

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 a regularly scheduled meeting at 1:30 P.M., on September 14, 2004 in the Illinois State Library Room 403 located at 300 South Second Street in Springfield, Illinois.

MEMBERS PRESENT:

Joseph Alford
Demetris Giannoulis
David Gustman
Michael Goetz
Dr. Roger Herrin
Martin Nesbitt
Timothy Ozark
Andrew Rice
Joseph Valenti

MEMBERS ABSENT:

Natalia Delgado
Edward Leonard
Terrence O'Brien

GENERAL BUSINESS ITEMS

Call to Order

Chairman Gustman called the meeting to order at approximately 1:30 P.M., with the above members present.

Roll Call

Chairman Gustman asked Assistant Secretary D'Amato to call the roll. Having nine members present, a quorum was declared.

Director's Report

Director Ata reported that this month the Capital Opportunity Bond (Small Hospital Financing) Program was financing its first hospital, St. Anthony's in Alton. He also welcomed Jill Rendleman as the new Financial Services Director, Central and Southern Illinois.

Item 1 - Acceptance of August 2004 Preliminary Financial Statements

Upon a motion by Mr. Goetz and seconded by Mr. Nesbitt, Chairman Gustman requested a roll call vote. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (04-09-01)

Item 2 – Acceptance of the August 2004 Minutes

The Chairman noted that the minutes reflect the Board's approval of not to exceed \$145 million in conduit revenue bond financing to Northwestern University (IFA No. E-PC-TE-CD-408), which was the amount set forth in the Bond resolution and other financing documents that were before the Board, adding that the August agenda mistakenly had listed the amount at \$135 million. With that, the Chairman asked if any member had any comments regarding the minutes of the Board's August minutes. Hearing none, the Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (04-09-02).

Item 3 – Resolution 2004-19: Establishing the Capital Opportunity Bond Program for Small and Mid-Size Rural and Urban Not-For-Profit Hospitals and Other Healthcare Providers in the State of Illinois, Approving the Form of Documents Therefore and Delegating to the Executive Director the Authority to Implement Said Program.

Resolution 2004-20: Expressing the Policy Considerations of the Members on the Use of Businesses Owned by Minorities, Women and Persons with Disabilities and Small Businesses in Illinois Finance Authority Conduit Financings.

Upon a motion by Mr. Valenti and seconded by Mr. Alford, the Chairman requested leave to record the last unanimous vote to each resolution. The motion was approved with 9 ayes, 0 nays, and 0 abstentions. (04-09-03).

Initial Project Considerations

Item-07 N-NP-TE-CD-415: The YMCA of Metropolitan Chicago
This applicant requests preliminary approval of **\$27,000,000** in conduit 501(c)(3) Revenue Bonds to finance projects located in **multiple locations across the State**. These projects are expected to create **65 new jobs** and **200 construction jobs**.

Upon a motion by Mr. Goetz and seconded by Mr. Alford, the Chairman requested a roll call vote. Prior to the vote, Mr. Rice indicated that he would be abstaining from the vote due to the fact that he knew members of the Board of the YMCA of Metropolitan Chicago. The motion was approved with 8 ayes, 0 nays, and 1 abstentions/present (04-09-07).

Item-04

H-HO-TE-CD-401: The Carle Foundation

This applicant requests preliminary and purchase contract approval of **\$200,000,000** in conduit 501(c)(3), Revenue Bonds to finance a project located in **Urbana**.

Upon a motion by Mr. Goetz and seconded by Mr. Alford, Chairman Gustman requested a roll call vote. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-04).

Item-05

H-HO-TE-CD-418: Ingalls Health System

This applicant requests preliminary approval of **\$50,000,000** in conduit 501(c)(3), Revenue Bonds to finance projects located in **Harvey and Tinley Park**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-05).

Item-06

H-HO-TE-CD-419: Saint Anthony's Health Center

This applicant requests preliminary approval under the Board's new Capital Opportunity Bond Program of **\$6,000,000** in conduit 501(c)(3) Revenue Bonds to finance a project located in **Alton, Illinois**. This project is expected to create **4 new jobs** and **15 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-05).

Item-08

N-NP-TE-CD-417: Sauk Valley Student Housing, L.L.C. (to be formed)

This applicant requests preliminary approval of **\$8,000,000** in conduit 501(c)(3) Revenue Bonds to finance a project located in **Dixon**. This project is expected to create **5 new jobs** and **100 construction jobs**.

Upon a motion by Mr. Goetz and seconded by Mr. Alford, the Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present. (04-09-08)

Item-09

N-NP-TE-CD-416: Fox River Valley Country Day School

This application was withdrawn at the request of the borrower prior to consideration by the Members.

Item-10

E-PC-TE-CD-413: The Richard H. Driehaus Museum Chicago

This applicant request preliminary approval of **\$15,500,000** in conduit 501(c)(3) Revenue Bonds to finance a project located in **Chicago**. It is expected that this project will create **3 new jobs** and **40 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-10).

Item-11

I-ID-TE-CD-413: E. Kinast Distributors, Inc.

This applicant requests preliminary approval of **\$3,600,000** in conduit Industrial Revenue Bonds to finance a project located in **Hanover Park**. This project will be using \$3,600,000 of the Authority's 2004 Volume Cap. It is expected that this project will create **13 new jobs** and **87 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-11).

Item-12

A-FB-TE-CD-439: Brent A. West

A-FB-TE-CD-441: Kevin and Emily Lilienthal

A-FB-TE-CD-444: Carl J. Kettlekamp and Lori Kettlekamp

A-FB-TE-CD-445: Larry W. Eldridge

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

Brent A. West	\$90,000	Taylorville
Kevin & Emily Lilienthal	\$250,000	Bloomington
Carl J. & Lori Kettlekamp	\$189,000	Nokomis
Larry W. Eldridge	\$250,000	Mason City

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-12).

Item-16

E-PC-TE-CD-412: Illinois Institute of Technology

This applicant requests preliminary approval for **\$15,000,000** in conduit 501(c)(3) Revenue Bonds to finance a project located in **Chicago**. This project is expected to create **66 new jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-16).

Final Project Considerations

Item-15

E-PC-TE-CD-410: The University of Chicago

This applicant requests final approval of **\$200,000,000** in conduit 501(c)(3), Revenue Bonds to finance projects located in **Chicago**. This project is expected to create **100 new jobs** and **150 construction jobs**.

Upon a motion by Mr. Alford and seconded by Mr. Rice, the Chairman requested a roll call vote. Prior to the vote, Mr. Ozark stated that he would be abstaining from the vote because he is a member of of the University of Chicago Hospital System Board of Trustees. The motion was approved with 8 ayes, 0 nays, and 1 abstentions/present (04-09-15).

Item-13

H-NH-RE-TE-CD-414: Rest Haven Christian Services

This applicant requests final approval for **\$50,000,000** in conduit Tax-Exempt 501(c)(3) Refunding Revenue Bonds to finance a project located in **multiple locations across the State**.

Upon a motion by Mr. Rice and seconded by Mr. Nesbitt, the Chairman requested a roll call vote. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-13).

Item-14

P-PO-TE-CD-406: Ameren Corporation (Central Illinois Public Service Company, d/b/a AmerenCIPS, and Central Illinois Light Company, d/b/a AmerenCILCO)

This applicant requests final approval of **\$35,000,000** in conduit Pollution Control Revenue Refunding Bonds for Central Illinois Public Service Company to finance projects located in **Coffeen** and **Newton** and final approval for **\$19,200,000** in conduit Pollution Control Revenue Refunding Bonds for Central Illinois Light Company to finance projects located in **unincorporated Fulton County**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-14).

Item-17

E-PS-TE-CD-411: Rogers Park Montessori School

This applicant requests final approval of **\$12,000,000** in conduit, Tax-Exempt 501(c)(3) Revenue Bonds to finance a project located in **Chicago**. These bonds are to be sold in a minimum denominations of \$100,000 and will require delivery of a

Sophisticated Investor's Letter. This project is expected to create **20 new jobs** and **50 construction jobs**.

Upon a motion by Mr. Rice and seconded by Mr. Nesbitt, the Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-17).

Item-18 **N-NP-TE-CD-414: Illinois Primary Health Care Association Facilities Acquisition Program**

The following applicants request final approval for conduit, Tax-Exempt, 501(c)(3) Revenue Bonds to finance projects in the amounts and locations listed below.

Chicago Family Health Center	\$3,500,000	Chicago
Community Health & Emergency Services, Inc.	\$3,100,000	Cairo & Carbondale
Erie Family Health Center Refinancing Project	\$2,100,000	Chicago

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-18).

Item-19 **N-NP-TE-CD-413: Merit School of Music**

This applicant requests final approval of **\$5,00,000** in a conduit, Tax-Exempt, 501(c)(3) Revenue Bonds to finance a project located in **Chicago**. This project is expected to create **13 new jobs** and **15 construction jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-19).

Item-20 **N-NP-TE-CD-412: Featherfist and Featherfist Development Corporation**

This applicant requests final approval of **\$1,500,000** in conduit tax-exempt 501(c)(3) Revenue Bonds to finance a project located in **Chicago, Illinois**. This project is expected to create **25 new jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-20).

Item-21

L-GO-TE-RE-401: Village of Romeoville

This application was withdrawn at the request of the borrower prior to consideration by the Members.

Item 22

L-GO-TE-CD-406: City of Sparta

This applicant is requesting final approval for **\$8,000,000** in conduit Local Government Alternate Revenue Bonds to finance a project located in **Sparta**. This project is expected to create **150 new jobs**

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-22).

Item 23

L-GO-TE-CD-408: Stookey Township

This applicant is requesting final approval for **\$5,000,000** in conduit Local Government General Obligation Bonds finance a project located in **Stookey Township**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-23).

Item 24

B-LL-TX-410: Newline Hardwoods, Inc.

This applicant is requesting final approval for a **\$300,000** Participation Loan for a project located in **Beardstown**. This project is expected to create **38 new jobs**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-24).

Item 25

V-TD-408: ZelleRx Corporation

This application was withdrawn at the request of the borrower prior to consideration by the Members.

Item 26

A-AI-GT-TX-416: David Thompson, Thompson Pearl Valley Eggs

This applicant requests final approval for **\$7,518,000** in Agri-Industries Loan Guarantees to finance a project located in **Kent**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-26).

Item 27

A-SC-TX-GT-443: Timberline Farm, LLC

This applicant requests final approval for **\$750,000** in Specialized Livestock Loan Guarantees to finance a project in **Milton**

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-27).

Item 28

A-SG-TX-GT-442: Oink, Inc

This applicant requests final approval for **\$978,000** in Specialized Livestock Loan Guarantees to finance a project in **Morrison**.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-28).

Item-29

A-FB-TE-CD-434: Clayton D. and Ashlyn L. Becker

A-FB-TE-CD-435: James Lee and Bonnie May Brewer

A-FB-TE-CD-436: Jason D. Organ

A-FB-TE-CD-437: Jordan Walter

These applicants request final approval of Beginning Farmer Bonds for the amounts:

Becker	\$131,400	(DeKalb)
Brewer	\$110,000	(Bethany)
Organ	\$250,000	(McLeansboro)
Jordan Walter	\$250,000	(Forrest)

The Chairman requested leave to apply the last unanimous vote to each. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-29).

A-FB-TE-CD-438: Jared Walter

This application was withdrawn that the request of the borrower prior to consideration by the Members.

Project Revisions/Amendatory Resolutions

Item 30

Concordia University

This applicant requests the Members' approval of (i) a First Supplemental Trust Indenture and (ii) a First Supplemental Loan Agreement in order to make the necessary amendments thereto to permit and provide for a new letter of credit bank and the issuance and delivery of a confirming letter of credit for the bonds.

Adventist Health System/Sunbelt Obligated Group

Adventist requests the Members' approval of a Second Supplemental Trust Indenture in order to make the necessary amendments thereto to permit and provide for a new broker-dealer for the Bonds.

The Chairman requested leave to apply the last unanimous vote to each. Leave was granted. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present (04-09-30).

The Chairman asked if there was any other business to come before the Board or if any member of the public wished to address the Board. There being no further business and no one seeking to address the Board, Chairman Gustman adjourned the meeting at approximately 2:05 P.M.

Respectfully Submitted,

Michael Pisarcik, Secretary