

MINUTES OF THE NOVEMBER 6, 2008 MEETING OF THE AGRICULTURE COMMITTEE OF THE ILLINOIS FINANCE AUTHORITY

The Agriculture Committee (the "Committee") of the Illinois Finance Authority (the "IFA"), pursuant to notice duly given, held a Agriculture Committee Meeting via teleconference at 1:30 p.m., November 6, 2008 at the Illinois Finance Authority, 180 N. Stetson, Suite 2555, Chicago, Illinois:

Members participating by phone:

Edward H. Leonard, Sr., Chair
Bradley A. Zeller
Michael W. Goetz

Members present:

None

Members absent:

None

Staff Absent:

Christopher Meister
Cory Mitchell

Staff:

Karen Walker, Director of Financial Services and Authorized Officer
Carla Burgess Jones, Board Secretary
Eric Reed, Senior Funding Manager

Others

None

GENERAL BUSINESS

Call to Order and Roll Call

The meeting was called to order at 1:34 p.m. with the above members participating by phone.

Approval of Minutes

Chairman Leonard announced that the next order of business was to approve the minutes of the October 9, 2008 Ag Committee Meeting. Chairman Leonard requested a motion to approve the minutes. Motion was moved by Mr. Goetz and seconded by Mr. Zeller. The October 9, 2008 minutes were unanimously approved by members of the Ag Committee.

Discussion of the following Beginning Farmer Bonds:

Michael and Lindsey Urish - \$175,000

Mr. Reed shared with the committee that the purpose of the loan was to provide permanent financing to purchase 40 acres of farmland, a machine shed and a grain bin. Mr. Reed provided a brief review of the borrower's finances.

Matthew DeSutter - \$167,000

Mr. Reed shared with the committee that the purpose of the loan was to provide permanent financing to purchase 57.06 acres of farmland. Mr. Reed provided a brief review of the borrower's finances.

Matthew Becker - \$225,000

Mr. Reed shared with the committee that the purpose of the loan was to provide permanent financing to purchase 76 acres of farmland. Mr. Reed provided a brief review of the borrower's finances.

Thomas Burnside - \$250,000

Mr. Reed shared with the committee that the purpose of the loan was to provide permanent financing to purchase 86.75 acres of farmland. Mr. Reed provided a brief review of the borrower's finances.

Jonathan & Marlene Weaver - \$160,000

Mr. Reed shared with the committee that the purpose of the loan was to provide permanent financing to purchase 46.2 acres of farmland and two barns. Mr. Reed provided a brief review of the borrower's finances.

Benjamin & Bryann Odom - \$81,250

Mr. Reed shared with the committee that the purpose of the loan was to provide permanent financing to purchase 50 acres of farmland. Mr. Reed provided a brief review of the borrower's finances.

Jason Tubbs - \$100,000

Mr. Reed shared with the committee that the purpose of the loan was to provide permanent financing to purchase 80 acres of farmland with a barn and grain bins. Mr. Reed provided a brief review of the borrower's finances.

Chairman Leonard asked if members of the Ag Committee had any questions with respect to the seven Beginning Farmer Bonds that were presented. There being none, Chairman Leonard asked if the committee had any objections to recommending the seven Beginning Farmer Bonds to the Board for approval. There were no objections.

Discussion of the following Participation Loans:

David & Becki Damhoff - \$417,000

Mr. Reed shared with the committee that the purpose of the loan was to provide permanent financing to purchase 195.15 acres of farmland. Mr. Reed provided a brief review of the borrower's finances, funds contributed by the IFA, the estimated sources and uses of funds and the interest rate on the proposed loan.

Donald B. Latherow - \$325,000

Mr. Reed shared with the committee that the purpose of the loan was to provide permanent financing to purchase 268 acres of farmland. Mr. Reed provided a brief review of the borrower's finances, funds contributed by the IFA, the estimated sources and uses of funds, the interest rate on the proposed loan, and a summary on the financing structure for this loan.

Joseph Healy - \$27,000

Mr. Reed shared with the committee that the purpose of the loan was to provide permanent financing to purchase a corn and soybean planter. Mr. Reed provided a brief review of the borrower's finances, funds contributed by the IFA, and the estimated sources and uses of funds for this loan.

A discussion ensued concerning proposed changes to the Participation Loan Program. Mr. Reed satisfactorily addressed the committee's questions. Mr. Reed will present background information and lender feedback at the next scheduled meeting.

Chairman Leonard asked if members of the Ag Committee had any questions with respect to the three Participation Loans that were presented. There being none, Chairman Leonard asked if the committee had any objections to recommending the three Participation Loans to the Board for approval. There were no objections.

Discussion of the following Agri-Debt Guarantee:

John and Nancy Howard - \$276,250

Mr. Reed shared with the committee that the proceeds of the loan will be used to refinance and restructure various existing term debts for the borrower. Mr. Reed provided a brief review of the borrower's finances, covenants of the loan and the financing structure for the loan.

A discussion ensued concerning the borrower's credit card debt. Mr. Reed satisfactorily addressed the committee's questions.

Chairman Leonard asked if members of the Ag Committee had any further questions with respect to Agri-Debt Guarantee that was presented. There being none, Chairman Leonard asked if the committee had any objections to recommending the Agri-Debt Guarantee to the Board for approval. There were no objections.

Other Business

Chairman Leonard asked if there was any other business to come before the Committee. There being none, Chairman Leonard requested a motion to adjourn. Upon a motion by Mr. Goetz and seconded by Mr. Zeller, the meeting adjourned at approximately 1:58 p.m.

Respectfully submitted,

Carla B. Burgess Jones, Secretary