

MINUTES OF THE SEPTEMBER 27, 2006 SPECIAL 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 Special Board Meeting at 11:30 a.m., on September 27, 2006 at the offices of Shefsky & Froelich, 111 E. Wacker Drive, Suite 2800, Chicago, Illinois:

Members present:

David C. Gustman, Chairman
James J. Fuentes
Demetris A. Giannoulas
Michael W. Goetz
Dr. Roger D. Herrin
Andrew W. Rice
Juan B. Rivera
Joseph P. Valenti

Members absent:

Magda M. Boyles
Ronald E. DeNard
Martin H. Nesbitt
Terrence O'Brien
Lynn F. Talbott

Members participating by telephone:

Edward H. Leonard (exited the phone after voting on Project No. 4)
Bradley A. Zeller

GENERAL BUSINESS

Call to Order and Roll Call

Chairman Gustman called the meeting to order at 11:41 a.m. with the above members present. Chairman Gustman asked Carla Burgess Jones, Secretary, to call the roll. Ms. Burgess Jones called the roll. There being eight (8) members physically present and two (2) members present by telephone, Ms. Burgess Jones declared a quorum present.

Interim Executive Director's Report

Chairman Gustman welcomed everyone present and asked Interim Executive Director Rendleman to give her report. Interim Executive Director Rendleman welcomed everyone and announced that at today's Special Meeting the IFA will present 21 projects totaling over \$399.9 million across all of IFA's market segments. Ms. Rendleman also announced that beginning October 10, 2006 the IFA board meetings will be held at The Mid America Club located at 200 E. Randolph Drive, 80th floor.

Acceptance of Financial Statements

Financial statements for period ending August 31, 2006 were accepted by all board members present.

Minutes

Chairman Gustman asked Carla Burgess Jones, Secretary to take a roll call vote for approval of the revised minutes of the August 8, 2006 meeting of the Board. Revised minutes of the August 8, 2006 were approved with 10 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-DR-GT-6177 – Harold D. and Ruth A. Rauch

Request for approval of the issuance of an Agri-Debt Guarantee Extension in an amount not-to-exceed \$95,000 to provide financing of an existing real estate mortgage. (06-09-01).

No. 2: A-DR-TX-GT-6183 – Rodney and Denise Yuskis

Request for approval of the issuance of a Restructuring Agricultural Debt Guarantee in an amount not-to-exceed \$66,000 to provide financing to extend a prior Agri-Debt Guarantee loan. (06-09-02).

No. 3: A-FB-TE-CD-6171 – Benjamin and Angela Goebel

A-FB-TE-CD-6174 – Matthew J. Muzeur

A-FB-TE-CD-6175 – Douglas and Erin Hodel

A-FB-TE-CD-6172 – Webster Phillip

A-FB-TE-CD-6179 – Patrick Finley

Request for approval of the issuance of Beginning Farmer Bonds in the respective not-to-exceed amounts of \$65,000; \$89,250; \$60,000; \$119,700 and \$86,250 to finance the purchase of farmland. (06-09-03).

Chairman Gustman asked if there were any guests attending the meeting with respect to project Nos. 1 through 3. There being none, Chairman Gustman asked if the Board had any questions with respect to project Nos. 1 through 3. There being none, Chairman Gustman Chairman requested leave to apply the last unanimous vote in favor of project Nos. 1 through 3. Leave was granted. Project Nos. 1 through 3 were approved with 10 ayes, 0 nays, and 0 abstentions.

No. 2A: P-SW-TE-CD-6203

Unified Biofuels Technology, LLC (project added to agenda on September 22, 2006)

Request for preliminary approval of the issuance of Solid Waste Disposal Revenue Bonds in an amount not-to-exceed \$100,000,000 to finance the acquisition of a 70-acre site in Griggsville, IL and a 62-acre site in Royal, IL and for construction of an ethanol plant and pay issuance costs. The Authority will contribute carry-forward Volume Cap to the extent that it is available. IFA's issuance of Solid Waste Disposal Facilities Revenue Bonds conveys federal income tax exemption on interest earned on the Bonds. This project is expected to create 100 new jobs and 400 construction jobs. (06-09-2A).

Chairman Gustman asked if there were any guests attending the meeting with respect to the Unified Biofuels Technology project. Funding Manager Steven Trout introduced Charles Torree (CEO), Walker Filbert (President & GM), Larry Johnson (CFO) and John May, Stern Brothers. Mr. Filbert gave a brief overview of the project.

Chairman Gustman asked if the Board had any questions with respect to the Unified Biofuels project. Various members asked questions and these questions were answered. Chairman Gustman requested leave to apply the last unanimous vote in favor of this project. Leave was granted. Unified Biofuels Technology was approved with 10 ayes, 0 nays, and 0 abstentions.

No. 4: H-HO-TE-CD-6193 – Riverside Medical Center

Request for preliminary approval of the issuance of Conduit 501(c)(3) Bonds in an amount not-to-exceed \$35,000,000 to refund all or a portion of the Series 1996 Bonds, fund a debt service reserve fund, reimburse or fund new capital projects, pay bond issuance and enhancement costs. (06-09-04).

At this time, Member Edward Leonard disconnected from the phone line. After his departure, there remained eight (8) members physically present and one (1) member participating via telephone.

No. 5: H-HO-TE-CD-6178 – Sherman Health System

Request for preliminary approval of the issuance of Conduit 501(c)(3) Bonds in an amount not-to-exceed \$100,000,000 to fund new money projects, fund debt service reserve fund and capital costs, and pay issuance costs. This project is expected to create 61 new jobs and 350 construction jobs. (06-09-05).

Chairman Gustman asked if there were any guests attending the meeting with respect to project Nos. 4 and 5. Pamela Lenane introduced Eric Krueger on behalf of Sherman Health System. Mr. Krueger gave a brief overview of the project.

Dr. Herrin then informed Chairman Gustman that he will abstain from voting on Project No. 5. Chairman Gustman then asked Carla Burgess Jones, Secretary to take a roll call vote. Project No. 4 was approved with 10 ayes, 0 nays, and 0 abstentions. Project No. 5 was approved with 8 ayes, 0 nays and 1 abstention (Herrin). Dr. Herrin stated for the record that he is uncomfortable with the construction timeline of the project, therefore, Dr. Herrin abstained from voting on Project No. 5.

No. 6: H-SL-RE-TE-CD- 600 – Montgomery Place

Request for preliminary approval of the issuance of 501(c)(3) Bonds in an amount not-to-exceed \$55,000,000 to finance marketing, development and construction associated with the project, refund outstanding debt, fund a portion of the interest payments, capitalize debt service reserve fund and pay issuance costs. This project is expected to create 100 construction jobs. (06-09-06)

No. 7: H-HO-TE-CD-6165 – Midwest Regional Medical Center

Request final approval of the issuance of 501(c)(3) Bonds in an amount not-to-exceed \$50,000,000 to fund construction of a replacement hospital, reimburse prior capital expenditures, fund debt service reserve fund, fund capitalized interest and pay issuance costs. This project is expected to create 18 new jobs and 140 construction jobs. (06-09-07)

Chairman Gustman asked if the Board had any questions with respect to project Nos. 6 and 7. There being none, Chairman Gustman requested a roll call vote to approve project Nos. 6 and 7. The projects were approved with 9 ayes, 0 nays, and 0 abstentions.

No. 9: N-NP-TE-CD-6180 – Victor C. Neumann Association

Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$7,000,000 to refinance existing debt, renovate existing facilities and pay issuance costs. This project is expected to create 88 new jobs and 20 construction jobs. (06-09-09)

No. 10: N-NP-TE-6186 – Congregation B'nai Torah

Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$5,300,000 to refund an existing capital project loan and to finance the construction of a new facility and renovate and upgrade an adjacent playground, garden and terrace area. This project is expected to create 7 new jobs and 20 construction jobs. (06-09-10).

Chairman Gustman asked if there were any guests attending the meeting with respect to project Nos. 9 and 10. There being none, Chairman Gustman asked if the Board had any questions with respect to project Nos. 9 and 10. There being none, Chairman Gustman Chairman requested leave to apply the last unanimous vote in favor of project Nos. 9 and 10. Leave was granted. Project Nos. 9 and 10 were approved with 9 ayes, 0 nays, and 0 abstentions.

No. 11: Project Withdrawn

No. 12: N-NP-TE-CD-6143 – Living Family Trust I, LLC

Request for preliminary approval of the issuance of 501(c)(3) Revenue Bonds in an amount not-to-exceed \$16,000,000 for acquisition and renovation of existing affordable housing projects. This project is expected to create 6 construction jobs over an 18 month period. (06-09-12).

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 12. Funding Manager Rich Frampton introduced Reverend Carter and Aaron Lee of Living Family Trust and bond counsel, Jim Snyder. Reverend Carter gave an overview of the project and thanked the Board for their consideration. Chairman Gustman asked if the Board had any questions with respect to project No. 12. There being none, Chairman Gustman Chairman requested leave to apply the last unanimous vote in favor of project No. 12. Leave was granted. Project No. 12 was approved with 9 ayes, 0 nays, and 0 abstentions.

No. 16: N-NP-TE-CD-6189 – International Ice Centre, LLC

Request for final approval of the issuance of Conduit 501(c)(3) Bonds in an amount not-to-exceed \$2,000,000 for construction and furnishings costs, capitalize debt service reserve fund and pay issuance costs. This project is expected to create 1 new job. (06-09-16).

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 16. Funding Manager Steven Trout introduced members of the Huskies Hockey Club and

Mr. Tod Miles of Baird. The guests thanked the board for consideration of their project. Chairman Gustman asked if the Board had any questions with respect to project No. 16. There being none, Chairman Gustman Chairman requested leave to apply the last unanimous vote in favor of project No. 16. Leave was granted. Project No. 16 was approved with 9 ayes, 0 nays, and 0 abstentions.

No. 18: Project Withdrawn.

No. 20: I-ID-TE-CD-6184 – C&D Recycling, LLC

Request for preliminary approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$4,400,000 for the purpose of purchasing land upon which to construct a recycling facility, to purchase machinery and equipment and to fund costs of issuance. This project is expected to create 41 new jobs and 40 construction jobs. (06-09-20).

Chairman Gustman asked if there were any guests attending the meeting with respect to project No. 20. There being none, Chairman Gustman asked if the Board had any questions with respect to project No. 20. There being none, Chairman Gustman Chairman requested leave to apply the last unanimous vote in favor of project No. 20. Leave was granted. Project No. 20 was approved with 9 ayes, 0 nays, and 0 abstentions.

No. 21: I-IR-TE-CD-6190 – Raco Steel Company

Request for preliminary approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$2,000,000 to finance the acquisition and installation of a steel slitting line. This project is expected to create 10 new jobs within 2 years. (06-09-21).

No. 23: I-IR-TE-CD-6191 – JBWLP, LLC

Request for preliminary approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$3,500,000 to finance and reimburse borrower's costs to acquire land and an industrial building. This project is expected to create 30 new jobs within 2 years and 6 construction jobs over a 6 month period. (06-09-23).

No. 24: I-ID-TE-CD-6185 – Gusto Packing Company, Inc.

Request for preliminary approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$8,500,000 to finance facility expansion, equipment acquisition and pay certain issuance costs. This project is expected to create 50 new jobs and 40 construction jobs.(06-09-24).

Chairman Gustman asked if there were any guests attending the meeting with respect to project Nos. 21, 23 and 24. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of project Nos. 21, 23 and 24. Leave was granted. Project Nos. 21, 23 and 24 were approved with 9 ayes, 0 nays, and 0 abstentions.

No. 22: I-ID-TE-CD-6187 – Bohler-Uddelholm Corporation

Request for preliminary approval of Industrial Revenue Bonds in an amount not-to-exceed \$10,000,000 to finance and reimburse construction costs, purchase and install

machinery and equipment, and pay engineering costs. This project is expected to create 10 new jobs within 2 years and 75 construction jobs over nine months. (06-09-22).

Chairman Gustman informed board members and guests that he would have to abstain from voting on Project No. 22. Mr. Gustman stated for the record that his law firm represents the company. A roll call vote was taken. Project No. 22 was approved with 8 ayes, 0 nays, and 1 abstention (Gustman).

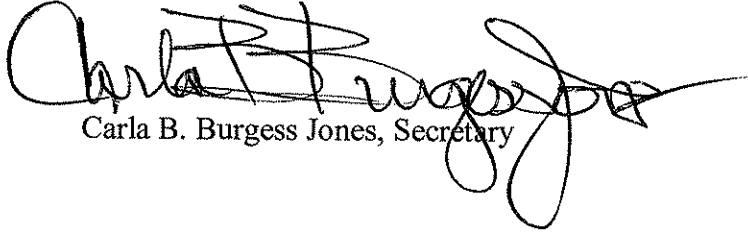
Resolutions/Project Revisions/Amendatory Resolutions

- No. 28:** **Darrell Runge, Sr. (A-LL-TX-6115)**
Amendatory Resolution to increase the principal amount of a Participation Loan to Darrel Runge, Sr. previously approved by the Board on June 13, 2006 from \$92,500 to \$167,500. (06-09-28).
- No. 29:** **Trainor Elevator Limited Partnership (A-LL-TX)**
Amendatory Resolution to increase the principal amount of a Participation Loan previously approved by the Board June 13, 2006 from \$293,580 to \$310,380. (06-09-29).
- No. 31:** **Resolution No. 2006-07-04.** Establishing a fee schedule for the Illinois Finance Authority's issuance of 501(c)(3) Bonds for the benefit of a health facility to acquire a "term of years" property interest in healthcare equipment and to fund related renovations.
- No. 32:** **Velde Saur's Land Trust (B-LL-TX-704)**
Amendatory Resolution to approve an extension to December 6, 2006 on IFA's commitment to fund a Participation Loan. (06-09-32)
- No. 33:** **Bitwise Communications (B-LL-TX-6063)**
Amendatory Resolution to revise the collateral being provided to the IFA as security under a Rural Development Loan previously approved by the Board on June 13, 2006. (This amendatory resolution was added to the agenda on September 22, 2006). (06-09-33)
- No. 34:** **Michael and Stephen Schmidt (A-LL-TX-6168)**
Amendatory Resolution to increase the principal amount of a Participation Loan previously approved by the Board from \$250,000 to \$265,000. (This amendatory resolution was added to the agenda on September 22, 2006). (06-09-34)

Chairman Gustman requested leave to record the last unanimous vote in favor of Amendatory / Resolution Nos. 28, 29, 31, 32, 33 and 34. Leave was granted. The resolutions were approved with 9 ayes, 0 nays, and 0 abstentions

Chairman Gustman asked if there was any other business to come before the Board. There being no further business Chairman Gustman requested a motion to adjourn. Upon a motion by Dr. Herrin and seconded by Mr. Goetz, the meeting adjourned at approximately 12:27 p.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Carla B. Burgess Jones', written in a cursive style. The signature is positioned above the printed name.

Carla B. Burgess Jones, Secretary