

**MINUTES OF THE REGULARLY SCHEDULED MEETING OF THE BOARD OF  
DIRECTORS OF THE ILLINOIS FINANCE AUTHORITY**

The Board of Directors (the "Board") of the Illinois Finance Authority (the "IFA"), pursuant to notice duly given, held its regularly scheduled meeting at 11:30 a.m., on May 10, 2005 in the Plaza Club at 130 E. Randolph, 40<sup>th</sup> Floor, in Chicago, Illinois.

**MEMBERS PRESENT:**

Natalia Delgado (*arrived 11:40*)  
James Fuentes  
Demetris Giannoulis  
Michael Goetz  
David Gustman  
Dr. Roger Herrin  
Martin Nesbitt  
Andrew Rice  
Joseph Valenti  
Bradley Zeller

**MEMBERS ABSENT:**

Edward Leonard  
Terrence O'Brien  
Timothy Ozark

**GENERAL BUSINESS ITEMS**

*Call to Order*

Chairman Gustman called the meeting to order at approximately 11:32, with the above members present.

*Roll Call*

Chairman Gustman asked Secretary Pisarcik to call the roll. There being nine Members present, a quorum was declared.

*Chairman's Report*

The Chairman welcomed the members of the public to the meeting and then gave an overview of the financial performance of the Authority thru April 30, 2005.

*Natalia Delgado arrives and is added to the roll.*

*Director's Report*

Director Rendleman gave an overview of the projects presented to the Members this month, noting there are \$303M in requests.

**Acceptance of March 2005 Financial Statements**

Chairman Gustman asked the Members if there were any questions/comments regarding the financial statements. There being none, the Financials were accepted.

**Acceptance of March 2005 Minutes**

Upon a motion by Mr. Valenti and seconded by Mr. Rice, Chairman Gustman requested a roll call vote. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-04-02).

**Resolution 2005-08 – Resolution Authorizing Certain Amendments to the Illinois Finance Authority’s Farmers Home Administration – Rural Development Program**

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-04-03).

**Resolution 2005-09 – Resolution Appointing a Treasurer of the Illinois Finance Authority**

Chairman Gustman requested leave of the Members to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-04-03).

**Agriculture  
Preliminary Bonds**

- Item-03     A-FB-TE-CD-568: Robert & Brandi Peterson**
- A-FB-TE-CD-569: Kurt Uphoff**
- A-FB-TE-CD-570: Craig & Maura Miller**
- A-FB-TE-CD-572: Charlie Ford**
- A-FB-TE-CD-585: Cole Ervin**

**Robert & Brandi Peterson of Hudson request initial approval of a Beginning Farmer Bond in an amount not-to-exceed \$45,000.**

**Kurt Uphoff of Minonk requests initial approval of a Beginning Farmer Bond in an amount not-to-exceed \$125,000.**

**Craig & Maura Miller of Monmouth request initial approval of a Beginning Farmer Bond in an amount not-to-exceed \$175,000.**

**Charlie Ford of Lomax requests initial approval of a Beginning Farmer Bond in an amount not-to-exceed \$160,000.**

**Cole Erwin of Toledo** requests initial approval of a Beginning Farmer Bond in an amount not-to-exceed **\$90,000**.

The Chairman requested leave to apply the last unanimous vote to each Beginning Farmer Bond request. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-05-03).

***Final Bonds***

***Item-04***

**A-FB-TE-CD-544: Buddy Joe Honegger**

**A-FB-TE-CD-545: Kyle J. Vitzthum**

**A-FB-TE-CD-548: Adam Curry & Teresa N. Curry**

**A-FB-TE-CD-553: Ronald B. & Christine L. Rooth**

**Buddy Joe Honegger of Forrest** requests final approval of a Beginning Farmer Bond in an amount not-to-exceed **\$184,000**.

**Kyle J. Vitzthum of Pontiac** requests final approval of a Beginning Farmer Bond in an amount not-to-exceed **\$45,525**.

**Adam & Teresa N. Curry of Alpha** request final approval of a Beginning Farmer Bond in an amount not-to-exceed **\$187,500**.

**Ronald B. & Christine L. Rooth of Joy** request final approval of a Beginning Farmer Bond in an amount not-to-exceed **\$154,000**.

The Chairman requested leave to apply the last unanimous vote to each Beginning Farmer Bond request. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-05-04).

***Item-05***

**A-FB-TE-CD-541: Stephen A. Niebrugge & Judy K. Niebrugge**

**A-FB-TE-CD-542: David Carson**

**A-FB-TE-CD-543: Larry R. Markewitz**

**A-FB-TE-CD-564: Blake M. Furness**

**Stephen A. & Judy K. Niebrugge of Altamont** request final approval of a Beginning Farmer Bond in an amount not-to-exceed **\$100,000**.

**David Carson of Oakdale** requests final approval of a Beginning Farmer Bond in an amount not-to-exceed **\$100,000**.

**Larry R. Markewitz of Brocton** requests final approval of a Beginning Farmer Bond in an amount not-to-exceed **\$179,522**.

**Blake Furness** of **Witt** requests final approval of a Beginning Farmer Bond in an amount not-to-exceed **\$180,200**.

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

### ***Loan Guarantees***

**Item-06**

**A-DR-TX-583: Albert & Karol Brown**

**Albert and Karol Brown**, of **Winchester**, seek final approval of a not-to-exceed **\$235,505** Agri-Debt Guarantee, to restructure existing debt on 213 acres of farmland and certain rented acreage, subject to Borrower satisfying all conditions of the bank loan and securing a new appraisal demonstrating a satisfactory loan to fair market value ratio.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-05-06).

**Item-07**

**A-SG-TX-584: Borgic Farms, Inc.**

**Borgic Farms, Inc.**, of **Nokomis**, seek final approval of a Specialized Livestock Guarantee in an amount not-to-exceed **\$1 million** to finance the construction of a new swine gestation barn and refinance an existing loan, subject to the Borrower satisfying all conditions of the bank loan and the assignment of \$500,000 in life insurance.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-05-07).

### **Business & Industry** **Participation Loans**

**Item-08**

**B-LL-TX-573: Custom Wood Products, Inc.**

**Custom Wood Projects, Inc.** of **Eureka** seeks final approval of an IFA Participation Loan in an amount not to exceed **\$175,000** to provide financing to acquire land, an industrial building and equipment, subject to the Borrower satisfying all conditions of the bank loan. This project is expected to create **4 new jobs** and **5 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-05-08).

*Item-09*

**B-LL-TX-570: LDJ Development, LLC**

**LDJ Development, LLC, of Carol Stream**, seeks final approval of an IFA Participation Loan in an amount not to exceed **\$1 million** to fund the construction of a new industrial building, subject to the Borrower satisfying all conditions of the bank loan, delivering an "as complete appraisal" showing a loan to value ratio of no more than 80%, completing a Phase I environmental study and applying at least \$1 million in proceeds from the sale of the Borrower's existing building as equity and pay down of the construction loan. This project is expected to create **7 new jobs** and **20 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-04-09).

***Initial Bonds***

*Item 10*

**P-SW-TE-CD-580: Beecher Sexton Energy, LLC**

**Beecher Sexton Energy, of unincorporated Will County**, requests initial approval in an amount not-to-exceed **\$3.5 million** in the form of conduit, tax-exempt Solid Waste Disposal Revenue Bonds to finance generation and transmission equipment at its Beecher Development Company Landfill. In connection with this issuance, the Borrower also requests not-to-exceed **\$3.5 million** in available **IFA Carryforward Volume Cap**. This project is expected to create **4 new jobs** and **25 construction jobs**.

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

***Final Bonds***

*Item-11*

**I-ID-TE-CD-558: Ockerlund Industries, Inc. and Ocklerlund LLC**

**Ockerlund Industries, of Addison**, requests final bond approval in an amount not-to-exceed **\$4 million** of conduit, tax-exempt Industrial Development Bonds. Proceeds will be used to acquire a new site and to acquire, renovate and equip an industrial building to manufacture corrugated and wood boxes. In connection with this issuance, the Borrower also requests not-to-exceed **\$4 million** in

available **2005 IFA Volume Cap**. This project is expected to create **10 new jobs** and **15 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-05-11).

**Item-12**      **I-ID-TE-CD-581: Plano Molding Company**

**Plano Molding Company**, of Plano, is requesting final bond approval for an amount not to exceed **\$10.5 million** of conduit, tax-exempt Industrial Development Bond. Proceeds will be used to refinance outstanding IDFA bonds, series 1990 and 1992.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-05-12).

**Venture Capital**

**Item-13**      **V-TD-587: Clearstack Combustion Corporation**

**Clearstack Combustion**, located **Springfield**, is seeking a not-to-exceed amount of **\$150,000** in second round venture capital financing from the Illinois Venture Investment Fund. This project is expected to create **8 new jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-05-13).

**Item-14**      **V-TD-588: Jaros Technologies**

**Jaros Technologies**, located in **Granite City**, is seeking a not-to-exceed amount of **\$250,000** in venture capital financing from the Illinois Venture Investment Fund. This would be the Authority's first investment in this company. This project is expected to create **7 new jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-04-14).

**Healthcare**  
**Preliminary Bonds**

**Item-15**      **CP-TE-CD-579: Aunt Martha's Youth Service Center**  
**Aunt Martha's Youth Service Center**, with locations throughout northern Illinois, requests preliminary bond approval in an amount not-to-exceed **\$5.6 million** of conduit, tax-exempt 501(c)(3) bonds. Proceeds will be used to refinance IHFA Series 1996 bonds and fund \$2 million in new money projects.

The Chairman requested leave of the Members to apply the last unanimous vote. Leave was granted. The projects were approved with 10 ayes, 0 nays, and 0 abstentions/present (05-04-15).

**Item-16**      **H-HO-TE-CD-586: Advocate Health Care**  
**Advocate Health Care**, with multiple locations throughout Illinois, requests preliminary bond approval in an amount not-to-exceed **\$250 million** in conduit, tax-exempt 501(c)(3) bonds. Proceeds will be used to refinance IHFA Series 1997A and 2000 bonds and fund a debt service reserve fund.

Upon a motion by Mr. Rice and seconded by Mr. Goetz, Chairman Gustman requested a roll call vote. Prior to the vote, Mr. Fuentes informed the public that he would be abstaining from the vote because he has a family member that is on the Board of Lutheran General Hospital, one of the hospitals in the Health Care System. The projects were approved with 9 ayes, 0 nays, and 1 abstentions/present (05-05-16).

**Item-17**      ***Withdrawn***

**Community & Culture**  
**Preliminary Bonds**

**Item-18**      **LG-GR-TE-CD-592: Illinois Medical District Commission (Chicago Technology Park Acquisition & Expansion Program)**  
**Illinois Medical District Commission**, of Chicago, seeks preliminary bond approval in an amount not to exceed **\$40 million** of conduit, tax-exempt Local Government Bonds. Bond proceeds will be used to purchase land, construct and renovate facilities and purchase equipment. This project is expected to create **575 new jobs** and **350 construction jobs**.

Upon a motion by Mr. Zeller and seconded by Mr. Rice, Chairman Gustman requested a roll call vote. The motion was approved with 10 ayes, 0 nays and 0 abstentions/present (05-05-18).

**Participation Loans**

**Item-19**      **B-LL-TX-575: Community Memorial Hospital Association**  
**Community Memorial Hospital Association**, located in **Staunton**, seeks final approval of an IFA Participation Loan in an amount not to exceed **\$450,000** to provide financing to construct a for profit medical office building, subject to the Borrower satisfying all conditions of the bank loan. This project is expected to create **3 new jobs** and **75 construction jobs**.

The Chairman requested leave of the Members to apply the last unanimous vote. Leave was granted. The project was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-05-19).

**Final Bonds**

**Item-20**      **L-GP-TE-MO-578: Village of Warren**  
**The Village of Warren** requests final bond approval in an amount not-to-exceed **\$1.62 million** of conduit, tax-exempt Local Government Bonds, subject to an intercept pledge and 1.25 debt service coverage. Proceeds will be used to upgrade the Village's existing wastewater treatment plan and processes.

The Chairman requested leave of the Members to apply the last unanimous vote. Leave was granted. The project was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-05-20).

**Item-21**      **L-GO-TE-577: City of Metropolis**  
**The City of Metropolis** requests final bond approval in an amount not-to-exceed **\$13 million** of conduit, tax-exempt Local Government Bonds, subject to an intercept pledge and 1.25 debt service coverage. Proceeds will be used to provide infrastructure improvements. This project is expected to create **130 new jobs** and **300 construction jobs**.

The Chairman requested leave of the Members to apply the last unanimous vote. Dr. Herrin indicated that a bank he owned had done business with the prior owners of the Harrah's Casino, but he wanted to state for the record that neither he nor any entity he currently owns does business with the Harrah's Casino. Leave was granted. The project was approved with 10 ayes, 0 nays, and 0 abstentions/present (05-05-21).

**Item-22**      **Withdrawn**



***Resolutions***

***Item-23      Withdrawn***

The Chairman asked if there was any other business to come before the Committee or if any member of the public wished to address the Committee. There being no further business, Chairman Gustman adjourned the meeting at approximately 12:12 P.M.

Respectfully Submitted,

Michael R. Pisarcik, Secretary