), Indiana (2), Illinois (2), Iowa, Alabama, Kansas, Mississippi, Louisiana, and Ontario in addition to 4 soft seed crushing plants western Canada. BNA's participation as a leading crusher and refiner of oilseeds should ensure a stable supply of soy oil for this project.

Background: Biodiesel is renewable fuel derived from vegetable oil or animal fat. The principal feedstock in the US is soybean oil, with several plant built recently to utilize animal fat and/or waste oil as a primary or supplemental feedstock. Biodiesel in the US is typical produced from a chemical reaction of soybean oil and methanol and is commonly mixed with diesel fuel in blend ranging from 2% ("B2") and 20% ("B20"). Biodiesel has been used extensively in Europe since the 1990s. Use in the US has been limited by production capacity because its cost of production has not been competitive with diesel fuel until recently.

Biodiesel offers significant environment benefits over traditional diesel fuel. Burning B20 versus diesel, results in a 10% reduction in carbon monoxide,15% reduction in particulates, 10% reduction in hydrocarbons and a 20% reduction in sulfate. Biodiesel has been approved for use by major truck, car and equipment manufacturers and is readily useable in blends up to 20% for most diesel engines used in the US. Biodiesel has earned an ASTM quality designation for many blends that are commonly used today. Biodiesel blends as low as 2% offer superior lubricity conventional diesel, a trait, which will become increasingly valuable as federal mandates requiring use of ultra-low sulfur diesel are implemented over the next several years.

The Project: The plant will be located on the northeast corner of an existing BNA soybean crushing plant in Danville and will receive degummed soybean oil via pipes directly from BNA's storage tanks.

Fagen Inc., of Granite Falls, Minnesota, will be the general contractor for the plant. Fagen is the nation's leading builder of ethanol project with 30 years of experience and is nearing completion of a biodiesel plant in Delaware.

DeSmet Ballestra is a world leader in engineering oils and fats, oleo chemical technologies, detergent and surfactant technologies and soap technologies. DeSmet and its 15 affiliates have installed over 220 oleo chemical processes around the world over the past 40 years. DeSmet and Ballestra began operating as an integrated entity in early 2004. Bunge has used DeSmet Ballestra process equipment for oilseed processing and refining in the US and Europe for many years as well as biodiesel processing in Europe. They recently provided process equipment to Bunge's Liverno, Italy biodiesel plant that was constructed in 1992 and expanded in 2004.

Ambitech Engineering has engaged a project manager for the engineering and construction phases of the project. This person is now working under the direction of BNA's VP of Engineering and Operations.

The partnership contracted with Fagen to conduct a preliminary engineering study which was completed in mid-July. The estimating phase, to determine the maximum construction cost, was completed on July 24, 2006. Fagen expects construction to take 11 to 13 months with production of biodiesel to begin in mid-2007. Fagen will provide a turn-key approach to this project using Desmet process technology.

Government Support: Biodiesel and ethanol projects are supported by several federal and state programs. Key programs at the federal level include:

The Energy Policy Act of 1992 (EPAct of 1992), which requires state, federal and fuel provider fleets operating in metropolitan areas to use cleaner burning fuels, such as biodiesel. President Bush recently signed into law a renewable fuel standard that is designed to increase renewable use from a target of 4 billion gallons in 2006 to 7.5 billion gallons in 2012.

The US Treasury administers a $1 per gallon tax 'blender credit' that effectively reduces the price of biodiesel by $1 per gallon. This project will also qualify for producer tax credit of $0.10 per gallon for up to 15 million gallons a year.

Key programs at the State level include:

The Department of Revenue exempts retailers from State sales tax (currently 6.25%) on sales of B11 (diesel fuel blended with 11% biodiesel). The Department of Commerce and Economic Opportunity ("DCEO") offers a capital grant for up to $0.10 per gallon or $6,500,000 for the construction of new biofuels plants. DCEO is expected to announce its grants for FY 2007, including $4,000,000 for this project, very soon.

IFA staff is seeking Board approval for a guarantee for $15,000,000 or approximately 61% of debt for this project to encourage Biofuels to locate this project in Illinois. The investors are also considering sites in Mississippi, Indiana or Ohio, where Bunge has similar oil processing plants. Fagen has provided Biodiesel with capital cost estimates indicating that this plant could be built for $4 million to $6 million less and operated less expensively elsewhere because of reduced costs for labor and materials. A guarantee from IFA, together with the capital grant from DCEO, would significantly reduce the Company's cost of capital and eliminate this site's cost disadvantage.

Benefits to Illinois:

The Danville plant has operated at only around 80% of capacity in recent years because its economics are not competitive with similar plants located in the Western US cornbelt and South America. As a result, Bunge has had difficulty competitively pricing the soy oil produced there. With this project, biodiesel will replace soy oil as the plant's primary liquid product. Bunge anticipates that the plant will operate at much higher capacity and thereby solidify the long-term viability of its soy crushing operations and the 100 jobs that are currently devoted this activity.

Increased demand for soy oil, the feedstock for biodiesel, will increase demand for soybeans, which should result in higher soybean prices and income for area farmers. Biodiesel production requires 10% more inbound volume in the form of methanol and 10% more outbound volume in the form of glycerin. The group anticipates an additional 1,000 to 1,500 in additional truck shipments per year out of Danville to distribute biodiesel within its 200-mile target market. Other economic benefits include direct and indirect impact of 15 new, high-paying full-time jobs, and approximately $340,000 in annual spending for spare parts, repairs, maintenance and machinery.

Until now, most biodiesel fuel sold in Illinois has been produced outside the state. As a result non-Illinois farmers and biodiesel producers realize most of the benefit of the State's waiver of sales tax on biodiesel. Management anticipates that over $3 million in sales taxes waived will remain in Illinois when production at this plant stabilizes.

Competitive Advantages:

According to the National Biodiesel Board, there are currently 35 active biodiesel plants nationwide, with an average annual production capacity of 6,500,000 gallons. Another 54 plants, including several in Illinois are being planned. The investors have carefully evaluated the region's current production capacity and announcements of pending projects and believes that current estimates of production capacity are overstated and that most developers lack sufficient resources to built plants within the next several years.

The investors financial advisor and staff from DCEO and IFA believe that this project is one of the region's strongest currently under development. This project's strengths include:

- Commitment from a leading international oilseed processor to provide sufficient soybean oil at a competitive price over the project's life
- Highly efficient operations by locating the plant at the site of a major soy oil production facility that provides direct access to feedstocks and rail, barge and truck modes of transportation.
- Access to Bunge's expertise in managing oilseed complexes, such as sourcing soybeans and other oilseed, processing, refining, marketing crude and refined oils, commodity/financial risk management, and logistics.
- Access to Bunge's expertise in operating biodiesel plants for over 10 years in Europe.
- Access to professional business management and Bunge's existing support services, such as safety, regulatory and environmental compliance, quality assurance, engineering and operations, maintenance and other key plant functions.
- Interest in committing to distribute significant shares of the plant's production of biodiesel fuel from a leading national and regional distributor of diesel fuel.
- Proven contractors with expertise in oil pretreatment and biofuels production within demanding quality specifications.
  A wealthy investment group with a long history of successful businesses, including commodity trading and risk management.

FINANCING SUMMARY

Obligor:	Biofuels Company of America, LLC
Lender:	Fifth Third Bank
Financing:	Construction Line/Term Loan and Revolving Line of Credit
Amount:	$24.5 million for construction and term debt plus $4 million for working capital

Maturity & Amortization	Construction Line and Term Loan: Up to 2 years for the construction loan, with no principal payments due. The term loan together with the construction line shall have an initial 5 year term, with term loan amortizing over 15 years.
Equity Requirements:	$13,000,000 cash equity placed in escrow prior to closing and $4,000,000 State of Illinois DCEO grant deposited in Bank as it is received. Borrower will be required to provide $1-2 million equity toward working capital prior to draws on the Line of Credit.
Guarantee:	Agri-Industry Guarantee for $15,000,000 or approximately 61% of Fifth Third's loan to finance this project, with the amount declining as the loan amortizes to maintain a constant percentage of the total debt.

PROJECT SUMMARY

Bond proceeds together with equity contributed by BIG, will used to finance the construction and equipping of a biodiesel plant with a 45,000,000 million gallon annual production capacity on the northeast corner of an existing Bunge North America oil processing plant that is located at 321 East North Street, in Danville. BNA will lease the project site to BIG on a long-term basis. The project is expected to take 12 months to complete, including 4 months for preliminary engineering work. Project cost estimates follow below:

Fagen	$29,321,000
Fagen Prelimininary/Detailed Engineering	450,000
DeSmet	7,068,000
Site improvements, equipment, furniture	
Fixtures, project and construction management	1,941,000
Contingency	1,220,000
Total	$40,000,000

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Biodiesel Investment Group, LLC, 530 Oak Court Drive, Suite 210, Memphis, Tennessee 38117 (Contact: Mr. Mark Burke, President; Phone: (901) 529-5703)
Project Name:	Biofuels Company of America, LLC
Location:	321 East North Street, Danville (Vermillion County), Illinois 61832
Land Owners:	Bunge North America
Organization:	Biofuels Company of America is an Illinois Limited Liability Company to be formed
Ownership:	Biodiesel Investment Group (80%) and Bunge North America (20%) BIG is a Delaware Limited Liability Company that is owned by:

Joseph Orgill	Director (Former President and Chairman)	Orgill Inc.
John Bondurant	President and Director	Bondurant Futures Inc.
Willis Wiley	Vice President	National Cotton Council
William Deupree	Managing Director	Morgan Keegan, Inc.

Bunge North America is wholly owned by Bunge Limited. Bunge Limited is a public Delaware corporation that is listed on the New York Stock Exchange.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Wyatt, Tarant & Combs	Louisville, KY	Robert Heath
Financial Advisor:	Stern Brothers	Chicago, IL	John May
Lender:	Fifth Third Bank	St. Louis, MO	Shawn Heath
Lender's Counsel:	Husch & Eppenberger, LLC	St. Louis, MO	Ed Lieberman
Issuer's Counsel:	Law Office of Kevin Cahill	Chicago, IL	Kevin Cahill
Plant Manager	Bunge North America	St. Louis, MO	Blair Picard
General Contractor:	Fagen, Inc.	Granite Falls, MN	
Equipment Supplier:	DeSmet Ballestra		
Feasibility Consultant:	Frazier, Barnes and Associates, LLC	Memphis, TN	

LEGISLATIVE DISTRICTS

Congressional:	15	Timothy V. Johnson
State Senate:	104	William B. Black
State House:	52	Richard J. Winkel

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 8, 2006

Project: Applewood Farms LLC

STATISTICS

Project Number:	A-AI-GT-6162	Amount:	$1,649,330
Type:	Agri-Industry Guarantee	IFA Staff:	Eric Reed
Location:	Jacksonville	SIC Code:	Swine

BOARD ACTION

Approval to initiate an 85% loan guarantee in favor of Bank of Jacksonville.
$1,401,930 of State Treasurer's Agricultural Reserve Risk Funds at risk
Staff recommends approval, subject to satisfying all conditions of the bank loan.
Additional Conditions: Assignment of Key Man Life insurance on Dr. Alan Wildt.

PURPOSE

The proposed loan will provide for the permanent of the purchase of breeding stock for a pig production facility.

VOTING RECORD

None. This is the first time that this project has been presented to the IFA Board of Directors.

SOURCES AND USES OF FUNDS

Sources:	IFA Guarantee	$1,401,930	Uses:	Term Debt	$1,649,330
	Bank of Jacksonville	$247,400			
	Total	**$1,649,330**	**Total**		**$1,649,330**

JOBS

Current employment:	N/A	Projected new jobs:	22
Jobs retained:	N/A	Construction jobs:	5

BUSINESS SUMMARY

Background: Applewood Farms LLC is a new company, which has been started by the same original management team, who began the Meadowbrook Farms slaughter plant in Rantoul, IL three years ago. Meadowbrook Farms eventually purchased the groups management interest in the company by trading stock for shackle space. Presently, the group has an arrangement with the Giertz Brothers to finish and deliver 30,000 finished hogs to the Meadowbrook plant each year.

The new company will originate with breeding stock of 5,400 sows and 2,000 gilts of various ages to begin production of 140,000 weanling pigs annually. Plans for the company are to eventually have 6,300 sows in full production of weanling pigs. Currently, the market demands a consistent number of high health pigs at a reasonable price. Applewood Farms will be able to produce pigs to meet these demands. These pigs will be sold under contract to various producers across the state. Applewood Farms will lease buildings from Brauer Pork Inc., which will be sufficient to house the sows and pigs produced. In the future, they plan to raise pigs, which are antibiotic free. Currently, this niche market provides an average premium of $20 per head, as there is a consumer demand for this product.

Upon implementation of the business plan, Shiloh Hill will become a fully integrated producer, with ownership in breeding stock, which will provide a stable source of pigs.

FINANCING SUMMARY

Borrower: Applewood Farms LLC

Loan Terms: The Bank of Jacksonville will originate a term loan in the amount of $1,649,330, which will be fully amortized over 3 years, with monthly P & I. The initial 6 months will require interest only.

PROJECT SUMMARY

The proposed loan will finance breeding stock and initial inventory at the following estimated cost:

5,469 Sows	$875,040
2,017 Mature Gilts	$354,911
941 Genetics Gilts	$70,575
2,161 Immature Gilts	$155,125
97 Boars	$7,760
7,334 Suckling Pigs	$168,682
Loan Fees, Costs	$17,237
Total	**$1,649,330**

ECONOMIC DISCLOSURE STATEMENT

Applicant: Applewood Farms LLC

Project Location: 5793 Route 78 North
Virginia, IL 62691 County: Cass

Organization: Limited Liability Company

Ownership: Dr. Alan Wildt, Doctor of Veterinary Medicine, Virginia, IL-33.4%
Giertz Brothers (Greg and Steve) Grain and Livestock Farmers, Monmouth, IL-33.3%
Shiloh Hill LLC-33.3%, which is owned by:

James L. Burke: CPA /Attorney, CEO of Meadowbrook, Shiloh, IL-16%
Dr. Alan Wildt: DVM, Virginia, IL-51%
Melvin F. Weck: Banker/Consultant, Freeburg, IL-9%
Neal A. Connors, Attorney, Belleville, IL-7%
Todd R. Keller, Engineer, Swansea, IL-5%
Joseph M. Poirier, Labor Relations Attorney, Belleville, IL-3%
Martin L. Ward, Mgr. of Ozark Mountain Coop, Fairview Heights, IL-9%

PROFESSIONAL & FINANCIAL

Financial Consultant:	Danbred of North America, Bloomington, IL	Lee Bachman
Attorney/Consultant:	Jim Burke, Shiloh, IL	
Bank:	Bank of Jacksonville, Jacksonville, IL	Mike Halsne, VP

LEGISLATIVE DISTRICTS

Congressional: Ray Lahood-18th State Senate: John Sullivan-47th State House: Richard Myers-94th

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 8, 2006

Project: **Steven and Michael Schmidt**
(Central Illinois Ag, Inc.)

STATISTICS

Project Number:	A-LL-TX-6168	Amount:	$250,000 (not-to-exceed amount)
Type:	Participation Loan	IFA Staff:	Jim Senica
Location:	Atlanta		

BOARD ACTION

Purchase of Participation Loan from First Mid-Illinois Bank & Trust - Monticello
Up to $250,000 IFA funds at risk
Staff recommends approval

PURPOSE

Finance the acquisition and refurbishment of a commercial building

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VOTING RECORD

No voting record. This is the first time the IFA Board of Directors has reviewed this project.

SOURCES AND USES OF FUNDS

Sources:	IFA Participation:	$225,000	Uses:	Project Costs	$450,000
	First Mid-Illinois Bank:	225,000		Total	$450,000
	Total	$450,000			

JOBS

Current employment:	70	Projected new jobs:	4
Jobs retained:	NA	Construction jobs:	6

BUSINESS SUMMARY

Background: Michael and Steven Schmidt are two of seven owners of Central Illinois Ag, Inc., an Illinois S corporation. Central Illinois Ag, Inc. was started as a one-man blacksmith shop in 1898 and has developed into a multi-line implement dealership with $30 million in sales and 70 employees, many with over 20 years of service.

Operations: Central Illinois Ag, Inc. is a full-service, multi-line implement dealership serving Central Illinois, providing sales and service as well as new and used parts on a complete line of agriculture and lawn and garden equipment. The business' primary product lines are CaseIH and New Holland, but also include product offerings from Kinze, New Idea, BushHog, Woods, Land Pride, Landoll, DMI, M & W, Glencoe, Great Plains, Brent, J & W, Hardi, Yetter, Cub Cadet, Dixon, Dixie Chopper, Steiner, Grasshopper, Toro and Echo.

Steady growth of the business can be attributed to a series of mergers and consolidations beginning in 1984. The largest and most recent merger, the merger of Schmidt-Marcotte, Inc. and George H. Dunn on January 1, 2001, brought together over 200 years of family ownership and pride. The Company currently has four locations in Pekin, Atlanta, Clinton and Farmer City.

The implement operation has been a family-owned and operated business for 108 years with the plan to pass the business down to the next generation, Michael (28 years old) from Steve (52 years old) several years ahead. Steve's parents, Richard and Dena Schmidt, worked in the business for several years and still maintain a 41% ownership in the Company.

The Project: The project financing will be utilized to acquire a commercial building in Farmer City, Illinois (DeWitt County) and refurbish the building to house the borrowers' implement dealership. Total financing being requested from IFA is a not-to-exceed amount of $300,000.

FINANCING SUMMARY

Obligors: Steven and Michael Schmidt

Guarantor: Steven Schmidt

Repayment: In the event of a liquidation of our collateral, proceeds will be applied first to repay the subject loan before paying any other credit facility.

ECONOMIC DISCLOSURE STATEMENT

Applicants: Steven and Michael Schmidt
Organization: Illinois S Corporation
Ownership: Steven Schmidt 25.2%, Richard Schmidt 25.9%, Dena Schmidt 15%, Michael Schmidt 0.98%, David Evans 8.39%, William Marcotte 8.39%, Don Reeser 8.03%, Susan Reeser 8.04% and others at 0.07%

PROFESSIONAL & FINANCIAL

Banker:	First Mid-Illinois Bank & Trust	Monticello	Brett Hermann

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LEGISLATIVE DISTRICTS

Congressional: 15 – Timothy V. Johnson
State Senate: 44 – Bill Brady
State House: 87 – Bill Mitchell

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 8, 2006

Project: Jeffrey Landscaping & Outdoor Products, Inc.

STATISTICS

Project Number:	B-LL-TX-6164	Amount:	$85,000
Type:	Rural Development Loan	IFA Staff:	Eric Reed
Location:	Taylorville		

BOARD ACTION

Approval of Rural Development Loan
$85,000 IFA funds at risk
Staff recommends approval subject to receipt of satisfactory appraisal, UCC search, and title insurance.

PURPOSE

Finance the acquisition of a 35,000 square foot commercial lot, renovation of an existing office building, and installation of a new greenhouse in Taylorville, IL.

VOTING RECORD

No voting record. This is the first time the IFA Board of Directors has reviewed this project.

SOURCES AND USES OF FUNDS

Sources:	IFARural Development Loan	$85,000	Uses:	Real Estate	$95,000
	Borrower Equity	28,000		Renovations/ Construction	18,000
	Total	$113,000		Total	$113,000

JOBS

Current employment:	8	Projected new jobs:	7
Jobs retained:	NA	Construction jobs:	N/A

BUSINESS SUMMARY

Background: Jeffrey Landscaping & Outdoor Products Inc. (JLOP) is a newly formed Illinois corporation (March 2006), which operates a small landscaping business in Taylorville, IL. Prior to 2001, the business was run by Adam Jeffrey's parents as a sole proprietorship; however he has now assumed majority ownership and responsibility for operations.

The business was founded in 1978, by Dennis Jeffrey, who operated the business as a sole-proprietorship until 2001. In 2001, Adam Jeffrey, age 28, assumed the management role in the business, while his wife Jean manages the garden center, and his mother Anna manages the mowing services provided by JLOP. Dennis Jeffrey remains active in the business, providing labor for JLOP. Since 2001, the business has experienced significant gains in sales.

JLOP serves the Taylorville area, as well as the surrounding communities in 30 mile radius of Taylorville. Their primary clients are residential customers (80%), as well as commercial landscaping and mowing clients(20%).

The Project: JLOP is acquiring 5 commercial lots in Taylorville, which has an existing office building and warehouse located on the property. JLOP also plans to construct a small greenhouse to house a portion of their inventory for their garden center. With the acquisition and renovation of the property, JLOP will be able to expand their business from their current location at their home, which they have outgrown. Bulk storage will also be construction for materials needed in their daily operations. The existing facilities will provide for storage of their equipment and a prominent office location in the community. The project was referred to IFA by Illini Bank in Stonington.

Rural Development Loan: In participation with the Rural Development Administration's intermediary Relending Program, IFA will finance business facilities and community development projects in eligible rural areas containing populations of less than 25,000. Projects eligible include financing for fixed assets such as real estate and equipment acquisitions. Applicants are required to demonstrate the ability to repay debt and must demonstrate that conventional financing was not available for the project. JLOP has demonstrated an ability to repay, however this is a new company with new, young management.

A reserve fund has been established to defray potential losses to IFA in the event of default of a Rural Development loan. The Rural Development Loan fund balance is currently in excess of $2 million.

FINANCING SUMMARY

Obligor: Jeffrey Landscaping & Outdoor Products, Inc.

Guarantor: Adam and Jean A. Jeffrey

Repayment: 1) Cash flow from operations

2) Liquidation of collateral/Personal Guarantees

ECONOMIC DISCLOSURE STATEMENT

Applicant: Jeffrey Landscaping & Outdoor Products, Inc.
213 W. Poplar Street   County: Christian
Taylorville, IL 62568

Project Location: 707 S. Webster Street
Taylorville, IL 62568
Organization: Illinois C Corporation
Ownership: Adam and Jean A. Jeffrey (60%), Dennis and Ann Jeffrey (40%)(Adam's Parents)

PROFESSIONAL & FINANCIAL

Accountant:	Dave Gobden	Glenarm, IL	
IFA Counsel:	Dykema Gossett	Chicago, IL	David Cellitti

LEGISLATIVE DISTRICTS

Congressional: 19th – John Shimkus   State Senate: 49th – Deanna Demuzio   State House: 98th Gary Hannig

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 8, 2006

Project: Midwest Regional Medical Center

STATISTICS

Project Number:	H-HO-TE-CD6165	Amount:	$50,000,000 (Not to exceed amount)
Type:	Not-for-Profit Bond	IFA Staff:	Pamela Lenane and Dana Sodikoff
Locations:	Galena		

BOARD ACTION

Preliminary Bond Resolution
Conduit 501(c)(3) Bonds
No IFA funds at risk

Staff recommends approval, and subject to compliance with IFA policy requirements for non-rated debt

PURPOSE

Proceeds will be used to: 1) fund construction of a replacement hospital, 2) reimburse for prior capital expenditures, 3) refinance certain outstanding debt, 4) fund a debt service reserve fund, 5) fund capitalized interest, and 6) pay costs of issuance.

IFA CONTRIBUTION

Conveys Federal income tax-exempt status on bond interest.

VOTING RECORD

This is the first time this project has been presented to the Board.

ESTIMATED SOURCES AND USES OF FUNDS

Sources of Funds	
Debt Issuance	$44,433
Interest Earned on Trusteed Assets	2,595
Equity Contribution	2,000
Total Sources	*$49,028*
Uses of Funds	
Project Cost	$38,480
Debt Service Reserve Fund	3,661
Capitalized Interest	6,221
Costs of Issuance	666
Total Uses	*$49,028*

JOBS

Current employment: FTEs	124.28	Projected new jobs:	18
Jobs retained: FTEs	124.28	Construction jobs:	140

BUSINESS SUMMARY

Background: Galena-Stauss Hospital & Healthcare Center (GSHHC), located in Galena, Illinois, is comprised of a 25-bed Critical Access Hospital with attached medical office building, a 57-bed skilled nursing facility, a 24-apartment Assisted Living Center, and Adult Day Care Center and a Physical Therapy and Fitness Center.

Prior to June 26, 2006, GSHHC was owned and operated by Galena Hospital District, an Illinois municipal corporation. On June 26, 2006, the Galena Hospital District was dissolved and all of the assets and liabilities of the Hospital District were transferred to Midwest Regional Medical Center, an Illinois not for profit corporation ("MRMC"). The dissolution of Galena Hospital District and transfer of its assets to MRMC was necessary in order to purchase land outside of the Hospital District's boundaries to serve as the site for a new replacement hospital facility.

Galena Stauss opened in 1962 as Northwest Illinois Community Hospital with 31 short-term, acute care beds. In 1971, the hospital expanded with the addition of a 34-bed skilled nursing care facility. In 1978, the hospital was renamed Galena-Stauss Hospital and Nursing Care Facility.

Subsequent expansions and renovations included the addition of the medical office building in 1981 and remodeling of the lower level of the MOB in 1994 to become Taylor Physical Therapy and Fitness. The nursing care facility was expanded by adding a 30-bed North wing in 1988.

The hospital was designated a Critical Access Hospital in 2000 and changed its name to Galena-Stauss Hospital & Healthcare Center as it opened the Assisted Living Center, which houses apartments for Assisted Living and the Adult Day Care Center. An additional 12 apartments were opened in the Assisted Living Center in 2002, bringing the total to 24 apartments.

In 2003, GSHHC acquired Taylor Physical Therapy and Fitness and renamed it the Galena-Stauss Physical Therapy and Fitness.

The dissolution of the Hospital District was on June 21st, 2006. The new corporation of Midwest Regional Medical Center has taken over the control, operations and ownership of the Hospital District. The name of Galena Stauss Hospital and Healthcare Center has been assumed by the Midwest Regional Medical Center

Service Area: The service are is as follows: East Dubuque, Galena, Hanover, Elizabeth, Scales Mound, Apple River, Stockton, and Warren. All of these towns are located in the State of Illinois.

PROJECT SUMMARY

Midwest Regional Medical Center is pursuing a replacement hospital facility to replace the existing outdated facility. The existing facility is located on a land-locked campus with poor visibility and accessibility. The facility is outdated in terms of ADA, fire, safety and HVAC codes, and it is inefficient in its in-patient care design. Many services are at capacity. MRMC has determined that a major remodel of the existing facility is not financially prudent.

For these reasons, MRMC is planning to construct a new 60,000 square foot hospital and 30,000 square foot Medical Office Building on a 35-acre campus located two miles from the existing campus. Total cost of the project is estimated at approximately $45 million, with construction expected to be completed by December 2007. The new facility will be designed according to the Planetree philosophy, which focuses on individual centered care and healing environments. The new hospital will include 25 acute care beds, swing beds and same day surgery beds, and expanded ancillary services such as imaging and surgery.

Earl Swensson Associates Nashville, TN is the architect for the Project and Centex Concord is the project manager. A construction contract has been signed with Robins and Morton a general contractor located in Nashville, TN, for the construction of the facilities. A Guaranteed Maximum Price contract is expected to be issued in September 2006.

The existing assisted living facilities, adult day care and nursing home, will remain on the existing campus.

FINANCING SUMMARY

Security:	Gross revenues and mortgage pledge
Structure:	Fixed rate bonds
Maturity:	Final maturity on October 1, 2036

ECONOMIC DISCLOSURE STATEMENT

Project name:	Galena- Stauss Hospital
Location:	215 Summit Street Galena, IL 61036
Applicant:	Galena- Stauss Hospital
Organization:	501(c)(3) Not-for-Profit Corporation
State:	Illinois

Board of Directors:

Frank Waites	621 Clinton Street	Galena, IL	Started in 2006
Community: Retired Physician			
Dale Henze	412 Pawnee Ct	Galena, IL	Started in 2004
Community: Retired School Administrator			
Mike Wells	418 Elk Street	Galena, IL	Started in 2006
Community: Physician			
John Cooke	1 Lakeview Ct	Galena, IL	Started in 2005
Community: Retired			
Dan Mennenoh	612 S Bench Street	Galena, IL	Started in 2006
Community: CEO H.B. Wilkinson Title Company			
Tom Wienen	144 Stone Quarry Ln.	Galena, IL	Started in 2000
Community: Business Owner			
Vicky Vondran	7037 Guilford Rd.	Galena, IL	Started in 2001
Community: Branch Manager Dupaco Community Credit Union			

Officers:

Dan Mennenoh	Chairman
Vicky Vondran	Secretary
Jeff Hill	Administrator
Grant Westenfelder	Medical Director
Tracy Bauer	Chief Financial Officer
Deb Hoppman	Director of Nursing
Melissa Kaiser	Human Resource Director

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Hinshaw & Culbertson LLP	Rockford	Stephen Moore
Bond Counsel:	Jones Day	Chicago	Mike Mitchell
Underwriter:	Piper Jaffray & Co.	Chicago	Nessy Shems Keri Trolson
Underwriter's Counsel:	Katten Muchin Rosenman LLP	Chicago	Renee Friedman
Financial Advisor:	Kaufman Hall & Associates	Chicago	Mark Hall
Bond Trustee:	TBD	Chicago	
Accountant:	Eide Bailly	Chicago	Gwen Moser
Issuer's Counsel:	Wildman Harrold	Chicago	Jim Snyder

LEGISLATIVE DISTRICTS

Congressional: 16- Donald A. Manzullo
State Senate: 45- Todd Sieben
State House: 89- Jim Sacia

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 8, 2006

Project: **St. Margaret's Hospital**

STATISTICS

Project Number:	H-LL-TX-6167	Amount:	$500,000
Type:	Participation Loan	IFA Staff:	Jim Senica
Location:	Spring Valley		

BOARD ACTION

Purchase of Participation Loan from Citizens First National Bank
$500,000 IFA funds at risk
Staff recommends approval

PURPOSE

Loan proceeds will be used to finance the acquisition of new medical equipment for the hospital.

VOTING RECORD

No voting record. This is the first time the IFA Board of Directors has reviewed this project.

SOURCES AND USES OF FUNDS

Sources:	IFA Participation:	$500,000	Uses:	Project Costs	$1,000,000
	Citizens 1st Nat'l Bank:	500,000		Total	$1,000,000
	Total	$1,000,000			

JOBS

Current employment:	624	Projected new jobs:	N/A
Jobs retained:	NA	Construction jobs:	N/A

BUSINESS SUMMARY

Background:	St. Margaret's Hospital, a 188-licensed bed facility, was founded in November 1903, by seven sisters from the Sisters of Mary of the Presentation. The hospital is incorporated under Illinois law and is a 501(c)(3) corporation. At the turn of the 20th century, Spring Valley was a large coal mining camp with a population of 6,214 people. Laws governing the protection of miners was few, and accidents and deaths were frequent. Rev. John Power, pastor of the Immaculate Conception Church, recognized the area's great need for a hospital and sent for the seven sisters to start the medical facility in a two-story frame home on twenty-five acres of land donated by Father Power.
Description:	St. Margaret's hospital is a full-service medical institution providing a wide array of medical treatment, including emergency services, an intensive care unit and a cardiology clinic. The hospital additionally offers diagnostic products such as diagnostic imaging, laboratory and cardiopulmonary services. Also available are maternal and child services, older adult services, surgical services, and rehabilitative services. Hospice and Prairieland Home care are available too, as well as complete oncology work through the hospital's DeAngelo Cancer unit. The hospital maintains a sizeable outpatient surgery center offering same-day surgery to the local community.
Service Area:	The Hospital considers its primary service area to be the Cities of Spring Valley, LaSalle, Peru and Oglesby and the surrounding rural areas, which include portions of Bureau, LaSalle and Putnam counties in Illinois. The Hospital enjoys a strong reputation for their concentration on cancer treatment and an excellent maternity ward to the extent that these two fields draw a large number of patients outside of what would be considered their regular service area. In fact, the hospital regularly draws patients from a 50 mile + radius to utilize the cancer treatment center considered to be the best in the area.
The Project:	The project financing will be utilized to acquire new medical equipment for the hospital. Total financing being requested from IFA is $500,000.

FINANCING SUMMARY

Obligor:	St. Margaret's Hospital
Repayment:	In the event of a liquidation of our collateral, proceeds will be applied first to repay the subject loan before paying any other credit facility.

ECONOMIC DISCLOSURE STATEMENT

Applicant	St. Margaret's Hospital 600 East First Street Spring Valley, IL 61362
Organization:	Illinois 501 (c) (3) Not-for-Profit Corporation
Ownership:	Sisters of Mary of the Presentation

PROFESSIONAL & FINANCIAL

Banker:	Citizens National Bank	Spring Valley	Tom Atkinson
Accountant:	EideBailly CPA's, LLP	Dubuque, IA	

LEGISLATIVE DISTRICTS

Congressional:	18 – Ray LaHood
State Senate:	38 – Gary Dahl
State House:	76 – Frank J. Mautino

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
AUGUST 8, 2006

Project: **Quad County Urban League**

STATISTICS

Project Number:	N-NP-TE-6166	Amount:	$5,190,000 (not-to-exceed amount)
Type:	Not-for-Profit	IFA Staff:	Steve Trout and Jack McInerney
NAICS Code:	TBD	Location:	Aurora

BOARD ACTION

Preliminary Bond Resolution	No extraordinary conditions
Conduit 501(c)(3) Bond Financing	Staff recommends approval
No IFA funds at risk	

PURPOSE

To finance the expansion and rehabilitation of a recently acquired commercial building located at 808 East Galena Boulevard in Aurora for use as a Vocational and Educational Training Center.

IFA CONTRIBUTION

Conveys federal income tax exemption on interest earned on the Bonds.

VOTING RECORD

This is the first time that this project has been submitted to the Board.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	$4,190,000	Uses:	Project Costs	$8,754,000
	Capital Campaign	1,630,000		Legal & Professional	231,509
	Other Grants/Donations	1,550,000		Capitalized Interest	204,491
	Service Fees	411,600			
	In-Kind Donations	1,408,400			
	Total	$9,190,000		**Total**	$9,190,000

JOBS

Current employment:	26	Projected new jobs (within 2 years):	4.5
Jobs retained:	N/A	Construction jobs:	125 (6 months)

BUSINESS SUMMARY

Description: The Quad County Urban League ("QCUL" or "the League") is an Illinois not-for-profit corporation that was incorporated on July 14, 1975 and received its 501(c)(3) designation on June 30, 1977. The Quad County Urban League is one of 105 affiliates of the National Urban League. The National Urban League was established in 1910 and is the nation's oldest and largest community-based movement devoted to empowering African Americans to enter the economic and social mainstream.

Background: The mission of the Urban League is to help secure opportunities for all disadvantaged persons and people of color, including African-Americans, women and persons with disabilities. QCUL is dedicated to advocating and establishing programs that facilitate the social and economic growth of African Americans and similarly disadvantaged people in DuPage, Kane, Kendall, and Will Counties. The League's vision is to be the area's leading social service organization serving African Americans and similarly disadvantaged people.

Quad County Urban League sets policies and directions that are implemented by a highly trained professional staff and a network of concerned volunteers who tackle problems and pursue opportunities in economic development and employment, education and youth incentives, housing, community planning and health and welfare. The organization currently operates an alternative school, the Aurora Middle School Academy (AMSA) plus fourteen different programs for youth and adults.

The Project: The League operates in a four county area with over two million people, that includes DuPage, Kane, Kendall and Will counties. The League's services are targeted to all individuals within this area with needs for education, housing, employment, utility payment assistance, advocacy and support services. The programs serve children, teens and family members with a new emphasis on senior citizens. The City of Aurora noted in its 2005-2006 annual report that "critical service deficiencies were identified in...education and training". The River Valley Workforce Investment Board found that the [River Valley] area faces challenges in developing programs to help disenfranchised populations confront barriers to employment and advancement. The service area currently has no centralized social service vocational training center that focuses on education for employment in construction professional service trades and other high growth fields.

As part of its five-year plan, QCUL intends to establish a Vocational and Educational Training Center to serve Aurora and neighboring communities. Specific project goals include:

1. Expand the current facility at 1685 N. Farnsworth in Aurora from 5,400 square feet to approximately 23,200 total square feet.
2. Improve current QCUL programs that serve the community
3. Increase the number of training classes
4. Develop the academy (AMSA) into a state-of the art program
5. Increase the capacity of QCUL for computer training
6. Increase the number of meeting rooms available for use by the community

The new facility will be used as a community center as well as a training center for use by local businesses and trade organizations. Area colleges and local school districts may also use it for educational purposes.

Completion of this project will allow QCUL to expand its current level of services from 1,495 youth and adults (in 2005-2006) to approximately 2,616 clients annually (an increase of 75%, after full completion of the facility).

The League has engaged Cardogan, Clark & Assocates of Aurora to serve as architect, project engineer and manager and is currently conducting a capital campaign to secure additional funds, together with the subject debt, to complete the project.

FINANCING SUMMARY

Bonds: Tax-exempt variable rate demand notes

Bondholder Security: Direct-pay letter of credit from a bank to be determined

Anticipated Bank Collateral: First mortgage on the subject reat estate and first lein on furnishings and equipment financed.

Credit Rating: If rated, the Bonds will be rated based on the rating of the letter of credit that will enhance them. The letter of credit will probably be provided by a bank with a rating of "A" or higher. A decision on whether to seek a rating on the Bonds will depend on whether the interst savings projected prior to closing are sufficient to cover the expected cost of obtaining and maintaining the rating.

PROJECT SUMMARY

Bond proceeds, together with other funds, will be used to expand and rehabilitate a recently acquired 5,400 square-foot building located at 1645 North Farnsworth next property that the League owns at 1685 North Farnsworth that is now used for the Aurora Middle School Academy. The building will be converted for use as a 23,300 square-foot Vocational and Educational Training Center, which house services that the League currently offers in multiple locations. Project costs are currently estimated at:

New Construction and Rehabilitation:	$7,392,560
Architectural and Engineering	1,361,440
Total	8,754,000

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Quad County Urban League, 808 East Galena Blvd., Suite B, Aurora, Illinois 60505-3718 (Contact: Theodia Gillespie, President and CEO, Phone: 630/851-2203)	
Project name:	Quald County Urban League Vocational and Educational Training Center Project-	
Organization:	Illinois 501(c)(3) Corporation	
Location:	Headquarters: 808 East Galena Blvd., Suite B, Aurora, Illinois, 60505-3718	
Board Members:	O.J. Aboyade	International Truck & Engine
	Barbara Brown	TCF Bank
	Chris Brown	Comcast
	Pamela Davis	Edwards Hospital
	Albert Demming	Demming's Hallmark
	Dr. Diane Homan	Rush Copley Medical Center
	Richard Howard	DaimlerChrysler
	Kevin Johnson	SBC
	Pat Andrews-Keenan	Comcast
	Lawrence Lewis	United Parcel Service
	Sally Long	Caterpillar Inc.
	Dr. Deborah Lovingood	Waubonsee Community College.
	Patt Medchill	Hollywood Casino-Aurora
	Oboi Reed	Nike, Inc.
	Deborah Strout	Provena Mercy Center Hospital
	Anthony Taylor	Coca Cola Bottling Corporation of Chicago

PROFESSIONAL & FINANCIAL

General Counsel:	Parris and Associates	Elmhurst, IL	Lawrence Parrish
Bond Counsel:	To Determined		
Underwriter:	Ziegler Capital Markets	Chicago, IL	
Underwriter's Counsel:	To be Determined		
Issuer's Counsel:	Greenberg Traurig	Chicago, IL	Mark McCombs
Financial Advisor:	Carlton Accounting Services	Naperville, IL	Lynda Garrison-Carlton
Accountant:	American Accounting and Tax Services	Wheaton	Vinod Singh

LEGISLATIVE DISTRICTS

Congressional:	14	J. Dennis Hastert
State Senate:	42	Edward Petka
State House:	83	Linda Chapa-LaVia

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY

Project: **North American Spine Society**

STATISTICS

Deal Number:	N-NP-TE-CD-6143	Amount:	$12,500,000 (not-to-exceed amount)
Type:	Not-For-Profit Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Burr Ridge	SIC Code:	8099

BOARD ACTION

Preliminary Bond Resolution	Staff recommends approval
Conduit Qualified 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to finance acquisition, construction, and to pay bond issuance costs.

IFA CONTRIBUTION

Federal Tax-Exempt Interest on 501(c)(3) Revenue Bonds.

VOTING RECORD

Preliminary Bond Resolution, no previous voting record.

SOURCES AND USES OF FUNDS

Sources:	IFA Bond	$12,300,000	Uses:	Project Costs	$12,600,000
	Equity	600,000		Bond Issuance Costs	300,000
	Total Sources	$12,900,000		Total Uses	$12,900,000

The source of equity is from internally generated funds.

JOBS

Current employment:	40	Projected new jobs:	20
Jobs retained:	N/A	Construction jobs:	60

BUSINESS SUMMARY

Background: The North American Spine Society ("NASS", or the "Applicant") is an Illinois and was established in November 1995 as a 501(c)(3) corporation. The purpose of NASS is to improve the quality of scientific knowledge and the pursuit of excellence in patient care, clinical practice and related sciences among professionals in the field of spinal disorders.

The organization's activities includes: the publication of a peer-reviewed research journal and other publication, hosts continuing education programs open to all affiliated with the spinal health community, awards research grants and instruction in hands-on courses for the surgical and non-surgical spinal care procedures.

Description: NASS serves all of North America but primarily focused in the United States. The organization's membership totals 4,250 and are all spinal specialists. The new facility, the Spine Masters Institute ("SMI" or the 'Institute"); will allow the organization's membership to enhance the training in multi-disciplinary methods for treating spine conditions. Approximately 1,500 doctors are expected to use the new lab facilities annually.

The Institute's goal is to host 5-10 courses per year. Facilities at the Institute will include ten lab stations that will accommodate 4 doctors per training station. Up to 130 participants can be accommodated per training session. The facility will also accommodate the NASS offices, the Institute, a multi-media center and the Spine Care Museum.

FINANCING SUMMARY

Security:	Direct Pay Letter of Credit from J. P. Morgan
Structure:	Variable Rate Demand Bonds
Maturity:	To Be Determined

PROJECT SUMMARY

Bond proceeds will be used to finance the acquisition and construction of facility of a parcel of land located at 7075 Veterans Boulevard in Burr Ridge, Illinois (DuPage County), and to pay certain bond issuance costs. Project costs are estimated as follows:

Construction/Renovation	$7,800,000
Building	3,300,000
Equipment	1,050,000
Contingency	450,000
Total Project Costs	**$12,600,000**

ECONOMIC DISCLOSURE STATEMENT

Applicant:	North American Spine Society 22 Calendar Court, 2nd Floor LaGrange, IL 60525 Eric J. Muehlbauer, Executive Director
Project name:	Spine Masters Institute
Location:	7075 Veterans Boulevard Burr Ridge, IL 60527-5614 (DuPage)
Organization:	501(c)(3) Corporation
State:	Illinois

Board of Directors:	Joel Press, MD	Richard D. Guyer, MD	Tom Faciszewski, MD
	Hallet Mathews, MD	Robert J. Gatchel, PhD	Jean-Jacques Abitol, MD
	Ray Baker, MD	Michael Heggeness, MD	Greg Przybylski, MD
	J. Kenneth Burkus, MD	Jerome Schofferman, MD	Charles Mick, MD
	Stuart Weinstein, MD	Marjorie Eskay-Auerbach, MD	Eric Muehlbauer
Land Sellers:	Fair Oaks at County Line, LLC		
	John Stoetzel – 100%		

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Freeborn & Peters	Chicago	Sara Lee Keller
Accountant:	Legacy Professionals	Chicago	Greg Wallenbecker
Bond Counsel:	Ungaretti & Harris	Chicago	Julie Seymour
LOC Bank:	To Be Determined		
Underwriter:	To Be Determined		
Underwriter's Counsel:	To Be Determined		
Issuer's Counsel:	Pugh Jones Johnson and Quandt	Chicago	Kim Barker Lee
Trustee:	To Be Determined		

LEGISLATIVE DISTRICTS

Congressional:	13 – Judy Biggert
State Senate:	41 – Christine Radogno
State House:	82 – James Durkin

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY

Project: **Presbyterian Home**

STATISTICS

Deal Number:	N-NP-TE-CD-6067	Amount:	$30,000,000 (not-to-exceed amount)
Type:	Not-For-Profit Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Evanston	SIC Code:	6513

BOARD ACTION

Final Bond Resolution
Conduit 501(c)(3) Refunding Revenue Bonds
No IFA funds at risk

Staff recommends approval
No extraordinary conditions

PURPOSE

Bond proceeds will be used to refund a previous bond issue and to pay certain bond issuance costs.

IFA CONTRIBUTION

Federal Tax-Exempt interest on 501(c)(3) Revenue Bonds.

VOTING RECORD

Preliminary Bond Resolution: April 11, 2006

Ayes: 9 Nays: 0 Abstentions: 0 Absent: 6 (Boyles, DeNard, Goetz, Herrin, Nesbitt, Valenti)

SOURCES AND USES OF FUNDS

Sources:	IFA Refunding Bonds	$30,000,000	Uses:	Refund Bonds	$29,750,000
				Bond Issuance Costs	250,000
Total Sources		$30,000,000	Total Uses:		$30,000,000

JOBS

Current employment:	980	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Background:	The Presbyterian Home is an Illinois not-for-profit corporation founded in 1904 by the Chicago Presbytery. Headquartered in Evanston, the Presbyterian Home is one of the oldest continuing care retirement communities in Illinois. Currently, the applicant serves approximately 1,300 older adults through its nine facilities: six located in Evanston, two located in Chicago and one located in Lake Forest. The mix of these units consists of 870 independent living units, 242 assisted living units, and 400 health care center units.
Project:	These bonds will refund a portion of outstanding bonds originally issued in 1996. The project was the construction of the Lake Forest Place, a continuing care facility with 250 apartments and cottages, 30 assisted living units and 63 health care units. The project was completed and put into service in the January of 1998.

FINANCING SUMMARY

Security:	The Bonds will be secured by a Direct Pay Letter of Credit from the Northern Trust Bank
Structure:	Variable Rate Demand Bonds
Maturity:	18 Year

PROJECT SUMMARY

Bond proceeds will be used to refund outstanding bonds issued by the Illinois Development Finance Authority in 1996. Project costs include refunding of previous bond issue in the amount of $30 million.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	The Presbyterian Home		
Project name:	The Presbyterian Home Refunding 2006		
Location:	3200 Grant Street, Evanston, Illinois, 60201 (Cook County)		
Organization:	501(c)(3) Corporation		
State:	Illinois		
Board:	Donald C. Clark, Chairman	Dr. Willard A. Fry	R. Douglas Petrie
	Byram E. Dickes, Vice Chair	Earl J. Frederick	Mary C. Milligan
	Leland E. Hutchinson, Secretary	Van R. Gathany	Dale Park, Jr.
	Adrian F. Kruse, Treasurer	Dr. Martha Page Greene	Dr. Stephen C. Pierce
	Peter S. Mulvey, President	Katheryn L. Guthrie	Cynthia W. Pinkerton
	John A. Anderson	Diane T. Hart	Jacqueline L. Quern
	Karin Balsbaugh	Edward W. Horner, Jr.	James T. Rhind
	George H. Bodeen	Dr. Richard L. Hughes	Eugene F. Silkorovsky
	Dr. Gilbert W. Bowen	Edward R. James	Mary Simmons
	Dr. John M. Buchanan	Dr. Philip N. Jones	Goff Smith
	Wiley N. Caldwell	Walter Kasten II	Neele E. Stearns
	Dr. Richard M. Clewett	M. Allen Kimble	Dr. Milton Weinberg, Jr.
	Dr. Fay Lomax Cook	Robert P. Knight	Charles N. Wheatley
	William S. Dillon	Thomas M. Lillard	Frank H. Whitehand
	Thomas A. Donahoe	Dr. John J. McGillen	Robert H. Wilson
	Rev. David A. Donovan	Allen C. Menke	Robert J. Winter
	Jon T. Ender	Sally Parnell Miller	

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Sonnenschein Nath & Rosenthal	Chicago	Mary Wilson
Accountant:	Deloitte & Touche	Chicago	Mike Somich
Bond Counsel:	Perkins & Coie	Chicago	Bruce Bonjour
LOC Bank:	Northern Trust Company	Chicago	
Underwriter:	William Blair & Company	Chicago	Christine Kelly
Underwriter's Counsel:	Katten Muchin & Rosenthal	Chicago	Elizabeth Weber
Issuer's Counsel:	Pugh Jones & Johnson	Chicago	Kim Barker Lee
Trustee:	To Be Determined		

LEGISLATIVE DISTRICTS

Congressional:	9 -- Janice Schakowsky
State Senate:	58 -- David Luechtefeld
State House:	29 -- David E. Miller

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 8, 2006

Project: **TRH Properties, LLC**

STATISTICS

Project Number:	B-LL-TX-6169	Amount:	$100,000
Type:	Participation Loan	IFA Staff:	Jim Senica
Location:	Decatur		

BOARD ACTION

Purchase of Participation Loan from First Mid-Illinois Bank & Trust - Decatur
$100,000 IFA funds at risk
Staff recommends approval

PURPOSE

Loan proceeds will be used to finance the acquisition of 1.82 acres land and a 7,560 square foot industrial building.

VOTING RECORD

Initial Board consideration for this project, no voting record. However, at its April 11, 2006, Board meeting, the IFA Board approved a $285,000 participation loan to TRH Properties, LLC to expand its existing building at 4900 N. Brush College Road in Decatur. This loan was closed on July 24, 2006.

SOURCES AND USES OF FUNDS

Sources:	IFA Participation:	$100,000	Uses:	Project Costs	$200,000
	First Mid-Illinois Bank:	100,000		Total	$200,000
	Total	$200,000			

JOBS

Current employment:	80	Projected new jobs:	10
Jobs retained:	NA	Construction jobs:	N/A

BUSINESS SUMMARY

Background: TRH Properties, LLC (TRH) is an Illinois limited liability company that was created to own the real estate utilized by TCR Systems, LLC (TCR). TRH Properties, LLC is owned in part by Terry Randles and Robert Hawkins who are the joint owners TCR Systems, LLC. TCR Systems, LLC was established in 2002 as a sheet metal fabricator offering shop fabrication, specialty fabrication, field installation, dust control, metal roofing, architectural sheet metal, fall arrest systems and Rockford steel buildings. Terry Randles has over 35 years of experience in industrial sheet metal fabrication and is responsible for the day-to-day operations of the business. Robert Hawkins, who has extensive financial experience, serves as the CFO for the Company.

Operations: TCR Systems, LLC is a complete sheet metal fabrication shop specializing in a wide variety of fabricated steel products such as piping, HVAC venting and components, various machine stands and other usual products customarily associated with sheet metal fabrication. TCR has the capabilities to fabricate products from the absolute lightest gauges to the heaviest plates and to fabricate specialty items in other metals such as custom stainless steel, special alloys and aluminum. Another area of operation is the manufacturing of dust collection systems ranging from relatively small filters to large reverse-air filters for grain elevators, wood shops, processing operations and many other types of industrial or commercial applications. Metal Roofing and architectural sheet metal applications represent additional product offerings for TCR. TCR offers a multitude of metal roofing designs and colors to custom fit a wide array of building applications. Finally, the Company also produces rail fall arrest systems used in large warehousing operations.

The Project: The project financing will be utilized for the acquisition of lot 3 in the H.S.H. Industrial Addition located at 5050 N. Brush College Road in Decatur and the 7,560 square foot industrial building located thereon. The property, being acquired to accommodate additional Company expansion, is located adjacent to the Company's existing 30,000 square foot industrial building located at 4900 N. Brush College Road in Decatur. The building being acquired is currently being leased by the current owner to Masco Contractor Services, an insulation contractor, with the lease set to expire on September 6, 2006. All rights in the lease have been assigned to TRH Properties, LLC via an "Assignment of Lease Agreement". Total financing being requested from IFA is $100,000.

FINANCING SUMMARY

Obligor: TRH Properties, LLC.

Guarantors: Terry Randles and Robert Hawkins – unlimited personal guaranties

Repayment: In the event of a liquidation of our collateral, proceeds will be applied first to repay the subject loan before paying any other credit facility.

ECONOMIC DISCLOSURE STATEMENT

Applicant: TRH Properties, LLC
Organization: Illinois Limited Liability Company
Ownership: Terry Randles – 30%, Robert Hawkins – 30%, John Ellis, Joseph Barry, Dan Wrigley & Jon Byrge each with 10%

PROFESSIONAL & FINANCIAL

Banker:	First Mid-Illinois Bank & Trust	Decatur	Eric McRae

LEGISLATIVE DISTRICTS

Congressional:	11 – Lane A. Evans
State Senate:	37 – Bill Brady
State House:	74 – Bill Mitchell

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
AUGUST 8, 2006

STATISTICS

Project Number:	V-TD-6170	Amount:	$300,000 (not-to-exceed amount)
Type:	Venture Capital	IFA Staff:	Steven Trout
Location:	Champaign and West Chicago		

BOARD ACTION

Resolution to Purchase Series B Preferred Stock $300,000 of IFA funds at risk
Technology Development Bridge Venture Capital
Staff recommends approval.
The Venture Capital Committee will meet before the Board Meeting to make a recommendation on this investment

PURPOSE

Proceeds from this offering of preferred stock will be used to retire certain bridge loans advanced by existing investors, and provide funds for research and development, marketing, sales and product certification.

IFA PROGRAM

This investment will be made from the Authority's Technology Development Bridge program. Under this program the Authority may make equity investments in seed-stage technology firms for initial amounts up to $300,000, with subsequent investment up to $1,000,000 in aggregate on terms that are at least as favorable as those offered to an independent, professional, accredited co-investor who is investing at least equal money in the offering. Our co-investor for this project is Waypoint Ventures.

VOTING RECORD

This is the first time that this project has been presented to the Board. The Board approved on October 12, 2004 a $300,000 investment in Moire Inc.'s (River Glass' previous name) Series A Preferred Stock offering by the following vote:

Ayes: 8 Nays: 0 Abstentions: 0 Absences: 3 (Delgado, Goetz and Herrin)

JOBS

Current employment:	26	Projected new jobs (next 2 years):	10
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Description: RiverGlass, Inc. was founded in December 2003 as a spin-out of the National Center for Supercomputing Applications at the University of Illinois – Urbana-Champaign. RiverGlass provides customers with scalable data mining enterprise software capable of real-time, streaming analysis of multi-dimensional data. RiverGlass produces sophisticated analytics products that generate timely, well-informed explanations of information present in disparate streaming data. The development of the enabling algorithms and architecture was driven by corporate and government collaboration projects totaling eight years of research and over $25 million in development at the National Center for Supercomputing Applications (NCSA). These products help users act to manage risk, solve critical problems, and make better and timelier decisions.

Background: RiverGlass' products address massive analytical needs in: a) government and defense ($6 billion in estimated annual spending for analytical services), b) financial services ($2 billion) and c) manufacturing and supply chain markets ($2 billion). Early paying customers include: SAP, Illinois State Police, Chicago Police Department, Iowa State Police, Country Companies and BP.

The Company's history is summarized below:

- December 2003: founded, $250,000 seed funding round led by Rob Schultz, Illinois Ventures
- April 2004: Kirk Dauksavage, a former executive at CheckFree, joins RiverGlass as the CEO
- May 2004: exclusive, all-encompassing license agreement with Data, Analysis, and Knowledge Systems group of the NCSA executed
- June 2004: Paying alpha projects with BP and Country Companies Insurance initiated.
- December 2004: Closed $1.2M funding round led by Illinois Ventures, Waypoint Ventures, and IL-FA and hired Brian Buck, former CTO of Platinum Technologies as CTO
- August 2005: Illinois State Police sign sole-source contract for $750,000
- November 2005: Beta-deployment of RiverGlass Recon and RiverGlass Detect at Illinois State Police begins
- December 2005: Receives $150,000 grant for homeland security market development from DCEO
- February 2006: Licenses for Chicago Police Deparment commissioned through $267,500 amendment to Illinois State Police contract.

FINANCING SUMMARY

The Offering: RiverGlass is raising up to $2,500,000 in the form of Series B Preferred Stock. IllinoisVENTURES will provide $750,000, Waypoint Ventures will provide $500,000 and the Authority has been asked to invest $300,000. The balance of the funds is expected to be raised from the conversion of existing bridge loans and additional investments from angel investors and the founders.

Shareholder Protections: Series B Preferred holders will have liquidation preference, conversion rights, protective provisions, and *weighted average anti-dilution* protection. The Authority will be granted observation rights to meetings of the Board of Directors. The Authority will also have information and management rights.

Dividends: Series A Preferred will receive cumulative dividends of 8% of the original price per annum when declared by the board. Series A will also receive pro rata any dividends paid on common stock on an as-if-converted basis.

Liquidation Rights: The Series B Preferred Stock will receive a preference of the Original Purchase Price plus any accrued but unpaid dividends over the holders of Series A Preferred Stock and common stock. The Series B holders shall share ratably with Series A holders and the common holders in any remaining assets after Series A holder's preferences have been satisfied.

Conversion Rights: Series B Preferred shall have the right to convert to common stock at any time, initially on a 1:1 basis. Series B will be automatically converted under the following conditions: (1) consent of 66 2/3% of the outstanding Series B Stock or (2) Closing of a firmly underwritten public offering of shares of common stock of the company at a per share price not less than ten times the original purchase price and not less than $30 million.

Voting Rights: The Series B holders will vote on all matters on an as-if-converted basis.

Conversion Price &

Anti-Dilution: The Series A Preferred Stock shall be subject to weighted average anti-dilution protection in the event any additional common, or securities exchangeable to common, are issued with the customary exception.

Protective Provisions: Series A holders will have standard protective provisions including, but not limited to, changes in the equity securities or structure of the company, legal documents, indebtedness and sale/change of control of the company.

Use of Funds: Proceeds from this offering of preferred stock will be used to retire certain bridge loans advanced by existing investors, and provide funds to a) accelerate research and development to develop secondary markets, support foreign languages, support sensor and multi-media streams, and dashboard visualization, b) launch marketing efforts, including public relations and product marketing, c) expand sales and business development efforts and d) obtain product cerifications from IBM, US DoD and SAP. Proceeds from the Offering, together with approximately $1,250,000 in additional bridge loans, are expected to meet River Glass' external funding needs for the next 6 to 12 months.

Funding Sources: *IllinoisVENTURES* operates two of Illinois' Technology Enterprise Centers (ITECs) which assist in the commercialization of technologies coming out of the University of Illinois. The ITEC also considers other technologies not affiliated with the University. VENTURES receives yearly appropriations to operate and make small investments into companies. IllinoisVENTURES invests both public monies (from the ITEC) and through its Emerging Technology Fund. The public monies are generally invested at an earlier stage and are used to advance the company to the point where it is suitable for institutional investment.

ECONOMIC DISCLOSURE SUMMARY

	Firm	Location	Contact
Company	RiverGlass.	Champaign, West Chicago	Kirk Dauksavage
General Counsel:	Katten Muchin Zavis Rosenman	Chicago	Craig Bradley
Accountant:	Thane Hanson		Thane Hanson
Co-Investor	Illinois VENTURES	Champaign	Rob Schultz
Counsel:	Gordon & Glickson	Chicago	Scott Glickson
Accountant:			

Applicant: RiverGlass 2700 International Drive, Suite 305, West Chicago, IL (Kirk Dauksavage, President and Chief Executive Officer)

Organization: Illinois Corporation

LEGISLATIVE DISTRICTS

	Chicago	Champaign
Congressional:	14 – J. Dennis Hastert	15 – Timothy V. Johnson
State Senate:	28 – John Millner	52 – Richard J. Winkel
State House:	55 – Harry R. Ramey, Jr.	103 – Naomi D. Jakobsson

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton

Date: August 8, 2006

Re: Overview Memo for:

(1) New Tax-Exempt Freight Transfer Facilities Revenue Bonds and Highway Infrastructure Facilities Revenue Bonds, and
(2) Applicability of Tax-Exempt Bond Financing for the Ridge Property Services II, LLC Project

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Background Information on New Tax-Exempt Freight Transfer Facilities Revenue Bonds and Highway Infrastructure Revenue Bonds

- Created under SAFETEA-LU (also known as the 2005 federal highway bill), which governs US federal surface transportation spending through 2010, and was signed into law in August 2005.
- SAFETEA-LU provides $286.4 billion to improve and maintain transportation infrastructure in the United States for projects funded through the U.S Department of Transportation ("DOT").

- The SAFETEA-LU initiative included enhancements to the existing Transportation Infrastructure Finance and Innovation Act (TIFIA), which provides Federal "DOT" credit assistance to facilitate public funds to be leveraged with billions more in private investment.

- **Most significantly to IFA, SAFETEA-LU includes provisions that authorize the issuance of tax-exempt private activity bonds (e.g., Freight Transfer Facilities Revenue Bonds and Highway Infrastructure Revenue Bonds) for qualified transportation projects.**

    - The Secretary of the U.S. Department of Transportation has $15 Billion of nationwide bond issuance authority that will be granted on a project-by-project basis
        - The purpose of the Ridge Property Services II, LLC application is obtain an IFA Inducement Resolution, a required exhibit for its allocation request to the U.S. Secretary of Transportation.
        - These Bonds are exempt from State Volume Cap requirements – instead, the allocation is provided by DOT directly pursuant to a national volume cap for these projects.

    - **Qualified nationally or regionally significant projects including:**
        - **Any surface transportation (highway, mass transit, or rail) project receiving DOT Title 23 (Federal Highway) or Title 49 (Federal Railroad) funds**
            - Surface transportation/highway projects;
            - International bridge and tunnel projects
            - Public freight rail facilities or private facilities providing public benefit for highway users
            - Intermodal freight transfer facilities
            - Facilities for the transfer of freight from truck to rail, or rail to truck
        - Freight projects may involve the combining of private and public sector funds for private sector facility improvements

- **IDOT administers Title 23 Grant Funds (Highway) and Title 49 Funds (Railway) on behalf of the U.S. DOT**

- **Bond Proceeds can be expended over a 5-year period – accordingly, proposed projects can have a long development cycle.**

- **Although issued on behalf of private companies, these Bonds are exempt from State Volume Cap requirements (unlike all other tax-exempt bonds with for-profit beneficiaries)**

Using Tax-Exempt Freight Transfer Facilities Revenue Bonds and Highway Infrastructure Revenue Bonds to Support the Ridge Property Services II, LLC Project:

- Ridge has requested a not-to-exceed amount, for establishing parameters of the Inducement Resolution, at $591 Million
  - o The final aggregate bond amount issued may be considerably less, and will be reduced by funding from other sources, which will include Title 23/Title 49 grant funds from U.S. DOT/IDOT, Developer Equity, and assistance from area local government units.
- Request is for the initial two phases of a four-phase, 10-year project
- The development horizon for the projects covered by the proposed $591million IFA Inducement Resolution is five years
- Proposed project uses:
  - o rail improvements
  - o infrastructure improvements
  - o land acquisition
  - o rail served warehouses, and
  - o capitalized interest (construction + 6 months)
- Anticipated Financing Scenario:
  - o A separate series of Bonds will be issued for each building, or each component of the infrastructure, and for general development-wide land and rail improvements
  - o Repayment of each Series would be derived from each building's cash flow.
    - ▪ Each Series will be separately secured with a pertinent mortgage and assignment of leases
      - Most tenants are expected to be rated entities
      - Non-rated tenant obligations would be secured by a Direct Pay Bank LOC obtained by the Developer

- Thus, IFA anticipates issuing multiple series of Bonds over a five-year period to finance qualified expenditures related to this development

- <u>An allocation of Title 23 and/or Title 49 Funds is required for the U.S. Secretary of Transportation to allocate a portion of the national $15 Billion bond allocation to support the proposed series of IFA bond issues.</u>

  - o Title 23 Funds would be used to finance improvements to nearby Interstate interchanges and for access road improvements from the Interstate to the development site
  - o Although Title 49 Funds are not currently appropriated by Congress, these funds could be used for rail and railroad right of way improvements

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 8, 2006

Project: **Ridge Property Services II, LLC and its successors, affiliates, and assigns**

STATISTICS

IFA Project :	I-FT-TE-CD-6160	Amount:	$591,000,000 (not-to-exceed amount)
Type:	Freight Transfer Facilities Revenue Bonds	FM:	Rich Frampton
Location:	Unincorporated Will County		

BOARD ACTION

Preliminary Bond Resolution
Conduit Freight Transfer Facilities
Revenue Bonds (Tax-Exempt) — No IFA funds at risk

Staff recommends approval subject to the extraordinary condition stated below.

Extraordinary Condition: IFA's issuance of these Bonds is expressly conditioned upon the receipt of an allocation from the United States Secretary of Transportation of a sufficient portion of the $15 Billion of nationwide authority (the "Nationwide Authority") to issue Tax-Exempt Bonds for the financing of qualified highway or surface freight transfer facilities as set forth in Internal Revenue Code Section 142(m)(2)(A), as added by Section 11143 of Title IX of the "SAFETEA-LU". (Furthermore, the US DOT allocation of Nationwide Authority will be subject to US DOT providing Title 23 and/or Title 49 transportation grant funds through the Illinois Department of Transportation.)

PURPOSE

Acquisition of land, construction of rail improvements, and the construction of all or a portion of an estimated 30 warehousing and distribution facilities and related infrastructure located generally south of the Kankakee River and west of I-55 in unincorporated Will County, near the Village of Wilmington.

Certain portions of these facilities may qualify for new federally tax-exempt Freight Transfer Facility Revenue Bonds in Illinois under a new surface transportation finance initiative approved in late 2005 and implemented in early 2006 by the U.S. Department of Transportation. (See Exhibit A attached to this Report for additional information.)

IFA CONTRIBUTION

Although the subject Bonds will be issued on a tax-exempt basis for a for-profit entity, Freight Transfer Facility Revenue Bonds do not require any State of Illinois Volume Cap. Instead, authorization requests for Tax-Exempt Freight Transfer Facility Revenue Bonds are allocated nationally on a project-by-project basis by the U.S. Department of Transportation.

Accordingly, IFA will serve as a conduit issuer and convey tax-exempt status on the subject Bonds.

VOTING RECORD

None. This is the first time this project has been presented to the Board.

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS – PHASES I & II

Sources:	IFA Bonds, Title 23/ Title 49 Grants, and Other Financing	$443,250,000	Uses:	Project Cost	$591,000,000
				Issuance Costs	TBD
	Equity	$147,750,000			
	Total	**$591,000,000**		**Total**	**$591,000,000**

These estimates are preliminary estimates only and are likely to change materially prior to issuance and will be a function of: (1) the amount of US Title 23 and US Title 49 funding provided, (2) final bond sizing which will reflect the number of series ultimately issued, and (3) the amount of supplemental financing available from other sources. Firm estimates of project costs and a more detailed listing of proposed Sources and Uses of Funds will be provided at the time of the Final Bond Resolution for each Series when issued. Issuance costs will likely be financed with equity. Developer Equity may be supplemented with subordinate financing or grant funds to be determined.

JOBS

Current employment: 0

Projected new jobs: Phase I: 1,007 (1 year after completion) (Phase II: an additional 2,000 – undetermined time frame)

Jobs retained: Not applicable

Construction jobs: 500 (average over 5 years)

BUSINESS SUMMARY

Description: Ridge Property Services II, LLC ("Ridge", the "Borrower" and "LLC") and its successors, affiliates, and assigns is an Illinois Limited Liability Company formed in February, 2006 as a special purpose entity to own and develop the subject intermodal facility and industrial park in unincorporated Will County, near Wilmington.

The sole Member of the Borrower is currently Ridge Property Trust ("RPT" or the "Parent"). The membership group will ultimately be expanded to include other entities.

Ridge Property Trust is a private Real Estate Investment Trust formed by Ridge Investors, LLC (Management) and Prudential Real Estate Investors in 2004. Prudential Real Estate Investors holds an 80% ownership interest in Ridge Property Trust.

Background on Ridge Property Trust: RPT is a leading provider of corporate real estate development, investment, and financing services specializing in "state of the art" warehouse, distribution and manufacturing facilities throughout the United States and Mexico. Ridge's principals have been involved in the development, construction, ownership and management of more than 75 million square feet of institutional quality real estate throughout the United States and have an average of 22 years experience in the real estate industry. Ridge is based in Chicago, Illinois with regional offices in Long Beach, CA, and Dallas, Texas.

Recent Ridge projects include a mix of build-to-suit and speculative projects: (1) West Ridge Corporate Center, Aurora, IL (multiple facilities with over 1.4 million SF – distribution), (2) Ricon Colors, West Chicago (120,000 SF – manufacturing/distribution), (4) Planes Moving & Storage, Aurora (60,000 SF warehouse/distribution), (5) Batavia Industrial Center (I-III; over 610,000 SF – distribution facilities), and (6) Bedford Park Corporate Center (I-IV; over 1.1 million SF – manufacturing/distribution).

Rationale for Project: The Chicago Metropolitan Area and Will County, in particular, has emerged as the largest inland port/freight transfer center in the country. The CenterPoint Intermodal Facility in Elwood, Illinois (Will County) has doubled in size each year during its existence.

The CenterPoint business park is presently comprised of 7 million SF of warehouse space with a potential build-out of approximately 12 Million SF. The CenterPoint Intermodal Center includes credit tenants such as Wal-Mart, Sanyo, Potlatch, and Georgia Pacific and is located adjacent to the Burlington Northern Santa Fe.

Some key advantages of this project include:

1. Will help absorb the dramatic demand for new Midwestern rail served warehouse/distribution centers, intermodal, and transload facilities due to (a) just-in-time manufacturing and (b) the increase importance of efficient logistics in transporting products to final destinations.
2. Tax-Exempt Bond Financing will facilitate a lower cost of occupancy that will help attract these tenants to Illinois rather than Memphis, Nashville, Indianapolis, or St. Louis.
3. Project-related roadway and interchange improvements will improve access to the area, and encourage peripheral users to locate nearby.
4. Project will generate property tax revenue for local taxing jurisdictions, and income tax revenue for the State of Illinois.

FINANCING SUMMARY

Depending on the end user for each of the properties, multiple series of Bonds could be issued with varying security features and structures under the following general scenarios:

- **Scenario I:** Ridge anticipates that most tenants will be Fortune 500 caliber tenants and that most will have their own underlying investment grade credit ratings and will be considered "credit" tenants by prospective institutional investors.
- **Scenario II:** Ridge also plans to construction speculative buildings and may lease certain of the facilities to non-rated or sub-investment grade rated tenants. Infrastructure improvements would also be financed using this structure. Upon conversion to a lease to a "credit" tenant, the facility would be refinanced, and structured as described in Scenario I.

	Scenario I: Executed Lease to a "Credit" Tenant	**Scenario II: Speculative Building or Lease to a Non-rated or Sub-Investment Grade Tenant**
Bondholder Security:	Investment Grade Rated based on tenant's rating.	Direct Pay Letter of Credit.
Credit Ratings:	Long Term: estimated at Baa/BBB/BBB or better from Moody's/S&P/Fitch.	LOC Bank short term ratings of P1, A-1, F1 or better from Moody's/S&P/Fitch
Collateral:	Bond Investors secured by 1st Mortgage and 1st Security Interest in all assets and a collateral assignment of rents and leases. Corporate guarantee may also be required.	LOC Bank secured by a guarantee from Prudential Financial
Proposed Interest Rate Mode:	Fixed Rate Bonds	7-day variable rate demand bonds
Estimated Interest Rate:	5% Fixed	3.75% Floating (inclusive of Bank LOC fees); based on rates as of 7/26/2006
Amortization:	35 years	35 years
Final Maturity:	35 years	35 years

PROJECT SUMMARY

Bond proceeds will be issued in one or more Series and used by Ridge Property Services I, LLC and its successors, affiliates, and assigns (collectively, the "Borrower") for the purpose of providing the Borrower with all or a portion of the funds for the purpose of assisting in financing the initial two phases of a contemplated four-phase project to acquire land, install infrastructure improvements and construct facilities for the transfer of freight including, without limitation, rail facilities, warehouse and other storage facilities, cranes, loading docks and other equipment that are integral to the transfer of freight, to be located generally south of the Kankakee River and west of Interstate 55 in unincorporated Will County near Wilmington, Illinois, including the financing of any required reserve funds and capitalized interest; and financing the payment of all or a portion of the costs of issuance of the Bonds, including the cost of any credit enhancement for the Bonds, (collectively, the "Project").

Estimated project costs are as follows:

Land, Public Improvements, Rail Improvements	$100,000,000
Warehousing Distribution Buildings (spec and pre-leased)	491,000,000
Total	**$591,000,000**

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Ridge Property Services II, LLC (Contact: James Martell, Chairman & CEO, Ridge Property Trust, 8430 W. Bryn Mawr Ave., Suite 400, Chicago, IL 60631; Ph.: 773-695-1260; Fax: 773-695-1251; e-mail: jamrtell@rptrust.com)
Web site:	www.rptrust.com (Ridge Property Trust)
Project name:	Will County Intermodal Facility
Location:	West of I-55 and South of the Kankakee River in Unincorporated Will County, Illinois near Wilmington
Organization:	Ridge Property Services II, LLC is a Delaware limited liability company.
Ownership:	Ridge Property Services II, LLC:

- Ridge Property Trust, Manager: 100% (a private REIT based in Chicago)
  - Prudential Real Estate Services (a subsidiary of Prudential Financial, a public company), Parsippany, NJ 07054: 80%
    [web site: http://www.investmentmanagement.prudential.com/view/page/6067]
  - Ridge Investors, LLC, Chicago, IL: 20% (comprised of employees of Ridge Property Trust)
- Note: Ultimately, other entities will own membership interests in the LLC or successor and subsidiary entities – none have been identified as of the completion date of this report

PROFESSIONAL & FINANCIAL

General Counsel:	Ridge Property Trust, LLC	Chicago, IL	Bill Peltin
Special Counsel:	Dykema Gossett PLLC	Chicago, IL	
Outside Accountant:	PricewaterhouseCoopers, LLP	Chicago, IL	
Bond Counsel:	Ice Miller LLP	Chicago, IL	Tom Smith
Letter of Credit:	To be determined, as necessary		
Bank Counsel:	TBD		
Underwriter:	William Blair & Company LLC	Chicago, IL	Chuck Freeburg
Underwriter's Counsel	Squire Sanders & Dempsey	Cleveland, OH	
Architect:	To be determined		
General Contractor:	To be determined		

Trustee/Fiscal Agent:	To be determined		
IFA Counsel	Mayer Brown Rowe & Maw LLP	Chicago, IL	David Narefsky

LEGISLATIVE DISTRICTS

Congressional:	11	Gerald C. ("Jerry") Weller
State Senate:	38	Gary Dahl
State House:	75	Careen Gordon

Illinois Finance Authority
Investment Report
For the Quarter Ended September 30, 2006

	Investment Type	Interest Rate @ QE	Bank Balance or Cost	Collateral Pledged	Carrying Value	Purchase Date	Maturity Date	Ownership Fund	Credit Rating Standard & Poors	Credit Rating Moodys	Investment Terms **
Investment Type:											
Collateralized Cash Balances											
Banterra Bank (Money Market Accounts)	Money Market	2.500%	3,144,457.17		2,801,815.24			Various c			FDIC Insured
Banterra Bank (Money Market Accounts)	Money Market	2.500%	2,072,444.92		2,072,444.92			Rural Dev Loan Fund			FDIC Insured
Banterra Bank (Savings Accounts)	Savings	4.920%	742,718.96		742,718.96			EDA Title IX			FDIC Insured
Total Banterra Bank			5,959,621.05	6,613,131.67	5,616,979.12						
LaSalle Bank (Corporate Demand Deposit)	Demand Deposit	0.000%	246,804.43		133,624.67			General			FDIC Insured
LaSalle Bank	Cert. of Dep.	4.670%	85,000.00		85,000.00	22-Jun-06	22-Jun-07	General			FDIC Insured
Total LaSalle Bank			331,804.43	845,635.39	218,624.67						
CEFCU	Money Market	3.750%	501,541.52		500,000.00	@ issuance	1-Jun-33	Credit Enhancement	n/a	n/a	NCUA Insured
Certificates of Deposit:											
Peoples National Bank of Pana, Illinois	Cert. of Dep.	4.250%	-	1,000,000.00	-	8-Jul-05	matured	General			FDIC Insured
Peoples National Bank	Cert. of Dep.	5.260%	100,000.00		100,000.00	6-Jul-01	6-Sep-06	General			FDIC Insured
Warren-Boynton Bank	Cert. of Dep.	5.000%	100,000.00		100,000.00	8-Aug-02	9-Aug-07	General			FDIC Insured
Corn Belt Bank	Cert. of Dep.	5.000%	100,000.00		100,000.00	8-Aug-02	9-Aug-07	General			FDIC Insured
Chapin State Bank	Cert. of Dep.	4.250%	100,000.00		100,000.00	13-Mar-03	14-Mar-08	General			FDIC Insured
BankOrion	Cert. of Dep.	4.120%	100,000.00		100,000.00	13-Mar-03	14-Mar-08	General			FDIC Insured
State Bank of Lincoln	Cert. of Dep.	4.010%	100,000.00		100,000.00	13-Mar-03	14-Mar-08	General			FDIC Insured
Wemple State Bank	Cert. of Dep.	4.000%	100,000.00		100,000.00	13-Mar-03	14-Mar-08	General			FDIC Insured
Total Deposits with Financial Instituitons:			7,492,967.00		7,035,603.79						
Money Market Funds											
JPMorgan Prime Money Market Fund	Money Market	4.863%	1,670,666.76		1,670,669.76	various	various	IRB Insurance Fund	AAAm	Aaa	NA
Morgan Stanley Active Asset	Money Market	4.700%	127,217.51		122,332.88	various	various	General	AAAm	x	NA
ABN AMRO Government Money Market	Money Market	4.714%	600,000.00		600,000.00	@ issuance	15-Nov-06	Credit Enhancement	n/a	n/a	Lipper Rating #55 out of 137
Federated Government Obligations-Tax Managed	Money Market	4.550%	52,750.27		53,000.00	@ issuance	1-Dec-12	Credit Enhancement	AAAm	Aaa	
JPMorgan 100% US Treasury Sec MMKT (SASI)	Money Market	4.640%	273,450.69		15,284.46	@ issuance		Credit Enhancement	AAAm-G	Aaa	
JPMorgan 100% US Treasury Sec MMKT	Money Market	4.640%	201,403.00		200,284.54	@ issuance		Credit Enhancement	AAAm-G	Aaa	
Total Money Markets Funds:			2,925,488.23		2,661,571.64						
Deposits Held by State Treasurer			-		-			IRBB General Trust			
Government Investment Pools:											
Illinois Funds (IPTIP) - Money Market	Treasury & Repo	4.834%	14,923,255.80		14,923,255.80	various	various	Various (a)	AAAm	n/a	NA
Illinois Funds (IPTIP) - Prime Account	General Purpose Taxable	5.008%	4,883,347.09		4,883,347.09	various	various	Various (b)	AAAm	n/a	NA
Total Government Investment Pools:			19,806,602.89		19,806,602.89						
Government agencies - no explicit guarantee											
Federal National Mortgage Assoc.PV $300,000	Government	3.520%	298,505.00		284,625.00	4/7/2004	3/24/2009	General	AAA	AAA	callable @$100 10/13/2005
Federal Farm Credit Bank PV $300,000	Government	4.090%	294,755.00		285,000.00	7/7/2004	3/15/2010	General	AAA	AAA	callable @$100 10/10/2005
Federal National Mortgage Assoc. PV $100,000	Government	4.570%	100,005.00		95,344.00	8/19/2003	7/21/2011	General	AAA	AAA	callable @$100 10/13/2005
Federal National Mortgage Assoc. PV $200,000	Government	4.520%	200,005.00		186,438.00	3/25/2004	6/3/2013	General	AAA	AAA	callable @$100 12/03/2005
Federal Home Loan Mortgage Corp. PV $400000	Government	4.740%	400,005.00		374,032.00	9/13/2004	7/9/2013	General	AAA	AAA	callable @$100 01/09/2006
Federal Home Loan Bank PV $500,000	Government	5.220%	487,022.50		487,721.25	7/24/2006	1/19/2007	IRB Insurance Fund			Non callable
Fannie Mae PV $500,000	Government	4.840%	497,335.00		497,579.62	7/24/2006	6/27/2007	IRB Insurance Fund			
Federal Home Loan Bank PV $1,000,000	Government	5.665%	1,000,000.00		998,880.00	7/28/2006	11/15/2007	IRB Insurance Fund			callabe @$100 11/15/2007
Total Government Agencies - no explicit guarantee			3,277,632.50		3,209,619.87						
Petty Cash Funds					-						
TOTAL DEPOSITS & INVESTMENTS:			33,502,690.62		32,713,398.19						

Illinois Finance Authority
Investment Report
For the Quarter Ended September 30, 2006

	Investment Type	Interest Rate @ QE	Bank Balance or Cost	Collateral Pledged	Carrying Value	Purchase Date	Maturity Date	Ownership Fund	Credit Rating Standard & Poors	Credit Rating Moodys	Investment Terms **
Additional Detail											
(a) General Fund	10,098,276.37										
Industrial Revenue Bond Insurance Fund	6,855,236.44										
IRBB Special Reserve Fund	5,873.04										
IRBB General Fund Trust Fund	427,596.62										
Illinois Housing Partnership Program	823,793.95										
Total Illinois Funds - Money Market	18,210,776.42										
(b) General Fund	2,279,521.66										
IRBB Special Reserve Fund	2,545,196.97										
Total Illinois Funds - Prime Account	4,824,718.63										
(c) General Fund	323,124.15										
Industrial Revenue Bond Insurance Fund	2,801,815.24										
Total Banterra Bank Money Market	3,124,939.39										

FDIC and NCUA provide $100,000 of deposit Insurance per account

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 8, 2006

Project: Ameren Energy Generating Company

STATISTICS

Project Number:	P-PO-TE-CD-6150	Amount:	$200,000,000 (not-to-exceed amount)
Type:	E	FM:	Rich Frampton
Location:	Coffeen		

BOARD ACTION

Preliminary Bond Resolution
Tax-Exempt Solid Waste Disposal Revenue Bonds
No extraordinary conditions
Staff recommends approval [subject to availability of Volume Cap and/or Solid Waste Carryforward in 2008-2010 – a general condition].

No IFA funds at risk.

PURPOSE

Proceeds will be used to finance solid waste disposal facilities at the Coffeen Power Station in unincorporated Montgomery County, near Coffeen.

IFA CONTRIBUTION

The purpose of the reimbursing expenditures incurred in connection with the proposed facilities, the acquisition and completion of which is not anticipated until 2008. [Accordingly, the Applicant does not plan to finance this project with tax-exempt bonds until 2008-2010.]

This project will require Volume Cap and will be able to use prior year IFA Solid Waste Carryforward Volume Cap to the extent available, for all or a portion of the financing. Bonds will likely be issued in more than one series. Accordingly, this project will be able to use available Carryforward Volume Cap from 2005-2007 and subsequent years (subject to availability).

Final sizing of the proposed Bonds will be subject to a review of the engineering plans by bond counsel, as customary. The requested Preliminary Bond Resolution is intended to provide a maximum, not-to-exceed amount for the proposed bond issue. Based on bond counsel review, the ultimate size of this financing (and the amount of Volume Cap required) could be significantly less than requested herein.

VOTING RECORD

No voting record. This is the first time this project has been presented to the IFA Board.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	$200,000,000	Uses:	Project Costs	$335,000,000
	Internal Funds	137,600,000		Costs of Issuance	2,600,000
	Total	**$337,600,000**		**Total**	**$337,600,000**

JOBS

Current employment:	182	Projected new jobs:	N/A (Under review by Company)
Jobs retained:	N/A	Construction jobs:	75-100 (Under review by Company) for 18-24 months

BUSINESS SUMMARY

Background: Ameren Energy Generating Company ("AEG" or the "Applicant") was incorporated under Illinois law in March 2000.

AEG is a wholly-owned subsidiary of Ameren Energy Development Company, a subsidiary of Ameren Energy Resources Company, which is in turn a subsidiary of Ameren Corporation (i.e., the parent company, or "Ameren"). The Economic Disclosure Statement section of this report provides additional SEC ownership disclosure information on Ameren Corporation.

AEG commenced operations on May 1, 2000 when its affiliate, Central Illinois Public Service Company ("CIPS"), transferred its five coal-fired power plants (with approximately 2,860 megawatts of capacity) and related liabilities to AEG in conjunction with the Illinois Electric Service Customer Choice and Rate Relief Law of 1997 (which provided for electric utility restructuring and introduced competition into the retail supply of electric energy in Illinois). CIPS now does business as "AmerenCIPS".

As a result of this transfer, AEG's generating resources and output are not subject to state utility regulation, although AEG's generating resources and output are contractually committed to provide CILCO with power to meet its native load requirements through 12/31/2006.

<u>Subsequent to 2006, a portion of AEG's generating capacity is expected to be bid into the Illinois auction process (which is currently subject to court appeal and opposition by certain Illinois elected officials, and others)</u> and the remainder, if any, will be sold into the wholesale market.

Description: Ameren Energy Generating Company's sole business is the ownership, operation, and generation of electric power for delivery and sale. AEG owns and operates three coal fired power plants in Illinois, including Coffeen Power Plant (the subject property), Newton Power Station in Jasper County (1,151 MW), and the Meredosia Power Plant in Morgan County (327 MW). AEG also operates oil fired generating facilities at Meredosia and Hutsonville and natural gas combustion turbines at Grand Tower, Elgin, Gibson City, and Joppa, Illinois.

The 900 MW Coffeen Power Station began operation in 1965.

Project Impact: <u>Coffeen Power Station:</u> The proposed project will finance qualified solid waste disposal facilities to be constructed in conjunction with a new Wet Flue Gas Desulfurization (Scrubber) facility that will be built to meet new standards required under the U.S. EPA's Clean Air Interstate Rules soon to be adopted by the State of Illinois. This facility would become operational by January 1, 2010. The estimated cost of the entire project is $355 million, a portion of which that will be financed with IFA Bonds.

The proposed IFA Bonds would finance a portion of the solid waste collection facilities for collecting scrubber sludge from an absorber and transferring it to a remote landfill facility and related processes while the sludge and its components have no commercial value. By accessing tax-exempt financing, IFA will lower AEG's overall cost of capital, thereby enabling the plants to operate more competitively in delivering energy (particularly if Illinois implements auction-rate power supply).

AEG's engineering consultant will be preparing all applications for IEPA operating permits in connection with these facilities. All facilities will have all necessary IEPA construction and operating permits before this financing returns for consideration of a Final Bond Resolution, consistent with customary practice.

The Coffeen Power station provides approximately $2.5 million of property tax revenues annually for local taxing jurisdictions. Overall, AEG pays approximately $10 million of Illinois income taxes annually.

The Coffeen Power Station is located in the DCEO-designated Montgomery County Enterprise Zone.

Background on Ameren Corp.: Ameren Corporation is a public utility holding company that provides energy services to 2.4 million customers in Missouri and Illinois. Ameren is currently the second largest electric utility in Illinois. In late 2004, Ameren closed on the purchase the stock of Illinois Power Company of Decatur, Illinois from Dynegy, Inc.

The Coffeen Power Plant has traditionally provided power to its Ameren CIPS subsidiary. AmerenCIPS was originally established in 1902 and is a public utility operating company operating a rate-regulated electric and natural gas transmission and distribution business. AmerenCIPS' service territory primarily consists of small towns and rural areas in Central and Southern Illinois. AmerenCIPS provides energy services across 66 counties to 323,000 electric customers in 557 Illinois communities. Major communities located in AmerenCIPS' service territory include Quincy, Mattoon, Effingham, and Carbondale.

FINANCING SUMMARY

Bondholder Security:	Municipal Bond Insurance (from a "Aaa/AAA/AAA" rated insurer).
Credit Ratings:	Aaa/AAA/AAA long-term by Moody's/S&P/Fitch, based on bond insurance
Collateral:	Ameren's (and its subsidiaries') creditors are collateralized by a senior mortgage on substantially all corporate assets and senior liens on all receivables and inventory.
Interest Rate Mode:	The Bonds will be issued in 7-Day Auction Rate Mode. The current market rate on representative Auction Rate Mode Bonds was approximately 3.50% as of 7/26/2006.
Maturities:	The Bonds may have maturities of up to 40 years, pending approval by the credit enhancer.

PROJECT SUMMARY

Bond proceeds will be used to finance and refinance the qualified solid waste disposal facilities at Ameren Energy Generating Company's Coffeen Power Plant, 134 CIPS Lane, Coffeen (Montgomery County), IL 62017. The proposed solid waste disposal facilities would constructed in conjunction with a new Wet Flue Gas Desulfurization (Scrubber) facility that will be built to meet new standards required under the U.S. EPA's Clean Air Interstate Rules soon to be adopted by the State of Illinois. This facility would become operational by January 1, 2010.

The estimated cost of the entire project is $355 million, a portion of which, as proposed, will be financed with IFA Bonds.

The proposed capital improvements will enable Ameren Energy Generating Company to conform with new U.S. EPA and also more stringent IEPA guidelines on sulfur dioxide emissions.
Summary of project costs:

Acquistion/Construction/Installation of Facilities and Equipment:	$335,000,000
Total:	**$335,000,000**

ECONOMIC DISCLOSURE STATEMENT

Applicant/ Contact:	Ameren Energy Generating Company, 1901 Chouteau Avenue, St. Louis, MO 63166 (Contact: Mr. Mike O'Bryan, Senior Capital Markets Specialist, c/o Ameren Services, One Ameren Plaza, 1901 Chouteau Avenue, PO Box 66149, St. Louis, MO 63166-6149. Ph: 314/554-4140; Fax: 314/554-4075; email: mobryan@ameren.com.)
Web site:	www.ameren.com
Project name:	Ameren Electric Generating Company, Series 2008-2011 Bonds
Location:	Coffeen Power Plant, 134 CIPS Lane, Coffeen (Montgomery County), IL 62017
Organization:	Corporation
State:	Illinois
Ownership:	AEG is a wholly-owned subsidiary of Ameren Energy Development Company, a subsidiary of Ameren Energy Resources Company, which is in turn a subsidiary of Ameren Corporation.

Entities that hold a 5.0% or greater ownership interest in Ameren Corporation as disclosed in SEC Filings as of 3/31/2006 include:

Capital Research and Management Company, 333 South Hope Street, Los Angeles, CA 90071: 5.99%. Capital Research and Management Company is an Investment Adviser registered under Section 203 of the Investment Advisers Act of 1940.

Franklin Resources, Inc., One Franklin Pkwy., San Mateo, CA 94403-1906: 5.75%. Franklin Resouces is an Investment Adviser registered under Section 203 of the Investment Advisers Act of 1940.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Ameren Corporation (in-house)	St. Louis, MO	Steve Sullivan
Auditor:	PriceWaterhouseCoopers LLP	St. Louis, MO	
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Andrea Bacon
Credit Enhancement:	TBD (Bond Insurance)	New York, NY	
Counsel to Credit Enhancer:	To be determined		
Underwriters/ Co-Managers:	To be bid competitively by Ameren. All firms on IFA qualified list to be considered.		
Counsel:	*** To be determined. See Note below.**		
Auction Agent:	Deutsche Bank	New York, NY	Lisa McDermid
Engineering:	Sargent & Lundy	Chicago, IL	
Trustee:	TBD		
Issuer's Counsel:	Will be engaged in FY 2008		

LEGISLATIVE DISTRICTS

Congressional:	17	Lane Evans
State Senate:	49	Deanna Demuzio
State House:	98	Gary Hannig

***Note:** *Ameren has solicited bids from several investment banking firms and is currently reviewing these bids. The selection of the Senior Managing Underwriter and Co-Managers for these Auction Rate Bonds will be disclosed when this project returns for final IFA Board consideration.*

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 8, 2006

Project: AmerenEnergy Resources Generating Company and its affiliates and assigns

STATISTICS

Project Number:	P-PO-TE-CD-6151	Amount:	$100,000,000 (not-to-exceed amount)
Type:	E	FM:	Rich Frampton
Locations:	Fulton County and Bartonville		

BOARD ACTION

Preliminary Bond Resolution — No IFA funds at risk.
Tax-Exempt Solid Waste Disposal Revenue Bonds
No extraordinary conditions
Staff recommends approval [subject to availability of Volume Cap (and Solid Waste Carryforward in 2008-2010) – a general condition].

PURPOSE

Proceeds will be used to finance solid waste disposal facilities at the Duck Creek Power Station in unincorporated Fulton County and the E.D. Edwards Power Station located in Bartonville.

IFA CONTRIBUTION

The purpose of the reimbursing expenditures incurred in connection with the proposed facilities, the acquisition and completion of which is not anticipated until 2009. [Accordingly, the Applicant does not plan to finance this project with tax-exempt bonds until 2008-2010.]

This project will require Volume Cap and will be able to use prior year IFA Solid Waste Carryforward Volume Cap to the extent available, for all or a portion of the financing. Bonds will likely be issued in more than one series. Accordingly, this project will be able to use available Carryforward Volume Cap from 2006-2008 and subsequent years (subject to availability).

Final sizing of the proposed Bonds will be subject to a review of the engineering plans by bond counsel, as customary. The requested Preliminary Bond Resolution is intended to provide a maximum, not-to-exceed amount for the proposed bond issue. Based on bond counsel review, the ultimate size of this financing (and the amount of Volume Cap required) could be significantly less than requested herein.

VOTING RECORD

No voting record. This is the first time this project has been presented to the IFA Board.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	$100,000,000	Uses:	Project Costs	$192,000,000
	Internal Funds	93,300,000		Costs of Issuance	1,300,000
	Total	**$193,300,000**		**Total**	**$193,300,000**

JOBS

Current employment:	195	Projected new jobs: N/A (Under review by Company)
Jobs retained:	N/A	Construction jobs: 50-75 (Under review by Company) for 18-24 months

BUSINESS SUMMARY

Background: AmerenEnergy Resources Generating Company ("AERG" or the "Applicant"), formerly known as Central Illinois Generation Inc., was originally incorporated under Illinois law in November 2001. AERC's headquarters are located in Peoria, Illinois.

AERG is a wholly-owned subsidiary of Central Illinois Light Company ("CILCO"). CILCO is in turn a wholly-owned subsidiary of CILCORP, Inc., which is, in turn, a wholly owned subsidiary of Ameren Corporation of St. Louis, MO. The Economic Disclosure Statement section of this report provides additional SEC ownership disclosure information on Ameren Corporation.

In October 2003, CILCO transferred its coal-fired electric generating plants and a combustion turbine electric generating facility (1,100 megawatts) to AERG in conjunction with the Illinois Electric Service Customer Choice and Rate Relief Law of 1997, which provided for electric utility restructuring and introduced competition into the retail supply of electric energy in Illinois.

As a result of this transfer, AERG's generating resources and output are not subject to state utility regulation although AERG's generating resources and output are contractually committed to provide CILCO with power to meet its native load requirements.

Subsequent to 2006, a portion of AERG's generating capacity is expected to be bid into the Illinois auction process (which is currently subject to court appeal and opposition by certain Illinois government officials and others) and the remainder, if any, will be sold into the wholesale market.

Description: AmerenEnergy Resources Generating Company's sole business is the ownership, operation, and generation of electric power for delivery and sale. AERG's two main assets are the Duck Creek Power Station located in Fulton County, near Canton, Illinois, and the E.D. Edwards Power Station located in Bartonville, Illinois (Peoria County). The Duck Creek Power Station began operation in 1976 and the E.D. Edwards Power Station began operation between 1960 and 1972.

Project Impact: Duck Creek Power Station: The proposed project will finance qualified solid waste disposal facilities to be constructed in conjunction with a new, Wet Flue Gas Desulfurization (Scrubber) facility that will be built to meet new standards required under the U.S. EPA's Clean Air Interstate Rules soon to be adopted by the State of Illinois. This facility would become operational by 2009. The estimated cost of the entire project is $102 million, a portion of which that will be financed with IFA Bonds.

The proposed IFA Bonds would finance a portion of the solid waste collection facilities for collecting scrubber sludge from an absorber and transferring it to a solid waste collection facility and related processes while the sludge and its components have no commercial value. By accessing tax-exempt financing, IFA will lower AERG's overall cost of capital thereby enabling the plants to operate more competitively in delivering energy (particularly if Illinois implements auction-rate power supply).

E.D. Edwards Power Station: The proposed project will finance qualified solid waste disposal facilities to be constructed in conjunction with a new Dry Flue Gas Desulfurization (Dry Scrubber) facility that will be installed by January 1, 2014 to meet new federal regulations. This facility would become operational by 2009. The estimated cost of the entire project is $90 million, a portion of which that will be financed with IFA Bonds.

The proposed IFA Bonds would be used to collect dry sulfur dioxide along with the pumps, draft fans, and remote piping that transports and stores this waste in a landfill. This Dry Scrubber waste has no commercial value and will be stored in an on-site landfill.

AERG's engineering consultant will be preparing all applications for IEPA operating permits in connection with these facilities. All facilities will have all necessary IEPA construction and *operating permits before these financing returns for consideration of a Final Bond Resolution, consistent with customary practice.*

In addition to employing 195 workers at these power plants, both plants are significant sources of property tax revenue for local taxing jurisdictions. Specifically, the Duck Creek facility pays approximately $600,000 of property tax annually and E.D. Edwards pays approximately $200,000 annually.

Background on Ameren Corp.: Ameren Corporation is a public utility holding company that provides energy services to 2.4 million customers in Missouri and Illinois. Ameren is currently the second largest electric utility in Illinois. In late 2004, Ameren closed on the purchase the stock of Illinois Power Company of Decatur, Illinois from Dynegy, Inc.

Through 12/31/2006, the Duck Creek and E. D. Edwards power plants will provide power to Ameren's CILCO subsidiary. CILCO was established in 1913 and provides electricity service to more than 203,000 Illinois customers in 19 counties, in Central and East Central Illinois. CILCO's electric service territory includes the following communities: Peoria, East Peoria, Pekin, Washington, Morton and 21 other communities in the Greater Peoria area. Additionally, CILCO provides service to Lincoln and portions of East Central Illinois (including the City of Tuscola).

FINANCING SUMMARY

Bondholder Security:	Municipal Bond Insurance (from a "Aaa/AAA/AAA" rated insurer).
Credit Ratings:	Aaa/AAA/AAA long-term by Moody's/S&P/Fitch, based on bond insurance
Collateral:	Ameren's (and its subsidiaries) creditors are collateralized by a senior mortgage on substantially all corporate assets and senior liens on all receivables and inventory.
Interest Rate Mode:	The Bonds will be issued in 7-Day Auction Rate Mode. The current market rate on representative Auction Rate Mode Bonds was approximately 3.50% as of 7/26/2006.
Maturities:	The Bonds may have maturities of up to 40 years, pending approval by the credit enhancer.

PROJECT SUMMARY

Bond proceeds will be used to finance and refinance the acquisition, construction, and installation of the following solid waste disposal facilities and related equipment at AmerenEnergy Resources Generating Company's Duck Creek Power Station, 17751 N. Cilco Rd., Canton (Unincorporated Fulton County), Illinois 61520, and E.D. Edwards Power Station, 7800 S. Cilco Lane, Bartonville (Peoria County), IL 61607 (collectively, the "Project"). The proposed solid waste disposal facilities would constructed in conjunction with a new Wet Flue Gas Desulfurization (Scrubber) facility that will be built to meet new standards required under the U.S. EPA's Clean Air Interstate Rules soon to be adopted by the State of Illinois.

AmerenEnergy Resources Generating Company is an indirect, wholly-owned subsidiary of Ameren Corporation.

Summary of project costs:

Acquisition/Construction/Installation of Solid Waste Disp. Facilities and Equipment:	$335,000,000
Total:	**$335,000,000**

ECONOMIC DISCLOSURE STATEMENT

Applicant/ Contact:	AmerenEnergy Resources Generating Company, 300 Liberty Street, Peoria, IL 61602 (Contact: Mr. Mike O'Bryan, Senior Capital Markets Specialist, c/o Ameren Services, One Ameren Plaza, 1901 Chouteau Avenue, PO Box 66149, St. Louis, MO 63166-6149. Ph: 314/554-4140; Fax: 314/554-4075; email: mobryan@ameren.com.)
Web site:	www.ameren.com
Project name:	AmerenEnergy Resources Generating Company, Series 2009-2011 Bonds
Locations:	Duck Creek Plant, 17751 N. Cilco Rd., Canton (Unincorporated Fulton County), Illinois 61520-8761 and E.D. Edwards Power Plant, 7800 S. Cilco Lane, Bartonville (Peoria County), Illinois 61607
Organization:	Corporation
State:	Illinois
Ownership:	Central Illinois Light Company ("CILCO"), 300 Liberty Street, Peoria, IL 61602 – 100%. CILCO is, in turn, 100% owned by CILCORP, Inc. of Peoria, IL, which is an indirect, wholly owned subsidiary of Ameren Corporation, St. Louis, MO.

Entities that hold a 5.0% or greater ownership interest in Ameren Corporation as disclosed in SEC Filings as of 3/31/2006 include:

> *Capital Research and Management Company, 333 South Hope Street, Los Angeles, CA 90071: 5.99%.* Capital Research and Management Company is an Investment Adviser registered under Section 203 of the Investment Advisers Act of 1940.
>
> *Franklin Resources, Inc., One Franklin Pkwy., San Mateo, CA 94403-1906: 5.75%.* Franklin Resources is an Investment Adviser registered under Section 203 of the Investment Advisers Act of 1940.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Ameren Corporation (in-house)	St. Louis, MO	Steve Sullivan
Auditor:	PriceWaterhouseCoopers LLP	St. Louis, MO	
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Andrea Bacon
Credit Enhancement:	TBD (Bond Insurance)	New York, NY	
Counsel to Credit Enhancer:	To be determined		
Underwriters/ Co-Managers:	Morgan Stanley	New York, NY	
	Banc of America Securities, Inc.	Atlanta, GA	Brian Hill
	A.G. Edwards	Chicago, IL	Lawrence Richardson
Underwriter's Counsel:	*** To be determined. See Note below.**		
Auction Agent:	Deutsche Bank	New York, NY	Lisa McDermid
Engineering:	Sargent & Lundy	Chicago, IL	
Trustee:	TBD		
Issuer's Counsel:	Requested		

LEGISLATIVE DISTRICTS

	Duck Creek Power Station *Unincorporated Fulton County, near Canton*		*E.D. Edwards Power Station* *Bartonville, Illinois*	
Congressional:	17	Lane Evans	18	Ray LaHood
State Senate:	46	George Shadid	46	George Shadid
State House:	91	Michael K. Smith	91	Michael K. Smith

***Note:** *Ameren has solicited bids from several investment banking firms and is currently reviewing these bids. The selection of the Senior Managing Underwriter and Co-Managers for these Auction Rate Bonds will be disclosed when this project returns for final IFA Board consideration.*

The Senior Manager will engage Underwriter's Counsel for this financing.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 8, 2006

Project: **Hebrew Theological College**

STATISTICS

Project Number:	E-PC-TE-CD-6161	Amount:	$11,400,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Rich Frampton
Locations:	Skokie and Chicago		

BOARD ACTION

Preliminary Bond Resolution	
Conduit 501(c)(3) Student Housing Revenue Bonds	No IFA funds at risk
Staff recommends approval	No extraordinary conditions

PURPOSE

Construction and acquisition/renovation of buildings for use as student residence facilities for both its Chicago

IFA CONTRIBUTION

Conveyance of federal tax-exempt status on Bonds. 501(c)(3) bond issues do not require Volume Cap.

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board.

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Tax-Exempt Bonds	$6,200,000	Uses:	Project Costs	$8,154,509
				Capitalized Interest	562,722
	IFA Taxable Bonds or Conventional Loan	5,200,000		Refinancing	2,312,628
				Issuance Costs	370,141
	Total	**$11,400,000**		**Total**	**$11,400,000**

JOBS

Current employment:	92	Projected new jobs:	6
Jobs retained:	N/A	Construction jobs:	will vary at 30-40 (up to 12 months)

BUSINESS SUMMARY

Background: Hebrew Theological College ("HTC", the "College", or the "Borrower") was originally established in 1919 and was chartered by the State of Illinois as a degree granting institution of higher education in 1921.

The College is an Illinois not-for-profit corporation that received its initial 501(c)(3) Letter of Determination from the IRS in 1941 (reaffirmed as of 8/10/2000).

The College is governed by a 51-member Board of Trustees (see Economic Disclosure Statement section on p.5 for additional information).

Description: Hebrew Theological College was originally established in 1921 and awarded its first baccalaureate degree in 1925.

HTC relocated its main campus from Chicago to Skokie in 1958. HTC's main campus is located approximately 0.7 miles west of the Touhy Ave./I-94 (Edens Expressway) interchange. HTC is located just east of the Village Crossing Shopping Center at the SE corner of Carpenter (Niles Center) Rd. and Touhy Avenue. The College established a satellite facility at 2606 W. Touhy Avenue in Chicago in 1994 to accommodate expansion of the women's division from a part-time evening program to a full-time program.

As of June 2006, HTC had 863 students enrolled in its college programs. Students are recruited from across the United States. Approximately 50% of the enrollees originate from Cook County.

HTC established its School of Liberal Arts and Sciences in 1959 and has gradually expanded its course offerings to provide a wider offering of majors. HTC currently offers undergraduate majors in Education (elementary and special education), Accounting, Business, Computer and Information Sciences, English, Psychology, and Allied Health Sciences.

HTC is accredited by the North Central Association of Colleges and Schools, which allows students to participate in federal financial assistance programs.

Project Impact: The proposed project involves construction of a new, 18-unit married student housing property and the renovation of classroom and administrative space at College's main campus in Skokie. Additionally, the project will involve the purchase and renovation of an existing residential building to serve as a new, 6-unit, 24 bed student residence facility at HTC's Chicago campus at 7224 W. Rockwell, Chicago, IL 60645

This project will renovate classroom space to accommodate expansion of the College's pre-professional health programs in Skokie, and expansion of the Adult Degree Completion Program. Additionally, the expansion of on-campus housing opportunities will enable the College to provide improved student support services.

FINANCING SUMMARY

Security:	Bondholders will be secured by a Direct Pay Letter of Credit from a Bank to be determined. The Borrower is currently soliciting bids from prospective LOC Banks. (As noted under the bank security section below, the Jewish Federation of Metropolitan Chicago will also be providing a standby corporate guarantee to the LOC Bank.)
Credit Ratings:	Minimum threshold Bank short-term LOC ratings necessary to sell 7-day floaters are P-1, A-1, F1 by Moody's/S&P/Fitch
Collateral (to LOC Bank):	The LOC Bank will be secured by a blanket first security interest in all HTC assets and the LOC will be cross collateralized with all other LOC Bank debt (including Lines of Credit) and equipment The LOC Bank will also be secured by a standby guarantee from the Jewish Federation of Metropolitan Chicago.
Structure/ Interest Rate:	Bonds will be sold initially as 7-day tax-exempt variable rate demand bonds. The most current effective average 7-day floaters were priced at 4.80% as of 7/19/2006 (inclusive of fees).
Final Maturity Date:	Not-to-exceed 30Years (estimated as of 7/21/2006)
Bank Security:	In addition to being secured by project assets, the Jewish Federation of Metropolitan Chicago will also be providing a standby corporate guarantee.

PROJECT SUMMARY

Bond proceeds will be used by Hebrew Theological Seminary for the purpose of providing all or a portion of the funds to (i) finance, refinance, or reimburse all or a portion of the cost of the acquisition, construction, furnishing and equipping of facilities, including, but not limited to (a) the construction and equipping of a new, 18-unit student housing facility to be located adjacent to the College's main campus at 7135 N. Carpenter Rd., Skokie (Cook County), Illinois 60077 (the "Skokie Campus"), (b) the renovation of existing student housing, classroom and administrative facilities located at the Skokie Campus, including but not limited to renovation of student housing facilities, fire safety improvements to one or more buildings, upgrades to biology/chemistry laboratories replacing and/or repairing furnaces and replacement of flooring, (c) the acquisition and renovation of all or a portion of an existing 18-unit apartment building for use as student apartments located at 7224 N. Rockwell Ave., Chicago (Cook County), IL 60645-1339, (d) renovations to existing student housing facilities located at 2606 W. Touhy Ave., Chicago, IL 60645 (the "Chicago Campus"), (e) refinancing existing indebtedness of the College, the proceeds of which were used to finance the acquisition, construction, and equipping of certain educational facilities at the College's Skokie Campus and Chicago Campus and to pay bond issuance costs, capitalized interest, fund any require debt service reserves and other project-related professional costs (collectively the "Project").

It is anticipated that a portion of this Project, including all non-qualified costs (currently estimated at $5.2 million) will be financed either conventionally or from proceeds of a taxable bond issue.

Summary of Project Costs (excludes Refinancing):

Land Acquisition:	$1,450,000
Building Acquisition:	1,848,600
Rehabilitation	1,765,508
New Construction	2,964,262
Arch. & Engineering:	126,139
Total:	**$8,154,509**

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Hebrew Theological College (c/o Rabbi Dr. Jerold Isenberg, Chancellor, Hebrew Theological College, 7135 N. Carpenter Rd., Skokie, IL 60077-3263; Ph.: 847-982-2500 (x127); Fax: 847-674-6381; e-mail: isenberg@htc.edu)
Web site:	www.htcnet.edu
Project name:	Hebrew Theological College
Locations:	(1) 7135 N. Carpenter Rd., Skokie (Cook County), IL 60077-3263 and (2) 7224 N. Rockwell Ave., Chicago (Cook County), IL 60645-1339
Organization:	Illinois 501(c)(3) corporation
Board of Trustees:	See Page 5
Property Owners:	Skokie Campus: Hebrew Theological College Chicago Campus – 7224 N. Rockwell Ave: 7224 Rockwell LLC (Seller Contact: Mr. Ronald Rosenblum, Ronald Rosenblum and Associates, 111 W. Washington Street, Suite 823, Chicago, IL 60602; Ph.: 312-977-9000)

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Allan N. Lowy & Associates, APLC	Beverly Hills, CA	Dan Gura, Nancy Epstein
Auditor:	Frost Ruttenberg and Rothblatt, P.C.	Deerfield, IL	
Bond Counsel:	Peck Shaffer & Williams, LLP	Columbus, OH	Mike Melliere
Underwriter/ Remarketing Agent:	B.C. Ziegler and Company	New Albany, OH	Rich Harmon, Kirk Hendricks
Underwriter's Counsel:	Peck Shaffer & Williams, LLP	Chicago, IL	George Buzard
LOC Bank:	To be determined		
LOC Bank Counsel:	To be determined		
Standby Guarantor:	Jewish Federation of Chicago	Chicago, IL	
Trustee:	US Bank, National Association	Columbus, OH	Scott Miller
Rating Agencies:	Standard & Poor's	San Francisco, CA	Debra Boyd
IFA Counsel:	Ice Miller	Chicago, IL	Tom Smith

LEGISLATIVE DISTRICTS

		Skokie		Chicago
Congressional:	9	Janice D. Schakowsky	9	Janice D. Schakowsky
State Senate:	8	Ira I. Silverstein	8	Ira I. Silverstein
State House:	15	John D'Amico	16	Louis I. Lang

Hebrew Theological College Board of Directors

Executive Committee

Board Chairman Mr. David Aromin Skokie, IL	*Vice Chairman* Mr. Shael Bellows Chicago, IL	*Vice Chairman* Rabbi Bernard Neuman Skokie, IL
Vice Chairman Rabbi Sheldon Wolfe Lincolnwood, IL	*Secretary* Mr. Samuel Brandman Chicago, IL	*Treasurer* Mr. Eric Rottner Chicago, IL
Mr. Seymour Abrams Lincolwood, IL	Mr. Samuel Cohen Lincolnwood, IL	Rabbi Colman Ginsparg Lincolnwood, IL
Dr. Gilbert Lanoff Lincolnwood, IL	Rabbi Aaron Regensberg Chicago, IL	Mr. Paul Rosenberg Chicago, Il

Board of Directors

Mr. Bertram Abeil Skokie, IL	Mr. Max Abrams Lincolnwood, IL	Mr. George Bornstein Skokie, IL
Rabbi David Brand Chicago, IL	Mr. Herbert Franks Marengo, IL	Dr. Jerome M. Garden Chicago, IL
Mr. Arnold Gassel Lincolnwood, IL	Mr. Howard D. Geller Skokie, IL	Mr. Marc Geller Skokie, IL
Rabbi Sidney Glenner Chicago, IL	Mr. Avigdor Horowitz Chicago, IL	Rabbi Benzion Kaganoff Chicago, IL
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Mr. Chaim Suss Chicago, IL	Rabbi Lance Taxer Chicago, IL	Rev. Noah Wolff Chicago, IL
Dr. Yigal Yahav Chicago, IL	Mr. Lawrence Yllin Aurora, IL	Mr. Joe Zimmerman Chicago, IL 60645

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 8, 2006

Project: **CHF-DeKalb, L.L.C. and its affiliates**

STATISTICS

Project Number:	E-PC-TE-CD-6144	Amount:	$19,000,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Rich Frampton
Location:	DeKalb		

BOARD ACTION

Preliminary Bond Resolution	
Conduit 501(c)(3) Student Housing Revenue Bonds	No IFA funds at risk
Staff recommends approval	No extraordinary conditions

PURPOSE

To finance the construction of a new 120-unit, 240-bed on-campus, apartment-style, student housing facility targeted to married students and graduate students at **Northern Illinois University** ("NIU") in DeKalb. This facility will replace a functionally obsolete 80-unit on-campus facility that is currently owned and operated by NIU. The facility will be developed and owned by Collegiate Development Services, L.P. of Irving Texas, an affiliate of a 501(c)(3) corporation. Day-to-day operations will be managed by NIU.

IFA CONTRIBUTION

Conveyance of federal tax-exempt status on Bonds. 501(c)(3) bond issues do not require Volume Cap.

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board.

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	$18,085,000	Uses:	Project Costs	$14,864,795
				Capitalized Interest	1,266,642
				DSRF	1,272,150
				Issuance Costs	681,413
	Total	**$18,085,000**		**Total**	**$18,085,000**

JOBS

Current employment:	2	Projected new jobs:	2 (FTE)
Jobs retained:	N/A	Construction jobs:	30 (11 months)

BUSINESS SUMMARY

Background: **CHF-DeKalb, L.L.C.** (the "LLC" or the "Borrower") is an Alabama limited liability company formed in July 2006 for the sole purpose of developing, owning, and operating the subject student apartment project for Northern Illinois University ("NIU").

The sole Member of the Borrower is **the Collegiate Housing Foundation** (the "Foundation"), an Alabama not-for-profit corporation established in 1996. The Foundation received its 501(c)(3) Determination Letter from the IRS in 1997.

The Foundation is governed by a 5-member Board of Trustee (see Economic Disclosure Statement section on p. 4 for further information).

Description of the Member: The Collegiate Housing Foundation's mission is to assist colleges and universities by financing, owning, and operating student housing facilities on or near their campuses.

The Foundation currently owns and operates 14 student housing facilities at both public and private universities across the U.S. The Foundation has financed 9 projects located at public colleges and universities including: Central Oklahoma University, Towson University (Maryland), University of Maryland – College Park, University of Alabama-Birmingham (2 projects), Nicholls State University (Louisiana), Southern Arkansas University, University of Vermont, and the University of California-Irvine.

These student housing facilities offer a mix of traditional dormitory and apartment facilities depending on the student housing needs on each campus. The facilities range in size from 96 beds to 1,564 beds.

The Foundation currently has 5 additional projects under development (excluding the subject project at NIU) located at Eastern New Mexico University, West Virginia University, Temple University, and Finger Lakes Community College.

The Collegiate Housing Foundation develops and finances each project as a stand-alone project financing. CHF forms a special purpose entity to serve as the Borrower and Owner of the subject student housing facilities to be developed. The sponsoring college/university benefits since the project can potentially be financed on a revenue basis by prospective users.

As proposed, CHF-DeKalb, L.L.C. will lease the ground for the underlying project from NIU. The Facility will be financed with proceeds of a tax-exempt bond issue and is mortgaged as security for the LOC Bank (Sovereign Bank, Boston, MA). Upon completion, NIU's Campus Housing Division will manage day-to-day operations pursuant to an agreement with the Collegiate Housing Foundation. Additionally, surplus cash flows after (1) payment of debt service, (2) contributing amounts required to recapitalize Debt Service and Other Reserves, and (3) subject to financial and operating covenants will be distributed to NIU.

At such time as the proposed bonds are paid in full, the mortgage will be cancelled and the Foundation's interest in the facility will be conveyed to Northern Illinois University.

Description of the Developer: **Collegiate Development Services, L.P.** ("CDS" or the "Developer") of Irving, TX is a Pennsylvania limited partnership formed in 2001. CDS specializes in providing development, design-build, property management, and residential life services to the higher education industry. The Developer's key personnel have been involved with the development, construction, management and/or financing of more than 25 student housing facilities throughout the US over the last 10 years.

Since CDS' formation in 2001, CDS has developed, facilitated the financing, and constructed (or is under construction on) ten projects on campuses including Arizona State University West (410 beds), University of Oklahoma (1152 beds), Midwestern State University (336 beds), Nicholls State University (408 beds), Southern Arkansas University (264 beds), Elon University (516 beds), Stetson University (338 beds), and three off-campus projects adjacent to other campuses. According to the Developer, CDS has a perfect record for successfully completing all of its projects to date on time and within budget.

Property Manager/ NIU: NIU engaged the Collegiate Housing Foundation (the Borrower) pursuant to a Request for Proposal process to develop the subject facility. The Collegiate Housing Foundation, in turn, engaged Collegiate Development Services, L.P. (the Developer) to arrange for the design, financing, and construction, on behalf of Collegiate Housing Foundation.

Northern Illinois University's Campus Housing Division will actively manage day-to-day operations at the property and will provide residential life services to residents. Additionally, NIU will enter into a Ground Lease with CHF-DeKalb, L.L.C. and receive surplus cash flows after the payment of operating expenses, debt service, and the funding of the Replacement Reserve. The Project will revert to NIU at the end of the Ground Lease or upon full repayment of the Bonds.

Project Impact: The project is being designed and built to meet the housing needs of students with dependents and married students. Upon completion, the facilities will accommodate 240 residents in 120 units. In addition to the apartment units, the project will include an on-site community building that will provide residential life opportunities including a fitness center, game room, study room, computer lab, a multi-purpose room, and office space for the managers.

FINANCING SUMMARY

Security: Bondholders will be secured by a Direct Pay Letter of Credit from Sovereign Bank, Boston, MA.

Credit Ratings: Sovereign Bank is currently rated Baa1 (upgraded 7/5/2006)/ P-2 Moody's; BBB+ (Stable, upgraded 7/2/2006)/A2 by S&P; and BBB (Stable, affirmed 6/1/2006) long-term and F2 short-term by Fitch.

Collateral (to LOC Bank): Sovereign Bank will be secured first leasehold mortgage on the subject property and also by a collateral assignment of rents, leases, and other income derived from operations of the property. Additionally, Sovereign Bank is requiring the Borrower to capitalize a Debt Service Reserve Fund that will be financed from bond proceeds, in an amount equivalent to approximately one year's maximum debt service that will provide a cash flow contingency for the project.

Structure/ Interest Rate: Bonds will be sold as 7-day tax-exempt variable rate demand bonds. The most current effective average 7-day floaters were priced at 4.70% as of 7/19/2006 (inclusive of fees). The Borrower currently anticipates swapping the variable rate debt to fixed for a period coterminous with Sovereign Bank's Direct Pay LOC. The estimated 5-year swap rate was 4.25% based on information prepared by RBC Capital Markets as of 6/14/2006. If needed, the Borrower may also request issuance of taxable floaters to finance costs in excess of 2% of the Par amount of the tax-exempt bond issue.

Final Maturity Date: 32 Years (estimated at 8/31/2038). Assumes an 11-month construction period with interest-only payments, a one-year absorption period, and 31-years of level debt service payments thereafter.

PROJECT SUMMARY

CHF-DeKalb, L.L.C. will use Bond Proceeds to construct and equip five, three-story residential buildings with a total of 120 residential units (and estimated bed count of 240). Additionally bond proceeds will be used to construct and equip a one-story community center on land owned by Northern Illinois University, pay capitalized interest during construction, capitalize a Debt Service Reserve Fund, and to pay bond issuance costs. The subject project will be located on the western portion of the University's campus (collectively, the "Project").

Summary of Project Costs:

Construction Costs:	$13,988,908
Furniture, Fixtures & Equipment:	197,400
Arch. & Engineering:	678,487
Total:	**$14,864,795**

ECONOMIC DISCLOSURE STATEMENT

Applicant: CHF-DeKalb, L.L.C. (c/o Mr. Leeman Covey, Collegiate Housing Foundation, 411 Johnson Ave., Suite B, P.O. Box 1385, Fairhope, AL 36533-1385; Ph.: 251-928-9340; Fax: 251-928-9340; lcovey@collegiatehousing.org

Applicant Web Site: www.collegiatehousing.org

Developer/ Alt. Contact: Mary Ellen Ewing, VP, Collegiate Development Services, L.P., 909 Lake Carolyn Parkway, Suite 1600, Irving, TX 75309; Ph.: 972-759-1603; Fax: 972-759-0725 e-mail: mewing@collegiate-dev.com ; web site: www.collegiate-dev.com

Project name: NIU Campus Apartments

Location: West Campus (streets to be constructed), Northern Illinois Universtiy, DeKalb, IL (DeKalb County), IL 60115

Organization: Alabama Limited Liability Company (July 2006)

Member: Collegiate Housing Foundation: 100%

- Board of Trustees:
  - Mr. Leeman H. Covey, President
  - Dr. John Brooks Slaughter, VP
  - The Honorable Jack Edwards, Secretary
  - Mr. Stephen M. Grimble, Director
  - Mr. John B. Hicks, Director

Current Property Owner: The subject property will be ground leased from Northern Illinois University.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Han Arendall, LLC	Mobile, AL	Will Givhan
Auditor:	To be determined		
Bond Counsel:	Foley and Lardner, LLP	Chicago, IL	Christopher Knight
Underwriter:	RBC Capital Markets	Baltimore, MD	John Baird, Sara Russell
		Chicago, IL	Jim Pass
Underwriter's Counsel:	Ballard Spahr Andrews & Ingersoll, LLP	Baltimore, MD	
Trustee:	Regions Bank	Birmingham, AL	
Rating Agencies:	To be determined		
Property Manager:	Northern Illinois University -- Housing and Dining Administration	DeKalb, IL	Michael Stang
Student Housing Developer:	Collegiate Development Services, L.P.	Irving, TX	
IFA Counsel:	Schiff Hardin LLP	Chicago, IL	Bruce Weisenthal

LEGISLATIVE DISTRICTS

Congressional:	14	J. Dennis Hastert
State Senate:	35	J. Bradley Burzynski
State House:	70	Robert Pritchard

RESOLUTION authorizing amendment to the Guidelines, Illinois State Guarantee Programs of the Illinois Finance Authority, as successor to the Illinois Farm Development Authority.

WHEREAS, the Illinois Finance Authority (the "Authority") has been created by the Illinois Finance Authority Act, effective January 1, 2004, as amended (the "Act"); and

WHEREAS, pursuant to the Act, the Authority is authorized to issue State Guarantees for loans to farmers and agribusinesses ("State Guarantees"), such State Guarantees to be issued in accordance with the terms and provisions set forth in the Act; and

WHEREAS, the Authority has previously adopted certain Guidelines, Illinois State Guarantee Programs ("Guidelines"), which such Guidelines were adopted by the Authority in order to more fully implement terms upon which State Guarantees would be issued and monitored by the Authority; and

WHEREAS, one of the public purposes of the Authority is to foster agriculture and agribusinesses in the State of Illinois and, as part of such public purpose, to reduce the cost of borrowing for such parties pursuant to the issuance of State Guarantees and similar programs; and

WHEREAS, the Guidelines do not currently contemplate a Guaranteed Principal Amount and a Guaranteed Interest Amount (as such terms are defined in the Guidelines) of less than 85% of the amount of the underlying loan; and

WHEREAS, the Guidelines do not currently contemplate, in instances where the Guaranteed Principal Amount and the Guaranteed Interest Amount were less than 85% of the underlying loan, reasonable and appropriate accommodations with respect to security and collateral as between the Authority and the underlying lender; and

WHEREAS, the omission in the Guidelines of language permitting the Authority to properly address issues with respect to security and collateral in instances where the underlying lender is willing to accept less than an 85% State Guarantee deters lenders from fully utilizing the State Guarantee program and limits the Authority's ability to properly further its public purpose with respect to agriculture and agribusinesses in the State of Illinois; and

WHEREAS, in furtherance of its public purpose and in order to more effectively initiate and implement its State Guarantees, the Authority wishes to amend its Guidelines to clarify that, in instances where the lender is willing to accept less than an 85% State Guarantee, the Authority shall have the discretion, subject to evaluation and approval by its Board, to make reasonable modifications to its collateral policies and documentation to reflect such reduced State Guarantee percentage.

NOW, THEREFORE, Be It Resolved by the Authority that:

Section 1. Amendment of Guidelines, Illinois State Guarantee Programs. The Guidelines, Illinois State Guarantee Programs, are hereby amended to include an additional Section, Section 5.04, to read as follows:

> "Section 5.04. Solely with respect to Agri-Business Loans not being made to a farmer, in instances where the Lender and the Borrower are willing to (i) accept a Guarantee of less than 85% with respect to the Guaranteed Principal Amount and the Guaranteed Interest Amount, and (ii) increase the Unguaranteed Principal Amount to more than 15%, the Authority shall have the discretion, within the parameters of the Act, to modify the terms and conditions of these Guidelines on a case by case basis, including, but not limited to, those terms and conditions regarding fees, Collateral and priority regarding Collateral, in order to properly and reasonably account for the reduction in the Guaranteed Principal Amount and Guaranteed Interest Amount."

Section 2. Additional Documentation. Chairman, Vice Chairman, Interim Executive Director, or Treasurer under the seal of the Authority, attested by its Secretary or Assistant Secretary of the Authority, if appropriate, are each hereby authorized, empowered and directed to enter into, execute and deliver, for and on behalf of the Authority, such other amendments and supplements to the legal documentation, and such other documents, if any, as are deemed necessary or appropriate to accomplish the matters set forth in this Resolution, such amendments, supplements and documents to be in the forms prepared and/or approved for such execution by counsel to the Authority, and approved by the officials of the Authority executing such documentation, the execution thereof by such officials to constitute conclusive evidence of their approval, and of the Authority's approval, of the forms thereof.

Section 3. Authorization and Ratification of Related Matters. The members, officials, agents and employees of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute, deliver and/or approve all such documents and showings as may be necessary or appropriate to carry out and comply with the provisions of this Resolution, and all of the acts and doings of the members, officials, agents and employees of the Authority which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Section 4. Repeal of Conflicting Resolutions. All resolutions and parts of resolutions in conflict herewith be and the same are hereby repealed, and this Resolution shall be in full force and effect forthwith upon its passage.

Adopted this __ day of August, 2006.

Chairman

ATTEST:

Interim Executive Director

Illinois Finance Authority
Interoffice Memorandum

To: IFA Board of Directors

From: Sharnell Curtis Martin

Date: August 8, 2006

Re: **Request to extend until December 6, 2006 a commitment for a Participation Loan for Ex-Tech Plastics, Inc. (IFA Project # B-LL-TX-708)**

TCF Bank and Ex-Tech Plastics have requested that IFA approve an extension to December 6, 2007 on IFA's commitment to its Participation Loan. The original request was approved by the IFA Board of directors at the December 6, 2005 meeting. The board summary requested the Authority's participation in a term loan of $2 million for equipment acquisition. An amendatory resolution was approved by the IFA Board of Directors in February 7, 2006 in order to amend the collateral description of the loan.

Ex-Tech Plastics, Inc. is a manufacturer of extruded polypropylene ("PVC") sheets and polyethylene terephtalate ("PET") sheets that are sold primarily to thermos formers for use in other manufacturing and food service companies. Ex-Tech's products are the raw material that are commonly used by thermo formers to mold plastic packaging that is often used to on batteries and fast food salad containers.

The project has been delayed due to a backorder on the equipment being acquired. The project financing is expected to close by October 2006.

Staff has re-reviewed the financial condition of the applicant with the lender and concluded that the financial condition of the operating company has not adversely changed since December 6, 2005, when the loan was originally presented to the IFA Board. A copy of the most recent project summary presented for Board approval is included with this memorandum to provide a complete overview of the project.

Staff recommends approval of the request.

The voting record of this Participation Loan approval at the December 6, 2005 Board meeting is as follows:

Ayes:	14	Absent:	1 (Joe Valenti)
Nays:	0	Abstentions/Vacancies:	0

The voting record of this Participation Loan amendatory approval at the February 7, 2006 Board meeting is as follows:

Ayes:	9	Absent:	6 (Boyles, Herrin, Nesbitt, O'Brien, Talbot, Zoeller)
Nays:	0	Abstentions:	0

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY

Project: **Ex-Tech Plastics, Inc.**

STATISTICS

Deal Number:	B-LL-TX-708	Amount:	$900,000
Type:	Participation Loan	IFA Staff:	Sharnell Curtis Martin
Location:	Richmond		

BOARD ACTION

Purchase of Participation from TCF Bank
$900,000 of IFA funds at risk
Collateral is pari passu first position with the bank
Exception: This loan does not meet the Board's loan to value standard but is supported by the majority owner's personal guarantee.
Staff recommends approval

PURPOSE

Acquisition of equipment for use in the 11413 Burlington manufacturing facility located in Burlington, Illinois.

VOTING RECORD

Initial board consideration, no previous voting record.

SOURCES AND USES OF FUNDS

Sources:	TCF Bank	$900,000	Uses:	Project Costs	$2,000,000
	IFA	900,000			
	Equity	200,000			
	Total Sources	$2,000,000	Total Uses		$2,000,000

Equity will be contributed from the Company's internally generated funds.

JOBS

Current employment:	125	Projected new jobs:	15
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Description: Ex-Tech Plastics, Inc. ("Ex-Tech" or the "Company") was established in 1982 and is a manufacturer of extruded polypropylene ("PVC") sheets and polyethylene terephtalate ("PET") sheets that are sold primarily to thermos formers for use in other manufacturing and food service companies. Ex-Tech's products are the raw material that are commonly used by thermo formers to mold plastic packaging that is often used to on batteries and fast food salad containers.

Ex-Tech has issued $3 million in Industrial Revenue Bonds through the Illinois Development Finance Authority in 1993. The bonds were paid off in 2003.

FINANCING SUMMARY

Security: Collateral will consist of a pro-rata first position "pari passu" with TCF Bank on the equipment to be located at 11413 Burlington Road, McHenry (McHenry County), Illinois; as well as the personal guarantee of John M. Pinchon.

Structure: Based on the guidelines of the Participation Loan Program, IFA's interest will be 200 basis points below the Bank's stated rate for the first five years.

Maturity: The loan will be set on a 10-year term with a 10-year amortization

Covenants: Personal guaranty of John Pichon (Chairman of the Board and majority stockholder)
Evidence of insurance on the subject property located at 11413 Burlington Road in Richmond, IL

PROJECT SUMMARY

Loan proceeds will be used to finance the acquisition of PET Equipment to be located at 11413 Burlington Road, McHenry (McHenry County), Illinois. Project costs are estimated at $2,000,000.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Ex-Tech Plastics, Inc.	
Project name:	Ex-Tech Plastics, Inc. New PET Equipment	
Location:	11413 Burlington Road, McHenry (McHenry County), Illinois 60073	
Organization:	Corporation	
State:	Illinois	
Ownership:	John M. Pinchon, Chairman	35%
	Laura Pinchon	15%
	Emily Pichon, Secretary	15%
	John Wolfe	26%
	Jeff Fideler, President	2%
	Roger Bord, CFO	2%
	Roger Reisbach, VP Sales	2%
	Pat Ward, COO	3%
Land Sellers:	Not Applicable	

PROFESSIONAL & FINANCIAL

Bank:	TCF Bank	Chicago	Ken Matheny
Accountant:	Fleming & Co., P.C.	McHenry	
IFA Counsel:	Dykema Gosett	Chicago	Darryl Pierce

LEGISLATIVE DISTRICTS

Congressional:	16 – Donald Manzullo
State Senate:	32 – Pamela Althoff
State House:	63 – Jack D. Franks

RESOLUTION NO. 2006- 07-01

Resolution authorizing the execution and delivery of a Tax Exemption Agreement and a First Supplemental Bond Trust Indenture supplementing and amending the Bond Trust Indenture by and between Wells Fargo Bank, National Association, as bond trustee, and the Illinois Finance Authority as required to convert and reissue the Authority's Variable Rate Demand Taxable Revenue Refunding Bonds, Series 2004C (Fairview Obligated Group) as tax-exempt bonds, and authorizing and approving certain other matters.

WHEREAS, the Illinois Finance Authority (the "Authority") has heretofore issued $27,095,000 in aggregate principal amount of its Variable Rate Demand Taxable Revenue Refunding Bonds, Series 2004C (Fairview Obligated Group) (the "Bonds"); and

WHEREAS, the Bonds were issued pursuant to a Bond Trust Indenture (the "Bond Indenture") dated as of August 1, 2004 between the Authority and Wells Fargo Bank, National Association, as bond trustee; and

WHEREAS, the proceeds of the Bonds were loaned to Fairview Ministries, Inc. (the "Corporation") pursuant to a Loan Agreement dated as of August 1, 2004 between the Authority and the Corporation; and

WHEREAS, pursuant to the Bond Indenture, under certain circumstances and upon delivery of certain items, including a Tax Exemption Agreement and a supplement to the Bond Indenture, the Bonds may be converted to bear interest at tax-exempt interest rates (the "Tax Conversion") on or after August 15, 2006; and

WHEREAS, the Corporation has requested that the Authority approve the Tax Conversion, authorize the execution and delivery of a Tax Exemption Agreement, and supplement the Bond Indenture in order to effect the Tax Conversion, as contemplated upon issuance of the Bonds; and

WHEREAS, Section 213 of the Bond Indenture requires a supplement to the Bond Indenture in connection with the Tax Conversion, and Section 901 of the Bond Indenture provides that the Bond Indenture may be supplemented or amended without Bondholder consent if the supplement does not materially adversely affect the rights or interest of any Bondholder; and

WHEREAS, the Authority desires to approve the Tax Conversion of the Bonds, to authorize the execution and delivery of a Tax Exemption Agreement, and to authorize the supplementing of the Bond Indenture as described herein, subject in each case to the receipt of the documentation and opinion of Bond Counsel required by Section 213 of the Bond Indenture.

NOW, THEREFORE, BE IT RESOLVED by the Illinois Finance Authority as follows:

1. **First Supplemental Bond Trust Indenture**. The Authority does hereby authorize and approve the execution by its Chairman, Vice Chairman, any of its other Members,

Executive Director (or any person serving in such capacity on an "interim" basis and authorized to take actions as if such person were appointed as the Executive Director), Treasurer or any officer or employee designated by the Executive Director (each an "Authorized Officer") and the delivery of a First Supplemental Bond Trust Indenture providing for the amendment of the Bond Indenture. The First Supplemental Bond Indenture shall be in the form approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such person's approval and the Authority's approval of the First Supplemental Bond Indenture.

2. **Tax Exemption Agreement**. The Authority does hereby authorize and approve the execution by an Authorized Officer and the delivery of a Tax Exemption Agreement. The Tax Exemption Agreement shall be in the form approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such person's approval and the Authority's approval of the Tax Exemption Agreement.

3. **Authorization and Ratification of Subsequent Acts**. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of these resolutions and the documents attached hereto as Exhibits. All of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved.

ADOPTED this 8th day of August, 2006.

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Interim Executive Director