

**MINUTES OF THE JULY 12, 2011, MEETING OF THE AGRICULTURE COMMITTEE 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 an Agricultural Committee (the "Committee") Teleconference Meeting at 9:30 a.m. on Tuesday, July 12, 2011, at the Chicago Office of the Illinois Finance Authority, 180 North Stetson, Suite 2555, Chicago, IL 60601.

Board Members Participating:

Bradley A. Zeller, Acting
Chairman
Michael W. Goetz

Staff Participants:

Christopher B. Meister, Executive Director
Rich K. Frampton, Vice President
Arthur S. Friedson, Chief Human Resources Officer
Ahad F. Syed, Administrative Assistant

Others Participating:

James W. Tarasuik, Jr.,
Borrower

By Telephone:

Jim Senica, Sr. Funding Manager
Lorrie Karcher, AG Program Coord./Office Mgr.

I. Call to Order and Roll Call

Mr. Zeller called the Committee to order at 9:40 a.m. and asked Mr. Syed to call the roll. Mr. Syed called the roll with the above Members present. Mr. Zeller declared the quorum met.

Mr. Goetz suggested that in Mr. Leonard's absence Mr. Zeller assume the role of Acting Chairman. Mr. Zeller voiced his agreement. The Committee concurred and no objections were noted.

Out of consideration for Mr. Tarasuik, Acting Chairman Zeller requested that Ms. Karcher present Mr. Tarasuik's request for approval prior to approval of the Minutes and the first Beginning Farmer Bond project listed on the agenda.

III. Project Discussions

Ms. Karcher presented the following project to the Committee for approval:

A) Beginning Farmer Bonds (One-Time Final Resolution)

i. James W. Tarasuik - \$67,000 – 40 acres

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$67,000 for the purchase of approximately 40 acres of farmland. This project is located in Burgess Township, Bond County, IL.

Acting Chairman Zeller asked a question regarding the new practice of including project resolutions alongside Beginning Farmer Bond Board Summaries. Mr. Friedson replied that IFA staff has included the project resolutions at the request of Bond Counsel.

Acting Chairman Zeller asked for a motion to approve the above project. Mr. Goetz motioned for approval of the above project and Acting Chairman Zeller seconded the motion. The Committee concurred that the above project be recommended for Board approval.

II. Review and Approval of June 7, 2011, Agriculture Meeting Minutes

The Agriculture Committee reviewed the Minutes of the June 7, 2011, Agriculture Meeting. Mr. Goetz motioned to approve the Minutes and Mr. Zeller seconded the motion. The motion was followed by unanimous approval of the Committee.

Acting Chairman Zeller asked Ms. Karcher to return to the Project Discussions and present the two remaining Beginning Farmer Bonds.

III. Project Discussions

Ms. Karcher presented the following projects to the Committee for approval:

A) Beginning Farmer Bonds (One-Time Final Resolution)

i. Brent Zaagman - \$239,828 – 90 acres

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$239,828 for the purchase of approximately 90 acres of farmland. This project is located in Hopkins Township, Whiteside County, IL.

ii. Doug E. & Lora M. Kocher - \$80,000 – 38 acres including buildings

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$80,000 for the purchase of approximately 38 acres of farmland including buildings. This project is located in St. Marie Township, Jasper County, IL.

Acting Chairman Zeller asked for a motion to approve the above projects. Mr. Goetz motioned for approval of the above projects and Acting Chairman Zeller seconded the motion. The Committee concurred that the above projects be recommended for Board approval.

Mr. Senica presented the following project to the Committee for approval:

B) Amendatory Resolutions

i. Resolution to Authorize a First Amendment to the Loan Agreement among the Illinois Finance Authority, Sunrise Ag Service Company and Clayton Holdings LLC relating to IFA Series 2006 Industrial Revenue Bonds (Sunrise Ag Service Company Project)

Acting Chairman Zeller asked for a motion to approve the above project. Mr. Goetz motioned for approval of the above project and Acting Chairman Zeller seconded the motion. The Committee concurred that the above project be recommended for Board approval.

IV. Other Business

Director Meister stated that in the May 10, 2011, Committee of the Whole Meeting there were concerns from some Board Members regarding the two Bertolino Agri-Debt Guarantees and deferred to Mr. Senica.

Mr. Senica explained to the Committee Members that the Board Members preferred to see the father of Aaron & Adam Bertolino co-sign and guarantee the collateral. The Bank, however, feels that this is unnecessary. Mr. Senica further explained that most of the value was in the land itself and that the appraisal was not very high.

Director Meister explained that the IFA is working with the Bank and this has not delayed the closing date of the transaction. Director Meister also stated that Mr. Senica will send out more information regarding the current status of this transaction to the Members of the Agriculture Committee.

V. *Adjournment*

Acting Chairman Zeller asked if there was any other business before the Board. Hearing none, Acting Chairman Zeller asked for a motion to adjourn. Mr. Goetz motioned to adjourn the meeting and Acting Chairman Zeller seconded the motion. The Committee concurred that the meeting be adjourned at 9:57 a.m.

Minutes submitted by:
Ahad Syed
Administrative Assistant