

Illinois Finance Authority

March 13, 2007

3:00 PM

Board Meeting

Illinois State Library

300 S. Second Street, Room 403

Springfield, Illinois



Carla Burgess Jones

**ILLINOIS FINANCE AUTHORITY
BOARD MEETING
March 13, 2007**

**Illinois State Library
Author's Room
300 S. Second Street
Springfield, IL**

**EXECUTIVE SESSION
12:00 p.m.**

- Opening Remarks
- Executive Director's Report
- Financials
- Staff Reports
- Project Reports
- Adjournment

**BOARD MEETING
3:00 p.m.
Illinois State Library
Room 403 and 404
300 S. Second Street
Springfield, IL**

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
Young Farmer Guarantee						
1	Randall and Darla Aberle	Sibley	212,500	0	0	CM
Agricultural Participation Loan						
2	Ronald R. Bauman	Eureka	80,000	0	0	CM
Agri-Debt Guarantee						
3	David R. Yarnell	Cowden	170,000	0	0	ER
Industrial Revenue Bonds Preliminary						
4	Agri-Best Holdings LLC d/b/a Protein Solutions	Chicago	7,000,000	150	18	TA
Beginning Farmer Bonds						
5	Katrina Stoller	Gridley	250,000	0	0	CM
	Heath Clodfelter	Olney	80,000	0	0	ER
	Derek Ginder	Newton	65,250	0	0	ER
	Mark & Shelly Meyer	Forest City	197,800	0	0	CM
	John Kophamer	Morrison	250,000	0	0	CM
	Allen Dykstra	Morrison	250,000	0	0	CM
	Melvin Ochs	West Liberty	182,500	0	0	ER
	Robert Fuhler	Pocahantas	195,000	0	0	ER
	Brent & Andrea Schmitz	Macomb	208,000	0	0	CM
TOTAL AGRICULTURE PROJECTS			9,141,050	150	18	

HEALTHCARE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds Preliminary						
6	Illinois Valley Community Hospital	Peru	2,500,000	0	0	PL/DS
7	Central Baptist Village	Norridge	26,000,000	0	0	PL/DS
8	Christian Homes, Inc.	Multiple	55,000,000	0	50	PL/DS
501(c)(3) Bonds Final						
9	Rockford Memorial Hospital	Rockford	2,500,000	0	0	DS
TOTAL HEALTHCARE PROJECTS			86,000,000	0	50	

COMMUNITIES AND CULTURE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds <i>Preliminary</i>						
10	Easter Seals Metropolitan Chicago, Inc.	Chicago, Rockford and Waukegan	9,000,000	50	200	SCM
501(c)(3) Bonds <i>Final</i>						
11	The Catherine Cook School	Chicago	6,100,000	0	0	TA
12	Quad County Urban League	Aurora	5,000,000	4.5	125	ST/JM
Local Government Pooled Bond Bond Program						
13	Curran-Gardner Township Public Water District	Springfield	2,865,000	0	0	EW
TOTAL COMMUNITIES AND CULTURAL PROJECTS			22,965,000	54.5	325	

BUSINESS AND INDUSTRY

Tab	Project	Location	Amount	Jobs	Jobs	FM
Solid Waste Disposal Bonds <i>Final</i>						
14	Waste Management of Illinois, Inc. and its wholly-owned subsidiaries	Multiple	30,000,000	10	12	RKF
Freight Transfer Facilities Revenue Bonds <i>Preliminary</i>						
15	CenterPoint Crete Terminal Railroad LLC and its successors, affiliates, and assigns	Unincorporated Will County	505,000,000	800	500	RKF
Industrial Revenue Bonds <i>Preliminary</i>						
16	Hadady Corporation and Hadady Investment Company	Lynwood	7,300,000	35	100	ST
Industrial Revenue Bonds <i>Final</i>						
17	Ozinga Bros. Inc. and Subsidiaries	Various	9,800,000	105	0	ST
18	Optima L.L.C. and Plochman Inc.	Manteno	2,000,000	6	0	SCM
19	Tella Tool and Manufacturing Company and LaSalle Trust #109240	Lombard	3,000,000	0	0	TA
TOTAL BUSINESS AND INDUSTRY PROJECTS			557,100,000	956	612	

HIGHER EDUCATION

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds						
<i>Final</i>						
20	Bradley University	Peoria	90,000,000	0	50	JS
21	Loyola University	Chicago	27,635,000	0	0	TA
TOTAL HIGHER EDUCATION PROJECTS			117,635,000	0	50	
GRAND TOTAL			792,841,050	1,160.5	1,055	

Other

Adjournment



**Illinois Finance Authority
Executive Director's Report
March 13, 2007**

To: IFA Board of Directors and Office of the Governor

From: Jill Rendleman, Interim Executive Director

I. Financial Performance

The Illinois Finance Authority financial position remains strong with total assets of \$156,734,132 consisting of equity of \$90,201,374 and liabilities of \$66,532,758. This compares favorably to the Feb. 2006 balance sheet with \$150,321,747 in total assets comprised of \$87,381,965 in equity and \$62,939,782 in liabilities and bonds payable.

Net income continues to be above performance target due to greater than expected transaction fee and investment income. The month of February was particularly strong with the exception of a necessary final write off of a venture capital investment of \$265,644. Gross revenues from non-appropriated sources continue to exceed plan by almost \$1 Million, while operating expenses are meeting planned targets.

II. Sales Activities

The upward trend in project approvals compliments the increase in gross revenues as an indication that business development and marketing efforts continue to bring results. Funding Managers will be presenting 29 projects totaling \$792,841,050 for approval in March 2007. This represents an additional 4 projects and \$228,231,300 over March 2006. Business & Industry produced our largest volume with \$557,100,000 and 6 projects. Higher Education produced our second highest project volume, contributing \$117,635,000 and 2 projects. Community & Culture contributed 4 projects totaling \$22,965,000. Healthcare added 4 projects totaling \$86,000,000. Agriculture is contributing another strong month with 13 projects totaling \$9,141,050. These projects will create 1,160.5 new jobs and 1,055 construction jobs throughout Illinois. Business development and program management efforts continue to cover a diversity of regions, economies and market segments throughout the state.

HealthCare: In February, the Healthcare group and the Director attended the second annual Ungaretti & Harris Charity Care Legislation update conference, "The Continuing Challenges to the Charitable Exemption of Illinois Not for Profit Hospitals". Topics included property tax exemption for Illinois hospitals along with the status of charity care legislation. Also this month, the Healthcare team held a meeting with industry experts to initiate conversation and plans for a

Senior Living Initiative. The Healthcare group met with several trustee and bank representatives and with large hospital systems to discuss upcoming financings. The group participated in strategic planning sessions and is on target to complete four separate market surveys for the year. Healthcare Funding Managers completed 45 business development efforts during February.

Higher Education: Higher Education volume remains strong. Funding Managers continue to work on several programs with both public and private Illinois colleges and universities. To date, four colleges are participating in the 2007 RAN Program which comes before the Board for a one-time final approval at the April 2007 meeting. Currently, nine universities are enrolled in the Energy Cost Containment virtual pilot which will simulate every condition affecting the price of natural gas. The collaboration is also working to create a separate program that will allow smaller independent colleges to participate. Higher Education staff is continuing to assess demand for financing sprinkler installations and renovations. Staff also met as part of continuing efforts with strategic planning. Higher Ed documented 3 new business development efforts during February.

Agriculture: The Agriculture staff met with various market leaders in Agriculture, including the Directors of the Illinois Corn Grower's Association, Illinois Pork Producer's Association, the Farm Loan Chief for the Illinois Farm Service Agency, and the Dean of the College of Agriculture at the University of IL. We attended the Illinois Grape Growers and Vintners Annual Conference and the Illinois Beef Expo, and also spoke at the Ag Finance Program at Parkland College. An Ag Funding Manager attended the Advanced Bond Financing Course in Washington DC, which provided valuable training and networking. We met with the Illinois Electric Council regarding several upcoming seminars, which will provide speaking opportunities to promote IFA. Agricultural staff made 68 total business development calls in February, including calls to 22 various lenders.

Communities and Culture: The Waukegan City Council approved using the IFA Single Family Home Mortgage program for low-to-moderate income homebuyers. This opportunity will be further developed over the next several months. Funding Managers met with the Regional Directors of the Department of Commerce and Economic Opportunity to discuss partnership opportunities. We reviewed specific borrowing programs, including Rural Development Loans, Participation Loans, Farm Programs, and the IFA Pooled Government Program, including how they might serve entities that contact DCEO for assistance. In addition, plans were made to hold a seminar for units of local government, including school districts, to review funding of infrastructure needs. Funding Managers also attended local Broadband workshops. We're continuing conversations regarding our TAWs Program with school districts. We presented at the Illinois Facilities Fund "Financing the Future: Meeting the Needs of Charter Schools" conference. Funding Managers met with trustees, financial advisors and bank representatives to discuss various professional services available to Not-For-Profit organizations. We completed numerous one-on-one meetings with various not-for-profit organizations to discuss potential project financings. We are exploring additional partnership opportunities with not-for-profit membership organizations located in the Chicagoland area. As a result of

last month's mailing to local governments, we have fielded several serious inquiries regarding our Pooled Local Government Program. We continue to work on a mailing planned for engineers, focusing on how IFA can assist with local government and infrastructure projects. We completed 23 business development efforts during February.

Industry and Commerce: Ongoing efforts with Intermodal Freight Transfer Facilities projects represent \$505 Million of March's total volume of \$557 Million for the Business & Industry sector. The US Secretary of Transportation will determine which intermodal and surface transportation projects receive a portion of the USDOT's national \$15 Billion allocation of tax-exempt bond issuance authority. Additionally, we participated on a legislative call where IFA was instrumental in coordinating agenda items regarding bank qualification for Industrial Revenue Bonds and small 501(c)(3) Revenue Bonds along with facilitation of the Federal Home Loan Bank LOC Program for non-rated banks to IRB and 501(c)(3) Revenue Bond financings. We also discussed the concept of increasing the \$10 Million IRB maximum to \$20 million, thereby conforming the maximum IRB issuance limit with the new, \$20 million, 6-year Capital Expenditure Limit. This initiative does not appear to be realistic for the current session. Team members completed initial training for the \$20 Million Capital Expenditure limit and are meeting with several banks in Northern and Central Illinois to educate about the expanded limits. In conjunction with the IRB outreach effort, Business and Industry Team Members are discussing the Participation Loan Program with commercial lenders statewide. Team members are also working with several banks interested in initiating Direct Purchase Bond Programs. Funding Managers met with several Legislators in southwestern Illinois. We completed 127 business development efforts during February.

III. Marketing and Public Relations

A video is being developed that describes the work of IFA by showcasing several of our projects. On-site video interviews were conducted with 14 organizations, representing projects from southern, various central, and city locations. The video will be first shown at the March 13 event at the Governor's mansion. IFA projects continue to receive a good level of editorial coverage and we have approved two radio commercials to support the Agriculture segment which will run in certain Ag markets over the next few months.

Work on our strategic plan continues. During February, each market sector met to consider next steps in mission development, market development, program development, and sales call planning.

We received Freedom of Information Act requests regarding the following:

- Ozinga project – equipment and location
- SIDEZ – bond authorization transfer from the empowerment zone to IFA
- IFA communications to, from or about Barack Obama
- IFA venture capital investments and results

IV. Human Resources and Operations

Projects completed during February include the Legislative Audit Commission hearing, the RFQ process for Financial Advisors and also for the telephony system, funding of our new 401(a) deferred compensation accounts for participating staff, and a reissue of W2s. Human Resource staff also attended the Economics Club luncheon and economic forecast speech and the tri-annual strategic planning meetings.

Projects currently in process include initiating a data mapping project, finalizing Funding Manager performance reviews and scheduling individual review meetings for fiscal year 2006, finalizing Funding Manager fiscal year 2007 incentive plan participation criteria, completing the year-to-date revenue reports for each Funding Manager to aid in setting revenue goals, providing feedback for the new Employee Handbook to be reviewed next by our attorneys, preparing for benefits Open Enrollment period for the 2007/2008 benefits year, reviewing and updating several IFA job descriptions, working to improve administrative support issues, working on administrative and HR calendaring, and completing the Pandemic/emergency operating plan for IFA.

V. Legal & Legislative Issues

IFA will be hosting a reception on March 13th in the Governor's mansion in Springfield for Legislators and State Officials. We hope to further their understanding of IFA's mission and strategy - to improve the quality of life and the competitive business environment in Illinois. IFA has an aggressive legislative agenda this year with a number of amendments and bills moving forward in the new legislative session. Director Rendleman and General Counsel will be addressing House Committees concerning IFA's Economic Development Senate Bill 1317 as well as the Technical Amendment and Bio-Energy Bills in March. A full summary of IFA's legislative agenda follows this report and includes bills which have been initiated by parties other than IFA. One bill of particular interest is Senate Bill 801-15 which proposes that the Lieutenant Governor become an ex-officio, non-voting member of the IFA Board of Directors. The IFA has worked with the Lieutenant Governor on a number of key task forces. We look forward to his continued support and input in the IFA mission.

VI. Audit and Compliance

The Authority continues to await publication of the Fiscal Year 2006 Financial and Compliance Audit from the Office of the Auditor General. Since the Legislative Audit Commission hearing, the IFA continues to receive new and additional questions from the Auditor General's Office concerning Fiscal Year 2006. We have received notification that findings classified as "immaterial" by the audit firm McGladrey & Pullen have now been moved by the Auditor General's Office to "material" findings. Of the 9 findings outstanding from the first two previous audits of the IFA, 6 are complete, 2 are substantially complete, and one is under review. The finding under review relates to IFA's compliance with the Personnel Code for which the Auditor General recommended IFA seek

an opinion from the Attorney General's Office. The Executive Director received a response from the Attorney General notifying IFA that the Attorney General is not certain that it is "appropriate" to issue an opinion to the IFA since it is not an agency of the State of Illinois, but a "body politic." An alternative solution to the clarification of this matter has been implemented with Representative Julie Hamos seeking a formal exemption for IFA in the Personnel Code through a legislative amendment.

ILLINOIS FINANCE AUTHORITY ACT LEGISLATIVE AMENDMENTS
20 ILCS 3501/801-1 ET SEQ. (the "Act")

ILCS Code Sec. (S)	Amend. and Type of Amend (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-5, §801-10 and New §801-50	Economic Development (S)	Sen. James Clayborne, Jr. (D) (57 th District, East St. Louis, IL) ¹	<p>Amendment authorizes the IFA to provide access to financing for projects located outside the State for organizations (i.e. higher education, industrial, cultural, etc.) that have a significant presence in the State or are financing a project located within the State.</p> <p>New amendment as of March 2, 2007: New amendment will prohibit the IFA from financing international projects and financing out of state projects secured by State credit enhancement (moral ob, state guarantees, etc.).</p>	<p>Legislation will reduce overall financing costs related to bond issuances for Illinois businesses; increase employment opportunities for State residents; allow the State to control usage of its initiatives (i.e., "prevailing wage") that assist State residents; and allow the IFA to be competitive with jurisdictions that have the authority to issue bonds outside of their jurisdiction.</p>	SB1317 Comm. Hearing on 3/8/07 at 9:00 a.m.
§801-10, §830-25 and §830-35	Bio-Energy (S)	Sen. Deanna Demuzio (D) (49 th District, Carlinville, IL)	<p>Amendments expand the definition of "agribusiness" to include ethanol and other bio-energy businesses; permit the IFA to issue State guarantees for such ethanol and other bio-energy businesses in an aggregate amount not to exceed \$340,000,000; and provide maximum limits for state guarantees for energy related agribusinesses in the amount of \$10 million and bio-diesel projects in the amount of \$20 million.</p>	<p>Investing in bio-energies supports the State's economy and agricultural community; increases energy independence in the State; increases the State's ability to entice bio-energy facilities to locate in Illinois and promotes economic development for the benefit of agri-business throughout the State.</p>	SB0057 Assigned to Environment and Energy on 2/7/07.

¹ Potential Additional Sponsors: Sen. Michael Frerichs (D) (52nd District), Sen. David Koehler (D) (46th District, Pekin, IL), Rep. Brandon Phelps (D) (118th District, Harrisburg, IL), and Rep. Dan Reitz (D) (116th District, Sparta, IL).

ILCS Code Sec. (S)	Amend. and Type of Amend. (S - Substantive CL - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-1, §801-10, §801-40, §825-60, §825-65, §830-25 and New § 850-5, §850- 10, §850-15, §850-20, §850-25, §850-30, §850-35, §850-40 and §850-45	Broadband Deployment Assistance (S)	Rep. George Scully (D) (80 th District, Crete, IL) Rep. Constance Howard (D) (34 th District, Chicago, IL)	Amendments permit the IFA to finance projects through the issuance of loans, bonds, guarantees or other forms of indebtedness to expand broadband services throughout the State. The IFA will be authorized to issue state guarantees in an aggregate amount not to exceed \$50,000,000 and to issue bonds secured by the State moral obligation in an aggregate amount not to exceed \$100,000,000 (not to exceed \$5 million for any single project).	Increases State's ability to expand its broadband infrastructure and provide access to broadband services to underserved areas in the State which will improve educational opportunities for State residents.	
§845-5	Total Debt/Bond Limit is \$25,200,000 (S)	Sen. Jeff Schoenberg (D) (9 th District, Evanston, IL)	Increases Authority's general debt limit from \$25,200,000 to \$30,000,000.	Increases Authority's ability to provide economic assistance to State businesses, institutions and organizations for projects that promote the IFA's mission.	SB1327 Referred to the Rules Comm. on 2/9/07.
§825-65 and §825-75	Clean Coal (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL)	Amendments will conform the Act to certain amendments that were made to the DCEO Statute by the General Assembly's enactment of P.A. 94-651 (eff. 6/21/05). The conforming amendments authorize the IFA to issue clean coal and energy bonds for "new facilities" as defined in the DCEO Statute. Amendments will also clarify that projects for such "new facilities" may qualify for moral obligation credit enhancement and provide that IFA clean coal and energy bonds that benefit from a moral obligation designation conform to the existing procedures set forth in the Act that relate to the issuance of other moral obligation bonds issued under the Act.	Provides conformity between the Act and the DCEO Statute.	SB0066 Hearing before the State Government and Veterans Affairs Committee on 3/7/07 at 1:00 P.M.

LLCS Code Sec. (b)	Amend and Type of Amend (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§825-85(b) and §825- 80(c)	Ambulance & Fire Truck Revolving Fund (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL)	Amendments permit the IFA to use monies in the Fire Truck and Ambulance Revolving Loan Funds (the "Funds") to reimburse itself for all reasonable costs and expenses incurred in connection with administering the Funds and related programs.	Provides the IFA with the ability to reimburse itself for overseeing the Funds and the programs.	SB0066 Hearing before the State Government and Veterans Affairs Committee on 3/7/07 at 1:00 p.m.
§801-25	Quorum/ Affirmative Vote (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL)	Amendment provides that a quorum of the Board is established if a "majority" of the appointed members of the IFA Board are physically present at a meeting; also provides that a matter is deemed approved by the Board if it is approved by a majority of the members of the Board.	Allows the IFA to establish a quorum and vote on matters with a majority of the appointed board members; IFA will not be hampered in conducting business if number of members fall below 15.	SB0066 Hearing before the State Government and Veterans Affairs Committee on 3/7/07 at 1:00 p.m.
§801-40(r)	Direct Loan Program (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL)	Amendment deletes from Section 801-40(r) of the Act the requirement that a direct loan be approved by at least eight members of the IFA Board because Board quorum and voting approval requirements are set forth in Section 801-25 of the Act.	Makes the Direct Loan approval consistent with approval requirements in other sections of the IFA Act.	SB0066 Hearing before the State Government and Veterans Affairs Committee on 3/7/07 at 1:00 p.m.

ILCS Code Sec. (S)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
New §801-40(x)	Swap/ Derivatives (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL)	Amendment copies Section 820-20(n) of the Act to Section 801-40(x) of the Act to clarify that the IFA may enter into Swap's and other derivative agreements for all IFA programs.	Clarifies that the IFA may enter into swap and other derivative agreements for all IFA programs.	SB0066 Hearing before the State Government and Veterans Affairs Committee on 3/7/07 at 1:00 p.m.
New §801-50	Non-impairment (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL)	Amendment copies Section 820-45 of the Act to a "new" Section 801-50 of the Act to clarify that any pledge of revenues or other moneys made by the IFA or the State will be binding and will not be impaired by future actions of the IFA or the State for all IFA programs.	Provides comfort to bondholders and other finance professionals that pledges of the State and the IFA will not, subsequently, be negatively affected.	SB0066 Hearing before the State Government and Veterans Affairs Committee on 3/7/07 at 1:00 p.m.
§845-40	Signing Authority (T)	This amendment has not yet been presented.	Expand signatory authority to include the Executive Director.	Provides flexibility in the event certain parties are not available to sign necessary IFA documents.	
§801-30	Borrowing Authority (T)	This amendment has not yet been presented.	Amendment will grant the IFA the authority to borrow money and make grants.	Will clarify that the IFA may borrow money and make grants instead of relying upon implied powers granted via corporate powers.	

ILCS Code Sec. (S)	Amend. and Type of Amend. (S - Substantive) (T - Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-40(c)	Bond Issuance Authorizations (T)	This amendment has not yet been presented.	Amendment will provide that interest rates on IFA bond issuances may be implemented or established by a participating health institution, a private institution of higher learning or a cultural institution, in addition to the IFA, but only to the extent of an authorizing resolution approved by the IFA Board; the authorizing resolution may also provide for conversion of the interest rate(s) on bonds upon the stated conditions of the resolution or upon the direction of the IFA, the participating health institution, a private institution of higher education, a cultural institution or a provider of credit or liquidity support for the bonds.	Provides flexibility for interest rate changes under the authorizing bond resolution, as approved by the IFA Board.	
§845-40	Secretary and Treasurer (T)	This amendment has not yet been presented.	Amendment will provide that the Authority may invest and reinvest any moneys that are held pursuant to a trust agreement, trust indenture, indenture of mortgage or deed of trust or any agreement with a participating health institution, a private institution of higher education or a cultural institution to which the IFA is a party, in such obligations or investments as are provided in or permitted by such instrument.	Clarifies that IFA bond proceeds deposited into certain accounts established under various trust indentures and other agreements may be invested as provided in such trust indentures and agreements.	
§801-15					
§801-30					

**AMENDMENTS THAT WILL AFFECT THE ILLINOIS FINANCE
AUTHORITY ACT
(*NOT INTRODUCED BY THE ILLINOIS FINANCE AUTHORITY)
20 ILCS 3501/801-1 ET SEQ. (the "Act")**

ILCS Code Sec. (§)	Amend. and Type of Amend (S = Substantive) (T = Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§825-80*	Ambulance & Fire Truck Revolving Fund (T)	Rep. David Reis (R) (108 th District, Olney, IL)	Amendment will expand the fire truck revolving loan program to include EMS service vehicles. Also amends the State Finance Act to make conforming changes.	Allows the IFA to grant loans to EMS vehicles under an existing financing program.	HB0188 Hearing before the State Government Administration Committee on 3/7/07 at 2:00 p.m.
§830-50*	Specialized Livestock Guarantee Program (T)	Rep. Jim Watson (R) (97 th District, Jacksonville, IL)	Amendment will provide that specialized livestock operations include livestock operations using anaerobic digesters that will generate electricity for livestock operations.	Expands the definition of specialized livestock operation to include such operations that use anaerobic digestors.	HB0176 Assigned to Agriculture and Conservation Committee on 1/31/07.
§825-90* (new)	Public Private Partnerships for Transportation Act (S)	Sen. Don Harmon (D) (39 th District, Oak Park, IL)	Amendment will authorize the Authority to apply for an allocation of tax-exempt bond financing authorization provided by the Federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), as well as financing available under any other federal law or program.	Allows the Authority to apply for an allocation of tax-exempt bond financing authorization as provided under federal laws and/or programs.	SB0378 Referred to the Rules Committee on 2/7/07.
§801-1 and §815-10*	First 2007 General Revisory Act (T)	Sen. William R. Haine (D) (56 th District, Alton, IL)	Amendment rennumbers sections of various acts, including the Authority's Act, to eliminate duplication; corrects obsolete cross references and technical errors; and makes stylistic changes.	Amendment corrects certain stylistic errors in the Authority's Act (i.e., adding periods and commas and correcting a technical numbering mistake in Section 801-1.	SB0223 Referred to the Rules Committee on 2/7/07.

§801-15*	Finance/Housing Authority – LT Governor (S)	Sen. Ira Silverstein (D) (8 th District, Chicago, IL)	Amendment will make the Lieutenant Governor an ex officio, non-voting member of the Authority's Board of Directors.	Adds an ex-officio member to the Authority's Board.	SB0453 Referred to the Rules Committee on 2/8/07.
New Act*	Small Business Protection Act (S)	Rep. Michael Tryon (R) (64 th District, Crystal Lake, IL)	Enacts the Small Business Protection Act.	Requires, prior to the provision of "outside assistance" (defined as "grants, loans, tax incentives or other financial assistance or incentives (i) provided by the State, any unit of local government, any school district or any not-for-profit entity that receives governmental funding and (ii) provided to any State agency, unit of local government, school district or not-for-profit entity), the completion of certain due diligence including publication of notice and holding of a hearing to allow small businesses to voice an objection to the provision of outside assistance.	HB0577 Hearing before the State Government and Veterans Affairs Committee on 3/7/07 at 4:00 p.m.

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**The Current State
of the Hospital Industry and Its Impact
on State Finance Authorities**

Prepared for the Illinois Finance Authority

by

KaufmanHall

**Kaufman, Hall & Associates, Inc.
Skokie, Illinois**

The hospital industry continues to undergo tumultuous change and that change is impacting the size, scope and complexity of providers throughout America. As a result of these changes, providers are generally getting larger with facilities in multiple locations and often in multiple states. The effect of these changes on State Finance Authorities in the past several years has been dramatic and profound.

Current State of the Industry

A stable reimbursement environment and expense controls have contributed to a recent improvement in the financial performance of hospitals nationwide. It has also resulted in a stable ratings environment for not-for-profit healthcare institutions.

In general, for the first time in many years, the rating agencies have collectively presented an outlook that is stable. Key summary comments from each rating agency include:

Fitch Ratings:

“For 2006, Fitch expects stable operating performance... However, Fitch believes that pressures related to mounting capital needs, increased competition, labor shortages, revenue constraints from Medicare, Medicaid and managed care and rising bad debt will likely lead to instability over the medium term.”

Moody’s Investors Service:

“Looking forward, we continue to maintain a stable outlook for the not-for-profit health care sector, supported by the strong financial performance recorded by our rated hospitals and systems in 2005 and the favorable rating activity that occurred during the year with rating upgrades (46) outpacing rating downgrades (42) for the first time since 1997.”

Standard & Poor’s:

“Standard & Poor’s Ratings Services Believes that the favorable environment for many U.S. not-for-profit health care providers will continue for the remainder of 2006 and 2007, and quite possibly in 2008 as well. This should translate into further rating stability, with some continued positive credit momentum, although clearly this has slowed since 2005.”

Sources: Fitch’s 2006 Median Ratios for Non-profit Hospitals and Health Care Systems; Moody’s Not-For-Profit Healthcare: Fiscal Year 2005 Medians; and S&P’s U.S. Not-For-Profit Healthcare 2006 Stand-Alone Hospital Medians.

In all, the overall performance of healthcare providers improved through 2005 and appeared to continue to improve through 2006.

Pressures Still Remain

Despite the recent improved operating performance and relative stability of the industry, certain fundamental pressures still loom for hospitals. These pressures include:

1. Uncertainty surrounding future government reimbursement levels and budget cuts
2. Managed care consolidation's effect on provider pricing leverage leading to declines in commercial rate increases
3. Competition for profitable outpatient services
4. Softer volumes from cost-shifting to patients
5. Nursing and physician shortages
6. Rising uninsured population resulting in increase to bad debt and charity care expenses
7. Significant future capital needs
8. Malpractice insurance
9. Pension funding
10. Potential increase in acquisitions, mergers and affiliations

The Haves versus the Have Nots

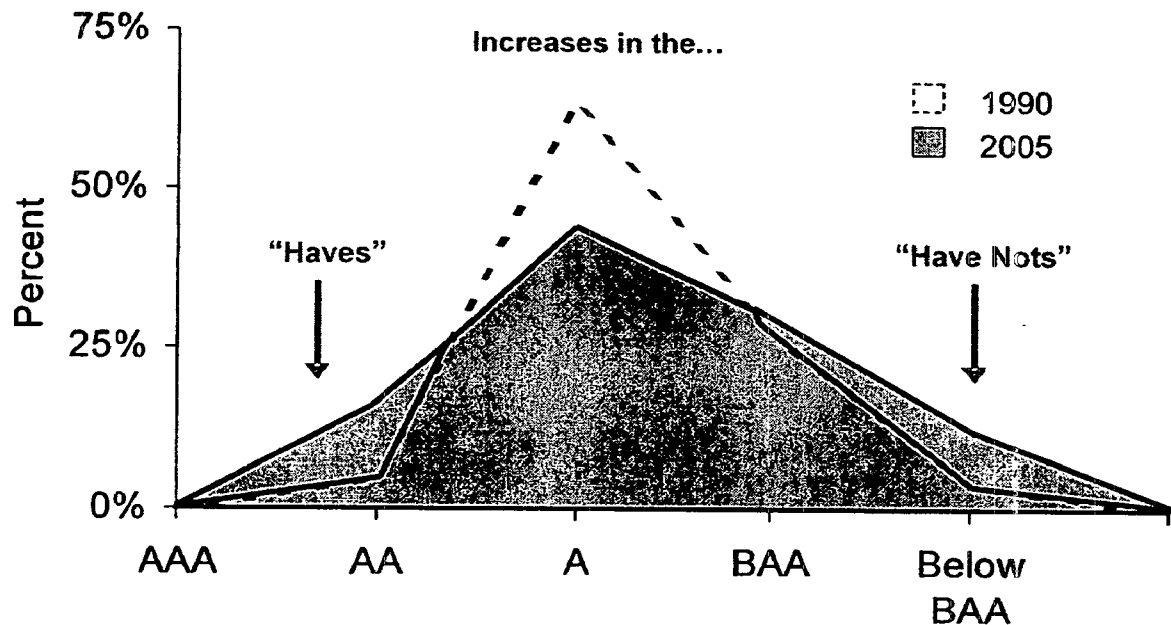
Hospital capital spending has been on the rise over the past few years as a result of several factors. The demand for inpatient hospital services has put severe pressure on Emergency Departments and ICUs. In addition, the industry has had to replace aging facilities and equip them with an ever-increasing array of new technologies. Annual capital spending has been well in excess of annual depreciation expense (upwards of 140% of depreciation¹). Many hospitals have been unable to meet the demands of capital improvements and major capital additions to keep pace with market demand and/or competitors.

Further, the available labor pool, particularly nurses, has been unable to keep up with increased demand and, thus, has created a labor shortage which is resulting in increased personnel expenses. Finally, in addition to increased labor and regulatory costs, hospital expenses continue to increase due to changing technology, pharmaceutical costs and professional liability.

As a result of these increased capital needs and expenses, the hospital industry has become bifurcated into the "haves" and the "have nots" in terms of access to capital and the ability to make major reinvestments beyond routine capital expenditures. The following chart illustrates the widening of the gulf in credit quality between the "haves" and the "have nots".

¹ *Moody's Investors Service, 2005 Health Care Medians Report, August 2006*

Distributions of Non-Profit Health Care Ratings

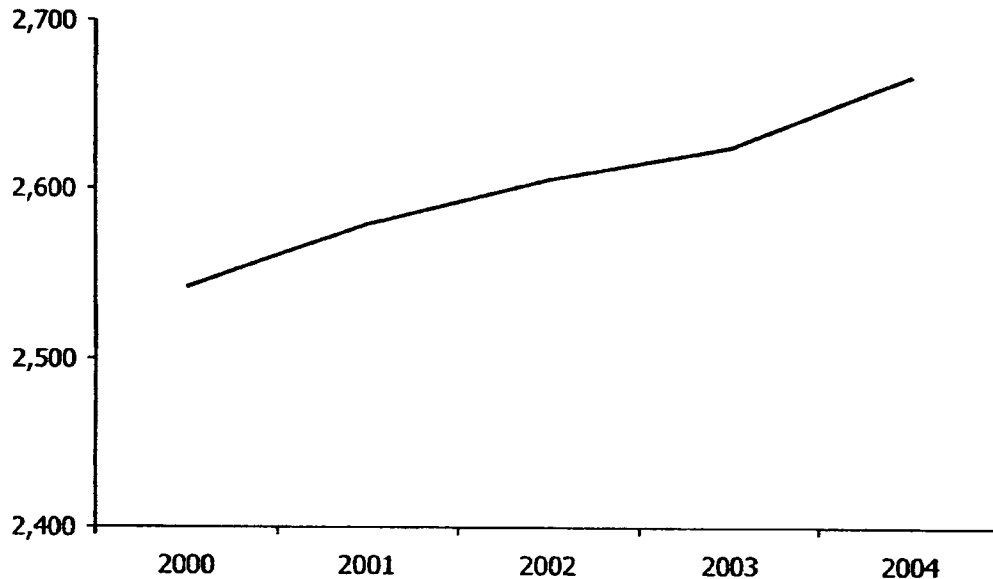


Sources: "Not-For-Profit Healthcare Sector: 2006 Industry Outlook," *Moody's Investor Services*, January 2006.

The "have-nots" have limited access to capital to invest in their existing plant or keep pace with advances in medical technology. In addition, such entities often lack the resources to recruit and retain physicians, expand healthcare services and comply with increasingly complex reimbursement and managed care requirements.

As a result of these pressures, many hospitals seeking to preserve the local availability of quality health care services have increasingly sought to sell or lease these hospitals to large hospital companies or systems that have greater access to capital and management resources. Nationwide, organizations with the highest credit rating have been the most attractive partners, providing excess capital capacity and the lowest cost of capital to consolidate the market. The result has been a steady increase in the number of stand-alone hospitals becoming part of larger systems.

Number of Hospitals in Health Systems⁽¹⁾ 2000 - 2004



Source: The Lewin Group analysis of American Hospital Association Annual Survey data, 2000 - 2004, for community hospitals.

⁽¹⁾ *Hospitals that are part of a corporate body that may own and/or manage health provider facilities or health-related subsidiaries as well as non-health-related facilities including freestanding and/or subsidiary corporations.*

The Role of Traditional Financing Authorities

In order to understand how these multistate healthcare providers have brought about change to how providers access capital, it is important to understand the historic context. Since federal law prohibits 501(c)3 tax-exempt hospitals from issuing bonds on their own, traditionally, single state healthcare providers accessed the capital markets through a designated financing authority which could be a state, city, county or specially designated authority established for this purpose. In fact, most states have organized special healthcare financing authorities to streamline the process of helping healthcare entities within their states access the capital markets.

While multistate providers have seen significant growth, the majority of hospitals in the United States are still free-standing, non-affiliated healthcare providers that simply ask their state or local authority to act as a conduit authority when they want to issue bonds. Most financing authorities have a charter that charges them with financing projects within their state that will ultimately better its citizens. The process is generally organized and efficient. Typically, in exchange for allowing access to the capital markets, these authorities charge a fee to the issuing healthcare entity (aka "obligor") of the bonds in order that the authority can remain a financially self-sustaining entity. Since these authorities virtually never promise to pay bondholders in the case of an obligor default, they really have no liability per-se, so the fees they do receive go to support the on-going efforts of the authority.

Single hospital bond financings have for many years followed the formulaic process as described above; however, the process is more complicated for multistate health care providers. As discussed earlier, the size and scope of these multistate health care providers has blossomed in recent years. So too has the complexity of the bond transactions for these entities as they finance projects in multiple states through multiple financing authorities. In prior years, these multistate providers had to issue bonds through the state(s) in which they planned to spend the bond proceeds. For example, if a multistate provider wanted to issue \$100 million for two projects in State #1 and State #2, it needed to parallel process both authority applications, meetings, etc. in both states in order to complete the financings at the same time. For larger multistate providers that wanted to complete projects in multiple states, coordination of authorities became exponentially more difficult with each additional authority that was added.

The Advent of Multistate Issuing Authorities

In order to remedy the problem of having too many authorities involved in multistate financings, several state financing authorities have had their charters amended to give them multistate issuing powers. Essentially, large multistate health care providers can now issue all of their debt through one of these multistate authorities so long as they have at least one facility in the authority's state. Currently, there are nine such multistate authorities (Arizona, Arkansas, Colorado, Florida, Indiana, Kansas, Missouri, South Dakota and Wisconsin).

Changing Landscape of Issuing Authorities – The Stakeholders Perspective

There exist three main stakeholders in the creation of multi versus single state authorities.

- States
- Existing single state issuing authorities
- Healthcare providers

Each of the above stakeholders have, or should have, an interest in the creation and function of multistate issuing authorities. The creation of multistate issuers has engendered competitive tensions between those authorities that have been granted multistate issuing status and those that have not, as well as influencing the perspective of these three stakeholders.

Impact on States

One of the most important competitive developments is the ability of multistate authorities to effect change – both directly and indirectly – in the manner in which bond proceeds are used in other states.

For instance, the IFA imposes a “prevailing wage” law on bond proceeds issued by the IFA to ensure that workers in Illinois are paid a “prevailing wage”. In an instance where an Illinois domiciled hospital is financed by a multistate healthcare provider based in Indiana (one of the

States with a designated multistate issuing authority), the use of the bond proceeds would not be subject to the IFA's "prevailing wage" law and, thus, the Illinois workers that constructs the project may not necessarily be paid the prevailing Illinois wage for their work.

As the above example demonstrates, the ability of a state to assert control of its regulations and standards is an important issue in the discussion. Since states cannot realistically block investments that are financed by out-of-state authorities, they are faced with the decision to make their authorities as competitive as other multistate financing authorities or lose share and control of financing activity and the issuance of bonds.

The other reason states are desirous of successful authorities – as defined above by increased volume and fees – is to assure the self-funding status of the state's authorities. The more attractive an authority is to an issuing healthcare provider – especially large multistate issuers of debt – the more volume the Authority will be able to finance and, consequently, the more revenue they will be able to raise to remain self-sustaining.

Impact on Existing Single State Authorities

The creation of multistate authorities can be viewed as either an opportunity or a threat to existing, single state financing authorities.

For those single state authorities that are not able to compete with more flexible, streamlined multistate issuing authorities, there is the risk that they will lose the opportunity to fund hospitals domiciled in their states. Given the streamlined nature of the authority review/approval process, multistate issuing authorities are largely able to leverage existing resources to process more transactions without incurring significant incremental expense. Doing so, allows them to spread their fixed costs over more transactions and to expand the size of their revenue base. To the extent multistate authorities are able to do this, they are in theory able to keep the lid on rising costs and obviate the need to raise fees for in-state users of the pool.

For instance, if issuance trends for 2006 are any indication, there exist significant opportunities for multistate issuing authorities to capture a larger share of healthcare debt issuance pie. In the first eleven months of 2006, the nine states with multistate authorities had issued approximately \$7 billion in tax-exempt healthcare debt – a full 25% of all healthcare debt issued in the United States. Of that amount, nearly half, or \$3.4 billion, was issued on behalf of multistate health care providers.

The statistic above demonstrates the consolidation of power among those nine issuing authorities that have a multistate issuance capability. Because the volume of bond issuances is somewhat a zero-sum game in terms of which authority sells the bonds, the growth in bond issuance volume through multistate authorities has a negative reciprocal impact on single state issuers. The IFA is a good example of this point.

There are currently eight multistate systems that have a presence in Illinois, detailed below:

Healthcare System	Hospital	City
Adventist Hlth System Sunbelt	Adventist GlenOaks Hospital	Glendale Heights
Adventist Hlth System Sunbelt	Adventist Hinsdale Hospital	Hinsdale
Adventist Hlth System Sunbelt	Adventist La Grange Mem Hosp	La Grange
Ascension Health	Saint Anthony Hospital	Chicago
BJC HealthCare	Alton Memorial Hospital	Alton
BJC HealthCare	Clay County Hospital	Flora
Genesis Health System	Genesis Med Ctr, Illini Campus	Silvis
Iowa Health System	Trinity Medical Center-West	Rock Island
Sisters of St Francis	St James Hosps & Hlth Centers	Olympia Fields
SSM Health Care	Good Samaritan Reg Health Ctr	Mount Vernon
SSM Health Care	St Francis Hosp & Health Ctr	Blue Island
SSM Health Care	St Mary's Hospital	Centralia
Trinity Health	Morrison Community Hospital	Morrison

In 2006, the five multistate healthcare providers that have facilities in Illinois issued more than \$2.6 billion in debt. Interestingly, not one of these healthcare providers chose to issue any of their debt through the IFA. Rather, all of their debt was issued through multistate finance authorities. The two largest examples of this were Ascension Health and Adventist Health who issued approximately \$912 and \$675 million, respectively in 2006. Clearly, if this trend continues, it could prove problematic for the Illinois Finance Authority and other single state finance authorities – especially if healthcare consolidation by large providers continues.

Impact on Healthcare Providers

No one benefits more from multistate issuing authorities than do healthcare entities – single and multistate providers alike. These benefits accrue to healthcare providers in both time and money savings.

- **Reduced Fees.** Case in point is the tradeoff between fees and volume as discussed earlier in this article. During the first eleven months of 2006 (up to the time of this writing), the Indiana Finance Authority was the largest conduit issuing authority for multistate healthcare providers in the country. In fact, Indiana completed 34% of all multistate healthcare provider financings so far this year.¹ Part of its competitive advantage is its relatively low cost structure. For instance, the Indiana Finance Authority would charge approximately \$43,000 to serve as issuing authority for a \$100 million, 30 year bond issuance, including up-front and on-going costs. Clearly, Indiana's success in attracting multistate healthcare issuers is at least in some part due to its ability to leverage its critical mass and make up revenue on its volume as opposed to high individual fees.
- **Lower Legal Costs.** By issuing bonds through one state authority, there are fewer attorneys and authority officials with which to coordinate. The result is savings for healthcare providers. According to year-to-date fee information provided to Thompson Financial, the total gross weighted average fee for a fixed rate bond offering issued by a multistate authority on behalf of multistate healthcare provider was lower on average by \$1.14 (\$5.32 versus \$4.19) per each \$1,000 in bonds when compared to single state

issuers. In other words, for every \$100 million in bonds sold by multistate issuers instead of single state issuing authorities, healthcare providers would have saved approximately \$114K in issuing authority fees. Based on this, multistate providers have a strong financial incentive to issue through a multistate issuing authority.

- **Streamlined documentation and on-going reporting.** Each authority requires different documentation and levels of involvement during and after the financing. Minimizing the number of authorities involved keeps paperwork and, consequently, management time to a minimum.

Conclusion

The conclusion of this analysis is that the Illinois Finance Authority is at a significant competitive disadvantage without the ability to issue bonds for hospital systems on a multistate basis. Authorities that provide multistate issuance have provided a valuable service to large multistate hospital systems and it certainly appears that such service is being provided at no cost or risk to the Finance Authorities involved.

¹ *On-line fee schedules were consulted to determine the average fees for the top five, single state healthcare authority issuers.*

Illinois Finance Authority
Consolidated
Balance Sheet

for the Eight Months Ending February 28, 2007

	February 2006	February 2007	February Budget	Variance to budget
ASSETS				
CASH & INVESTMENTS, UNRESTRICTED	\$ 36,404,727	\$ 31,781,394	\$ 23,353,968	\$ 8,427,426
LOAN RECEIVABLE, NET	72,837,809	85,784,507	83,044,312	2,740,195
ACCOUNTS RECEIVABLE	832,356	442,397	500,000	(57,603)
OTHER RECEIVABLES	112,030	1,758,329	492,049	1,266,280
PREPAID EXPENSES	21,539	58,519	170,220	(111,701)
TOTAL CURRENT ASSETS	110,208,461	119,825,146	107,560,549	12,264,597
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	100,758	148,311	139,805	8,506
DEFERRED ISSUANCE COSTS	1,029,099	860,285	959,745	(99,460)
OTHER ASSETS	29,668,038	27,115,777	30,348,189	(3,232,412)
CASH, INVESTMENTS & RESERVES	5,164,735	5,714,091	6,654,912	(940,820)
VENTURE CAPITAL INVESTMENTS	4,150,656	3,070,522	4,079,219	(1,008,697)
OTHER	38,983,430	35,900,391	41,082,320	(5,181,928)
TOTAL OTHER ASSETS	150,321,747	156,734,132	149,742,419	6,991,714
TOTAL ASSETS	\$ 269,738,707	\$ 276,659,278	\$ 257,302,968	\$ 19,356,310
LIABILITIES				
CURRENT LIABILITIES	\$ 952,763	\$ 1,382,500	\$ 933,509	\$ 448,991
LONG-TERM LIABILITIES	61,987,019	65,150,258	59,001,608	6,148,648
TOTAL LIABILITIES	62,939,782	66,532,758	59,935,117	6,597,639
EQUITY				
CONTRIBUTED CAPITAL	36,061,462	36,061,462	36,061,462	(0)
RETAINED EARNINGS	13,000,024	15,015,018	15,015,018	-
NET INCOME / (LOSS)	6,295,835	2,151,490	1,757,416	394,074
RESERVED/RESTRICTED FUND BALANCE	19,303,495	24,279,992	24,279,992	0
UNRESERVED FUND BALANCE	12,721,150	12,693,412	12,693,412	(0)
TOTAL EQUITY	87,381,965	90,201,374	89,807,301	394,074
TOTAL LIABILITIES & EQUITY	\$ 150,321,747	\$ 156,734,132	\$ 149,742,419	\$ 6,991,715

**Illinois Finance Authority
Consolidated - Detail
Balance Sheet
for the Eight Months Ending
February 28, 2007**

	General Fund	Bond Fund	Firetruck Revolving Fund	Non Major Funds YTD	YTD 2007
Assets					
Current assets:					
Cash and cash equivalents - unrestricted	6,316,199	-	-	14,764,981	21,081,179
Investments - unrestricted	2,967,270	-	-	1,996,430	4,963,710
Restricted current assets:					
Cash and cash equivalents	-	734,711	1,908,925	-	2,643,636
Accrued interest receivable	-	1,404,387	8,000	2,891	1,415,278
Restricted investments	-	62,070	-	-	62,070
Receivables:					
Accounts	442,397	-	-	-	442,397
Interest and other	112,181	-	-	41,824	154,005
Prepaid expenses and deposits	58,519	-	-	-	58,519
Total Current Assets	9,896,567	2,201,168	1,916,925	16,806,126	30,820,785
Noncurrent assets:					
Restricted Noncurrent assets	-	-	-	21,614,112	21,614,112
Cash and cash equivalents	-	197,046	-	78,000	276,046
Interest receivable	-	-	-	609,389	609,389
Guarantee payments receivable	-	-	-	(538,866)	(538,866)
Allowance for doubtful accounts	-	219,058	-	-	219,058
Deferred issuance costs, net of accumulated amortization	-	8,445,473	-	-	8,445,473
Investments	-	53,852,200	-	-	53,852,200
Bonds and notes receivable	-	-	8,247,715	670,710	8,918,425
Loans receivable	-	-	-	(121,469)	(121,469)
Allowance for doubtful accounts	-	-	-	5,714,091	5,714,091
Investments in partnerships and companies	-	-	-	4,984,068	4,984,068
Loans Receivable	23,658,778	-	-	-	23,658,778
Allowance for doubtful accounts	(2,507,495)	-	-	-	(2,507,495)
Due from other funds long term	2,906,654	-	-	712,374	3,619,027
Property and equipment, at cost	396,754	-	-	5,500	402,254
Accumulated depreciation	(249,451)	-	-	(4,492)	(253,943)
Deferred issuance costs, net of accumulated amortization	-	-	-	641,227	641,227
Total Noncurrent Assets:	24,205,239	62,713,777	8,247,715	34,365,643	129,532,374
Total Assets	34,101,806	64,914,945	10,164,640	51,171,769	160,353,159
Liabilities					
Current liabilities:					
Accounts payable	59,179	-	-	-	59,179
Accrued expenses	648,034	-	-	-	648,034
Accrued interest payable	-	1,581,373	-	1,380	1,582,754
Due to employees	33,827	-	-	-	33,827
Due to primary government	267,490	-	-	25,000	292,490
Current portion of Long term debt	-	-	-	55,394	55,394
Total Current Liabilities	1,008,530	1,581,373	-	81,774	2,671,677
Noncurrent liabilities:					
Long-term debt	-	62,010,000	-	772,666	62,010,000
Bonds payable	-	-	-	900,897	1,193,093
Deferred revenue net of accumulated amortization	292,196	-	-	3,619,027	3,619,027
Due to other funds - long term	-	(114,678)	-	-	(114,678)
Deferred loss on early extinguishment of Debt	-	-	-	-	-
Total Noncurrent Liabilities	292,196	61,895,322	-	5,292,590	67,480,108
Total Liabilities	1,300,726	63,476,696	-	5,374,364	70,151,785
Net Assets					
Invested in capital assets	147,303	-	-	1,008	148,311
Restricted	-	1,438,249	10,164,640	21,492,327	33,095,216
Unrestricted	32,653,835	-	-	24,304,012	56,957,847
Total Net Assets	32,801,138	1,438,249	10,164,640	45,797,347	90,201,374

**Consolidated Actual to Budget
Statement of Activities
for Period Ending February 28, 2007**

	Actual February 2007	Budget February 2007	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	Total Budget FY 2007	% of Budget Expended
REVENUE	285,448	281,354	4,094	1.46%	2,328,115	2,352,997	(23,882)	(1.01%)	3,478,413	66.96%
INTEREST ON LOANS	200,955	177,172	23,783	13.42%	1,867,238	1,417,370	449,868	31.74%	2,128,056	87.83%
INVESTMENT INTEREST & GAIN(LOSS)	694,311	251,350	442,961	176.23%	4,057,411	3,484,800	572,611	16.10%	5,394,200	75.22%
ADMINISTRATIVE & APPLICATION FEES	83,443	65,000	18,443	28.37%	741,640	870,000	(128,360)	(14.75%)	1,310,000	56.61%
ANNUAL ISSUANCE & LOAN FEES	55,780	38,553	17,227	44.68%	171,301	308,423	(137,122)	(44.46%)	482,634	37.03%
OTHER INCOME	1,319,937	833,429	486,508	58.37%	8,166,606	8,843,550	(676,944)	(7.65%)	12,771,303	71.78%
TOTAL REVENUE	2,411,864	2,480,676	(68,812)	(2.77%)	20,070,015	20,843,947	(773,932)	(3.66%)	29,916,075	67.44%
EXPENSES	241,271	248,199	(6,928)	(2.79%)	2,020,421	1,996,881	23,540	1.18%	2,996,075	67.44%
EMPLOYEE RELATED EXPENSES	28,522	28,500	22	0.08%	221,704	228,001	(6,297)	(2.76%)	342,000	64.83%
COMPENSATION & TAXES	7,962	8,494	(532)	(6.26%)	55,900	59,458	(3,558)	(5.98%)	84,940	85.81%
BENEFITS	9,050	13,000	(3,950)	(30.39%)	104,452	89,000	15,452	17.36%	135,000	77.37%
TEMPORARY HELP	-	-	-	-	-	-	-	-	-	-
EDUCATION & DEVELOPMENT	-	-	-	-	-	-	-	-	-	-
TRAVEL & AUTO	284,604	268,193	16,411	6.12%	2,407,934	2,385,140	22,795	0.96%	3,561,815	87.23%
TOTAL EMPLOYEE RELATED EXPENSES	392,076	309,693	82,383	26.60%	2,407,934	2,385,140	22,795	0.96%	3,561,815	87.23%
PROFESSIONAL SERVICES	120,470	51,325	69,145	134.72%	997,878	910,670	86,908	9.54%	1,116,000	89.39%
CONSULTING, LEGAL & ADMIN	220,127	209,008	11,119	5.32%	1,866,227	1,776,287	109,940	6.19%	2,812,319	72.21%
LOAN EXPENSE & BANK FEE	28,003	31,381	(3,378)	(10.76%)	43,314	251,132	(107,818)	(43.32%)	378,700	63.79%
ACCOUNTING & AUDITING	9,446	20,834	(11,388)	(54.66%)	234,108	235,333	(1,225)	(0.52%)	280,000	17.33%
MARKETING GENERAL	29,186	28,187	999	3.55%	13,446	13,800	(354)	(2.56%)	350,000	52.94%
FINANCIAL ADVISORY	2,382	700	1,682	240.29%	33,728	92,000	(58,272)	(63.34%)	25,400	92.96%
CONFERENCE/TRAINING	20,000	5,250	14,750	280.95%	26,604	25,900	704	2.72%	38,400	28.85%
MISCELLANEOUS PROFESSIONAL SERVICES	3,445	3,200	245	7.65%	26,604	25,900	704	2.72%	38,400	69.26%
DATA PROCESSING	433,038	350,875	82,163	23.42%	3,475,281	3,465,288	9,993	0.29%	4,681,819	71.19%
TOTAL PROFESSIONAL SERVICES	816,068	673,625	142,443	21.15%	6,872,816	6,865,288	7,528	0.11%	9,198,000	64.55%
OCCUPANCY COSTS	25,923	26,709	(786)	(2.94%)	206,878	213,672	(6,794)	(3.18%)	320,508	72.40%
OFFICE RENT	4,308	3,750	558	14.87%	32,579	30,000	2,579	8.60%	48,000	48.00%
EQUIPMENT RENTAL AND PURCHASES	6,256	5,667	589	10.38%	46,504	45,334	1,170	2.58%	66,000	66.39%
TELECOMMUNICATIONS	1,141	381	760	199.74%	7,718	6,000	1,718	28.63%	9,000	65.78%
UTILITIES	3,789	4,750	(961)	(20.24%)	30,302	38,000	(7,698)	(20.26%)	57,000	53.16%
DEPRECIATION	1,192	1,166	26	2.27%	10,453	8,334	2,119	11.98%	14,000	74.68%
INSURANCE	42,808	42,782	26	0.06%	334,433	342,340	(7,907)	(2.31%)	513,508	65.13%
TOTAL OCCUPANCY COSTS	81,057	81,057	0	0.00%	685,474	703,346	(17,872)	(2.54%)	913,000	73.08%
GENERAL & ADMINISTRATION	3,675	2,886	789	27.34%	20,545	21,304	(759)	(3.70%)	32,000	64.20%
OFFICE SUPPLIES	2,407	2,916	(509)	(17.46%)	15,819	23,333	(7,514)	(32.20%)	14,000	76.40%
BOARD MEETING - EXPENSES	2,916	2,878	38	1.32%	31,741	23,001	8,740	38.00%	35,000	45.20%
PRINTING	984	1,187	(203)	(17.11%)	6,737	13,334	(6,597)	(49.47%)	34,500	92.00%
POSTAGE & FREIGHT	1,187	1,187	0	0.00%	108,000	108,000	0	0.00%	2,000	336.87%
MEMBERSHIP, DUES & CONTRIBUTIONS	13,500	13,500	0	0.00%	5,408	5,408	0	0.00%	162,000	68.87%
PUBLICATIONS	-	167	(167)	(100.00%)	-	-	-	-	2,000	270.28%
OFFICERS & DIRECTORS INSURANCE	-	-	-	-	-	-	-	-	-	-
MISCELLANEOUS	33,174	31,281	1,893	6.05%	287,917	250,336	37,581	15.01%	375,500	71.35%
TOTAL GENERAL & ADMINISTRATION EXPENSES	43,231	43,231	0	0.00%	308,507	300,000	8,507	2.83%	300,000	102.84%
LOAN LOSS PROVISION	680	717	(37)	(5.16%)	5,795	5,795	0	0.00%	8,904	67.35%
OTHER	690	717	(27)	(3.75%)	5,795	5,795	0	0.00%	8,904	67.35%
INTEREST EXPENSE	821,314	750,467	70,847	9.44%	6,799,877	6,652,940	147,037	1.02%	8,604	67.35%
TOTAL OTHER	1,192,004	1,192,004	0	0.00%	1,192,004	1,192,004	0	0.00%	1,192,004	70.38%
TOTAL EXPENSES	4,340,948	4,340,948	0	0.00%	37,872,916	37,872,916	0	0.00%	49,861,048	76.09%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN(LOSS)	(1,929,084)	(1,929,084)	0	0.00%	(1,544,701)	(1,544,701)	0	0.00%	(200,000)	107.62%
NET UNREALIZED GAIN(LOSS) ON INVESTMENT	239,489	239,489	0	0.00%	1,757,415	1,757,415	0	0.00%	2,910,287	73.93%
NET INCOME(LOSS)	(1,689,595)	(1,689,595)	0	0.00%	(787,286)	(787,286)	0	0.00%	(289,713)	107.62%

**Consolidated Actual to Budget
Statement of Activities
for Period Ending February 28, 2007**









	Actual February 2007	Budget February 2007	Current Month Actual vs Budget	Current %	Actual FY 2007	Budget FY 2007	Year to Date Actual vs Budget	YTD %	Total Budget FY 2007	% of Budget Expended
REVENUE	285,448	281,354	4,094	1.46%	2,329,115	2,352,997	(23,882)	(1.01%)	3,478,413	66.96%
INVESTMENT ON LOANS	200,955	177,172	23,783	13.42%	1,867,239	1,417,370	449,869	31.74%	2,126,096	87.63%
INTEREST (LOSS) & GAIN(LOSS)	694,311	251,390	442,921	176.23%	4,057,411	3,494,800	562,611	16.10%	5,394,200	75.22%
ADMINISTRATIONS & APPLICATION FEES	83,443	85,000	(1,557)	(1.83%)	741,540	970,000	(228,460)	(23.65%)	1,310,000	66.61%
ANNUAL ISSUANCE & LOAN FEES	55,780	34,553	21,227	61.45%	171,301	308,423	(137,122)	(44.46%)	462,634	37.03%
OTHER INCOME	1,319,937	833,429	486,508	58.37%	8,166,808	8,543,550	623,018	7.29%	12,771,303	71.76%
TOTAL REVENUE	241,271	249,709	(8,438)	(3.41%)	2,020,421	1,996,881	23,540	1.18%	2,996,075	67.44%
EMPLOYEE RELATED EXPENSES	26,502	26,500	(2)	(0.01%)	221,704	223,001	(1,297)	(0.58%)	342,000	64.83%
COMPENSATION & TAXES	8,484	8,484	(0)	0.00%	55,900	59,456	(3,556)	(5.98%)	84,940	63.81%
BENEFITS	-	-	(532)	(0.00%)	11,800	11,800	(0)	0.00%	23,600	23.12%
TEMPORARY HELP	-	-	-	0.00%	5,457	5,457	(0)	0.00%	135,000	77.37%
EDUCATION & DEVELOPMENT	9,050	13,000	(3,950)	(30.39%)	104,452	69,000	35,452	51.38%	135,000	77.37%
TRAVEL & AUTO	284,804	286,793	(1,989)	(0.70%)	2,407,934	2,386,140	21,795	0.91%	3,581,615	67.23%
TOTAL EMPLOYEE RELATED EXPENSES	120,470	120,470	0	0.00%	997,578	910,670	86,908	9.54%	1,116,000	69.39%
PROFESSIONAL SERVICES	220,137	209,008	11,129	5.32%	1,886,227	1,776,287	109,940	6.19%	2,612,319	72.21%
CONSULTING, LEGAL & ADMIN	28,003	31,391	(3,388)	(10.79%)	240,286	251,132	(10,846)	(4.32%)	376,700	63.79%
LOAN EXPENSE & BANK FEE	8,446	20,834	(12,388)	(59.46%)	43,314	166,666	(123,352)	(74.01%)	250,000	17.33%
ACCOUNTING & AUDITING	29,166	29,167	(1)	(0.00%)	234,108	233,333	775	0.33%	350,000	66.89%
MARKETING GENERAL	2,382	700	1,682	240.29%	13,446	13,600	(154)	(1.13%)	25,400	52.94%
FINANCIAL ADVISORY	20,000	5,250	14,750	280.95%	33,728	92,000	(58,272)	(63.34%)	113,000	29.85%
CONFERENCE/TRAINING	3,445	3,200	245	7.65%	26,604	25,600	1,004	3.92%	36,400	68.26%
MISCELLANEOUS PROFESSIONAL SERVICES	433,038	350,875	82,163	23.42%	3,475,281	3,469,288	6,002	0.17%	4,881,819	71.16%
DATA PROCESSING	25,923	26,709	(786)	(2.94%)	206,878	213,672	(6,794)	(3.18%)	320,508	64.85%
TOTAL PROFESSIONAL SERVICES	4,308	3,750	558	14.87%	32,579	30,000	2,579	8.60%	45,000	72.40%
OCCUPANCY COSTS	6,250	5,667	583	10.39%	46,504	45,334	1,170	2.58%	68,000	68.39%
OFFICE RENT	1,141	750	391	52.09%	7,718	6,000	1,718	28.63%	9,000	85.76%
EQUIPMENT RENTAL AND PURCHASES	3,788	4,750	(962)	(20.24%)	30,302	38,000	(7,698)	(20.26%)	67,000	53.16%
TELECOMMUNICATIONS	1,192	1,166	26	2.27%	10,453	9,334	1,119	11.96%	14,000	74.98%
UTILITIES	42,609	42,792	(184)	(0.43%)	334,433	342,340	(7,907)	(2.31%)	513,508	65.13%
INSURANCE	10,314	7,833	2,481	31.69%	66,694	62,666	4,028	6.42%	94,000	73.08%
TOTAL OCCUPANCY COSTS	3,675	2,666	1,009	37.84%	21,334	20,545	789	(3.70%)	32,000	64.20%
GENERAL & ADMINISTRATION	3,953	2,878	1,075	37.35%	10,978	9,334	1,644	17.59%	14,000	78.40%
OFFICE SUPPLIES	2,407	2,916	(509)	(17.46%)	15,819	23,333	(7,514)	(32.20%)	35,000	45.20%
BOARD MEETING - EXPENSES	984	2,878	(1,894)	(65.88%)	31,741	23,001	8,740	38.00%	34,500	92.00%
PRINTING	101	167	(66)	(39.44%)	6,737	1,334	5,403	405.05%	2,000	336.87%
POSTAGE & FREIGHT	13,500	13,500	0	0.00%	106,000	108,000	(2,000)	(1.85%)	182,000	66.87%
MEMBERSHIP, DUES & CONTRIBUTIONS	35,174	31,281	3,893	12.41%	287,917	250,336	37,581	15.02%	375,500	71.35%
PUBLICATIONS	25,000	25,000	0	0.00%	306,507	200,000	106,507	53.25%	300,000	102.84%
OFFICERS & DIRECTORS INSURANCE	690	717	(27)	(3.76%)	5,795	5,736	59	1.02%	6,604	67.35%
MISCELLANEOUS	690	717	(27)	(3.76%)	5,795	5,736	59	1.02%	6,604	67.35%
TOTAL GENERAL & ADMINISTRATION EXPENSES	821,314	750,467	70,847	9.44%	6,789,877	6,652,840	147,037	2.21%	9,661,046	70.36%
LOAN LOSS PROVISION	498,623	82,962	415,661	501.02%	2,366,729	1,890,750	475,979	25.17%	3,110,257	76.09%
OTHER	(258,133)	(10,667)	(247,466)	(1,464.80%)	(216,238)	(133,333)	(81,905)	61.43%	(200,000)	107.62%
INTEREST EXPENSE	239,489	66,285	173,164	261.25%	2,151,490	1,757,418	394,074	22.42%	2,910,287	73.93%
TOTAL EXPENSES	NET INCOME (LOSS) BEFORE UNREALIZED GAIN(LOSS)	NET UNREALIZED GAIN(LOSS) ON INVESTMENT	NET INCOME(LOSS)							

Illinois Finance Authority
Participations
30-60-90-120-180 Day Delinquencies

as of 2/28/2007

Loan #	Borrower	Due Date	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 + Days
Participations									
10018	EAGLE THEATER	2/18/2007	\$2,303.96	.00	.00	.00	.00	.00	.00
10048	S & B INVESTMEN	2/1/2006	\$0.00	.00	4,800.00	.00	.00	.00	.00
10095	RICHARD EXCAV	2/15/2007	\$1,375.79	.00	.00	.00	.00	.00	.00
10099	PRIEST, MARK & L	2/8/2007	\$20,213.42	.00	.00	.00	.00	.00	.00
4			\$23,893.17	.00	4,800.00	.00	.00	.00	.00
FMHA									
10064	GRAYSON HILL E	2/1/2007	\$1,443.27	.00	.00	.00	.00	.00	.00
10066	UTLRA PLAY SYS	2/1/2007	\$1,314.77	.00	.00	.00	.00	.00	.00
10067	DEREL'S BBQ	12/1/2006	\$0.00	.00	3,442.08	.00	.00	.00	.00
3			\$2,758.04	.00	3,442.08	.00	.00	.00	.00
7			\$26,829.21	.00	8,242.08	.00	.00	.00	.00

Total Number of 14

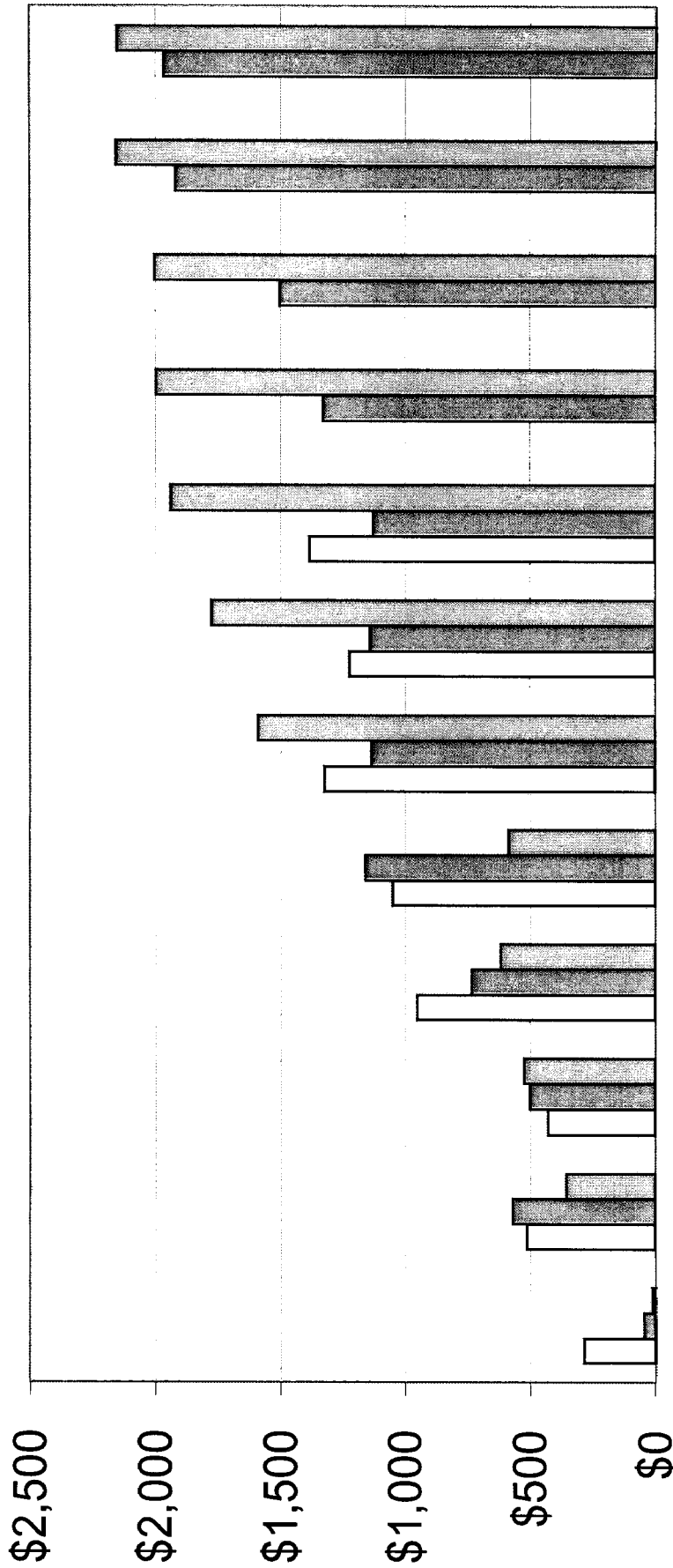
Item Number	Description	Status Action Items/ Action Items Completed	Percentage Completed
FY 04 Findings			
05-03	Failure to Monitor Bond Compliance	7/8	
05-04	Non Compliance with Illinois Procurement Code and SAMS	2/3	
05-05	Voucher Processing Controls Need to be Improved	Complete	
FY 05 Findings			
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	

1
2
6

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

Cumulative Net Income

Non-Appropriated



	July	Aug	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun
□ FY 2007 Actual	\$285	\$512	\$428	\$953	\$1,050	\$1,326	\$1,226	\$1,387				
▒ FY 2007 Plan	\$44	\$570	\$501	\$733	\$1,161	\$1,136	\$1,142	\$1,130	\$1,332	\$1,505	\$1,920	\$1,967
■ 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 FEBRUARY 13, 2007 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 a Board Meeting at 8:30 a.m., on February 13, 2007 at the Mid America Club, 200 E. Randolph Street, 80th floor, Chicago, Illinois:

Members present:

David C. Gustman, Chair
Magda M. Boyles
Ronald E. DeNard
James J. Fuentes
Michael W. Goetz
Edward H. Leonard, Sr.
Terrence M. O'Brien
Andrew W. Rice
Juan B. Rivera
Lynn F. Talbott

Members absent:

Dr. Roger D. Herrin
Martin H. Nesbitt
Joseph P. Valenti

Vacancy:

1 vacancy

**Members participating by
telephone:**

Bradley A. Zeller

GENERAL BUSINESS

Call to Order and Roll Call

Chairman Gustman called the meeting to order at 11:35 a.m. with the above members present. Chairman Gustman thanked everyone for attending and noted that there were a large number of projects being presented for approval. Chairman Gustman also noted that while the Board does move through the approval process quickly, that ample time and consideration of the projects is given at the 8:30 a.m. meeting of the Committee of the Whole, that is held prior to the Board Meeting. 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 participating via 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 welcomed everyone and announced that the IFA had a six-month period of over \$1 billion in projects. Ms. Rendleman also noted that the Board would approve over \$1.2 billion in projects.

Acceptance of Financial Statements

Financial statements for the period ending January 31, 2007 were accepted by the Board. Chairman Gustman noted that the financial statements were reviewed by the Board at the 8:30 a.m. meeting of the Committee of the Whole of the Board and also noted that the Board receives board packages for review about a week prior to the meeting which also gives the Board time to review pertinent information in advance of the Board Meeting.

Minutes

Chairman Gustman asked Carla Burgess Jones, Secretary to take a roll call vote for approval of the minutes of the January 9, 2007 Meeting of the Board. Motion moved by Mr. Rivera and seconded by Ms. Talbott. Minutes of the January 9, 2007 Meeting of the Board 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 of the Board. Director Rendleman presented the following projects to the Board for approval:

- No. 1:** **A-AI-TX-GT-7024 – Paul D. and Lynn R. Schneider**
Request for approval of the issuance of an agri-debt guarantee in an amount not-to-exceed \$500,000 to provide refinancing of term debt in order to reduce debt service and increase cash flow. (07-02-01).
- No. 2:** **A-LL-TX-7020 – Daniel A. Callahan/L.P. and Devin M. Callahan/L.P.**
Request for approval of the issuance of a participation loan in an amount not-to-exceed \$213,500 to provide permanent financing for the purchase of farm equipment and the purchase/construction of new grain storage bins. This project is expected to create 5 construction jobs. (07-02-02).
- No. 3** **A-LL- TX-7030 – Midland States Bank Trust #1780 Darrell Runge, dba Runge Farms**
Request for approval of the issuance of a participation loan in an amount not-to-exceed \$96,000 to provide permanent financing for the purchase of 80 acres of farmland. (07-02-03).

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 apply the last unanimous vote in favor of Projects nos. 1 through 3. Leave was granted. Project nos. 1 through 3 were approved with 11 ayes, 0 nays, and 0 abstentions.

- No. 4:** **P-SW-TE-CD-6264 – Alternative Energy Sources, Inc.**
Request for preliminary approval of the issuance of Solid Waste Disposal Revenue Bonds in an amount not-to-exceed \$50,000,000 to finance solid waste treatment and disposal facilities and related improvements necessary in connection with a new, 110 million gallon ethanol plant. Bond proceeds may also be used to finance related improvements, capitalized interest and bond issuance costs. This project is expected to create 40-45 new jobs and 250 construction jobs over 16 months. (07-02-04).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 4. Funding Manager Rich Frampton introduced Clip Kniffin, Vice-President of Raymond James and noted that other representatives of the project could not attend due to inclement weather conditions. Mr. Kniffin thanked the Board and IFA for consideration of the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 4. There being no further questions or comments, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 4. Leave was granted. Project no. 4 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 5: **A-FB-TE-CD-7006 – Joseph Young and Sheena Androvandi**
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$85,000 for the purchase of 55 acres of farmland in Olney, Illinois. (07-02-05).

A-FB-TE-CD-7007 – Blake Meisner
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$160,000 for the purchase of approximately 80 acres of farmland in Raymond, Illinois. (07-02-05).

A-FB-TE-CD-7008 – Brian Burris
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$70,000 for the purchase of approximately 31 acres of farmland in Opdyke, Illinois. (07-02-05).

A-FB-TE-CD-7009 – Scott Poetkker
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$242,078 for the purchase of approximately 150 acres of farmland in Aviston, Illinois. (07-02-05).

A-FB-TE-CD-7010 – Eric Poetkker
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$129,920 for the purchase of approximately 40 acres of farmland in Aviston, Illinois. (07-02-05).

A-FB-TE-CD-7011 – Ronald and Rhonda Deters
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$250,000 for the purchase of approximately 70 acres of farmland in Teutopolis, Illinois. (07-02-05).

A-FB-TE-CD-7012 – Jeffrey Bassett
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$250,000 for the purchase of approximately 72 acres of farmland in Oglesby, Illinois. (07-02-05).

A-FB-TE-CD-7013 – Robert & Cynthia Haggard

Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$250,000 for the purchase of approximately 45 acres of farmland in Rockford, Illinois. (07-02-05).

A-FB-TE-CD-7014 – John & Deborah Green

Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$150,000 for the purchase of approximately 57 acres of farmland in Little York, Illinois. (07-02-05).

A-FB-TE-CD-7015 – W. Daniel & Kristi Green

Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$190,312 for the purchase of approximately 72 acres of farmland in Smithshire, Illinois. (07-02-05).

Chairman Gustman asked if the Board had any questions with respect to Project no. 5. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 5. Leave was granted. Project no. 5 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 6: H-HO-TE-CD-7035 – OSF Healthcare System

Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$300,000,000 to i) finance new construction; ii) fund capitalized interest; iii) fund a debt service reserve fund and iv) pay the costs of issuance including bond insurance. This project is expected to create 100 new jobs and 644 construction jobs. (07-02-06).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 6. Funding Manager Pam Lenane introduced Anne Donahoe, financial advisor for the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 6. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 6. Leave was granted. Project no. 6 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 7: H-HO-TE-CD-6229 – Hospital Sisters Services, Inc.

Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$250,000,000 to i) finance, reimburse and refinance the costs of construction, renovation, improvement, furnishing and equipping certain of the System's health facilities and ii) finance costs related to the issuance of the bonds. This project is expected to create 150 new jobs and 625 construction jobs. (07-02-07).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 7. Funding Manager Pam Lenane introduced Terry Mieling of Merrill Lynch, underwriter for the project. Mr. Mieling thanked the Board and IFA for consideration of the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 7. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of

Project no. 7. Leave was granted. Project no. 7 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 8: H-HO-TE-CD-7001 – Edward Hospital.

Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$250,000,000 to i) fund new money projects; ii) provide full or partial refinancing of existing Authority bonds; iii) fund capitalized interest and iv) pay costs of issuance. This project is expected to create 57 new jobs and 145 construction jobs. (07-02-08).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 8. Funding Manager Pam Lenane introduced George Galas, Director of Finance of Edward Hospital and Jay Sterns of Goldman Sachs, co-underwriter for the project. Mr. Galas provided a brief presentation of the project and presented artist renderings. Mr. Sterns thanked the Board and IFA for consideration of the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 8. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 8. Project no. 8 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 9: N-NP-TE-CD-7039 – Northshore Hockey Club, LLC

Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$5,500,000 to finance the construction and equipping of an approximately 47,134 square foot ice skating facility. This project is expected to create 6 new jobs and 50 construction jobs. (07-02-09).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 9. Funding Manager Steve Trout introduced Chuck Smith, President of the Wilmette Hockey Association. Mr. Smith thanked the Board and IFA for consideration of the project and thanked IFA staff for its hard work on this project. Mr. Smith discussed the demand for the project and the purpose of the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 9. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Ms. Talbott and seconded by Mr. O'Brien. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 9 was approved with 9 ayes, 0 nays, and 1 abstention (Gustman). Chairman. Gustman abstained because his wife is a member of the Board of New Trier High School Hockey Club.

No. 10: E-PS-TE-CD-7017 – The Catherine Cook School

Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$6,100,000 to i) refund an outstanding series of Authority bonds; ii) refinance a mortgage issued through the Harris Bank and Trust Company; iii) refinance prior bonds of the borrower and iv) fund legal and professional costs. (07-02-10).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 10. Funding Manager Townsend Albright introduced Mark Droegemueller, Director of

Finance of the Catherine Cook School. Mr. Droegemueller thanked the Board and the IFA for consideration of the project and gave a brief description of the school for the Board.

Chairman Gustman asked if the Board had any questions with respect to Project no. 10. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Fuentes and seconded by Mr. Goetz. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 10 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 11: **N-NP-TE-CD-7005 – Holy Family Ministries**
Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$4,500,000 to i) finance the acquisition of land, construction, acquisition of machinery and equipment and professional expenses and ii) pay bond issuance costs. This project is expected to create 17 new jobs and 300 construction jobs. (07-02-11).

No. 12: **N-NP-TE-CD-7003 – Association House of Chicago**
Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$6,000,000 to i) refund existing Authority bonds; ii) refinance other conventional debt; and iii) finance renovations to an existing facility. This project is expected to create 8 new jobs and 40 construction jobs. (07-02-12).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project nos. 11 and 12. Chairman Gustman asked if the Board had any questions with respect to Project nos. 11 and 12. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 11 and 12. Leave was granted. Project nos. 11 and 12 were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 13: **N-NP-TE-CD-7002– LHC, LLC**
Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$20,000,000 to i) finance the acquisition of a 7.95-acre site; ii) finance the construction and equipping of a 105,600 square foot ice skating facility; iii) fund a capitalized interest reserve; and iv) capitalize a debt service reserve. This project is expected to create 23 new jobs over 2 years and 300 construction jobs over 6 months. (07-02-13).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 13. Funding Manager Steve Trout introduced Michael Durkin, President of the LHC, LLC. Mr. Durkin thanked the Board and the IFA for consideration of the project.

Chairman Gustman asked if the Board had any questions with respect to Project no. 13. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 13. Leave was granted. Project no. 13 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 14: N-NP-TE-CD-6253 – Northern Illinois Annual Conference of the United Methodist Church (Hilltop Ministry Center)

Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$3,400,000 to i) construct a community facility; ii) purchase furniture fixtures and equipment; iii) construct a parking area and iv) fund legal and professional issuance costs. This project is expected to create 55 new partners and/or tenants and 100 construction jobs over 8 months. (07-02-14).

No. 15: N-NP-TE-CD-7032 – Community Action Partnership of Lake County

Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$4,000,000 to i) refinance outstanding mortgage notes and bank loans; ii) provide working capital and iii) pay bond issuance costs. (07-02-15).

Chairman Gustman asked if the Board had any questions with respect to Project nos. 14 and 15. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 14 and 15. Leave was granted. Project nos. 14 and 15 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 16: M-MH-TX-CD-7001 – Liberty Towers Associates II L.P. (Liberty Towers Apartments)

Request for preliminary approval of the issuance of taxable Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$5,500,000 to i) finance the defeasance of outstanding bonds; ii) finance new reserves required by the letter of credit provider; and iii) pay certain professional costs and bond issuance costs. (07-02-16).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 16. Funding Manager Rich Frampton introduced Matt Lewin of Greenberg Traurig, bond counsel for the project. Mr. Lewin thanked the Board and the IFA for consideration of the project and provided a presentation regarding the financial structure of the project.

Chairman Gustman asked if the Board had any questions with respect to Project no. 16. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 16. Leave was granted. Project no. 16 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 17: N-NP-TE-CD-7034 – National Opinion Research Center (Cultural Pool Program Loan Program)

Request for final approval of the issuance of a Conduit 501(c)(3) Cultural Pool Loan in an amount not-to-exceed \$1,200,000 to finance, refinance and/or reimburse the National Opinion Research Center for all or a portion of the costs of new equipment, computer equipment, video conferencing facilities and office furnishings to refurbish an existing facility. (07-02-17).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 17. Funding Manager Rich Frampton introduced Jim Dunne, Executive VP and Chief Administrative Officer of National Opinion Research Center. Mr. Dunne thanked the Board and the IFA for consideration of the project and provided a presentation of the project, which includes an enhancement to the communications system of the National Opinion Research Center.

Chairman Gustman asked if the Board had any questions with respect to Project no. 17. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 17. Leave was granted. Project no. 17 was approved with 11 ayes, 0 nays, and 0 abstentions.

After the approval of the preceding projects, Board Member Jim Fuentes departed, decreasing the number of Board Members participating in the meeting from eleven (11) to ten (10).

- No. 18:** **L-GP-7018 – Central Macoupin County Rural Water District**
Request for preliminary approval of the issuance of Local Government Bonds in an amount not-to-exceed \$220,000 to provide financing of the third phase of the borrower's water distribution system expansion project. (07-02-18).
- No. 19:** **L-GP-7026 – Village of Cooksville**
Request for preliminary approval of the issuance of Local Government Bonds in an amount not-to-exceed \$280,000 to finance the replacement of the borrower's water treatment plant and to make improvements to its water system. (07-02-19).
- No. 20:** **L-GP-7027 – Village of Kingston Mines**
Request for preliminary approval of the issuance of Local Government Bonds in an amount not-to-exceed \$200,000 to finance water system updates for the borrower. (07-02-20).
- No. 21:** **L-GP-7041 – Village of Kane**
Request for preliminary approval of the issuance of Local Government Bonds in an amount not-to-exceed \$470,000 to finance water system updates for the borrower. (07-02-21).
- No. 22:** **L-GP-7042 – City of Bunker Hill**
Request for preliminary approval of the issuance of Local Government Bonds in an amount not-to-exceed \$410,000 to finance water system updates for the borrower. (07-02-22).
- No. 23:** **L-GP-7040 – Village of Bulpitt**
Request for preliminary approval of the issuance of Local Government Bonds in an amount not-to-exceed \$265,000 to finance storm sewer repairs for the borrower. (07-02-23).

No. 24: **L-GP-7019 – City of Girard**
Request for final approval of the issuance of a Local Government Interim Loan in an amount not-to-exceed \$475,000 to provide interim financing for the construction of a new water storage tank. (07-02-24).

No. 25: **L-GP-7038 – Jersey County Rural Water Company**
Request for preliminary approval of the issuance of a Local Government Bonds in an amount not-to-exceed \$110,000 to finance an update of the borrower's water system. (07-02-25).

Chairman Gustman asked if the Board had any questions with respect to Project nos. 18 through 25. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Ms. Talbott and seconded by Mr. DeNard. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project nos. 18 through 25 were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 26: **B-LL-TX-6259– Chicago Community Ventures Illinois Statewide Minority Business Loan Fund (“ISMRLF”)**
Request for approval of the issuance of a direct loan in an amount not-to-exceed \$500,000 to capitalize a loan fund to be made available to minority business owners in the State of Illinois. The project is expected to create 4 new jobs. (07-02-26).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 26. Funding Manager Sharnell Curtis-Martin introduced Susan Alnaquib and Anita Hollin, co-Presidents of Chicago Community Ventures. Ms. Howard thanked the Board and the IFA for consideration of the project and their support and announced the purpose of the loan fund.

Chairman Gustman asked if the Board had any questions with respect to Project no. 26. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 26. Leave was granted. Project no. 26 was approved with 10 ayes, 0 nays, and 0 abstentions.

No. 27 **I-ID-TE-CD-7031– Cleveland Hardware and Forging Co.**
Request for preliminary approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$5,000,000 to i) purchase a forging press and related materials handling and heating equipment and the installation thereof in an existing facility; and ii) fund legal and professional issuance costs. This project is expected to require \$4,000,000 of Authority volume cap. This project is expected to create 4 new jobs and 15 construction jobs over 12 months. (07-02-27).

No. 28 **I-ID-TE-CD-7037– Globe Energy ECO-System LLC**
Request for preliminary approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$10,000,000 for i) the acquisition of and an addition to an industrial building; ii) the acquisition of new manufacturing machinery and equipment for the use therein; and iii) bond issuance costs. This

project is expected to require \$10,000,000 of Authority volume cap. This project is expected to create 600 new jobs within 5 years and 15 construction jobs over a 7 month average. (07-02-28).

No. 29 **I-ID-TE-CD-7004– Optima L.L.C. and Plochman Inc.**
Request for preliminary approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$2,000,000 to refund prior bonds. This project is expected to create 6 new jobs. (07-02-29).

No. 30 **I-ID-TE-CD-7033– Ozinga Bros. Inc. and Subsidiaries**
Request for preliminary approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$9,800,000 to finance the acquisition of ready-mix concrete trucks and equipment. This project is expected to require \$9,800,000 of Authority volume cap. This project is expected to create 105 new jobs within 2 years. (07-02-30).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project nos. 27 through 30. Funding Manager Jim Senica introduced David Jones, President of Globe Energy. Mr. Jones thanked the Board and the IFA for consideration of the project and gave a brief overview of Project no. 28.

Chairman Gustman asked if the Board had any questions with respect to Project nos. 27 through 30. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 27 through 30. Leave was granted. Project nos. 27 through 30 were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 31 **I-ID-TE-CD-6215 – 700 Hickory Hill Drive, LLC for its Affiliate Lessee Precision Resource, Inc.**
Request for final approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$10,000,000 to i) finance the purchase of land and a building; ii) renovate and construct an addition to an existing manufacturing facility; iii) capitalize interest; and iv) fund legal and professional issuance costs. This project is expected to create 21 tenants and 140 construction jobs over 10 months. (07-02-31).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 31. Funding Manager Townsend Albright introduced Scott Fabricant, Director of Finance of Precision Resources, Inc. Mr. Fabricant thanked the Board and the IFA for consideration of the project.

Chairman Gustman asked if the Board had any questions with respect to Project no. 31. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 31. Leave was granted. Project no. 31 was approved with 10 ayes, 0 nays, and 0 abstentions.

No. 32 **I-ID-TE-CD-6213 – Magnetic Inspection Laboratory, Inc. and Schiewe Partnership**

Request for final approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$8,000,000 to finance the construction and equipping of an addition to an existing manufacturing facility and to pay bond issuance costs. This project is expected to create 22 new jobs within 2 years and 15 construction jobs (average over a 7 month period). (07-02-32).

No. 33 **I-ID-TE-CD-6185 – Gusto Packing Company, Inc. and 2125 Rochester Property, L.L.C.**

Request for final approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$8,500,000 to finance the expansion of a manufacturing facility, acquisition of equipment and to pay certain bond issuance costs. This project is expected to create 50 new jobs and 40 construction jobs. (07-02-33).

Chairman Gustman asked if the Board had any questions with respect to Project nos. 32 and 33. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 32 and 33. Leave was granted. Project nos. 32 and 33 were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 34 **I-ID-TE-CD-6187– Bohler-Uddelholm Corporation**

Request for final approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$10,000,000 to finance the i) construction of a 128,000 square foot industrial building; ii) acquisition and installation of machinery and equipment; and iii) architectural and engineering costs to design and develop the building. This project is expected to create 10 new jobs within 2 years and 75 construction jobs (average over a 9 month period). (07-02-34).

Chairman Gustman asked if the Board had any questions with respect to Project no. 34. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Rivera and seconded by Mr. Goetz. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 34 was approved with 9 ayes, 0 nays, and 1 abstention (Gustman). Chairman Gustman abstained because his law firm represents the borrower as outside general counsel.

No. 35 **E-PC-TE-CD-7036 – Bradley University**

Request for preliminary approval of the issuance of Conduit 501(c)(3)Revenue Bonds in an amount not-to-exceed \$90,000,000 to i) refund outstanding bonds; ii) finance the constructing and equipping of certain facilities; and iii) pay capitalized interest and certain costs of issuance. This project is expected to create 50 construction jobs over 12 months. (07-02-35).

Chairman Gustman asked if the Board had any questions with respect to Project no. 35. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Rivera and seconded by Mr. Goetz. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 35 was approved with 10 ayes, 0 nays, and 0 abstentions.

No. 36 **E-PC-TE-CD-6265– Roosevelt University**
Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$68,000,000 to finance the i) acquisition and expansion of leased space and various other improvements and renovations; ii) acquisition of additional property; and iii) option to convert bonds from variable rate to fixed rate. This project is expected to create 23 new jobs and 25-40 construction jobs over 6-12 months. (07-02-36).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 36. Funding Manager Rich Frampton introduced Beth Reissenweber, Associate Vice-President of Roosevelt University. Ms. Reissenweber thanked the Board and the IFA for consideration of the project.

Chairman Gustman asked if the Board had any questions with respect to Project no. 36. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Ms. Talbott and seconded by Mr. O'Brien. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 36 was approved with 9 ayes, 0 nays, and 1 abstention (Boyles). Ms. Boyles abstained because her law firm represents the borrower in a separate transaction.

No. 37 **E-PC-TE-CD-7028– Loyola University Chicago**
Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$27,635,000 to refund prior bonds. (07-02-37).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 36. Funding Manager Townsend Albright introduced Sue Bodin of Loyola University. Ms. Bodin thanked the Board and the IFA for consideration of the project. Ms. Bodin noted that the bonds will allow Loyola University to save money on its refunding.

Chairman Gustman asked if the Board had any questions with respect to Project no. 37. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. O'Brien and seconded by Mr. Goetz. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 37 was approved with 9 ayes, 0 nays, and 1 abstention (Boyles). Ms. Boyles abstained because her law firm represents the borrower in a separate transaction.

No. 38 **E-PC-TE-CD-6243– Elmhurst College**
Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$25,000,000 to finance i) the construction of new student housing; ii) parking and to finance other campus improvements; and iii) costs of issuance. (07-02-38).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 38. Funding Manager Rich Frampton introduced Nancy Burke of Chapman & Cutler, bond counsel for the project. Ms. Burke thanked the Board and the IFA for consideration of the project.

Chairman Gustman asked if the Board had any questions with respect to Project no. 38. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. O'Brien and seconded by Mr. Goetz. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 38 was approved with 10 ayes, 0 nays, and 0 abstentions.

Resolutions/Project Revisions/Amendatory Resolutions

- No. 39: **Amendatory Resolution to extend the original expiration date of an IFA commitment to purchase a participation loan from the Bank of Belleville (for the benefit of Edwardsville Trust No. 1104) in the amount of \$714,000.** Request to extend the IFA's commitment on its participation loan to the Bank of Belleville and to agree to a change in the interest rate of the loan. (07-02-39).
- No. 40: **Amendatory Resolution to extend the original expiration date of an IFA commitment to purchase a participation loan from the Bank of Belleville (for the benefit of MAR Business Forms Company) in the amount of \$886,000.** Request to extend the IFA's commitment on its participation loan from October 11, 2006 to April 11, 2007 and to agree to a change in the loan interest rate. (07-02-40).
- No. 41: **Amendatory Resolution to extend the original expiration date of an IFA commitment to purchase a participation loan from Banterra Bank (for the benefit of Midwest Fabrication & Repair, Inc.) in the amount of \$701,000.** Request to extend the IFA's commitment on its participation loan from August 7, 2006 to August 7, 2007. (07-02-41).
- No. 42: **Amendatory Resolution to extend the original expiration date of an IFA commitment to purchase a participation loan from the Bank of Belleville (for the benefit of Sonnenberg Asphalt Co. Inc.) in the amount of \$718,000.** Request to extend the IFA's commitment on its participation loan from December 13, 2006 to June 13, 2007 and to approve a change in the interest rate. (07-02-42).
- No. 43: **Amendatory Resolution to extend the original expiration date of an IFA commitment to purchase a participation loan from Community First Bank of Fairview Heights Bank (for the benefit of Suria LLC or The Early Years Child Care Center Inc.) in the amount of \$239,020.** Request to extend the IFA's commitment on its participation loan from October 11, 2006 to April 11, 2007. (07-02-43).

Chairman Gustman asked if the Board had any questions with respect to Amendatory Resolution nos. 39-43. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Amendatory Resolution nos. 39-43. Leave was granted. The resolution was approved with 10 ayes, 0 nays, and 0 abstentions.

- No. 44: **Amendatory Resolution to amend certain provisions and remove certain administrative responsibilities of the program administrator, Illinois**

Facilities Fund, in association with the Illinois Charter Schools Project (Noble Network of Charter Schools and UNO Charter School Network Inc.). Request to amend certain provisions regarding the duties and rights of the administrator under the loan agreements relating to bonds issued by the Authority. (07-02-44).

Chairman Gustman asked if the Board had any questions with respect to Project no. 44. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Ms. Talbott and seconded by Mr. Goetz. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 44 was approved with 9 ayes, 0 nays, and 1 abstention (Rivera). Mr. Rivera abstained because his wife is an employee of ASPIRA Charter School as of September, 2006.

No. 45: **Amendatory Resolution to revise collateral securing participation loan to P&P Press, Inc. previously approved by the IFA Board of Directors on January 9, 2007.** Request to revise collateral provided by the borrower, P&P Press, Inc. to secure a participation loan. (07-02-45).

Chairman Gustman asked if the Board had any questions with respect to Project no. 45. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Ms. Talbott and seconded by Mr. Goetz. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 45 was approved with 10 ayes, 0 nays, and 0 abstentions.

No. 46: **Amendatory Resolution authorizing and approving the termination of a self-insurance trust and the appointment of an actuary in connection with such termination relating to the Illinois Health Facilities Authority Revenue Bonds, Series 1978 (Loyola University of Chicago), issued in the original aggregate principal amount of \$25,000,000; authorizing the execution and delivery of any necessary documents required to effect the foregoing; and authorizing and approving related matters.** Request to authorize and approve the execution of documents necessary to effectuate the termination of a self-insurance trust and the appointment of an actuary. (07-02-46).

Chairman Gustman asked if the Board had any questions with respect to Project no. 46. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Rivera and seconded by Mr. O'Brien. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 46 was approved with 9 ayes, 0 nays, and 1 abstention (Boyles). Ms. Boyles abstained because her law firm from time to time represents Loyola University of Chicago.

No. 47: **Amendatory Resolution authorizing and ratifying the execution and delivery of a second supplement to second amended and restated trust indenture relating to the Illinois Health Facilities Authority's \$75,000,000 Variable Rate Demand Revenue Bonds, Series 1985B (Revolving Fund Pooled Financing Program) OSF Healthcare System; and authorizing, approving and ratifying certain other matters.** Request to amend the trust indenture to

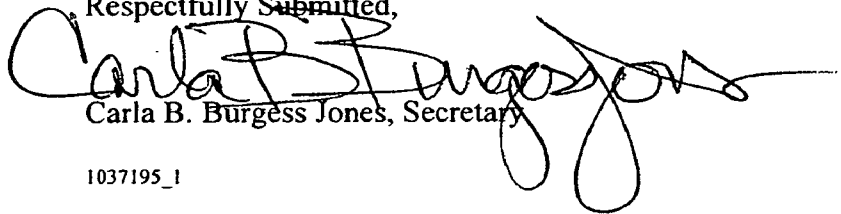
provide for definitional changes and to amend conversion options relating to the bonds. (07-02-47).

Chairman Gustman asked if the Board had any questions with respect to Project no. 47. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Rivera and seconded by Mr. O'Brien. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 47 was approved with 10 ayes, 0 nays, and 0 abstentions.

Chairman Gustman asked if there was any other business to come before the Board. Interim Executive Director Rendleman stated that the next Authority Board Meeting will be March 13, 2007 in Springfield, Illinois. Ms. Rendleman noted that the time of the Committee of the Whole Meeting would be 12 noon and the Board Meeting will be at 3:00 p.m.

There being no further business Chairman Gustman requested a motion to adjourn. Upon a motion by Ms. Talbott and seconded by Mr. Goetz, the meeting adjourned at approximately 12:45 p.m.

Respectfully Submitted,



Carla B. Burgess Jones, Secretary

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**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Randall and Darla Aberle

STATISTICS

Project Number:	A-YF-GT-7060	Amount:	\$212,500
Type:	Young Farmer Guarantee	IFA Staff:	Cory Mitchell
Location:	Sibley		

BOARD ACTION

Approval to initiate an 85% loan guarantee in favor of First Trust and Savings Bank of Watseka IL.
\$212,500 of State Treasurer's Agricultural Reserve Risk funds at risk

Staff recommends approval, subject to satisfying all conditions of the bank loan, as well as:

- Receipt of satisfactory appraisal verifying a loan to value ratio of 80% or less.
- Receipt of pledge agreement stating equipment transfer from Roger Arends to RA Farms LLC
- Assignment of Life Insurance policy on borrower (Randall Aberle) for amount of loan.

PURPOSE

The proposed loan funds will be used to purchase equipment.

IFA PROGRAM AND CONTRIBUTION

The Authority's Young Farmer Guarantee Program guarantees up to 85% of a bank's loans to Illinois farmers. 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.

IFA's issuance of guarantees helps borrowers obtain debt financing at reduced rates of interest and improved terms.

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	\$212,500	Uses:	Farm Equipment	<u>\$250,000</u>
	First Trust and Savings Bank	<u>\$37,500</u>			
	Total	<u>\$250,000</u>		Total	<u>\$250,000</u>

The borrowers are planning on selling the 30 acres of farmland currently owned to the borrower's father. Sale proceeds will be applied towards incurred education and home remodeling debts to lower overall cash flow obligations.

JOBS

Current employment:	N/A	Projected new jobs:	0
Jobs retained:	N/A	Construction jobs:	0

BUSINESS SUMMARY

Background: Randy and Darla Aberle reside in Sibley, Illinois where his wife works at the local hospital and Randy works for a local farmer. The borrowers currently own 30 acres of farmland in Minier, Illinois which is leased on a crop share basis to Randy's father. Randy began working for Roger and Mary Lou Arend's grain farm in March 2002 thru a college internship. Upon college graduation in May 2002, Randy began full time employment with the Arends. The farming operation consists of 1900 total acres with Roger and Mary Lou Arends owning 352 acres of the total. The majority of the acres are under a crop share lease arrangement which raise corn, soybeans and wheat. Mary Lou Arends passed away in April 2006. With her death, Roger Arends formed an LLC known as RA Farms LLC owned by him 100%(consisting of equipment pledged personally by Roger Arends) and allow the borrower to purchase equipment from the LLC over time.

Project Rationale: First Trust and Savings Bank has requested a Young Farmer Guarantee for a loan in the amount of \$250,000. The IFA guarantee will provide the borrower financing for the purchase of equipment from RA Farms LLC. The bank will be financing the borrowers only other credit needs for the farm in the form of a Line of Credit. The borrowers are planning on selling the 30 acres of farmland currently owned to the borrower's father. Sale proceeds will be applied towards incurred education and home remodeling debts to lower overall cash flow obligations

Transaction: The proposed loan will be used to finance equipment purchases in the amount of \$250,000. The loan will be written with a 5 year term and a 15 year amortization. The loan will be secured with farm equipment pledged by RA Farms LLC and Roger Arends personally.

FINANCING SUMMARY

Borrower: Randall and Darla Aberle

Security: Blanket lien on farm equipment owned by RA Farms LLC

Structure: 5 year term, 15 year amortization with annual P&I

PROJECT SUMMARY

The borrower is purchasing equipment from RA Farms LLC in the amount of \$250,000. First Trust and Savings Bank is utilizing the Young Farmer Guarantee as a credit enhancement for the borrower by allowing the repayment to be lengthened over a longer period of time than the bank could offer internally. RA Farms LLC and Roger Arends will be pledging equipment as collateral.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Randall and Darla Aberle
Location: 124 E. Columbus St. P. O. Box 173 County: Ford
Sibley, IL 61773
Organization: Sole Proprietorship
State: Illinois
Ownership: Randall and Darla Aberle

PROFESSIONAL & FINANCIAL

Bank: First Trust and Savings Bank Watseka, IL Neil Schippert, Vice President
IFA Financial Advisor: D.A. Davidson & Co. Chicago Bill Morris
Scott Balice Strategies, Inc. Chicago Lois Scott

LEGISLATIVE DISTRICTS

Congressional: State Senate: State House:
15th, Timothy Johnson 53rd, Dan Rutherford 105th, Shane Cultra

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Ronald R. Bauman

STATISTICS

Project Number:	A-LL-TX-7059	Amount:	\$80,000
Type:	Participation Loan	IFA Staff:	Cory Mitchell
Location:	Eureka		

BOARD ACTION

Approval to purchase a 50% participation loan from Goodfield State Bank of Goodfield, Illinois.
\$80,000 of IFA funds at risk

Staff recommends approval, subject to satisfying all conditions of the bank loan, as well as:

- Receipt of Satisfactory 2006 Federal Income Tax Return

PURPOSE

To provide permanent financing for the purchase of a farm sprayer.

IFA PROGRAM AND CONTRIBUTION

Under its Participation Loan Program, the Authority participates in bank loans financing capital projects for business, industry, farmers and agri-industry, and not-for-profit corporations. The Authority will participate in loans for up to 10 years at a rate of interest that is variable or fixed for up to 5 years at 100 basis points above the 3 month LIBOR. The Authority shares pro-rata in the Bank's collateral and generally advances funds at rates up to 80% of appraised fair market value for real estate, 65% of cost for new equipment and 65% of orderly appraised liquidated value for used equipment.

IFA's participation reduces the borrower's interest expense

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:		Uses:	
IFA	\$80,000	Purchase Equipment	<u>\$160,000</u>
Goodfield State Bank	<u>\$80,000</u>		
Total	<u>\$160,000</u>	Total	<u>\$160,000</u>

JOBS

Current employment:	N/A	Projected new jobs:	0
Jobs retained:	N/A	Construction jobs:	0

BUSINESS SUMMARY

Background: Ronald Bauman is a grain farmer who resides in Eureka, Illinois located in Woodford County. He and his wife currently farm just under 2,000 acres, of which 65% is used for corn and the remainder for soybeans. Mr. Bauman also runs an asphalt business for small residential projects.

Project Rationale: Mr. Bauman is purchasing a 2007 John Deere 4720 Sprayer for his farming operation. With the increase in custom application charges locally, Mr. Bauman feels by purchasing the sprayer, he can reduce his application charges and create additional income by custom spraying for local neighbors.

Transaction: Goodfield State Bank of Goodfield, Illinois will originate a 5 year fully amortized loan for \$160,000 of which IFA will participate \$80,000. The loan will be secured with all farm equipment currently owned as well as purchased equipment.

FINANCING SUMMARY

Borrower: Ronald R. Bauman

Security: Security interest in farm equipment

Structure: 5 year term, 5 year amortization with annual P&I

PROJECT SUMMARY

The borrower is purchasing a 2007 John Deere 4720 Sprayer for his farming operation in the amount of \$160,000. IFA will participate \$80,000 and will be secured by a security interest in all farm equipment as well as purchased equipment.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Ronald R. Bauman

Location: 1257 CR 700 N, Eureka (Woodford County), IL 61530

Organization: Sole Proprietorship

State: Illinois

Ownership: Ronald R. Bauman

PROFESSIONAL & FINANCIAL

Accountant: Pioneer FBFM

Bank: Goodfield State Bank
Chad Martin, President

IFA Financial Advisor: D.A. Davidson & Co. Chicago Bill Morris
Scott Balice Strategies, Inc. Chicago Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 18th, Ray LaHood

State Senate: 37th, Dale E. Risinger

State House: 73rd, David R. Leitch

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: David R. Yarnell

STATISTICS

Project Number:	A-AD-GT-7063	Amount:	\$170,000
Type:	Agri-Debt Guarantee	IFA Staff:	Eric Reed
Location:	Cowden	SIC Code	Grain Farming

BOARD ACTION

Approval to initiate an 85% loan guarantee in favor of Peoples Bank & Trust in Pana.
\$ 170,000 of State Treasurer's Agricultural Reserve Risk funds at risk
Staff recommends approval, subject to satisfying all conditions of the bank loan, as well as:
*Receipt of satisfactory appraisal to insure an LTV of 80% or less.
*No further capital expenditures > \$5K without prior consent of bank and IFA.
*Borrower to obtain crop insurance coverage equal to term debt obligations if possible.

PURPOSE

The proposed loan proceeds will be used to refinance a recent purchase of ½ interest in 60 acres of farmland, as well as refinance existing operating debt in order to improve liquidity.

IFA PROGRAM AND CONTRIBUTION

The Authority's Agriculture Guarantee Program guarantees up to 85% of a bank's loans to Illinois farmers and agribusiness owners. The Agri-Debt Restructuring Guarantee Program is available to assist farmers to consolidate and extend the term of agricultural debt. 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.

IFA's issuance of guarantees helps borrowers obtain debt financing at reduced rates of interest and improved terms

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	\$170,000	Uses:	Refinance Land	\$73,500
	Peoples Bank & Trust	<u>\$30,000</u>		Refinance Debt	<u>\$126,500</u>
	Total	<u>\$200,000</u>		Total	<u>\$200,000</u>

JOBS

Current employment:	N/A	Projected new jobs:	0
Jobs retained:	N/A	Construction jobs:	0

BUSINESS SUMMARY

Background: David Yarnell is 44 years old, single, and farms near Cowden, Illinois. He has been increasing the size of his operation by purchasing land and additional rented acres over time. At this time, he owns 322 acres and he rents or crop shares an additional 1650 full share acres. The land he farms is quite diverse, ranging from river bottom ground to more conventional soils.

Project Rationale: Mr. Yarnell continues to try to expand his farming operation. He has purchased ½ interest 60 acres, which he was currently renting and farming. Because the borrower's liquidity has historically been insufficient, the bank has suggested that he infuse permanent working capital into the operation, by restructuring part of his short term debt into long term debt. As part of the restructuring, the borrower's LOC will be paid down by the \$126,500 to improve liquidity. The borrower's LOC for 2007 has already been approved at Peoples Bank & Trust.

Transaction: Peoples Bank & Trust will originate a 25 year loan, secured by 160 acres. Rather than securing a lien on the borrower's ½ interest in 60 acres, the lender has chosen to take a mortgage on 160 acres of land owned by the borrower and free of any lien as security. The payments will be annual principal and interest. A real estate appraisal will be obtained by the bank to insure an LTV of 80% or less.

FINANCING SUMMARY

Borrower: David R. Yarnell

Security: 1st mortgage on 160 acres

Structure: 25 year term with 25 year amortization and annual P & I.

PROJECT SUMMARY

The borrower has recently purchased ½ interest in 60 acres of land, currently farmed. Peoples Bank & Trust will initiate a term loan to refinance this \$73,500 transaction along with \$126,500 of operating debt, which will improve the borrower's liquidity. The loan will be secured by a first mortgage on 160 acres of land, currently owned by the borrower and unencumbered.

ECONOMIC DISCLOSURE STATEMENT

Applicant: David R. Yarnell

Location: RRI Box 109 County: Shelby
Cowden, IL 62422

Organization: Sole-Proprietorship

State: Illinois

Ownership: David R. Yarnell

PROFESSIONAL & FINANCIAL

Accountant: N/A

Attorney: N/A

Bank: Peoples Bank & Trust Nick Epley, VP

IFA Financial Advisor: D.A. Davidson & Co. Chicago Bill Morris
Scott Balice Strategies, Inc. Chicago Lois Scott

LEGISLATIVE DISTRICTS

Congressional: John Shimkus-19th

State Senate: Frank Watson-51st

State House: Ron Stephens 102nd

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Agri-Best Holdings LLC d/b/a Protein Solutions

STATISTICS

Project Number:	I-ID-TE-CD-7044	Amount:	\$7,000,000 (not to exceed)
Type:	Industrial Revenue Bond	FM:	Townsend Albright
Location:	Chicago	NAICS Code:	3116101 (Meat Products)

BOARD ACTION

Preliminary Bond Resolution	Conduit Industrial Revenue Bonds
No IFA funds at risk	Staff recommends approval
Extraordinary conditions: None	

PURPOSE

Proceeds of the proposed financing will be used to (i) fund the construction of an approximately 29,700 sq. ft. two-story manufacturing facility, (ii) purchase and install meat processing equipment, HVAC and refrigeration systems, electrical equipment, (iii) provide office and parking space, and (iv) fund professional issuance costs.

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying industrial projects. IFA's issuance of Industrial Revenue Bonds will exempt income earned on the Bonds from federal income tax and thereby enable the Borrower to obtain a lower interest rate on this debt.

VOLUME CAP

IFA to provide \$7,000,000 of IFA Volume Cap, and convey tax-exemption on the Industrial Revenue Bonds.

VOTING RECORD

Preliminary Bond Resolution - No prior vote

SOURCES AND USES OF FUNDS

Source:	IFA Bonds	<u>\$7,000,000</u>	Uses:	Project Costs	\$6,850,000
				Legal and professional costs	<u>150,000</u>
	Total	<u>\$7,000,000</u>		Total	<u>\$7,000,000</u>

JOBS

Current employment:	194	Projected new jobs:	150
Jobs retained:	N/A	Construction/installation jobs:	18 (8 months)

BUSINESS SUMMARY

Background: Agri-Best Holdings LLC d/b/a Protein Solutions. (the "Applicant"), (the "Company"), was established in 2003 as an Illinois Limited Liability Corporation. The Company is engaged primarily in the processing and distribution of a diverse line of premium portion-controlled beef and pork products sold primarily through a network to the national restaurant industry. Portion-controlled products are defined as pre-cut specified sizes of meat, individually or bulk-packed, which are then delivered fresh or frozen. The Company has experienced exponential growth from its inception in 2003 with \$1.4 million in sales revenues to more than \$86.7 million in sales revenues for 2006 in a highly competitive industry and risk-intense industry. Meat prices can vary widely due to disease, weather and shipping situations. The Company also specializes in custom processing having over 800 flavorings and marinades for its meat products. Major clients include TGI Fridays, IHOP, Texas Roadhouse, Steak and Ale, Bennigans, Metromedia Family Steakhouses and Market Day.

Major shareholders and founders of the Company are Boleslaw Kutsch, President, 60.0%; Kevin Davidson, VP Sales, 25.0%; Christopher Koziol, VP Purchasing, 9.0%; and Jozef Koziol, 6.0%. The three shareholders previously held management positions at Quantum Foods, a major distributor and supplier of high-quality portion-controlled meat to major restaurant chains.

Description: Proceeds of the proposed financing will be used to fund the construction of (i) an approximately 29,700 sq. ft. two-story manufacturing facility, (ii) purchase and install meat processing equipment, HVAC and refrigeration systems, electrical equipment, (iii) provide office and parking space, and (iv) fund professional issuance costs. Products produced at this new site will be a variety of custom beef and pork items for the Company's national chain account customers.

Remarks: The state of the art facility and equipment will keep the Applicant on its projected growth path, and help it maintain its competitive edge in a highly competitive industry. The completed project will also mean the Company can reduce overtime costs, and it can hire more employees at straight time wages. Tax-exempt financing will lower the cost of capital for the Company.

FINANCING SUMMARY

Collateral: Direct pay Letter of Credit from Harris Bank NA, Chicago, Illinois
Structure: Multi-Mode Floating Rate Bonds.
Collateral: First lien on the equipment financed and a corporate guarantee.
Credit Rating: The Bonds will be rated but will trade based on the letter of credit provided by Harris Bank, NA.
Maturity: 25 years

PROJECT SUMMARY

Proceeds of the proposed financing will be used to fund the construction of (i) an approximately 29,700 sq. ft. two-story manufacturing facility located at 4430 South Tripp Avenue, Chicago, Cook County, Illinois, (ii) purchase and install meat processing equipment, HVAC and refrigeration systems, electrical equipment, (iii) provide office and parking space, and (iv) fund professional issuance costs.

Project Costs:	New Construction	\$3,209,000
	Equipment/installation	3,580,500
	Arch/Eng	<u>60,500</u>
	Total	<u>\$6,850,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant/Contact: Agri-Best Holdings LLC d/b/a Protein Solutions, 4430 South Tripp Avenue, Chicago, Cook County, Illinois 60632
Contact: David A. Phillips, CFO, 773-247-5060 x222

Project Name: 2007 Expansion Project
Project Location: 4430 South Tripp Avenue, Chicago, Cook County, Illinois 60632
Land Owner: Agri-Best Holdings LLC d/b/a Protein Solutions

Shareholder Ownership:

Boleslaw Kutsch	60.0%
Kevin Davidson	25.0%
Christopher Koziol	9.0%
Jozef Koziol	6.0%

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Gaido & Fintzen	Chicago	Ronald Sandak
Accountant:	Blackman Kallik	Chicago	Damitha Bandara
Bond Counsel:	TBD		
Underwriter/	Harris Bank NA	Chicago	Nick Knorr
Underwriter's Counsel:	TBD		
LOC Bank:	Harris Bank NA	Chicago	
LOC Bank Counsel:	TBD		
Trustee:	TBD		
Issuer's Counsel:	Wildman Harrold	Chicago	Jim Snyder
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 03rd Daniel William Lipinski
State Senate: 12th Martin Sandoval
State House: 23rd Daniel J. Burke

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors
From: Eric Reed & Cory Mitchell/lk
Date: March 13, 2007
Re: Overview Memo for Beginning Farmer Bonds

- **Borrower/Project Name:** Beginning Farmer Bonds
- **Locations:** Throughout Illinois
- **Board Action Requested:** Final Bond Resolutions for each attached project
- **Amounts:** Up to \$250,000 maximum of new money for each project
- **Project Type:** Beginning Farmer Revenue Bonds
- **IFA Benefits:**
 - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
 - **New Money Bonds:**
 - convey tax-exempt status
 - will use dedicated 2007 IFA Volume Cap set-aside for Beginning Farmer transactions
- **IFA Fees:**
 - One-time closing fee will total 1.50% of the bond amount for each project
- **Structure/Ratings:**
 - Bonds to be purchased directly as a nonrated investment held until maturity by the Borrower's Bank
 - The Borrower's Bank will be secured by the Borrower's assets, as on a commercial loan
 - Interest rates, terms, and collateral are negotiated between the Borrower and the Participating Bank, just as with any commercial loan
 - Workouts are negotiated directly between each Borrower and Bank, just as on any secured commercial loan
- **Bond Counsel:** Burke, Burns & Pinelli, Ltd
Stephen F. Welcome, Esq.
Three First National Plaza, Suite 4300
Chicago, IL 60602

Project Number: A-FB-TE-CD-7045
Funding Manager: Cory Mitchell
Borrower(s): Stoller, Katrina
Town: Gridley, IL
Amount: \$250,000
Use of Funds: Farmland – 80 acres
Purchase Price: \$330,000 / (\$4,125 per ac)
%Borrower Equity: 25%
%Other Agency: 0%
%IFA: 75%
County: McLean
Lender/Bond Purchaser: Freestar Bank, Brandon Endress
Legislative Districts: Congressional: 15th, Timothy Johnson
State Senate: 53rd, Dan Rutherford
State House: 106th, Keith Sommer

Principal and interest shall be paid annually in ten installments, with the first nine installments pursuant to a twenty year amortization schedule. The first principal and interest payment date shall be on January 10, 2008 and successive payment dates shall be at one year intervals thereafter, with the tenth and final balloon payment of all principal and interest then outstanding due ten years from the date hereof.

Katrina Stoller: Note shall bear simple interest at the expressed rate. The expressed rate shall be 6.00% fixed for the first 5 years and adjust every 5 years thereafter to the Federal Home Loan Bank 5 year advance rate plus 2.00%. **Fee: \$3,750**

Project Number: A-FB-TE-CD-7046
Funding Manager: Eric Reed
Borrower(s): Clodfelter, Heath
Town: Olney, IL
Amount: \$80,000
Use of Funds: Farmland – 40 acres
Purchase Price: \$100,000 / (\$2,500 per ac)
%Borrower Equity: 20%
%Other Agency: 0%
%IFA: 80%
County: Richland
Lender/Bond Purchaser: First Financial Bank, Jeff Wilson
Legislative Districts: Congressional: 19th, John Shimkus
State Senate: 54th, John Jones
State House: 108th, David Reis

Principal shall be paid annually in installments determined pursuant to a Twenty year amortization schedule, with the first principal payment date to be one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to be one year from the date of closing with the twentieth and final payment of all outstanding balances due one year from the date of closing.

Heath Clodfelter: Note shall bear simple interest at the expressed rate. The expressed rate shall be 5.15% fixed for the first 10 years and adjust every 5 years thereafter equal to 50 basis points (1/2%) above the yield on US Treasury Notes with 5 year constant maturity as published in the Wall Street Journal. **Fee: \$1,200**

Project Number: A-FB-TE-CD-7047
Funding Manager: Eric Reed
Borrower(s): Ginder, Derek
Town: Newton, IL
Amount: \$65,250
Use of Funds: Farmland – 60 acres
Purchase Price: \$65,250 / (\$1,087 per ac)
%Borrower Equity: 0%
%Other Agency: 0%
%IFA: 100%
County: Jasper
Lender/Bond Purchaser: Peoples State Bank, Brian Bohnhoff
Legislative Districts: Congressional: 19th, John Shimkus
State Senate: 54th, John Jones
State House: 108th, David Reis

Principal shall be paid annually in installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to on March 1, 2008. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to be on March 1, 2008 with the thirtieth and final payment of all outstanding balances due March 1, 2038.

Derek Ginder: Note shall bear simple interest at the expressed rate. The expressed rate shall be 5.25% fixed for the first 5 years, March 1, 2012 and adjust every 5 years thereafter on the anniversary date to 2.00% below the Wall Street Journal Prime with a minimum rate to customer of 5.00% and a maximum rate of 12.99%.
Fee: \$988

Project Number: A-FB-TE-CD-7048
Funding Manager: Cory Mitchell
Borrower(s): Meyer, Mark & Shelly
Town: Forest City, IL
Amount: \$197,800
Use of Funds: Farmland – 78 acres
Purchase Price: \$197,800 / (\$2,536 per ac)
%Borrower Equity: 0%
%Other Agency: 0%
%IFA: 100%
County: Mason
Lender/Bond Purchaser: Havana National Bank, Joshua Peterson
Legislative Districts: Congressional: 18th, Ray LaHood
State Senate: 47th, John Sullivan
State House: 94th, Richard Myers

Principal shall be paid annually in installments determined pursuant to a Twenty year amortization schedule, with the first principal payment date to be one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to be one year from the date of closing with the twentieth and final payment of all outstanding balances due one year from the date of closing.

Mark & Shelly Meyer: Note shall bear simple interest at the expressed rate. The expressed rate shall be 6.00% fixed for the first 3 years and adjust every 3 years thereafter to the Wall Street Journal prime.
Fee: \$2,967

Project Number: A-FB-TE-CD-7049
Funding Manager: Cory Mitchell
Borrower(s): Kophamer, John
Town: Morrison, IL
Amount: \$250,000
Use of Funds: Farmland – 68 acres
Purchase Price: \$300,000 / (\$4,112 per ac)
%Borrower Equity: 17%
%Other Agency: 0%
%IFA: 83%
County: Whiteside
Lender/Bond Purchaser: Farmers National Bank, Doug Vanderlaan
Legislative Districts: Congressional: 16th, Donald Manzullo
State Senate: 36th, Mike Jacobs
State House: 71st, Mike Boland

**NOTE: This project is being presented for approval based on a 'no objection post' TEFRA meeting to be held March 19, 2007 due to a public notice publication error.*

Principal shall be paid annually in installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to be one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to be one year from the date of closing with the thirtieth and final payment of all outstanding balances due one year from the date of closing.

John Kophamer: Note shall bear simple interest at the expressed rate. The expressed rate shall be 5.85% fixed for the first 5 years and adjust every 5 years thereafter to 2.4% or 240 basis points below the Wall Street Journal prime to be re-priced every 5 years from the date of closing. Fee: \$3,750

Project Number: A-FB-TE-CD-7050
Funding Manager: Cory Mitchell
Borrower(s): Dykstra, Allen
Town: Morrison, IL
Amount: \$250,000
Use of Funds: Farmland – 123 acres
Purchase Price: \$425,000 / (\$3,455 per ac)
%Borrower Equity: 42%
%Other Agency: 0%
%IFA: 58%
County: Whiteside
Lender/Bond Purchaser: Farmers National Bank, Doug Vanderlaan
Legislative Districts: Congressional: 16th, Donald Manzullo
State Senate: 36th, Mike Jacobs
State House: 71st, Mike Boland

Principal shall be paid annually in installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to be one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to be one year from the date of closing with the thirtieth and final payment of all outstanding balances due one year from the date of closing.

Allen Dykstra: Note shall bear simple interest at the expressed rate. The expressed rate shall be 5.85% fixed for the first 5 years and adjust every 5 years thereafter to 2.4% or 240 basis points below the Wall Street Journal prime to be re-priced every 5 years from the date of closing. Fee: \$3,750

*** Information enclosed in the border is to be considered confidential and may be exempt from disclosure under the Freedom of Information Act**

Project Number: A-FB-TE-CD-7051
Funding Manager: Eric Reed
Borrower(s): Ochs, Melvin
Town: West Liberty, IL
Amount: \$182,500
Use of Funds: Farmland – 79 acres
Purchase Price: \$208,000 / (\$2,633 per ac)
%Borrower Equity: 13%
%Other Agency: 0%
%IFA: 87%
County: Jasper
Lender/Bond Purchaser: Peoples State Bank, Brian Bohnhoff
Legislative Districts: Congressional: 19th, John Shimkus
State Senate: 54th, John Jones
State House: 108th, David Reis

Principal shall be paid semi-annually in installments determined pursuant to a Twenty year amortization schedule, with the first principal payment date to on August 15, 2007. Accrued interest on the unpaid balance hereof shall be paid semi-annually, with the first interest payment date to be on August 15, 2007 with the twentieth and final payment of all outstanding balances due February 15, 2027.

Melvin Ochs: Note shall bear simple interest at the expressed rate. The expressed rate shall be 5.25% fixed for the first 5 years, February 15, 2012 and adjust every 5 years thereafter on the anniversary date to 2.00% below the Wall Street Journal Prime with a minimum rate to customer of 5.00% and a maximum rate of 12.99%. **Fee: \$2,738**

Project Number: A-FB-TE-CD-7052
Funding Manager: Eric Reed
Borrower(s): Fuhler, Robert
Town: Pocahantas, IL
Amount: \$195,000
Use of Funds: Farmland – 95 acres
Purchase Price: \$243,000 / (\$2,558 per ac)
%Borrower Equity: 20%
%Other Agency: 0%
%IFA: 80%
County: Marion
Lender/Bond Purchaser: Germantown Trust & Savings, Floyd Trame
Legislative Districts: Congressional: 19th, John Shimkus
State Senate: 51st, Frank Watson
State House: 102nd, Ron Stephens

Principal shall be paid annually in installments determined pursuant to a Twenty year amortization schedule, with the first principal payment date to on February 28, 2008. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to on February 28, 2008 with the twentieth and final payment of all outstanding balances due on February 28, 2028.

Robert Fuhler: Note shall bear simple interest at the expressed rate. The expressed rate shall be 6.00% fixed for the first 3 years and adjust every 3 years thereafter equal to 2.25% below the Germantown Trust & Savings Bank prime rate with a floor of 5.00%. **Fee: \$2,925**

Project Number:	A-FB-TE-CD-7053
Funding Manager:	Cory Mitchell
Borrower(s):	Schmitz, Brent & Andrea
Town:	Macomb, IL
Amount:	\$208,000
Use of Funds:	Farmland – 80 acres
Purchase Price:	\$320,000 / (\$4,000 per ac)
%Borrower Equity	35%
%Other Agency	0%
%IFA	65%
County:	Hancock
Lender/Bond Purchaser	Marine Bank & Trust, Lynn Fisher
Legislative Districts:	Congressional: 17 th , Phil Hare State Senate: 47 th , John Sullivan State House: 94 th , Richard Myers

Principal shall be paid annually in installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to be due on April 1, 2008. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date on April 1, 2008 with the thirtieth and final payment of all outstanding balances due April 1, 2038.

Brent & Andrea Schmitz: Note shall bear simple interest at the expressed rate. The expressed rate shall be 5.00% fixed for the first 5 years and adjust annually thereafter to the weekly average yield on US Treasury Securities adjusted to a constant maturity of one year. At no time shall the rate go below 4% or above 8%.

Fee: \$3,120

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Illinois Valley Community Hospital

STATISTICS

Project Number: H-HO-TE-CD-7057	Amount: \$2,500,000 (Not to exceed amount)
Type: 501(c)(3) Bonds	IFA Staff: Pam Lenane and Dana Sodikoff
Locations: Peru, IL	

BOARD ACTION

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

PURPOSE

Bond proceeds will be used to a) pay, or reimburse the Borrower for the payment of, the cost of acquiring certain capital equipment including without limitation a CT scanner, an MRI system and Calutech Coach, X-Ray equipment, hardware and software for a Picture Archiving and Communication System ("PACS"), all related attachments, accessories and software, and other hospital equipment and improvements.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense. 501(c)(3) bond issues do not require Volume Cap. This project is being financed under the Capital Opportunity Bond (COB) Program, which was created to provide access to capital for small to mid-size rural and urban not-for-profit hospitals in Illinois. No IFA funds have been contributed to this program. GE Healthcare Financial Services credit committee has reviewed and approved this credit and is the Purchaser of the bond. This program uses pre-approved, standardized documents with set fees for all participants. The use of combined bond counsel and issuer counsel to reduce fees has been approved by IFA's General Counsel and the IFA Board.

VOTING RECORD

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources: IFA bonds	\$2,500,000	Uses: Future Capital Expenditures*	\$2,500,000
Total	<u>\$2,500,000</u>	Total	<u>\$2,500,000</u>

*Issuance costs will be paid by Illinois Valley from their own cash.

JOBS

Current employment: 347 FTE's	Projected new jobs: N/A
Jobs retained: 347 FTE's	Construction jobs: N/A

BUSINESS SUMMARY

Background: Illinois Valley Community Hospital ("IVCH") is an Illinois not-for-profit corporation, exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. IVCH was formed in 1975 with the merger of Peoples Hospital, Peru, IL, which opened in 1914, and St. Mary's Hospital, LaSalle, IL, which opened in 1887.

IVCH is the main operating entity of IV Health Corp, Inc., which is also a 501(c)(3) corporation. Other subsidiaries include the Illinois Valley Community Hospital Foundation, IV Health Services, Inc, and the Hygienic Institute of LaSalle, Peru, and Oglesby.

Service Area: As of December 31, 2006, IVCH had 91 staffed beds that along with the other IVCH subsidiaries provide health care services to the Peru / LaSalle area.

Existing Bonds: Illinois Development Finance Authority Series 2001 Bonds, with \$12,215,000 outstanding as of June 30, 2006. Illinois Valley Community Hospital is current on all bond payments.

PROJECT SUMMARY

Bond proceeds will be used to purchase various capital equipment including, but not limited to, a CT scanner, an MRI system and Calumet Coach, X-ray equipment, hardware and software for a Picture Archiving and Communication System ("PACS") and all related attachments, accessories and software.

FINANCING SUMMARY

Security/Collateral: First priority security interest in all financed capital equipment

Structure: Fixed rate, 5-year tax-exempt loan. The rate will be set on the date of the closing but it will not exceed 6%.

Maturity: On or before June 1, 2012

Credit Rating(s): The Bonds will be purchased by GE Healthcare Financial Services and will not be rated.

ECONOMIC DISCLOSURE STATEMENT

Project name: Illinois Valley Community Hospital
Locations: Peru, IL
Applicant: Illinois Valley Community Hospital
Organization: 501(c)(3) Not-for-Profit Corporation
State: Illinois
Board of Trustees: Kris Paul- President
Jim Loveland- Vice President
Harry Erlenborn- Treasurer
George Maze- Secretary
George Buckman
James Clinard
Harry Debo
William Etzenbach
Joe Hogan
Richard Martuzzo
Peter Meier, MD
David Sickley
William Vlastnik
Joel Leifheit, MD- Medical Staff President

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Herbolsheimer Law Office	LaSalle	Doug Gift
Bond Counsel:	Jones Day	Chicago	Mike Mitchell
Bond Purchaser:	GE Healthcare Financial Services	Chicago	Bill Reveille
Bond Purchaser's Counsel	Kutak Rock	Omaha, NE	Andrew Romshek
Escrow Agent:	Wells Fargo Bank	Chicago	Patricia Martirano
Issuer's Counsel:	Jones Day	Chicago	Mike Mitchell
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

Note: Jones Day (on a rotating basis with two other bond firms) is serving as Bond Counsel and Issuer's Counsel. IFA's General Counsel and the IFA Board have authorized this dual role for bond and issuer's counsel under the COB program to reduce issuance costs.

LEGISLATIVE DISTRICTS

Congressional: 11- Gerald C. "Jerry" Weller
State Senate: 38- Gary G. Dahl
State House: 76- Frank J. Mautino

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Central Baptist Village

STATISTICS

Project Number:	H-HO-TE-CD-7066	Amount:	\$26,000,000 (Not to exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Pam Lenane and Dana Sodikoff
Locations:	Norridge, IL		

BOARD ACTION

Preliminary Bond Resolution Conduit 501(c)(3) Bonds No IFA funds at risk	Requesting a waiver of IFA Policy regarding the sale of unrated and unenhanced debt
--	--

PURPOSE

Bond proceeds will be used to: 1) refund all of the Series 1999A Fixed Rate & Series 1999B Variable Rate Bonds, 2) fund a debt service reserve fund and 3) pay for certain costs of issuance relating to the Series 2007 Bonds. The proposed Series 2007 Bonds will be structured as 100% Fixed Rate creating cash flow savings and mitigating any future interest rate risk. Given the flat yield curve environment, Central Baptist has decided to extend the final maturity to 2037 from the existing final maturity in 2032.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense. 501(c)(3) bond issues do not require Volume Cap.

VOTING RECORD

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA bonds	\$23,000,000	Uses:	Refunding Escrow	\$22,940,000
	Trustee Held Funds	1,885,000		Debt Service Reserve Fund	1,495,000
	Equity Contribution*	<u>200,000</u>		Issuance Costs*	<u>650,000*</u>
	Total	<u>\$25,085,000</u>		Total	<u>\$25,085,000</u>

*The borrower will make an equity contribution for all costs of issuance in excess of the 2% Federal tax law limit.

JOBS

Current employment: 168 FTE's	Projected new jobs: N/A
Jobs retained: 168 FTE's	Construction jobs: N/A

BUSINESS SUMMARY

Background: Central Baptist Village ("CBV") is an Illinois 501(c)(3) Senior Living organization established in 1896. CBV operates a nursing facility located on a 10 acre site in Norridge, Illinois which is

licensed annually by the Illinois Department of Public Health (IDPH) to operate 154 beds (124 licensed for skilled nursing care and 30 licensed for sheltered care). CBV also maintains an independent living building which has a capacity of 99 residents.

Service Area: The facilities are located in Norridge, Illinois, approximately 12 miles northwest of downtown Chicago. Some of the neighboring communities include Park Ridge, Des Plaines, Niles, Norwood Park, Schiller Park, Rosemont and Harwood Heights.

Outstanding Tax-

Exempt Bonds: CBV currently only has the Series 1999A&B Bonds tax-exempt bonds outstanding. The following chart is provided for further detail of the Series 1999A&B Bonds which are outstanding. Please note that the Series 2007 Bonds will refund all existing tax-exempt debt.

	Maturity	Coupon	Par Amount
Series 1999A Fixed Rate Bonds			
Serial Bond	11/15/2007	5.900%	\$175,000
Serial Bond	11/15/2008	6.000%	\$180,000
Serial Bond	11/15/2009	6.100%	\$190,000
First Term Bond	11/15/2026	6.750%	5,855,000
Final Term Bond	11/15/2029	7.125%	3,000,000
Series 1999B Bonds			
Variable Rate Demand Bonds (1)	11/15/2029	Variable	12,310,000
		Total	\$21,710,000

(1) The Series 1999B Bonds reset weekly. 2/21/07 reset of 3.65%. Max Rate of 15%.

PROJECT SUMMARY

The proceeds of the proposed bond deal will be used to 1) refund all of the Series 1999A&B Bonds, 2) fund a debt service reserve fund and 3) pay for certain costs of issuance relating to the Series 2007 Bonds.

FINANCING SUMMARY

Security/Collateral: Gross revenue pledge, mortgage and master notes under a master indenture. Covenants and other legal provisions are expected to be consistent with those in use for similar financings.

Structure: The Series 2007 Tax-Exempt Bonds are 100% Fixed Rate assumed to amortize from 2007 to 2037 and are expected to be structured with serial bonds amortizing from 2007 – 2017 and term bonds maturing in 2027 and 2037.

Maturity: It is assumed that the maturity of the bonds will be extended from the original maturity in 2029 to a final maturity in 2037.

Credit Rating(s): The Series 2007 Bonds will not be rated and will not be credit-enhanced.

Waiver: The bonds will be sold in denominations less than \$100,000 (i.e. \$1,000, \$5,000). The Borrower has requested a waiver of our unrated and non-credit enhanced debt policy. They have met the conditions for a waiver, which they qualify for:

Conditions for Waiver:

- The bonds are being issued to refund bonds of the Authority, or a predecessor Authority, and will result in cost savings; and
- The Borrower is not currently in default on any bonds and has not missed a payment date relative to any such bonds in the immediately preceding three years.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Central Baptist Village, 4750 North Orange Avenue, Norridge, Illinois 60656
Organization: 501(c)(3) Not-for-Profit Corporation
State: Illinois
Board of Trustees: Lee Heinrich- President
John M. Smith- Vice President
Lionel Barnes- Treasurer
Noel N. Lee- Secretary
Gene Hockett
Judy Marzinke
Paul Odlyzko
Paul Oskarson
Herbert J. Schoene
Rev. Eldon Schroeder
Rev. Fred Folkerts
Connie M. Leeper
Lynn R. Conrad
Columbus Bryant
Harry McIntyre
H. Ray Ege
Judith Dunne Bernardi
Raymond McGovern

PROFESSIONAL & FINANCIAL

Bond Counsel:	Jones Day	Chicago	John Bibby
Underwriter:	Ziegler Capital Markets Group	Chicago	Steven Johnson
			Dan Hermann
			Bill Claus
Underwriter's Counsel:	Sonnenschein Nath & Rosenthal LLP	Chicago	Steven Kite
Bond Trustee:	Amalgamated Bank of Chicago	Chicago	Remonia Jamison
Accountant:	Frost, Ruttenberg and Rothblatt, P.C.		Deerfield
Issuer's Counsel:	Chapman & Cutler	Chicago	Chuck Jarik
IFA Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 9- Janice D. Schakowsky
State Senate: 10- James A. DeLeo
State House: 20- Michael P. McAuliffe

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Christian Homes, Inc.

STATISTICS

Project Number:	H-HO-TE-CD-7067	Amount:	\$55,000,000 (Not to exceed amount)
Type:	501(c)(3) Bond	IFA Staff:	Pam Lenane and Dana Sodikoff
Locations:	Lincoln, Flanagan, Decatur, Forsyth, Chrisman, Springfield, Carmi, Washington, Bensenville		

BOARD ACTION

Preliminary Bond Resolution	Seeking a waiver from IFA policy requirements
Conduit 501(c)(3) Bonds	for the sale of unrated, unenhanced debt, to be
No IFA funds at risk	based on a feasibility study by Larson Allen

PURPOSE

Bond proceeds will be used to: 1) Refund certain existing tax-exempt debt, 2) Pay for certain capital improvements at the various Illinois campuses owned and operated by Christian Homes, Inc., 3) Establish Debt Service Reserve Funds for the Series 2007 Bonds, and 4) Pay certain costs for the issuance of the Series 2007 Bonds.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense. 501(c)(3) bond issues do not require Volume Cap.

VOTING RECORD

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA bonds	\$51,345,000	Uses:	Refunding Escrow	\$31,405,000
	Trustee Held Funds	<u>\$1,660,000</u>		Future Capital Expenditures	\$15,000,000
				Debt Service Reserve Fund	\$4,900,000
				Cost of Issuance	<u>\$1,700,000</u>
	Total	<u>\$53,005,000</u>	Total		<u>\$ 53,005,000</u>

JOBS

Current employment: 1688 FTE's (1189 in Illinois)
Jobs retained: 1688 FTE's (1189 in Illinois)

Projected new jobs: N/A (incremental additions)
Construction jobs: 50

BUSINESS SUMMARY

Background: Christian Homes, Inc. ("Christian Homes"), a 501(c)(3) Senior Living organization was established in 1962 in Lincoln, Illinois. Christian Homes is a multi-facility system that has a total of 15 communities which include over 1760 skilled nursing beds, over 130 assisted living apartments, and over 715 independent living apartment and garden homes located in Illinois, Indiana, Iowa, and Missouri. The table below details the unit-mix by community:

Christian Homes, Inc. and Affiliates Unit Breakdown by Facility						
<u>Illinois</u>	<u>City</u>	<u>Independent Living</u>		<u>Health Center</u>		<u>Campus Total</u>
		<u>Congregate Apartments</u>	<u>Duplexes Cottages</u>	<u>Nursing</u>	<u>Assisted Living</u>	
Beulah Land Christian Home	Flanagan	-	-	43	24	67
The Christian Village	Lincoln	29	38	110	-	177
Fair Havens Christian Home	Decatur	-	10	161	-	171
Heartland Christian Village	Neoga	-	8	62	9	79
Hickory Point Christian Village	Forsyth	-	50	-	-	50
Lewis Memorial Christian Village	Springfield	39	46	155	-	240
Pleasant Meadows Christian Village	Chrisman	12	4	109	-	125
Shawnee Christian Nursing Center	Herrin	-	-	159	-	159
Wabash Christian Retirement Center	Carmi	-	11	155	-	166
Washington Christian Village	Washington	-	30	122	-	152
LifeLink Bensenville Campus	Bensenville	160	13	225	-	398
Total Illinois		240	210	1,301	33	1,784
Indiana						
Chicagoland Christian Village	Crown Point	50	24	138	-	212
Hoosier Christian Village	Brownstown	-	13	97	-	110
Total Indiana		50	37	235	0	322
Iowa						
Risen Son Christian Village	Council Bluffs	46	48	106	54	254
Missouri						
Spring River Christian Village	Joplin	52	34	120	48	254
Organization Totals		388	329	1,762	135	2,614

All homes in the chart will be part of the new Christian Homes, Inc. Obligated Group (see description below) except for Heartland Christian Village in Neoga and Shawnee Christian Nursing Center in Herrin.

In addition to refunding the existing tax-exempt debt, funding certain capital improvements, funding a debt service reserve fund, and funding cost of issuance, Christian Homes will create a new Obligated Group legal structure which will cross collateralize all properties within the new Obligated Group. This structure will be similar to other multi-facility providers who have issued bonds through the Illinois Finance Authority, for example, The Franciscan Sisters of Chicago (The Clare at Water Tower), Smith Senior Living (Smith Village and Smith Crossings), and Friendship Senior Options (Friendship Village of Schaumburg). This new structure will provide flexibility for Christian Homes to pursue growth and future development opportunities.

Existing Tax-Exempt Bonds:

Christian Homes currently has approximately \$34.445 million of outstanding tax-exempt bonds. The outstanding series of bonds are listed in the table on the following page.

In addition, Christian Homes entered into an affiliation agreement with LifeLink in 2006 whereby Christian Homes assumed the outstanding debt of LifeLink and management of the LifeLink Bensenville campus. The LifeLink debt (issued by the Illinois Finance Authority) will be refunded into the new Christian Homes Obligated Group at the time of the Series 2007 financing.

CHRISTIAN HOMES, INC. TAX EXEMPT ISSUES				
CAMPUS	ISSUER	RATE	DATE ISSUED	OUTSTANDING as of 6/30/06
Washington Christian Village	City of Washington, IL	6.00%	1991	\$440,000
Risen Son Christian Village	County of Pottawattamie, IA	7.00%	1992	7,210,000
Chicagoland Christian Village	City of Crown Point, IN	7.00%	1993	5,615,000
Spring River Christian Village	City of Joplin, MO	4.58%	2003	1,553,026
Spring River Christian Village	City of Joplin, MO	5.83%	2003	9,153,598
Lewis Memorial Christian Village	City of Southern View, IL	5.83%	2002	1,757,477
Shawnee Christian Nursing Center (1)	City of Herrin, IL	7.00%	1993	1,895,000
Heartland Christian Village (1)	City of Neoga, IL	7.25%	2002	1,020,975
Hickory Point Christian Village (2)	Village of Forsythe, IL	Variable	2004	6,800,000
				35,445,076
Assumed LifeLink Debt:				
LifeLink Series 1989A	Illinois Finance Authority	Variable	1989	2,050,000
LifeLink Series 1995A	Illinois Finance Authority	Variable	1995	5,575,000
LifeLink Series 1998	Illinois Finance Authority	5.76%	1998	14,712,000
				\$22,337,000
				\$57,782,076

- (1) This chart includes all Christian Homes, Inc. debt including debt in Missouri, Indiana and Iowa
- (2) The refunding for this transaction includes only certain Illinois homes- Washington Christian Village, Lewis Memorial Christian Village and Hickory Village and the outstanding assumed LifeLink debt for a total of \$31,334,477.
- (3) Shawnee Christian Nursing Center and Heartland Christian Village will be refunded through a HUD financing which is anticipated to close in May of 2007.
- (4) Hickory Point Christian Village is a construction loan.

Existing General Obligation Taxable Bonds:

Christian Homes has financed a number of small projects, working capital, and capital expenses through the issuance of subordinate taxable general obligation debt. These bonds represent the general obligation of the parent (Christian Homes, Inc.) and will be subordinate to the Tax-Exempt Series 2007 bonds. In addition, the general obligation bonds will be enhanced by a credit facility from Sovereign Bank.

PROJECT SUMMARY

The proceeds of the proposed bond deal will be used to 1) Refund existing tax-exempt debt, 2) Pay for certain capital improvements at the various Illinois campuses owned and operated by Christian Homes, Inc., 3) Establish Debt Service Reserve Funds for the Series 2007 Bonds, and 4) Pay certain costs for the issuance of the Series 2007 Bonds.

FINANCING SUMMARY

- Security/Collateral:** Gross revenue pledge, mortgage and master notes under a master indenture. Covenants and other legal provisions are expected to be consistent with those in use for similar financings.
- Structure:** The Series 2007 Bonds are anticipated to include a total of \$15 million of Letter of Credit enhanced variable rate demand bonds comprised of both taxable and tax-exempt bonds, as well as unrated fixed rate bonds. Approximately \$13 million of the variable rate demand bonds will be issued taxable with the remaining bonds issued tax-exempt.
- Maturity:** The current bond structure anticipates a final bond year in 2031.
- Credit Rating(s):** Both the taxable and tax-exempt variable rate bonds will be enhanced by a letter of credit from Sovereign Bank and a confirming letter of credit from a higher rated bank. The fixed rate bonds will not be rated. The letter of credit will provide for notification to the IFA if the letter of credit expires or is not renewed.

Waiver: The bonds will be sold in denominations less than \$100,000 (i.e. \$1,000, \$5,000). The Borrower has requested a waiver of our unrated and non-credit enhanced debt policy. They have met the conditions for a waiver, is described below:

-The Borrower has secured a published feasibility from an independent and qualified accounting or consulting firm acceptable to the Authority that supports the financial viability of the Project.

A financial and market feasibility study will be prepared for the years 2007-2009 by Larson Allen which will highlight financial ratios that support the issuance of the Series 2007 Bonds.

Cost of Issuance: The cost of issuance for this financing is high because Christian Homes, Inc. is setting up a new Obligated Group. This involves substantial due diligence on the fifteen facilities.

ECONOMIC DISCLOSURE STATEMENT

Project name: Christian Homes, Inc.
200 North Postville Drive
Lincoln, IL 62656

Locations: Lincoln, Flanagan, Decatur, Forsyth, Chrisman, Springfield, Cami, Washington, Bensenville
(Non-Illinois locations: Brownstown, IN, Crown Point, IN, Joplin, MO, Council Bluffs, IA)

Applicant: Christian Homes, Inc.
Organization: 501(c)(3) Not-for-Profit Corporation
State: Illinois

Board of Trustees:

Jim Blalock	Terry Goodner	Bob Crosby
Amy Hanson	Gary Edwards	Dick Hart
James Frasure	Bud Klockenga	Bill Larsh
Riva Kirk	Patricia Lincoln	Rowe Marylyn
Paul Montgomery	Delbert Seals	Larry Periman
Timothy Phillippe	Jenelle Ishmael	

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Hart, Southworth, and Witsman	Springfield	Michael Southworth
Bond Counsel:	Jones Day	Chicago	John Bibby Mary Kimura Sarah Dunski
Underwriter:	Ziegler Capital Markets Group	Chicago	Dan Hermann Will Carney Mike Taylor
Underwriter's Counsel:	Katten Muchin Rosenman	Chicago	Janet Hoffman Mark Laughman
Bond Trustee:	Wells Fargo	Chicago	Patricia Martirano
Accountant:	Larson, Allen, Weishair & CO.	St. Louis, MO	Allan Larson John Richter
Issuer's Counsel:	Schiff Hardin	Chicago	Bruce Weisenthal
IFA Financial Advisor:	D.A. Davidson & Co. Scott Balice Strategies, Inc.	Chicago Chicago	Bill Morris Lois Scott

LEGISLATIVE DISTRICTS

Congressional:

6 th	Peter J. Roskam,
12 th	Jerry F. Costello
15 th	Timothy V. Johnson
17 th	Phil Hare
18 th	Ray LaHood
19 th	John M. Shimkus

State Senate: 39th Don Harmon
44th Bill Brady
50th Larry K. Bomke
53rd Dan Rutherford
54th John O. Jones
55th Dale A. Righter
59th Gary Forby

State House: 77th Angelo "Skip" Saviano
87th Bill Mitchell
99th Raymond Poe
100th Rick Brauer
106th Keith P. Sommer
108th David B. Reis
109th Roger L. Eddy
117th John E. Bradley

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Rockford Memorial Hospital

STATISTICS

Project Number: H-HO-TE-CD-7056	Amount: \$2,500,000 (Not to exceed amount)
Type: 501(c)(3) Bond	IFA Staff: Dana Sodikoff
Locations: Rockford, Illinois	

BOARD ACTION

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

PURPOSE

Bond proceeds will be used to a) purchase medical imaging diagnostic equipment for Rockford Memorial Hospital, specifically: One (1) Toshiba Aquilion 64-slice Fast Whole Body Computed Tomography (CT) Scanner, and one (1) Excelart Vantage 1.5T XGV High Field MRI System & related attachments; and, b) pay costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense. 501(c)(3) bond issues do not require Volume Cap. Rockford Memorial Hospital is a participant in the Healthcare Equipment Financing Program, which reduces costs by using standardized documents. Chase Equipment Leasing, Inc. credit committee has reviewed and accepted this credit and is the Purchaser of the bond.

VOTING RECORD

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

Since this is an equipment financing, this project is seeking a one-time final approval from the Board to minimize interest rate risk.

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA bonds	<u>\$2,385,000</u>	Uses:	Reimbursement for Prior Expenditures	
				Equipment:	\$2,355,000
				Costs of Issuance	<u>30,000</u>
	Total	\$2,385,000		Total	\$2,385,000

JOBS

Current employment: Total FTE's : 2,412	Projected new jobs: N/A
Jobs retained: Total FTE's: 2,412	Construction jobs: N/A

BUSINESS SUMMARY

Service Area: Rockford Memorial Hospital ("RMH") is located in Rockford, IL, approximately 90 miles northwest of the City of Chicago and 14 miles south of the Illinois-Wisconsin border. RMH's primary service area includes the counties of Winnebago, Boone and Ogle. RMH's primary service area accounted for approximately 81% of RMH's total discharges during the calendar year ended December 31, 2005.

RMH's regional referral or tertiary service area consists of the Illinois counties of Carroll, DeKalb, Henry, Joe Davies, Lee, Stephenson, McHenry, LaSalle, Whiteside and the south Wisconsin county of Rock. The tertiary service area comprises 16% of RMH's total discharges during the calendar year ended December 31, 2005. The remaining 5% of discharges come from outside the defined market area.

Existing Bonds: \$75 million IHFA Revenues Bonds, 1994 (Rockford Memorial Hospital Obligated Group, Select Auction Variable Rate Securities; and, \$62,685,000 IHFA Revenue Refunding Bonds, Series 1997 (Rockford Health System Obligated Group). Rockford Memorial Hospital is current on all bond payments.

PROJECT SUMMARY

The proceeds of the proposed bond deal will be used to purchase various radiology imaging equipment to provide services to inpatients & outpatients thorough Rockford Memorial Hospital's medical imaging diagnostic equipment program, and includes the purchase of one (1) Toshiba Aquilion 64-slice Fast Whole Body Computed Tomography (CT) Scanner, and one (1) Excelart Vantage 1.5T XGV High Field MRI System & related attachments, and to pay costs of issuance. The value of the equipment being financed against the loan amount is approximately 98%.

FINANCING SUMMARY

Security/Collateral: One (1) Toshiba Aquilion 64-slice Fast Whole Body Computed Tomography (CT) Scanner, and one (1) Excelart Vantage 1.5T XGV High Field MRI System & related attachments.

Structure: Equipment financing under master leasing agreement between Chase Equipment Lease Inc. and Rockford Memorial Hospital and Illinois Finance Authority. The rate is anticipated to be 4.15%.

Maturity: 5-years (held by Chase Equipment Leasing, Inc)

Credit Rating(s): N/A

ECONOMIC DISCLOSURE STATEMENT

Project name: Rockford Memorial Hospital
Locations: 2400 N. Rockton Avenue, Rockford, IL 61103
Applicant: 2400 N Rockton Ave., Rockford, IL 61103
Organization: 501(c)(3) Not-for-Profit Corporation
State: Illinois
Board of Trustees: Duane R. Bach, James W. Breckenridge, M.D. John W. Chadwick, Eleanor F. Doar, John T. Dorsey, M.D., Pamela S. Fox, Jose L. Gonzalez, M.D., Alphonso N. Goode, Paul A. Green, Gary E. Kaatz, Robert A. Pickering, Jeffrey E. Schauer, M.D., Dennis T. Uehara, M.D., John D. Whitcher, Curtis D. Worden

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Rockford Health System	Rockford	Earl J. Barnes II
Bond Counsel:	Sonnenschein, Nath & Rosenthal, LLP	Chicago	Steven B. Kite
Bond Trustee:	Bank of New York	Chicago	
Accountant:	Deloitte & Touche	Chicago	
Issuer's Counsel:	Jones Day	Chicago	Michael J. Mitchell
Bond Purchaser:	Chase Equipment Leasing, Inc.	Chicago	Bill Crotty
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 16- Donald A. Manzullo
State Senate: 34- Dave Syverson
State House: 68- Dave Winters

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Easter Seals Metropolitan Chicago, Inc.

STATISTICS

Deal Number:	N-NP-TE-CD-7058	Amount:	\$9,000,000
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Chicago	SIC Code:	8322 – Individual and Family Social Services
	Rockford		8331 – Job Training and Vocational
	Waukegan		Rehabilitation Services

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 construction, acquisition of equipment and to pay certain bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense.

VOTING RECORD

Preliminary Bond Resolution, no previous voting record.

SOURCES AND USES OF FUNDS

Sources:	IFA Bond	\$9,000,000	Uses:	Project Costs	\$16,820,000
	Equity	<u>8,000,000</u>		Bond Issuance Costs	<u>180,000</u>
	Total Sources	<u>\$17,000,000</u>		Total Uses	<u>\$17,000,000</u>

The sources of equity are a result of various state and federal grants, and gifts from corporations, foundations and individuals.

JOBS

Current employment:	70	Projected new jobs:	50
Jobs retained:	N/A	Construction jobs:	200

BUSINESS SUMMARY

Background: Easter Seals Metropolitan Chicago ("Easter Seals" or the "Applicant") is an Illinois not-for-profit organization founded in 1936. The organization's mission is to help persons with disabilities achieve maximum independence and improve quality of life. Easter Seals provides high-quality comprehensive health, educational, vocational and recreational programs to all individuals.

Easter Seals serves the Chicago Metropolitan area including the suburbs and has provided numerous services to more than 14,000 individuals. The new project will enable the organization to serve more children in improved facilities and will contain additional therapy rooms and a research component for autism only.

Program services include: Therapeutic Day Schools located in Chicago and Tinley Park; Early Head Start and Head Start programs for children up to five years old; Child and Family Connections for children with developmental delays, Youth at Risk programs for teens who have dropped out of high school; and Senior V Community Employment programs for senior citizens age 55 and over who are low income and unemployed.

The management team includes Timothy Muri, President & CEO; Barbara Zawacki, Chief Operating Officer and Daniel Popp, Chief Financial Officer.

The organization's staff as well as the clients' families utilize a family focus approach in decision making for the clients and provide resources for parent education, training and advocacy.

Description: The proposed projects include the construction of a Therapeutic School and Center for Autism Research located in Chicago on the Illinois Medical District Campus. The facility is being custom designed to meet the needs of students with autism, emotional behavior disorders and sever learning disabilities. The first phase of construction includes space for student programs and administrative offices. The second phase of construction will include the addition of a pool, gymnasium and residential living component.

Also included in the project are renovations and equipment acquisition for two existing Easter Seals Day Schools located in Rockford and Waukegan.

FINANCING SUMMARY

Security: Direct Pay Letter of Credit from Harris Bank, N.A.
Structure: Variable Rate Demand Bonds
Maturity: 30 Year
Bank Collateral: First mortgage on subject real estate and first lien on furnishings and equipment financed.
Credit Rating: The credit rating for this transaction will reflect that of the Letter of Credit provider, Harris Bank, AA+.

PROJECT SUMMARY

Bond proceeds will be used to finance the construction of a Therapeutic School and Center for Autism Research located on the Illinois Medical district Campus at 1939 West 13th Street in Chicago (Cook County). Bond proceeds will also be used to make renovations and acquire equipment for two Therapeutic Day Schools located at 650 North Main Street in Rockford (Winnebago) and 1401 Dugdale Road in Waukegan (Lake County). Project costs are estimated as follows:

Construction/Renovations	\$13,570,000
Contingency	1,875,000
Machinery and Equipment	1,374,999
Land	<u>1</u>
Total Project Costs	<u>\$16,820,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Easter Seals Metropolitan Chicago, Inc.
14 East Jackson Boulevard, Suite 900
Chicago, IL 60604 (Cook County)
Mr. Daniel Popp, Chief Financial Officer

Project name: Therapeutic School and Center for Autism Research

Locations: 1939 West 13th Street, Chicago, IL 60608 (Cook County)
650 North Main Street, Rockford, IL 61103 (Winnebago County)
1401 Dugdale Road, Waukegan, IL 60085 (Lake County)

Organization: 501(c)(3) Corporation

State: Illinois

Board of Directors: David Arts Adam Cohen Craig Colmar
John Dobrez Richard Emmert Michael Gann
Claireen Hertig Rep. Jesse Jackson, Jr. Richard Kent
Brendan Maher John Manglardi Sen. Antonio Munoz
William Nolan James Oberweis David Pearre, II
Leonard Smith Timothy Stojka David Taylor
Jesse White John Wilson

Land Sellers: The City of Chicago sold the Chicago location to Easter Seals on the Illinois Medical District Campus for \$1 in November 2006.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Johnson and Colmar	Chicago	Craig Colmar
Accountant:	McGladrey & Pullen	Chicago	Bill O'Brien
Bond Counsel:	To Be Determined		
LOC Bank:	Harris Bank, N.A.	Chicago	
Underwriter:	Harris Bank, N.A.	Chicago	Nick Knorr
Underwriter's Counsel:	To Be Determined		
Issuer's Counsel:	IceMiller	Chicago	Tom Smith
Trustee:	To Be Determined		
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Chicago Location

Congressional: 7 – Danny Davis
State Senate: 5 – Rickey Hendon
State House: 9 – Arthur Turner

Rockford Location

Congressional: 16 – Donald Manzullo
State Senate: 34 – Dave Syverson
State House: 67 – Charles "Chuck" Jefferson

Waukegan Location

Congressional: 10 – Mark Kirk
State Senate: 30 – Terry Link
State House: 60 – Eddie Washington

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: The Catherine Cook School

STATISTICS

Number:	E-PS-TE-CD-7017	Amount:	\$6,100,000 (not to exceed)
Type:	501(c)(3) Bonds	IFA Staff:	Townsend S. Albright
Locations:	Chicago	SIC Code:	8211

BOARD ACTION

Final Bond Resolution	No Extraordinary conditions
Conduit	Staff recommends approval
No IFA funds at risk	

PURPOSE

Proceeds will be used to (i) refund an outstanding series of bonds issued through the Illinois Development Finance Authority, a predecessor agency to the Illinois Finance Authority, (ii) to refinance a mortgage issued through the Harris Bank and Trust Company, Chicago, Illinois, and (iii) fund legal and professional costs.

IFA PROGRAM and CONTRIBUTION

501(c)(3) Bonds are a form of tax-exempt bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense.

VOTING RECORD

Preliminary bond resolution, February 13, 2007:
11 ayes, 0 nays, 0 abstentions:
Members Absent: 3 (Dr. R. Herrin, M.H. Nesbitt, J.P. Valenti)
Member Resigned: 1

SOURCES AND USES OF FUNDS

Sources:	IFA bonds	\$6,100,000	Uses:	Refunding	\$6,000,000
				Bond issuance costs	<u>100,000</u>
	Total	<u>\$6,100,000</u>		Total	<u>\$6,100,000</u>

JOBS

Current employment:	64	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Background: The Catherine Cook School ("the Applicant", the "School") was established in 1975 as the Melrose Cooperative Nursery, Center, Inc., and is now located in the Old Town neighborhood of Chicago. It is an Illinois not-for-profit corporation and is now located in the old B and B Shoe Company building located on West Schiller Street. The building owner agreed to sell the building to the School if the School if the trustees would name the school after his mother who was a Greek immigrant and the first woman in Illinois to pass the bar without attending law school. The

renovated building was opened in 1992 and the School changed its name in 1995. A playground was added on the lot adjacent to the School, and in 1998 another expansion added a computer lab, a library, a lunchroom, and additional classrooms. In 2006, a newly constructed gym was opened replacing the adjacent playground.

The School currently employs 36 full time faculty members and 11 teaching assistants. The School-wide student teacher ratio is 9.5:1, with an average class size of 16 students. The School's faculty members have an average teaching experience of 11 years, with an average of four years at the School. Over 56.0% of faculty holds masters degrees or PhDs. Every member of the faculty holds an appropriate degree or credential for the subject taught. The School does not grant tenure status for faculty.

The School is the only school in the area that offers a transition program for early childhood and one of two that offers a half-day preschool program. School graduates matriculate up to local private schools such as The Latin School of Chicago, Francis W. Parker School, Sacred Heart, The University of Chicago Laboratory Schools, Bernard Zell Anshe Emet Day School, and The North Shore Country Day School.

The School's enrollment has been robust. In the 2002-03 academic year there were 280 students enrolled in Preschool and Grades one through eight with a selectivity ratio of 90.0%. In the 2006-2007 academic year the School's enrollment has increased to 438 students in Preschool and Grades one through eight with a selectivity ratio of 58.0%. The School currently has four sections in Preschool through Grade one, two sections in Grades two through five, and one section in Grades six through eight. The present facilities, with some reconfiguration, will accommodate up to 550 students. The number of applications is increasing, and the quality reputation of the school will insure it realizes its enrollment goals.

The School provides tuition assistance to students based on economic need. Financial awards are made independent of admissions decisions. For the academic year 2006-07 the School is providing \$400,000 in assistance, excluding tuition remissions for children of faculty and staff.

The School is governed by a 14-member Board of Directors. A list of current Board members is attached for IFA Board review. The School is fully accredited by ISACS (Independent School Association of the Central States) and the State of Illinois.

Project

Description:

The School plans to use Bond proceeds to (i) refund \$2,875,000 outstanding par value of its Series 1996 Variable Rate Bonds issued through the Illinois Development Finance Authority, and (ii) refinance a \$2,800,000 taxable fixed-rate mortgage completed with Harris bank and Trust, Chicago, Illinois in March, 2006 having Sinking Fund payments quarterly. It is calculated that the present value saving of converting the outstanding bonds and taxable mortgage into 30-year Variable Rate Bonds with a Letter of Credit enhancement will produce a present value savings of approximately \$314,000.

Remarks:

Tax-exempt financing will lower the School's borrowing costs and its annual debt service payments. By reducing the amount of money spent on debt service the School will be able to spend more money on educational services and "state-of-the-art" facility improvements so the School can continue to (i) provide quality education, and (ii) remain competitive with other independent private day schools.

FINANCING SUMMARY

Security: Direct pay Letter of Credit from The Northern Trust Company, Chicago, IL.
Structure: Multi-mode Variable Rate Demand Bonds
Maturity: 30 years
Rating: The Bonds will not be rated but will trade based on the rating of the Bank letter of credit facility.

PROJECT SUMMARY

Proceeds will be used to (i) refund the School's 1996 Series Variable Rate Demand Bonds issued through the Illinois Development Finance Authority of which proceeds were used to fund renovations and improvements on the Applicant's facility located at 226 West Schiller Street, Chicago, Cook County, Illinois, (ii) refinance a taxable fixed-rate mortgage issued through Harris bank and Trust, Chicago, Illinois of which proceeds were used to fund renovations and improvements at the Applicant's facility located at 240 West Schiller Street, Chicago, Cook County, Illinois, and (iii), fund legal and professional costs.

Refunding	<u>\$6,000,000</u>
Total	<u>\$6,000,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant:	The Catherine Cook School		
Project names:	The Catherine Cook School Refunding Project		
Locations:	226 West Schiller Street, Chicago, Cook County, Illinois 60610-1808, and 240 West Schiller Street, Chicago, Cook County, Illinois 6-610-1808		
Organization:	501(c)(3) Corporation		
State:	Illinois		
Board of Directors:	Deb Keegan, President	Elli Montgomery	
	Max DeZara, Vice President	Carol Sabransky	
	Catherine Fournier, Treasurer	Victor Mowatt	
	Susan Lovejoy, Secretary	Cecil Booth	
	James A. Erwin	Thomas McDonough	
	David Laurenson	Dr. Michael Roberts, <i>ex officio</i>	

PROFESSIONAL & FINANCIAL

Counsel:	Perkins Coie LLP	Chicago	William E. Corbin
Accountant:	Dam, Snell & Tavirne, Ltd.	Libertyville, IL	
Bond Counsel:	IceMiller	Chicago	Thomas E. Smith
Issuer's Counsel	Dykema Gossett PLLC	Chicago	I. Walter Deitch
Underwriter:	William Blair & Company	Chicago	John Peterson
Placement Agent			
Underwriter's Counsel:	IceMiller	Chicago	Thomas E. Smith
LOC Bank:	The Northern Trust Company	Chicago	Russ Rockenbach
LOC Bank Counsel:	Fischel & Khan	Chicago	Edward F. Dobbins
Financial Advisor:	Piper Jaffray & Co.	Chicago	Keith Morgan
Trustee:	Amalgamated Bank of Chicago	Chicago	Christine Linde
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	7 th	Danny K. Davis
State Senate:	3 rd	Mattie Hunter
State House:	5 th	Kenneth Dunkin

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
MARCH 13, 2007**

Project: Quad County Urban League

STATISTICS

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

BOARD ACTION

Final Bond Resolution	Unrated bonds to be sold pursuant to IFA policy
Conduit 501(c)(3) Bond Financing	Staff recommends approval
No IFA funds at risk	

PURPOSE

To finance the expansion and rehabilitation of a commercial building located at 1685 N. Farnworth Avenue and property located at 1645 N. Farnworth Avenue in Aurora for use as a Vocational and Educational Training Center.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax exemption on interest income earned on the Bonds and thereby reduce the borrower's interest expense.

VOTING RECORD

The IFA Board adopted a Preliminary Resolution on August 8, 2006 for this project by the following vote:

Ayes: 10 Nays: 0 Abstentions: 0
Absences: 5 (DeNard, Giannoulas, Herrin, Nesbitt and Rivera)

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	\$5,000,000	Uses:	Project Costs	\$3,821,775
	Equity Contribution	<u>233,750</u>		Legal & Professional	323,750
				Capitalized Interest	341,525
				Debt Service Reserve	431,700
				Reimburse Expenses	<u>305,000</u>
	Total	<u>\$5,223,750</u>		Total	<u>\$5,223,750</u>

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 & Associates 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: Fixed rate 501(c)(3) Bonds
Collateral: First mortgage on the subject real estate and first lien on furnishings and equipment financed.
Credit Rating: The Bonds will be unrated and unenhanced.
Purchaser: The Bonds will be purchased by Cohen Municipal Capital Management.

PROJECT SUMMARY

Bond proceeds, together with other funds, will be used to expand and rehabilitate a 5,400 square-foot building located at 1685 North Farnsworth and adjacent property acquired at 1645 North Farnsworth (property acquired April 2006). The current facility is now used for the Aurora Middle School Academy, and the expanded facility will consist of 23,200 square feet for the League's Vocational and Educational Training Center, which house the League's 15 existing programs that are currently offered in multiple locations, including the Aurora Middle School Academy and expanded services for vocational training to meet the needs of the local economy. Project costs are currently estimated at:

New Construction and Rehabilitation:	\$3,117,425
Architectural and Engineering	305,350
FF&E	<u>399,000</u>
Total	\$3,821,775

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: Quad 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 Waubensee 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	Lawrence Parrish
Bond Counsel:	Peck Shaffer & Williams, LLP	Columbus, OH	Tom Wilson
Financial Consultant:	B.C. Ziegler and Company	New Albany, OH	Kirk Hendricks
Bond Purchaser:	Cohen Municipal Capital Management	Stamford, CT	Daniel DiBono
Purchaser's Counsel:	Hawkins Delafield & Wook, LLP	Newark, NJ	Steven Donovan
Issuer's Counsel:	Greenberg Traurig	Chicago, IL	Mark McCombs
Trustee:	US Bank National Association	Columbus, OH	Scott Miller
Financial Advisor:	Carlton Accounting Services	Naperville, IL	Lynda Garrison-Carlton
Accountant:	American Accounting and Tax Services	Wheaton	Vinod Singh
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

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

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
MARCH 13, 2007**

Project: Curran-Gardner Township Public Water District

STATISTICS

Number:	L-GP-7064	Amount:	\$2,865,000 (not to exceed)
Type:	Local Government Pooled Program	Location:	Springfield, Illinois
IFA Staff:	Eric Watson		

BOARD ACTION

Preliminary Bond Resolution	No extraordinary conditions
Local Government Pooled Bond Program	No IFA funds at risk
Staff recommends approval	

PURPOSE

Provide financing to Curran Gardner Township Public Water District for water system updates.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Pooled Bond Program combines the needs of more than one unit of local government into a pooled bond issue, with the IFA serving as the financing conduit. The pooling process allows local governments to realize savings by sharing fixed costs and achieving economies of scale. In addition, the issues are supported by the "moral obligation" of the State of Illinois. This, coupled with the bonds double-tax exemption offers participants an lower overall borrowing rate.

VOTING RECORD

This is the first time that this project has been presented for Board consideration.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	<u>\$2,865,000</u>	Uses:	Water System Updates	\$2,800,000
				Costs of Issue	<u>65,000</u>
	Total	<u>\$2,865,000</u>		Total	<u>\$2,865,000</u>

JOBS

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

BUSINESS SUMMARY

Background: The Curran Gardner Township Public Water District, located in Sangamon County. The District extends east-west from Veterans Parkway to just beyond Farmingdale Road and north-south from the winding Sangamon River past Interstate 72 to Mansion Road.

One of about 100 in the state, the rural water district was created in 1966 with the help of a grant and a 40-year federal loan. The district's boundaries have increased over the years. In 2000, it annexed three new territories, adding hundreds of homes. The district comprises 60 miles of water mains and serves about 2,000 households.

Project: The District wishes to construct a PVC Water Main, two new 750,000 gallon elevated storage tanks, a new well, a master meter, gate valves, flush hydrants, service connections and related appurtenances to serve additional customers of Sangamon County.

FINANCING SUMMARY

The Bonds: The bonds will be Revenue Bonds, with the District's revenues from the water system pledged as the primary revenue source. The District must document that the primary revenues are sufficient to provide 1.25 times debt service coverage on the bonds.

Collateral: The District must document that the net revenues are sufficient to provide 1.25 times debt service coverage on the Bonds.

Structure: Principal is expected to be due on February 1, beginning in 2008 with a final maturity in 2047. Interest will be fixed rate and payable each August 1 and February 1, beginning February 1, 2008. The bonds are subject to redemption prior to maturity.

Maturity: 40 years

PROJECT SUMMARY

Curran Gardner Township Public Water District will use proceeds of the bond issue to finance water system updates.

Total costs are estimated at \$2,865,000.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Curran Gardner Township Public Water District
Project names: Curran Gardner Township Public Water District
Location: 3382 Hazlett, Springfield, 62707
Organization: Rural Water District
Chair: Robert Dalton

PROFESSIONAL & FINANCIAL

Underwriter:	AG Edwards	St Louis, MO	Anne Noble
Issuers Counsel:	Chapman and Cutler LLP	Chicago, IL	Chuck Jarik
IFA Counsel:	Chapman and Cutler LLP	Chicago, IL	Chuck Jarik
Trustee:	US Bank	St. Louis, MO	Brian Kabbes
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 18th – Ray LaHood
State Senate: 50th – Larry K. Bomke
State House: 99th- Raymond Poe

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Waste Management of Illinois, Inc. and its wholly-owned subsidiaries

STATISTICS

IFA Project:	P-SW-PO-TE-CD-547	Amount:	\$30,000,000 (not-to-exceed amount)
Type:	Solid Waste Disposal Bonds	IFA Staff:	Rich Frampton
Locations:	Multiple		

BOARD ACTION

Final Bond Resolution	
Conduit Solid Waste Disposal Revenue Bonds	No IFA funds at risk
Staff recommends approval	No extraordinary conditions (bonds to be privately placed with Accredited Investors (Bank of America) and sold in minimum denominations of \$100,000 based on Baa3/BBB/BBB long term ratings according to IFA's Bond Policy Handbook).

PURPOSE

Bond proceeds will be used to finance landfill cell construction, construction of leachate/methane gas collection systems, and to purchase containers, transportation equipment, and equipment for use at 8 Waste Management project sites statewide.

IFA CONTRIBUTION AND PROGRAM

This project will use \$30 million of unallocated IFA Carryforward Volume Cap designated for Solid Waste Disposal Revenue Bond projects from 2004. *No current year IFA Volume Cap will be used for this project when issued.* This project was originally induced by the Authority in April 2005 for \$100 million and planned to proceed in two tranches subject to Volume Cap/Carryforward availability – this financing represents the initial series of bonds to be issued pursuant to the April 2005 IFA Inducement Resolution.

As proposed, IFA would be issuing Solid Waste Disposal Revenue Bonds to finance privately-owned solid waste disposal facilities, thereby conveying tax-exempt status on interest paid to Bondholders. As a result, the Bondholders will be willing to accept a below-market interest rate, which will result in a below-market interest for the Borrower.

These Solid Waste Disposal Revenue Bonds will be issued under the Illinois Environmental Facilities Financing Act (20 ILCS 3515/1 et. seq., as amended) and, accordingly, will not use any of IFA's \$25.2 billion debt authorization for general purposes used for Industrial Revenue Bond and 501(c)(3) Revenue Bond projects.

VOTING RECORD

Voting record from Preliminary IFA Bond Resolution on April 12, 2005 (not-to-exceed amount of \$100 million):

Ayes: 9 Nays: 0 Abstentions: 0 Absent: 3 (Goetz, Herrin, Leonard)
Vacancies: 3

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS

Sources:	Series 2007 Bonds	\$30,000,000	Uses:	New Project Cost	\$30,000,000
	Equity/Line of Credit	<u>450,000</u>		Costs of Issuance	<u>450,000</u>
	Total	<u>\$30,450,000</u>		Total	<u>\$30,450,000</u>

JOBS

Current employment: 2,280 (89 FTE at subject facilities)	Projected new jobs: 10 (2 years)
Jobs retained: Not applicable	Construction jobs: 12 on average for cell construction; construction periods will vary from 11 to 32 months

BUSINESS SUMMARY

Background: Waste Management of Illinois, Inc. ("WM-Illinois" or the "Borrower"), a Delaware corporation, will be the obligor on the proposed bonds. WM-Illinois is the holding company for certain operating subsidiaries that are qualified to do business in Illinois. WM-Illinois was incorporated under Delaware law in 1968.

Waste Management, Inc. ("WM" or the "Corporate Guarantor") was formed in 1998 through the merger of USA Waste Services, Inc. of Houston, Texas and Waste Management, Inc. of Oak Brook, Illinois. The surviving entity in the merger was USA Waste Services, Inc., which was reincorporated under Delaware law in 1995. Simultaneous with the merger, USA Waste changed its name to Waste Management, Inc.

WM-Illinois is an indirect, wholly-owned subsidiary of WM. WM will be the corporate guarantor on the Bonds, on behalf of WM-Illinois and its affiliates.

WM's stock is publicly traded on the NYSE (ticker symbol "WMI").

Waste
 Management
 Facts:

WM provides comprehensive waste management services worldwide and is the largest company in the industry. WM owned or operated 286 active landfill facilities, 17 waste-to-energy plants, 370 regional waste transfer stations, 95 landfill gas projects, and 17 waste-to-energy facilities. WM operates in 48 states, Washington, D.C., Puerto Rico, and Canada. Additionally, the Company is the largest collector of recyclable materials from businesses and households in the world and its 116 materials recovery facilities ("MRF") process recyclable commodities (e.g., glass, plastics, electronics, composting, data destruction, construction and demolition processing).

The Company's service facilities serve more than 21 million residential, industrial, municipal, and commercial customers in 48 states, Puerto Rico, and Canada. WM had approximately 50,000 full-time employees as of 12/31/2005.

WM-Illinois
 Facts:

WM-Illinois and its subsidiaries employed 2,280 in Illinois, with an annual payroll of over \$127 million as of 12/31/2006. The subject facilities currently employ approximately 89 FTE's. WM-Illinois currently provides collection, recycling, and disposal to municipal, commercial, industrial, and residential customers in 75 counties throughout Illinois.

WM-Illinois services approximately 48,776 commercial customers, 615,157 residential customers, and 10,621 industrial customers throughout Illinois. Additionally, WM-Illinois serves approximately 584,700 recycling customers statewide. WM-Illinois' municipal customers include

the City of Berwyn, City of Chicago, City of Elgin, City of Joliet, City of Lockport, City of Macomb, City of Peoria, and the City of Wheaton.

IFA and its predecessors have closed on six prior bond issues totaling over \$297 million with WM and its predecessors since 1978. IFA currently has five WM bond issues outstanding totaling approximately \$165 million as of 12/31/05. WM's payments on all prior IFA (IDFA) bonds were current as of 12/1/2006.

Required

Permits: All project facilities referenced in Appendix A are existing operating facilities with all necessary Illinois EPA operating permits

FINANCING SUMMARY

Bondholder

Security: Bonds will be sold based on the underlying ratings of Waste Management, Inc., the corporate guarantor, on behalf of Waste Management of Illinois, Inc. and purchased directly via a Private Placement by Bank of America. (Bank of America Securities, LLC will be the Placement Agent.)

Collateral: The Bonds will be an unsecured general obligation of Waste Management, Inc. (with additional borrowings subject to additional debt covenants).

Structure: Fixed Rate Bonds. Current estimated rate of 4.60% based on WM's underlying ratings.

Maturity: Final maturity date: 3/1/2007 (30 years)

WM's Ratings: WM's underlying long-term senior unsecured debt is currently rated Baa3/Stable as of 4-3-2003 (Moody's; confirmed in report on 11-21-2006); BBB/Stable as of 8-17-1999 (S&P; confirmed in report on 11-20-2006); and BBB/Stable, affirmed 5-26-2006 (Fitch).

These Bonds will be issued under the Illinois Environmental Facilities Financing Act and will not use any of the Illinois Finance Authority's recently approved \$1.2 Billion debt limit increase (to \$25.2 Billion) for general Industrial Development and 501(c)(3) financings.

PROJECT DESCRIPTION FOR IFA BOND RESOLUTION

Bond proceeds will be used to finance IEPA permitted improvements to existing landfill facilities, including: (i) construction of new disposal cells and liners within currently permitted acreage, (ii) additions and improvements to the leachate collection and treatment system, including leachate trenching, (iii) additions and improvements to the methane gas system, (iv) installation of new liners for intermittent and final closure of completed sections of the landfill facilities, (v) site improvements, (vi) acquisition of equipment to be used at the landfill facilities, and (vii) acquisition of other equipment and assets necessary to support the foregoing improvements and to place them in service, and (viii) to pay bond issuance costs (and, collectively, the "Project").

The location of each component of the project will include the specific addresses and the general service territories of Waste Management of Illinois, Inc., as noted in the attached project listing (see Appendix A on Page 5).

Project costs are estimated as follows. Waste Management has represented that all project sites have all necessary IEPA construction permits pursuant to IEPA's permitting process:

New Landfill Cell Constr. and Liners	\$20,526,883
Leachate & Methane Gas Systems	7,757,249
Equipment (Primary)	4,230,000
Machinery & Equipment	163,333
Total:	\$30,000,000

ECONOMIC DISCLOSURE STATEMENT

Applicant/Contacts: Waste Management of Illinois, Inc. (*Signatory Contact:* Ms. Cherie C. Rice, Vice President, Finance and Treasurer – Waste Management, Inc. 1001 Fannin, Suite 4000, Houston, Texas 77002; General Ph.: 713/512-6200; Direct Ph.: 713/512-6548; Fax: 713/942-1580; E-mail: crice@wm.com)

Primary Company Contact: David LaPaul, Assistant Treasurer, Waste Management, Inc., 1001 Fannin, Suite 4000, Houston, TX 77002, Direct Ph.: 713-394-2161; Fax: 866-239-7964; E-mail: dlapaul@wm.com

Project Name: Waste Management, Inc. (Waste Management of Illinois, Inc. Series 2007 Bonds)
Project Locations: Multiple (see attached listing on pp. 6-8)
Land Owner: The subject properties are all owned by Waste Management of Illinois, Inc. or its subsidiaries.

Borrower:	Corporate Guarantor:
<i>Waste Management of Illinois, Inc.</i>	<i>Waste Management, Inc.</i>
Organization:	Corporation
State:	Delaware

Ownership (5.0% or Greater-- SEC threshold for public companies): **Waste Management, Inc. (As of 9/30/2006, there were no shareholders holding more than a 5.0% ownership interest in Waste Management, Inc. Consequently, no further ownership disclosure is required.)**

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Waste Management, Inc. Hunton & Williams LLP	Houston, TX Richmond, VA	John Tsai Doug Lamb
Co-Bond Counsel:	Hunton & Williams LLP	Richmond, VA	Doug Lamb
Co-Bond Counsel:	Ice Miller, LLP	Chicago, IL	Tom Smith
Private Placement Agent:	Banc of America Securities LLC	San Francisco, CA	Lawrence Tonumura
Placement Counsel:	Fulbright & Jaworski L.L.P.	New York, NY	James Marlin
Accountant:	Ernst & Young, LLP	Miami, FL	Dennis Pastrana
Credit Enhancement:	None. (The Bonds will be sold on the direct underlying Baa3/BBB/BBB ratings of Waste Management, Inc. and will be privately placed by Banc of America Securities, LLC)		
LOC Bank Counsel:	None		
General Contractor:	Waste Management, Inc.	Houston, TX	
Trustee:	Deutsche Bank Trust Company Americas	New York, NY	Wendy Encalada
Trustee's Counsel:	LeBoeuf, Lam, Green & MacRae, L.L.P.	New York, NY	Peter Baumgaertner
Rating Agency:	Standard & Poor's Ratings Group	New York, NY	Roman Szuper
Issuer's Counsel:	Pugh Jones Johnson & Quandt, P.C.	Chicago, IL	Scott Bremer, Cameron Seymore
IFA Financial Advisor:	D.A. Davidson & Co. Scott Balice Strategies, Inc.	Chicago Chicago	Bill Morris Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 8, 11, 12, 14, 16, 17
State Senate: 26, 36, 40, 47, 48, 49, 55, 57,
State House: 51, 71, 79, 94, 95, 98, 109, 113

Appendix A: List of Prospective Project Sites

Borrowing Entity/ Operating Entity/ Location	US Congress/ State Senate/ State House Districts	Anticipated Bond-Financed Capital Expenditure Allocations – for IFA Bond Resolution
Borrowing Entity: Waste Management of Illinois, Inc. Operating Entity: Countryside Landfill, Inc. Countryside Landfill (BU District #00006), 31725 Route 83 North, Grayslake, IL 60030-9546 (Lake County)	8/26/51	\$3,315,096 (New Cell Construction and Liners, Leachate & Methane Gas Systems, Primary Equipment, Machinery & Equipment, Costs of Issuance)
Borrowing Entity: Waste Management of Illinois, Inc. Operating Entity: Envirofil of Illinois, Inc. Envirofil of IL -- Macomb Landfill (BU #00053), 13998 1400 th Street East, Macomb, IL 61455-9412 (McDonough County)	17/47/94	\$751,787 (New Cell Construction and Liners, Leachate & Methane Gas Systems, Site Improvements, Machinery & Equipment, Costs of Issuance)
Borrowing Entity: Waste Management of Illinois, Inc. Operating Entity: Waste Management of Illinois, Inc. Prairie View Landfill (BU #00313), 29755 Prarieview South (near Route 53 & Arsenal Road), Wilmington, IL (Will County) 60481-7609	11/40/79	\$5,223,729 (New Cell Construction and Liners, Leachate & Methane Gas Systems, Site Improvements, Machinery & Equipment, Costs of Issuance)
Borrowing Entity: Waste Management of Illinois, Inc. Operating Entity: Waste Management of Illinois, Inc. Sumner Illinois Landfill [S&S Grading of IL] (BU #00838), County Road 550E @ Hwy. 250, Rural Route 3, Box 892, Sumner, IL 62466-9379 (Lawrence County)	19/55/109	\$764,875 (New Cell Construction and Liners, Leachate & Methane Gas Systems, Primary Equipment, Costs of Issuance)
Borrowing Entity: Waste Management of Illinois, Inc. Operating Entity: Waste Management of Illinois, Inc. Cottonwood Hills Landfill (BU #01052), 10400 Hillstown Road, Marissa, IL 62257-1034 (St. Clair County)	17/49/98	\$4,498,891 (New Cell Construction and Liners, Leachate & Methane Gas Systems, Primary Equipment, Machinery & Equipment, Costs of Issuance)
Borrowing Entity: Waste Management of Illinois, Inc. Operating Entity: Waste Management of Illinois, Inc. Settler's Hill RDF (BU #02041), 1031 E. Fabyan Parkway, Batavia, IL 60510-1409 (Kane County)	14/48/95	\$2,776,178 (New Cell Construction and Liners, Leachate & Methane Gas Systems, Costs of Issuance)
Borrowing Entity: Waste Management of Illinois, Inc. Operating Entity: Waste Management of Illinois, Inc. Milam RDF (BU #02056), Interstate 55/70 @ IL Hwy 203, 602 Madison Road, Fairmont City, IL 62201-1647 (St. Clair County)	12/57/113	\$6,599,759 (New Cell Construction and Liners, Leachate & Methane Gas Systems, Machinery & Equipment, Costs of Issuance)
Borrowing Entity: Waste Management of Illinois, Inc. Operating Entity: Waste Management of Illinois, Inc. Prairie Hill RDF (BU #02173), 18762 Lincoln Road, Morrison, IL 61270-9587 (Whiteside County)	16/36/71	\$6,069,685 (New Cell Construction and Liners, Leachate & Methane Gas Systems, Primary Equipment, Costs of Issuance)

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

**Project: CenterPoint Crete Terminal Railroad LLC and its successors,
affiliates, and assigns**

STATISTICS

IFA Project:	I-FT-TE-CD-7068	Amount:	\$505,000,000 (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 condition stated below.

Condition: IFA's issuance of these Bonds will be 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 United States Department of Transportation ("USDOT") allocation of Nationwide Authority will also be subject to USDOT providing Title 23 and/or Title 49 transportation grant funds through the Illinois Department of Transportation ("IDOT").) Also see Project Development Timetable on p. 5 for more information regarding key events in the development of the subject facilities.

PURPOSE

Acquisition of land, construction of rail improvements, and the construction of all or a portion of an estimated four to eight warehousing and distribution facilities (comprising an estimated 1 million SF each) and related infrastructure located generally on an approximately 857 acre site (including an approximately 342 acre intermodal rail yard) located west of the Union Pacific Railroad/CSX Dolton-Momence line (and west of Illinois Hwy. 394), south of New Monee Road/County Highway 21, and north of Goodenow Road /County Highway 23 in unincorporated Will County, near the Village of Crete, Illinois.

Certain portions of these facilities may qualify for new federally tax-exempt Freight Transfer Facility Revenue Bonds and Highway Infrastructure Facilities 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.

IFA CONTRIBUTION

Although the subject Bonds will be issued on a tax-exempt basis for a for-profit entity, Freight Transfer Facility Revenue Bonds and Highway Infrastructure Facilities 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 USDOT.

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 – PHASE I

Sources:	IFA Bonds,	\$503,100,000	Uses:	Project Cost	\$573,000,000
	Title 23/			<u>Issuance Costs</u>	<u>7,546,500</u>
	Title 49 Grants, and				
	Other Financing				
	<u>Equity</u>	<u>77,446,500</u>			
	Total	<u>\$580,546,500</u>		Total	<u>\$580,546,500</u>

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 tranche as originated. The Borrower anticipates that issuance costs will be financed with equity.

JOBS

Current employment: 0	Projected new jobs:	800 FTE jobs estimated in connection with Phase I over the initial 5 years of the project (1,600 FTE jobs estimated over the 10-year build-out of the project)
Jobs retained: Not applicable	Construction jobs:	500 construction jobs estimated during Phase I (and 1,000 construction jobs over the 10-year build-out period)

BUSINESS SUMMARY

Description: **CenterPoint Intermodal Center - Crete, LLC (the "Borrower")** and its successors, affiliates, and assigns is an Illinois Limited Liability Company formed on February 7, 2007 as a special purpose entity to own and develop the subject intermodal facility and industrial park that will ultimately be annexed to the Village of Crete.

The sole Member of the Borrower is **CenterPoint Properties Trust ("CPT")**, a private Maryland Real Estate Investment Trust. CPT is 100% beneficially owned by **CalEast Global Logistics LLC ("CalEast")**, a leading investor in logistics warehouse and related real estate.

CalEast Global Logistics LLC is owned by the **California Public Employees Retirement System ("CalPERS")** and **LaSalle Investment Management**, a division of (publicly-traded) **Jones Lang LaSalle, Inc.** (see Economic Disclosure Statement on p. 6).

Background on
CenterPoint
Properties

Trust:

CPT was originally formed in 1984 as Capital and Regional Properties Corporation. CPT became a publicly traded REIT in 1993 after consolidating with FCLS Investors Group, a Chicago-based industrial development company with 30 years of local development experience.

In March 2006, after 12 years as a public company, CPT was purchased and taken private by CalEast Global Logistics for \$3.4 billion cash. CalEast is a leading investor in logistics warehouse and related real estate and is a joint venture of CalPERS and LaSalle Investment Management.

CalPERS is the nation's largest pension fund, with more than \$200 billion in assets. LaSalle Investment Management is a wholly-owned, but operationally independent, division of Jones Lang LaSalle, Inc., one of the world's leading real estate service providers. LaSalle Investment Management has over \$40.6 billion in assets under management invested in private real estate. Jones Lang LaSalle is a publicly held, NYSE-listed company (Ticker: JLL).

CPT's mission is focused on the development, ownership, and active management of industrial real estate and related rail, road, and port infrastructure.

CPT is the largest owner, manager, and developer of industrial real estate in metropolitan Chicago with 22 branded business parks. Along with its affiliates, CPT owns and manages more than 40 million SF of industrial/warehousing space. CPT has an additional 3,300 acres of land available for future development.

Intermodal
Facility
Development in
Metro Chicago:

The Chicago Metropolitan Area has emerged as the largest inland port/freight transfer center in the United States. Currently, the Chicago area supports 1.3 billion SF of industrial property, making the Chicago region the largest and most diverse industrial property market in the U.S.

According to CenterPoint, Chicago's transportation industry creates \$22 billion of economic value and \$3.2 billion in wages. CenterPoint reports that more than 117,000 jobs in the Chicago Metropolitan Area are rail-related.

Intermodal facilities provide for the efficient direct transfer of goods between ship, rail, or truck. Essentially, intermodal logistics parks are "inland ports" that allow customers to seamlessly ship goods long-haul from the U.S. coasts inland by rail for distribution by truck. Additionally, industrial land adjacent to intermodal facilities allows warehouse/light manufacturing customers to perform bulk breakdown operations and to repackage or finalize products before final delivery by truck to regional warehouses and/or stores.

The Chicago area is also an ideal location for the development of intermodal facilities – it is the only location in the US that is home to six of the nation's Class I railroads (i.e., Burlington Northern Santa Fe, Canadian National/Soo Line, Canadian Pacific, CSX, Norfolk Southern, Union Pacific).

According to CenterPoint, improved productivity/logistics in the Chicago area is important since approximately 60% of freight traveling inland from the coasts either stops in Chicago, or travels through Chicago to other markets. Although it takes only two days for freight to be shipped from the coasts, it can take 4 days for this rail traffic to move through the City.

Development of intermodal facilities will help reduce rail bottlenecks and should also help reduce truck traffic in the City of Chicago.

Development of intermodal facilities in the Chicago metropolitan area will expand the region's effective rail capacity and will also help maintain the Chicago area's status as the key inland rail hub in the Central U.S.

To date, CPT has developed two intermodal business parks including:

- (1) **CenterPoint Intermodal Center – Elwood**, located in Elwood, Illinois (Will County), along the BNSF's main line from Long Beach to Chicago on the former site of the Joliet Arsenal, near I-55. This 2,200 acre development, presently includes the 70-acre BNSF Logistics Park,

with over 12 million SF of adjacent industrial park space. High profile tenants in the industrial park currently include Wal-Mart (3.4 million SF); Georgia Pacific (1.0 million SF); Potlatch Corporation (624,000 SF), and Sanyo Logistics (300,000 SF). The Elwood Intermodal facility was also financed with \$75 million of grants from IDOT and DCEO (DCCA). Total investment to date has been approximately \$1 billion.

- (2) **CenterPoint Intermodal Center – Rochelle**, located in Rochelle, Illinois (Ogle County), and anchored by the 1,200 acre Union Pacific Global III Intermodal yard, and near the junction of I-88 and I-39, approximately 75 miles west of Chicago. CPT managed the construction and development of the Union Pacific Railroad's \$181 million, 1,230-acre intermodal facility in Rochelle. To date, this intermodal facility has created 150 new jobs and is operating 24 hours per day. Additionally, CPT is also developing a 362-acre industrial park, CenterPoint Intermodal Center – Rochelle, approximately 1 mile from the Rochelle intermodal facility. Upon build-out, the Rochelle Industrial Park will provide approximately 5 million SF of warehousing space to prospective customers.

Other key CPT projects include the California Avenue Business Center, McCook Business Center I and II, BNSF Logistics Park Chicago, DuPage National Technology Park, the Ford Chicago Manufacturing Campus, and several other business parks located in Illinois and SE Wisconsin.

Additionally, Ridge Property Trust has also proposed development of an intermodal facility along the BNSF railroad, just west of I-55 and south of the Kankakee River, near Wilmington (Will County), approximately nine (9) miles south of CPT's Elwood Intermodal Center.

The IFA Board of Directors has already approved a Preliminary Bond Resolution/Inducement Resolution in an amount not-to-exceed \$591 million for Ridge Property Trust's proposed intermodal facility, near Wilmington.

The US Department of Transportation has sole discretion in determining which surface transportation (i.e., private highways, intermodal facilities, and international bridges) receive a portion of USDOT's national \$15 Billion allocation of bond issuance authority over the life of this pilot programs initiated under the 2005 Transportation Bill (i.e., "SAFETEA-LU"). Additionally, all qualifying projects must receive either Title 23 Highway Funds or Title 49 Railroad Grant Funds from USDOT (through IDOT).

To date, USDOT has initially allocated \$2 Billion of this national allocation to a privately-owned toll road (Texas Toll Hwy. 121) under SAFETEA-LU, thereby leaving approximately \$13 billion of national allocation uncommitted for other projects nationally.

**Rationale for
the Crete
Intermodal
Facility:**

CPT's proposed intermodal logistics park in Crete, Illinois would be CenterPoint's third development of this type in the Chicago Metropolitan Area.

To date, CPT has acquired 857 acres of agricultural land that is located adjacent to the Union Pacific-CSX shared mainline between New Monee Road and Goodenow Road in Will County (*please see attached site development brochure, aerial, and maps on pp. 8-9*). CPT plans to dedicate approximately 200 to 300 acres for industrial/warehousing customers, which could accommodate approximately 5 million SF of industrial buildings upon build-out.

The property site is located approximately:

- 1 mile west of Illinois Hwy. 394 (Bishop Ford Freeway extended)
- 12 miles south of I-80/I-94
- 5 miles east of I-57
- 20 miles west of I-65 (and 5 miles west of the Indiana border)
- near the proposed right-of-way of the proposed Illiana Expressway (connector for I-57 and I-65); near the site of the proposed Peotone Regional Airport

- The project site is located approximately 1 mile due west of Balmoral Park, on the west side of the UPRR/CSX railroad tracks.

CPT is proposing development of an intermodal facility to accommodate goods shipped via the Union Pacific (from the West Coast and Southwest) and CSX (from the East Coast) railroads.

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 attract prospective industrial park tenants to Illinois rather than to Indiana.
3. Project-related roadway and interchange improvements to Illinois Hwy. 394 and surrounding roads 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.
5. Location near the newly proposed Illiana Expressway and the site of the Peotone airport.

Proposed
Development
Timetable:

Some key benchmarks in CPT's development timetable for Phase I of the Crete Intermodal Facility include the following:

Completed/Ongoing Activities:

- Initial discussions with USDOT and IDOT regarding Title 23/Title 49 Funding: initiated in late 2006 (and ongoing)
- Rezoning by Village of Crete to allow for special use as an Intermodal Facility: completed
- Annexation by Village of Crete: discussions initiated in February 2007 and ongoing (as of 3/6/2007)
- Apply for IFA Inducement Resolution for Tax-Exempt Bond Financing: in process as of 3/6/2007

Timetable: Upcoming Activities:

- April 2007: Submit application, including IFA Inducement Resolution to the Secretary of the US Department of Transportation
- May-June 2006: Engineering and permitting initiated by TranSystems of Kansas City, MO (CenterPoint's site engineering firm)
- July 2007: Engineering and permitting completed
- September 2007: Topsoil stripping and berms completed
- November 2007: Mass grading and drainage complete
- December 2007: On-site public water and sanitary extensions complete; initial tranche of IFA Bonds closes to finance construction of intermodal/warehousing facilities
- April 2008: Off-site public water and sanitary extensions complete
- September 2008: Railyard, access road, parking lot improvements complete; initial building completed and occupied
- 2009: Lifts completed; lift revenues generated

FINANCING SUMMARY

The proposed Bonds will be issued in tranches, as dictated by demand/build-out. Key financing terms include:

Bondholder Security:	Direct Pay Letter of Credit from ABN AMRO/LaSalle National Bank.
Credit Ratings:	LaSalle National Bank's long-term ratings were Aa3/A+/AA- (Moody's/S&P/Fitch), its short-term ratings of VMIG-1/ A-1/ F1+ from Moody's/S&P/Fitch.

Collateral:	Confidential
Proposed Interest Rate Mode:	7-day variable rate demand bonds
Estimated Interest Rate:	3.65% Floating based on rates as of 2/21/2007
Amortization:	40 years (not to exceed)
Final Maturity:	40 years (not to exceed)

PROJECT SUMMARY FOR PRELIMINARY BOND RESOLUTION

Bond proceeds will be issued in one or more Series and used by CenterPoint Crete Terminal Railroad, LLC and its successors, affiliates, and assigns (the "Borrower") for the purpose of providing the Borrower with all or a portion of the funds for the purpose of assisting in financing infrastructure located generally on an approximately 857 acre site (including an approximately 342 acre intermodal rail yard) including the acquisition of the subject land, installation of infrastructure improvements and the construction of facilities for the transfer of freight including, without limitation, rail facilities, warehouse and other storage facilities, cranes, loading docks and other equipment integral to the transfer of freight at a site located in an area generally west of the Union Pacific Railroad and CSX's Dolton-Momence line (and west of both Illinois Hwy. 394 and Illinois Hwy. 1), south of New Monee Road/County Highway 21, and north of Goodenow Road /County Highway 23 in unincorporated Will County, near the Village of Crete, Illinois. Additionally, bond proceeds may be used to finance the capitalization of any required reserve funds and capitalized interest; and for 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, these capital expenditures and costs will be referred to as the "Project".

Estimated project costs are as follows:

Land Acquisition:	\$70,000,000
New Construction:	453,100,000
Equipment:	<u>50,000,000</u>
Total	<u>\$573,100,000</u>

ECONOMIC DISCLOSURE STATEMENT

- Applicant: CenterPoint Crete Terminal Railroad, LLC (Contact: Mr. Daniel J. Hemmer, SVP and General Counsel, CenterPoint Properties Trust, 1808 Swift Drive, Oak Brook, IL 60523-1501; (T) 630-586-8000; (F) 630-586-8010; e-mail: DHemmer@CenterPoint-Prop.com)
- Web site: www.CenterPoint-Prop.com (CenterPoint Properties)
- Project name: CenterPoint Intermodal Center - Crete
- Location: West of Illinois Hwy. 394/Union Pacific R.R., South of New Monee Road (County Highway 21), North of Goodenow Road (County Highway 23), near Crete
- Organization: CenterPoint Crete Terminal Railroad, LLC is an Illinois limited liability company that is 100%-owned by CenterPoint Properties Trust, a Maryland Real Estate Investment Trust.
- Ownership: CenterPoint Properties Trust is in turn owned by CalEast Global Logistics, LLC, 65 East State Street, Suite 1750, Columbus, OH 43215; (T): 614-460-4444; web site: www.caleast.com
- CalEast Global Logistics LLC is a joint venture between the California Public Employees Retirement System and LaSalle Investment Management. Additional information on the joint venture members follows below:
 - California Public Employees Retirement System (d/b/a "CalPERS"): 100%
400 Q Street, Room 1820
Lincoln Plaza East
Sacramento, CA 95814
web site: www.calpers.ca.gov
 - LaSalle Investment Management, a wholly owned division of Jones Lang LaSalle, Inc., Chicago, IL (a publicly traded company)
Aon Center
200 East Randolph Drive
Chicago, IL 60601
web site: www.lasalle.com/en-US/Services

PROFESSIONAL & FINANCIAL

General Counsel:	CenterPoint Properties Trust	Oak Brook, IL	Dan Hemmer
Borrower's Auditor:	PricewaterhouseCooper LLP	Chicago	
Bond Counsel:	Perkins Coie, LLP	Chicago	Bruce Bonjour, Bill Corbin
Letter of Credit:	LaSalle National Bank/ABN AMRO	Chicago	
Bank Counsel:	To be determined		
Underwriter:	Borrower intends to negotiate with the investment banking affiliates of its lending syndicate to serve as Senior Manager. Prospective firms include: Banc of America Securities LLC; LaSalle Financial Services, Inc., J. P. Morgan Securities, Inc., and Wachovia Securities, LLC. Additionally, CenterPoint plans to interview Wall Street firms with special expertise in transportation finance.	Chicago	
Co-Manager(s)	To be determined prior to Final Bond Resolution		
Underwriter's Counsel	To be engaged by the Underwriter	Cleveland, OH	
Trustee/Fiscal Agent:	To be determined		
Rating Agencies:	To be determined		
Architect:	TranSystems	Kansas City, MO	
General Contractor:	To be determined		
IFA Counsel	Mayer Brown Rowe & Maw LLP	Chicago	David Narefsky
IFA Financial Advisors:	D.A. Davidson & Co. Scott Balice Strategies, Inc.	Chicago Chicago	Bill Morris Lois Scott

LEGISLATIVE DISTRICTS

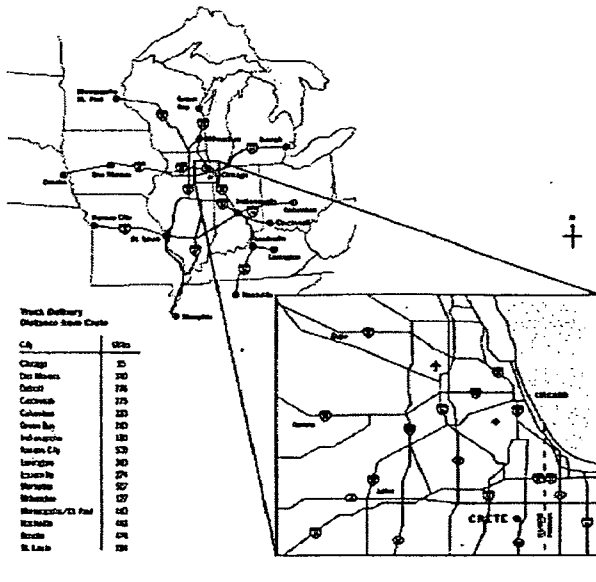
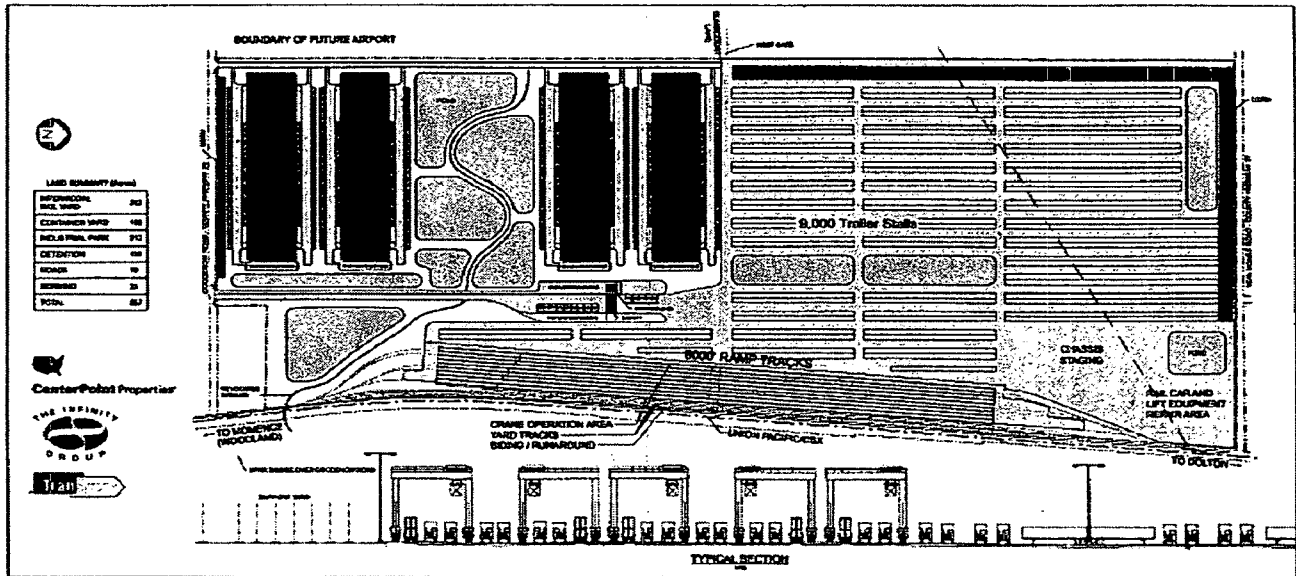
Congressional:	11	Gerald C. ("Jerry") Weller
State Senate:	40	Debbie DeFrancesco Halvorson
State House:	80	George Scully, Jr.

Intermodal Facility and Logistics Park

- Site Attributes**
- 357-acre intermodal logistics center
 - 342-acre cabin intermodal facility
 - Flexible zoning for industrial park and/or container storage
 - Proposed LPV/CSS intermodal center
- Location Advantages**
- Adjacent to Hwy 294 (4 lanes)
 - 5 miles to I-80/I-55 and I-67
 - 20 miles to I-65 (freeway)
 - 1 day service to New River Valley
 - Adjacent to proposed Chicago third airport
 - Proximity to proposed Home Economics

Located approximately 35 miles south of Chicago, CenterPoint Intermodal Center - Crete is clear of inner city congestion and serves as a connection point for west/east or north/south goods distribution. CenterPoint's newest intermodal logistics park is dedicated to the supply chain and logistics needs of international and domestic shippers, logistics providers, retailers and manufacturers/manufacturers.

Featuring a state-of-the-art 342-acre intermodal facility within minutes of Interstates I-60/94, I-57, I-65 and Hwy 294, the site provides immediate access to the critical transportation routes that connect your customers with their products. The site also features 370 acres for a mix of trailer stalls, chassis staging and warehouse/distribution facilities to drastically reduce drayage and demurrage costs for customers loading within the park.



CenterPoint Intermodal Center - Crete
 Crete, Illinois



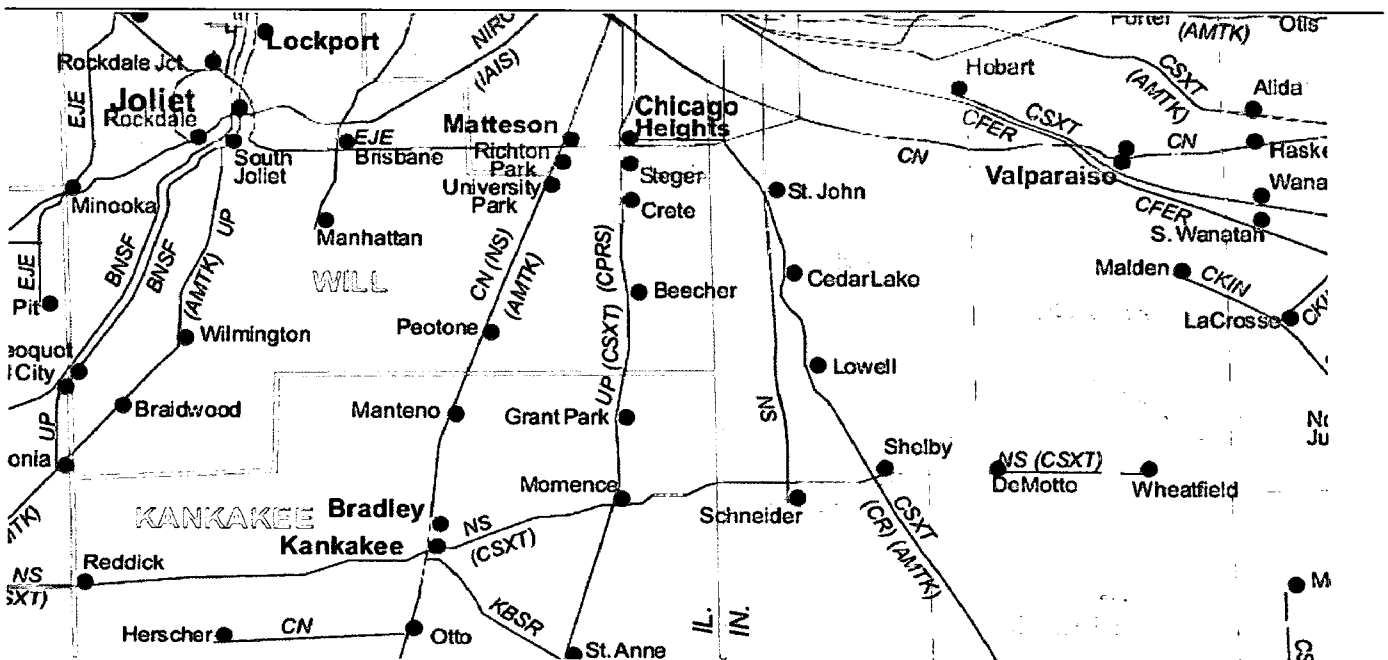
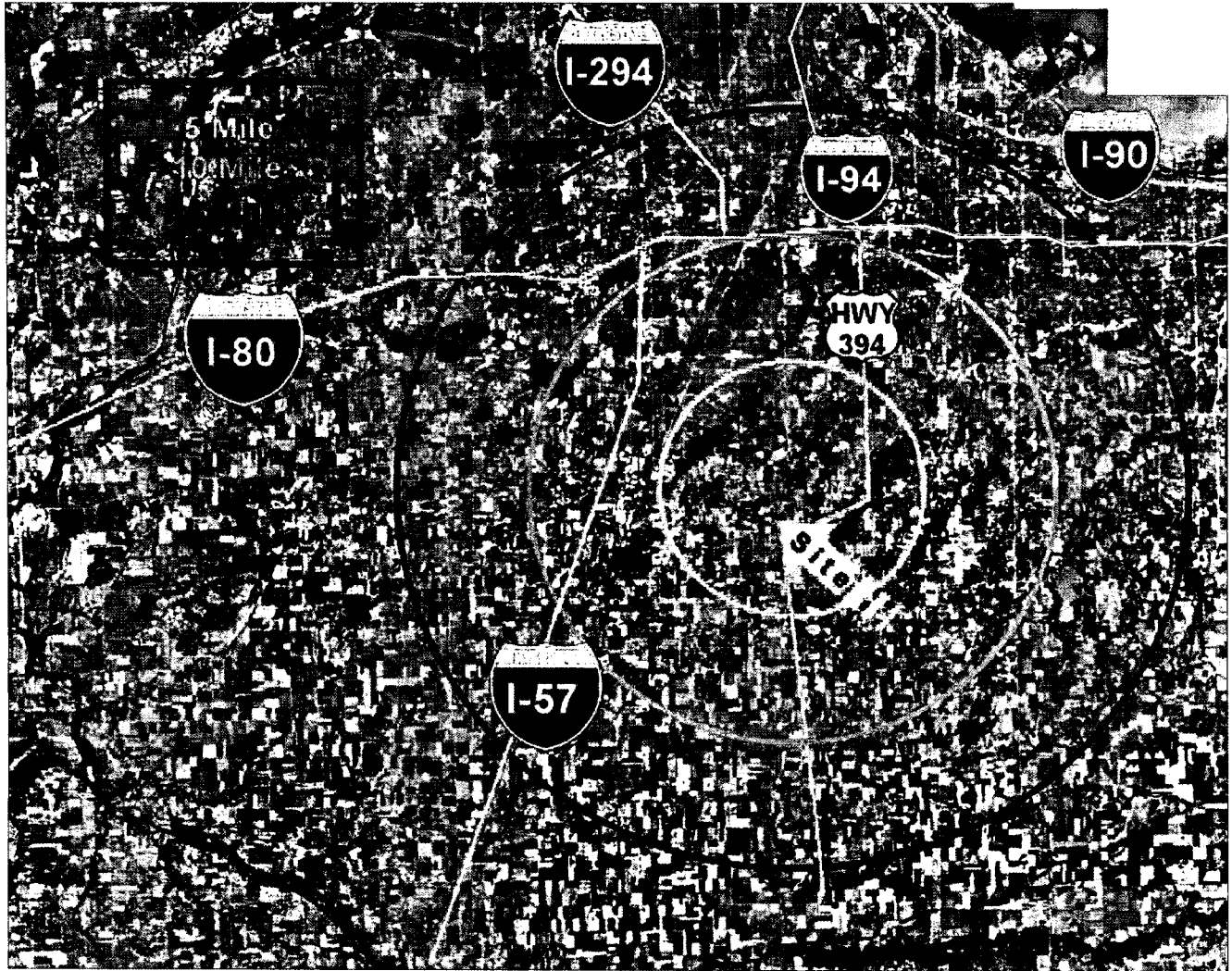
CenterPoint Properties
 Neil Doble - SVP, Development
 630-628-6133
 Eric Crane - VP, Development
 630-628-6187
 www.centerpoint-properties.com

THE INFINITY GROUP
 Mike Taylor, C.E.O.
 708-765-7700

NH Hiffman
 Commercial Real Estate Services, Inc.
 Don Latta, EVP
 800-363-6666
 Anne Pich, Assistant
 303-801-0207

CenterPoint Properties

Opening 2nd Quarter 2008



**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Hadady Corporation & Hadady Investment Company

STATISTICS

Project Number:	I-ID-TE-CD-7062	Amount:	\$7,300,000 (not-to-exceed)
Type:	Industrial Revenue Bond	IFA Staff:	Steve Trout
Location:	Lynwood		

BOARD ACTION

Preliminary Bond Resolution	No IFA funds at risk
Conduit Industrial Revenue Bonds	No extraordinary conditions
Staff recommends approval	SIC Code:

PURPOSE

The construction of a 57,000 sq foot manufacturing facility to be located at 21825 E. Lincoln Highway Lynwood, IL, for the acquisition of manufacturing equipment and machining center.

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying industrial projects. IFA's issuance of Industrial Revenue Bonds will exempt income earned on the Bonds from federal income tax and thereby enable the Borrower to obtain a lower interest rate on this debt. The Authority will contribute \$7,100,000 of Volume Cap, a prerequisite to issuing the Bonds.

VOTING RECORD

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IRB	\$6,900,000	Uses:	Project Costs	\$7,000,000
	Equity	<u>\$200,000</u>		Legal & Professional	<u>\$100,000</u>
	Total	<u>\$7,100,000</u>		Total	<u>\$7,100,000</u>

JOBS

Current employment:	264	Projected new jobs:	35 (within 1 year)
Jobs retained:	264	Construction jobs:	100 (4 months)

BUSINESS SUMMARY

Description: Hadady Corporation is a privately-owned Delaware C-Corporation that was formed in November 1973 to manufacture and assemble precision machined fabrications and locomotive components for industrial and railroad use. The Corporation has facilities in South Holland and Park Forest and two facilities in Dyer, Indiana. Hadady Investment Company leases equipment and real estate to Hadady Corporation and is located in South Holland.

Background: Hadady Corporation has been supplying the Railroad & Mass transit Industries since 1973, with their origin rooted in the design and manufacture of locomotive brake rigging. Hadady is the industry's only vertically integrated supplier of railroad truck components. Complimentary products, such as critical engine components, fasteners, suspension products and other locomotive and freight car replacement parts have been developed in response to the Rail Industry's need for better, more reliable products. Hadady has made railroad trucks (bogies) their niche market. Hadady's product offering encompasses over 4,000 part numbers.

Hadady offers the diesel engine manufacturers unique products designed for demanding service and performance. Custom manifolds for marine diesel engines top the list of innovative Hadady products. Challenged with producing higher horse-power output in a smaller package, major marine engine manufacturers complete engine cooling systems, including oil coolers and expansion tank assemblies, and after cooler housing assemblies, oil and fuel filter housings, fuel lines, engine supports and various truck suspension parts.

Project

Rationale: Hadady's expansion is necessitated by increased customer demand, and its current lack of available capacity. The company's current customer base, which includes companies such as Caterpillar, Cummins, Deere and Hendrickson have indicated their intention of increased opportunity for business. With additional capacity there will be more productive utilization of personnel that enable sales growth to outpace hiring and improve product flow through the production process.

FINANCING SUMMARY

The Bonds: Industrial Revenue Bonds to be purchased by GE Capital
Structure: The Bonds are expected to be fixed-rate obligations that will amortize and mature over 7 years for debt financing machinery and equipment and 20 years for debt financing real estate.
Collateral: The Bonds are expected to be secured by a first lien in the financed equipment.
Rating: No credit rating will be sought.

PROJECT SUMMARY

Bond proceeds will be used for the (1) construction of a 57,000 sq foot manufacturing facility to be located at 21825 E Lincoln Highway, and (2) acquire and install new manufacturing machinery and equipment. Estimated project costs are as follows:

New Machinery & Equipment	\$2,800,000
New Construction	<u>\$4,200,000</u>
Total	<u>\$7,000,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Hadady Corporation and Hadady Investment Company, 510 West 172nd Street, South Holland, IL 60473 (Contact: Rodger Gordon, Chief Financial Office, Telephone: 708/596.5168)
Project Location: 21825 E Lincoln Highway, (Cook County) Lynwood, IL 60411
Organization: Delaware C-Corporation (1973)

PROFESSIONAL & FINANCIAL

Bond Counsel:	Perkins Coie	Chicago	Robert Capizz
General Counsel:	Barnes and Thornburg, LLP	South Bend, IN	Peter Tybula
Bank Purchaser:	GE Capital Public Finance, Inc.	Oak Brook	Brian J Riordan
Bank Counsel:	Kutak Rock		
IFA Counsel:	Dykema Gossett	Chicago	Vern Kowal
Accountant:	Terry McMahon & Co., P.C.	South Bend, IN	
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

U.S Congress – 2nd Jesse Jackson, Jr.
IL House – 80th George Scully Jr.
IL Senate – 40th Debbie DeFrancesco Halvorson

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Ozinga Bros., Inc. and Subsidiaries

STATISTICS

Project Number: I-IR-TE-CD-7033	Amount: \$9,800,000 (not-to-exceed)
Type: Industrial Revenue Bond	IFA Staff: Steve Trout
Location: Various	

BOARD ACTION

Final Bond Resolution	No IFA funds at risk
Conduit Industrial Revenue Bonds	No extraordinary conditions
Staff recommends approval	SIC Code: 3273: Ready-mix concrete

PURPOSE

To finance the acquisition of ready-mix concrete trucks and equipment.

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying industrial projects. IFA's issuance of Industrial Revenue Bonds will exempt income earned on the Bonds from federal income tax and thereby enable the Borrower to obtain a lower interest rate on this debt. The Authority will contribute \$9,800,000 of Volume Cap, a prerequisite to issuing the Bonds.

VOTING RECORD

The IFA Board adopted a Preliminary Resolution on February 13, 2007 for this project by the following vote:

Ayes: 12 Nays: 0 Abstentions: 0 Absent: 3 (Herrin, Nesbitt, Valenti)

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IRB	<u>\$9,615,000</u>	Uses:	Project Costs	\$9,500,000
				Legal & Professional	<u>115,000</u>
	Total	<u>\$9,615,000</u>		Total	<u>\$9,615,000</u>

JOBS

Current employment:	712	Projected new jobs:	105 (within 2 years)
Jobs retained:		Construction jobs:	N/A

BUSINESS SUMMARY

Description: Ozinga Bros., Inc. and Subsidiaries ("Ozinga") is a privately-held Illinois corporation that was founded in 1928 and incorporated in 1956. Ozinga manufactures ready-mix concrete and related products that are sold to the Chicago area construction industry

**Company
Highlights:**

On March 2, 1928 Martin Ozinga and Bill Conrad established the Conrad & Ozinga Coal & Coke Company' in Evergreen Park, Illinois. Within a year, they upgraded their horse and wagon operation by purchasing their first truck, an International, for coal delivery to Evergreen Park homes. Later in 1929, Martin Ozinga Sr. bought Bill Conrad's share of the business to become sole owner of "Martin Ozinga Coal & Coke Co.". In 1942 Martin Sr. transferred the business to his sons, Martin Jr., Rich, & Norman, which became known as "Ozinga Bros. Coal & Building Material". The brothers continued growing the business, expanding the fleet by more than a dozen trucks, to focus on building materials and fuel oil as the demand for coal begins to decline. In 1952 the Ozinga brothers began production of ready-mix concrete, which soon became Ozinga's exclusive product. A plant was opened in Alsip, following population growth to the Southwest suburbs. In 1956, the company was re-organized as an incorporated partnership, called "Ozinga Bros., Inc."

Prior to the 1980's, the Chicago area's ready-mix industry had been predominantly comprised of family-owned companies. Ozinga began buying these companies, upgrading the facilities and operating the purchased plants. Retaining the employees of the original plants preserved the family atmosphere of the company and contributed to Ozinga's success by utilizing the skills and experience of valuable employees. By the 1980's the company built cement plants in Lemont, Mokena, and Chicago Heights, as well as a handful of other locations throughout the Southwest suburbs and Northwest Indiana.

2003, Ozinga Bros., Inc. celebrated its 75th anniversary. With a fleet of over 400 ready mix trucks and 700 employees, Ozinga has become one of the Midwest's leading material supply companies. More than ever, Ozinga continues in its commitment to provide customers with high quality, great service, and a fair price, while upholding the spiritual and philosophical convictions upon which the company was founded.

Project Rationale: Company growth necessitates acquisition of additional ready-mix concrete trucks and related equipment which will be used in the manufacture of concrete. The project will further allow the company to supply the construction industry with an even greater level of service and responsiveness. It is expected to create an additional 100 permanent jobs over the next two years.

FINANCING SUMMARY

The Bonds: Industrial Revenue Bonds to be purchased by GE Capital
Structure: The Bonds are expected to be fixed-rate obligations that will amortize and mature over 60 months for debt financing rolling stock and 84 months for debt financing to other machinery and equipment.
Collateral: The Bonds are expected to be secured by a first lien in the financed equipment.
Rating: No credit rating will be sought.

PROJECT SUMMARY

Bond proceeds will be used to (1) acquire 32/ ready-mix trucks, and (2) acquire and install new manufacturing machinery and equipment. Estimated project costs are as follows:

Ready-mix trucks (Evanston, Mokena and Hampshire)	\$4,381,216
Machinery & Equipment (Montgomery and Henry)	<u>5,118,784</u>
Total	<u>\$9,500,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Ozinga Bros., Inc and Subsidiaries. 15959 South 108th Avenue, Orland Park, IL 60467 (Contact: Donald L. Van Dyk, Vice President Finance & Administration, Telephone: 708/362.8250)

Project

Locations: 2525 Oakton, (Cook County) Evanston, IL 60202 – 2759
401 Brier Hill Road Hampshire, IL 60140-1825
Old Lagrange Road, Mokena, IL 60448-8350
1220 South Lake Street, Montgomery, IL 60538-1400
Intersection of CR 1500E & CR 1400N, Henry Township (Montgomery County), IL

Organization: Illinois Corporation (1956)

PROFESSIONAL & FINANCIAL

Bond Counsel:	Perkins Coie	Chicago	Robert Stephan
General Counsel:	Ozinga Bros., Inc	Orland Park	Barry N. Voorn
Bank Purchaser:	GE Capital Public Finance, Inc.	Oak Brook	Brian J Riordan
Bank Counsel:	Kutak Rock	Chicago	
IFA Counsel:	Wildman Harrold	Chicago	Jim Snyder
Accountant:	BDO Seidman LLP	Chicago	Michael Becker
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Evanston	Janice D. Schakowsky	9th, US Representative
	Jeffrey M. Schoenberg	9th, State Senator
	Elizabeth Coulson	17th, State Representative
Mokena	Gerald C. "Jerry" Weller	11st, US Representative
	Christine Radogno	41st, State Senator
	Renee Kosel	81st, State Representative
Hampshire	J. Dennis Hastert	14th, US Representative
	Chris Lauzen	25th, State Senator
	Timothy L. Schmitz	49th, State Representative
Montgomery	J. Dennis Hastert	14th, US Representative
	Linda Holmes	42nd, State Senator
	Linda Chapa-LaVia	83rd, State Representative
Henry Township	Ray LaHood	18th, US Representative
	Dale E. Risinger	37th, State Senator
	David R. Leitch	73rd, State Representative

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Optima L.L.C. and Plochman Inc.

STATISTICS

Deal Number:	I-ID-TE-CD-7004	Amount:	\$2,000,000
Type:	Industrial Revenue Bond	IFA Staff:	Sharnell Curtis Martin
Location:	Manteno	SIC Code:	2035

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Industrial Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Proceeds will be used to refund the outstanding principal of IFA (IDFA) Series 1996 Industrial Revenue Bonds.

PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying industrial projects. IFA's issuance of Industrial Revenue Bonds will exempt income earned on the Bonds from federal income tax and thereby enable the Borrower to obtain a lower interest rate on the debt.

No Volume Cap is required for IRB Refundings.

VOTING RECORD

Preliminary Bond Resolution: February 13, 2007

Ayes: 12 Nays: 0 Abstentions: 0 Absent: 3 (Herrin, Nesbitt, Valenti)

SOURCES AND USES OF FUNDS

Sources:	IFA Refunding	\$2,000,000	Uses:	Refund Series 1996 Bonds	\$2,000,000
	Equity	<u>80,000</u>		Bond Issuance Costs	<u>80,000</u>
	Total Sources	<u>\$2,080,000</u>		Total Uses	<u>\$2,080,000</u>

JOBS

Current employment:	44	Projected new jobs:	6
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Background: Premium Mustard Mills, the predecessor of Plochman Inc., was founded in 1852 in Chicago. In 1883, Premium Mustard Mills was purchased by the Plochman family and later incorporated as an Illinois corporation. Plochman Inc. is a premium mustard manufacturer and among the top five brands of mustard in the United States and is the only brand that is still family-owned.

Description: Plochman has become the leading retail mustard product in many markets and is carried by approximately 60% of US retail food stores. Developing new product lines targeted at the non-yellow segment of the mustard market is one of Plochman's primary long-term goals.

Plochman's products consist of nine different varieties of yellow and non-yellow mustards packaged in a variety of retail and food service packages. Plochman sells its products through a national sales force of company employees and commissioned food brokers. According to the Company no single customer represents a significant percentage of Plochman sales.

Currently located in Manteno, Illinois the original bond issue assisted Plochman with constructing a 105,000 square foot facility. Prior to 1996, Plochman was located at 36th & California Avenue in Chicago, Illinois since 1961.

Plochman is managed by Carl M. Plochman, III, President & CEO; Glenn Kutzer, Vice President of Manufacturing; and Diane Kintz, Comptroller.

Remarks: Some varieties of Plochman's mustards include: yellow, stone ground, honey, spicy brown, dijon, honey dijon and beer.

FINANCING SUMMARY

Security: The Bonds will be purchased by American Chartered Bank and held until maturity as an investment.

Structure: Private Placement with a fixed rate of 6.25%.

Maturity: 20- year term with a 20-year amortization

Bank Collateral: First mortgage on subject real estate.

Credit Rating: Not Applicable

PROJECT SUMMARY

Bond proceeds will be used to current refund 100% of the outstanding principal of IFA (IDFA) Series 1996 Bonds (Optima, LLC Project). The original Series 1996 Bond Proceeds were used to finance the acquisition of nine acres of land, the construction of a 105,000 square foot manufacturing facility and to acquire machinery and equipment for use therein located at 1333 Boudreau in Manteno (Kankakee County), Illinois. Project costs are estimated as follows:

Refinance Series 1996 Bonds	<u>\$2,000,000</u>
Total Project Costs	<u>\$2,000,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Optima, LLC and Plochman, Inc.
Project name: Plochman, Inc. Project
Location: 1333 Boudreau Road
Organization: Limited Liability Company and Illinois Corporation
State: Illinois
Ownership: Optima, LLC
Carl Plochman 17%
Barbara Plochman 17%
Sajidah Kazmi 13.43%
Christine Dowling 13.43%
Carol Ricker 13.43%
Barbara Plochman Trust 25.70%
Plochman's Inc. Carl (Terry) M. Plochman III 99.96%
Carl Plochman .04%

Land Sellers: Not Applicable

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Gordon Rappold	Chicago	Peter Miller
Accountant:	Detterbeck Johnson & Monsen Ltd.	Palatine	
Bond Counsel:	Perkins Coie LLP	Chicago	Bob Stephan
Bond Purchaser:	American Chartered Bank	Chicago	Peter Harrison
Bond Purchaser's Counsel:	Horwood Marcus & Berk	Chicago	Scott Josephson
Issuer's Counsel:	Wildman Harrold	Chicago	Jim Snyder
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 11 – Jerry Weller
State Senate: 40 – Debbie DeFrancesco Halvorson
State House: 79 – Lisa M. Dugan

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Tella Tool and Manufacturing Company and LaSalle Trust #109240

STATISTICS

Project Number:	I-ID-TE-CD-7043	Amount:	\$3,000,000 (not to exceed)
Type:	IRB	FM:	Townsend Albright
Location:	Lombard	SIC Code:	3544 (Metal Stampings)

BOARD ACTION

Final Bond Resolution	Conduit Industrial Revenue Bonds
No IFA funds at risk	Staff recommends approval
Extraordinary conditions:	
\$100,000 bond denominations	

PURPOSE

Proceeds will be used to (i) refund the outstanding par value of the Applicant's Series 1994, 1997, and 2000 Industrial Revenue Bonds, and (ii) fund legal and professional issuance costs.

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying industrial projects. IFA's issuance of Industrial Revenue Bonds will exempt income earned on the Bonds from federal income tax and thereby enable the Borrower to obtain a lower interest rate on the debt.

VOLUME CAP

Since this is a refunding of previous bond issues, the IFA does not need to provide Volume Cap. The IFA does convey tax-exemption on the Industrial Revenue Refunding Bonds.

VOTING RECORD

This Project is the first time the Project has been presented to the Board. Due to the sensitivity of interest rates and that this is a proposed refunding bond, the Applicant requests that the IFA Board consider its application for approval one time.

SOURCES AND USES OF FUNDS

Source:	IFA Bonds	\$2,775,000	Uses:	Project Costs	\$2,775,000
	Equity	60,000		Legal and professional costs	60,000
Total		<u>\$2,835,000</u>	Total		<u>\$2,835,000</u>

JOBS

Current employment:	87 (Lombard facility)	Projected new jobs:	N/A
Jobs retained:	N/A	Construction/installation jobs:	N/A

BUSINESS SUMMARY

Background: Tella Tool and Manufacturing Company and LaSalle Trust # 109240 (the "Co-Applicants"), ("the Company"), collectively was established in 1971 as an Illinois C Corporation and a Trust. The Company is engaged in tooling, stamping and metal forming in the United States. The main facility is located Lombard, Illinois with an additional facility in Brownsville, Texas. The Lombard facility incorporates more than 110,000 sq. ft. of manufacturing area and utilizes more than \$25 million in state of the art precision stamping equipment. The company's process capabilities range from C.N.C. and C.N.C. fabrication to "in- house" tool and die stamping. The Company implements zero-defect programs such as ISO 9001:2000 and TS 16949:2002. The Company has presses that range from 45 tons to 600 tons with a 144-inch bed. The Company's clients include Honeywell, Inc., Weber, Inc., Delphi Corp., Hi-Iex Corp., and Raytheon Corp.

Daniel M. Provenzano leases the facilities located at 1015 Ridge Avenue, Lombard, Cook County, Illinois, 1008 Ridge Avenue, Lombard, Cook County, Illinois, and 245 Cortland Avenue, Lombard, Cook County, Illinois to the Company. Daniel M. Provenzano is the 100.0% sole shareholder of the Company. The Company is borrowing an additional amount of money through Industrial Revenue Bonds for its Brownsville, Texas facility.

Description: Proceeds of the proposed financing will be used to refund the outstanding par value of approximately \$2,775,000 of the Applicant's Series 1994 and Series 1997 Bonds issued by the Lombard Industrial Development Authority, and Series 2000 Bonds issued by the Illinois Development Finance Authority ("IDFA"). The IDFA was merged into the Illinois Finance Authority on January 2, 2004.

Remarks: The proposed refunding will enable the Applicant (i) to save money on annual fees, (ii) standardize maturities, (iii) and obtain a more competitive rate of interest. The Applicant estimates the proposed refunding will produce approximately \$500,000 in savings.

FINANCING SUMMARY

Purchaser: First Midwest Bank, Carpentersville, Illinois to hold to maturity as an investment.
Structure: Variable Floating Rate Bonds (monthly reset) with a rate of interest equal to the 30-day LIBOR rate plus 1.75%.
Collateral: Please review the Financial Summary section of this report.
Maturity: 2015 with a 25-year amortization
Credit Rating: No rating will be sought as the Bonds are being purchased by the Bank with the intent to hold them to maturity.

PROJECT SUMMARY

Proceeds of the proposed financing will be (i) used to refund the outstanding par value of approximately \$2,775,000 of the Applicant's Series 1994 and 1997 Bonds issued by the Lombard Industrial Development Authority, and Series 2000 Bonds issued by the Illinois Development Finance Authority ("IDFA"), and (ii) fund professional and legal costs.

Project Costs:	Refunding	<u>\$2,775,000</u>
Total		<u>\$2,775,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant/Contact: Tella Tool and Manufacturing Company, and LaSalle Trust #109240, 1015 N. Ridge Avenue, Lombard, Cook County, Illinois 60148
Contact: Stuart Boba Controller, (630) 495-0545
Project Name: Bond Refunding Project
Project Location: 1015 N. Ridge Avenue, Lombard, Cook County, Illinois 60148

Land Owner: Daniel M. Provanzano
Shareholder
Ownership: Daniel M. Provanzano 100.0%
33W295 Surrey, Wayne, Illinois 60184

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Holland & Knight	Chicago	David Zajicek
Accountant:	McBeath, Fates & Ivers, P.C.	Itasca, IL	Larry McBeath
Bond Counsel:	Wildman, Harrold, Allen & Dixon	Chicago	James Snyder
Underwriter/ Placement Agent:	First Midwest Bank	Carpentersville, IL	William Gibbons
Placement Agent: Counsel	Wildman, Harrold, Allen & Dixon	Chicago	James Snyder
Trustee:	Bank of New York Trust Company, N.A.	Chicago	Robert Demos
Financial Advisor:	Nahal Financial	Lombard, IL	James E. Nahal
Issuer's Counsel:	Office of Kevin Cahill	Chicago	Kevin Cahill
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 06th Peter Roskam
State Senate: 23rd Carole Pankau
State House: 46th Dennis Reboletti

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Bradley University

STATISTICS

Project Number: E-PC-TE-CD-7036	Amount: \$90,000,000 (not-to-exceed amount)
Type: 501(c)(3) Bonds	FM: Jim Senica
Location: Peoria	

BOARD ACTION

Final Bond Resolution	No IFA funds at risk
Staff recommends approval	No extraordinary conditions
Conduit Tax-Exempt 501(c)(3) Revenue Bonds	

PURPOSE

Bond proceeds will be used to refund certain of the University's outstanding bonds and to finance the costs of constructing and equipping of a student recreation center, athletic support facility, parking structure, constructing, renovating and equipping academic and academic support facilities and student housing, pay capitalized interest during the construction period and pay certain costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are municipal bonds authorized under the Internal Revenue Code that enable 501(c)(3) corporations to finance capital projects furthering support of their mission. IFA's issuance of these Bonds will convey federal tax-exempt status on the interest paid to bondholders, thereby enabling bondholders to accept a below market interest rate that is passed through to the Borrower.

VOTING RECORD

Voting record from preliminary Board presentation on February 13, 2007:

Ayes: 10	Nays: 0	Abstentions: 0	Vacancy: 1
Absent: 4	(Fuentes, Herrin, Nesbitt, Valenti)		

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS (subject to change)

Sources: IFA New Money Bonds	\$80,000,000	Uses: New Project Cost	\$79,400,000
IFA Advance Ref. Bonds	<u>10,000,000</u>	Refunding	10,000,000
Total	<u>\$90,000,000</u>	Issuance Costs	600,000
		Total	<u>\$90,000,000</u>

JOBS

Current employment:	1,200	Projected new jobs:	0
Jobs retained	1,200	Construction jobs:	50 (12 months)

BUSINESS SUMMARY

Background: Bradley University (“BU” or the “University”) is a 501(c)(3) organization incorporated under Illinois law. The University was founded in 1897 by Lydia Moss Bradley as a polytechnic institute and became a university in 1946. A list of the University’s current Board of Trustees is presented on pp. 4 and 5 of this report.

Day to day operations are managed by President Dr. David C. Broski, who has served since June 15, 2000. The President serves as Bradley’s chief executive officer.

Description: Bradley University is a private, non-profit, non-sectarian, coeducational, master I, comprehensive university located on an approximately 75 acre site on Peoria’s west side, only minutes from the city’s downtown.

The University is accredited as a baccalaureate and masters-level degree-granting institution by the Commission of Institutions of Higher Education and by the North Central Association of Colleges and Schools. The University offers approximately sixty-five undergraduate fields of study and awards twelve undergraduate degrees. At the graduate level, approximately twenty-four fields of study may be undertaken with thirteen degree designations.

In recent years, BU has been recognized for the strength and quality of its instruction by several independent publications. Bradley University was recently ranked 7th among Midwestern comprehensive masters-degree-granting universities in the 2006 edition of *America’s Best Colleges* published by U.S. News & World Report. In addition, Bradley’s Department of Industrial Engineering was ranked second among colleges that do not grant PhDs. Additionally, Bradley University was named 24th on the list of “Top 25 Most Connected Campuses” and “Top 25 Most Entrepreneurial Campuses” in the nation by The Princeton Review and Forbes magazine. Finally, of the nation’s 3,623 colleges and universities, Bradley University’s Foster College of Business Administration is one of only 160 schools whose business and accounting programs are both accredited by AACSB International.

The University addresses renewal and replacement projects on an ongoing, systematic basis and typically incurs major capital expenditures annually to upgrade and refurbish residence halls and academic buildings and to provide general infrastructure improvements.

Remarks: Bradley University’s current student body consists of approximately 5,190 undergraduates and 908 graduate students for a total student headcount of 6,098. Approximately 5,038 (83%) of these students are full time. Bradley’s undergraduate population is drawn mainly from Illinois (86.4%) but includes both national (12%) and international (1.6%) students as well.

FINANCING SUMMARY

Financing Structure: Series 2007A Fixed-Rate Term Bonds with maturity dates of August 1, 2030 & 2034 and Serial Bonds with maturities of August 1, 2008 – 2027 (estimated par amount \$55,000,000)
Series 2007B Multi-Mode Variable Rate Demand Bonds, with interest rates initially reset every 7 days and maturity date of August 1, 2037 (estimated par amount \$25,000,000)

Bondholder Collateral: The Bonds will be secured with municipal bond insurance provided by XL Capital Assurance, Inc, with the Bond Insurer’s insurance financial strength rated “Aaa” by Moody’s and “AAA” by Standard & Poor’s and Fitch, Inc.

Insurer's Security: The bond insurer will not be secured by a mortgage or security interest in any of the University's assets, properties or funds but will be secured by a full and unconditional obligation of the University in an aggregate principal amount not to exceed \$10,000,000 in relation to the refunding and in an aggregate principal amount not to exceed \$80,000,000 in relation to the project financing.

PROJECT SUMMARY

Bond proceeds will be used to: (i) finance all or a portion of the costs of constructing and equipping a student recreation center, athletic support facility, parking structure, and constructing or renovating and equipping academic and academic support facilities and student housing facilities, (ii) pay capitalized interest during the construction period and (iii) pay certain of the costs of issuance of the bonds.

The University will also refund \$7,360,609.51 of its outstanding bonds in order to (i) modify bond covenants contained in the bond documents for some or all of the outstanding bonds, (ii) restructure the debt service payments for some or all of the outstanding bonds and/or (iii) achieve nominal debt service savings for some or all of the outstanding bonds.

Costs for constructing, renovating and equipping University structures proposed in this project are estimated at \$79,400,000.

ECONOMIC DISCLOSURE STATEMENT

Applicant/ Contact: Bradley University 1501 West Bradley Avenue Peoria, IL 61625
Gary Anna, Vice President for Business Affairs and Treasurer; (T) 309/677-3150
Project name: Bradley University Series 2007 Bonds
Location: Bradley University, Peoria, Illinois 61625
Organization: Illinois 501(c)(3) organization
Board Membership: *See list of Board of Trustees on pages 4 and 5*
Current Land Owner: Bradley University

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Miller, Hall & Triggs	Peoria, IL	Robert Hall
Bond Counsel:	Chapman and Cutler	Chicago, IL	Kelly Kost
Bond Insurance:	XL Capital Assurance, Inc.	New York, NY	Scott Beinhacker
Underwriter:	NatCity Investments, Inc.	Cleveland, OH	John Petty
Underwriter's Counsel:	Thompson Coburn LLP	St. Louis, MO	Sara E. Kotthoff
Trustee:	US Bank Corporate Trust Services	Indianapolis, IN	T. Scott Fesler
Rating Agency:	Standard & Poor's	San Francisco, CA	Jessica Matsumori
Issuer's Counsel:	Ungaretti & Harris	Chicago, IL	Ray Fricke
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 18 – Ray LaHood
State Senate: 46 – David Koehler
State House: 92 – Aaron Schock

Bradley University Board of Trustees

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Group President
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Peoria, IL

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University of Illinois College of
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Soin International
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Mr. Robert E. Turner
Chairman/Chief Investment
Officer
Turner Investment Partners, Inc.
Berwyn, PA

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The Honorable Robert H.
Michel
Mr. Samuel Rothberg
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USA (Ret)

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Provost and Vice President for Academic Affairs
Dr. Peter Berghsey Johnsen

Vice President for Business Affairs
Mr. Gary Anna

Vice President for Advancement
Mr. William Engelbrecht

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Mrs. Pratima Gandhi

Assistant Controller – General Accounting
Mrs. Allyn Kosenko

Assistant Controller – Grants & Treasury Management
Mr. Dennis Koch

Internal Auditor
Mrs. Janis Lillard

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 13, 2007**

Project: Loyola University Chicago

STATISTICS

Number:	E-PC-TE-CD-7028	Amount:	\$27,635,000 (not to exceed)
Type:	501(c)(3) Bonds	IFA Staff:	Townsend S. Albright
Location:	Chicago	SIC Code:	8221

BOARD ACTION

Final Bond Resolution	No Extraordinary conditions
Conduit	Staff recommends approval
No IFA funds at risk	

PURPOSE

Proceeds will be used to current refund \$27,635,000 outstanding par value of the Applicant's IEFA* Series 1997-A Bonds.

*Illinois Educational Finance Authority

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of tax-exempt bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

Preliminary bond resolution, February 13, 2007:
9 ayes, 0 nays, 1 abstention: (Boyles)
Members Absent: 4 (J.J. Fuentes, Dr. R. Herrin, M.H. Nesbitt, J.P. Valenti)
Member Resigned: 1

SOURCES AND USES OF FUNDS

Sources:	IFA bonds	\$ 27,635,000	Uses:	Project costs	\$ 27,635,000
	Applicant equity	<u>1,930,470</u>		Contingency	1,420,470
				Legal/Professional	<u>510,000</u>
Total		<u>\$29,565,470</u>	Total		<u>\$29,565,470</u>

JOBS

Current employment:	2430 FTEs, 1012 PTEs	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Background: Loyola University, (the "Applicant", the "University") is a private, co-educational not-for-profit institution of higher education, research, and healthcare founded in 1870 by the Society of Jesus (Jesuits) as St. Ignatius College. The University is the third largest independent institution of higher education in Illinois on the basis of its total enrollment of approximately 15,000 full time and part time students, of whom approximately 60.0% are from Illinois and approximately 40.0% who are from other states and foreign countries on four campuses, including three in Chicago and one in Rome, Italy. The University is a coeducational institution offering undergraduate, graduate, and professional degree-granting programs.

The University's controlled affiliate, Loyola University Health System (Health System), is an Illinois not for profit corporation which controls various health-related entities including Loyola University Medical Center, an Illinois not for profit corporation (LUMC), which was created in 1995 and owns and operates the Foster G. McGraw facility on the Medical Center campus. Through agreements with the University, LUMC provides clinical and teaching facilities for the University's health sciences education programs. In addition to the Health Systems, the University controls Loyola Management Company, which holds certain real estate, and Mundelein College, which is largely inactive, but also holds certain real estate. Loyola University Health System (LUHS) has a wholly-owned subsidiary, Loyola University of Chicago Insurance Company (LUCIC), which is a for-profit insurance company domiciled in the Cayman Islands which is not exempt from federal income taxes. LUCIC provides medical malpractice insurance for LUHS, which is a wholly-owned subsidiary of the University. The University is governed by a 38-member Board. A list of members is included for IFA Board review.

Description: The proposed financing will current refund approximately \$27,635,000 of the University's Illinois Education Facilities Authority Series 1997-A Bonds. There are no new money projects associated with this transaction.

Remarks: Tax exempt financing allows the University to provide education in state-of-the-art facilities while maintaining an affordable pricing structure. The current refunding will enable the University to take advantage of historically low interest rates, standardize bond covenants, and smooth cash flow.

FINANCING SUMMARY

Bondholder's Collateral: The Bonds may be insured by a major bond insurer or be sold based upon the Applicant's credit rating. Payment on the Bonds will be secured by a general obligation pledge of the University

Credit Rating: The Bond will be rated based on the rating of the insurance policy if the Bonds are insured or based on the University's credit rating if the Bonds are issued without credit enhancement. The Applicant's outstanding bond issues are rated "A-" by Standard & Poor's.

Structure: Approximately \$27,635,000 Series 2007-A Tax-Exempt Fixed Rate Refunding Bonds.

Maturity: 2025

Note: The University will conduct a cost-benefit analysis to determine whether or not to obtain bond insurance.

PROJECT SUMMARY

Proceeds will be used to current refund the University's outstanding 1997-A Bonds issued through the Illinois Educational Facilities Authority (a predecessor authority combined into the Illinois Finance Authority).

Project Cost:	Current Refunding	<u>\$27,635,000</u>
Total		<u>\$27,635,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Loyola University
Project names: Series 2007-A Refunding Bonds
Locations: 820 N. Michigan Avenue, and 1050 W. Sheridan Road, Chicago, Cook County, Illinois
Organization: 501(c)(3) Corporation
State: Illinois
Board: List attached for IFA Board review.

PROFESSIONAL & FINANCIAL

Counsel:	In House	Chicago	Ellen Kane Munro
	Jones Day	Chicago	William J. Harmon
Accountants:	Deloitte & Touche LLP	Chicago	Chris Terhark
Bond Counsel:	Chapman and Cutler	Chicago	Nancy Burke
Issuer's Counsel	Mayer Brown Rowe	Chicago	David Narefsky
Underwriter/:	Bank of America	Chicago	Michelle Salomon
Placement Agent	Securities LLC		
Underwriters' Counsel:	Peck, Shaffer & Williams, LLP	Chicago	Bruce Agin
Trustee:	US Bank	Chicago	Grace Gorka
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 07, Danny K. Davis; 9, Janice Schakowsky
State Senate: 03, Mattie Hunter; 07, Carol Ronen
State House: 05, Kenneth Duncan; 14, Harry Osterman

Loyola University Chicago
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Civic Volunteer

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Baxter International

Mr. Joseph A. Power, Jr.
Partner
Power, Rogers, Smith, P.C.

Mr. Michael R. Quinlan
(Chairman)
Former Chairman and CEO
McDonald's Corporation

Mr. John E. Rooney
President and CEO
U.S. Cellular

Loyola University
501(c)(3) Bond
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President
Jesuit Conference

Dr. Judith C. Scully
Professor Emeritus
Loyola University Chicago

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Private Investor

Ms. Smita N. Shah
President
SPAAN Technologies, Inc.

Mr. Michael D. Sullivan
Chairman
Life Source, Inc.

Mrs. Terese Terry
Business Information Specialist
Lippincott Library- Wharton School
University of Pennsylvania

Ms. Cherryl T. Thomas
President
Ardmore Associates

Rev. Michael V. Tueth, S.J.
Associate Chair, Dept of Communication and Media
Studies
Fordham University

Mr. Fidelis N. Umeh
Former President and CEO
SEI Information Technology

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Studies
Fordham University

Final Resolution
March 13, 2007
FM: Townsend Albright

Mr. Fidelis N. Umeh
Former President and CEO
SEI Information Technology

Mr. Edward Wanandi
Chairman
Trailmobile Corporation

Rev. Kevin W. Wildes, S.J.
President
Loyola University New Orleans