

**MINUTES OF THE MARCH 1, 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 Teleconference Meeting at 9:30 a.m. on Tuesday, March 1, 2011, at the Chicago Office of the Illinois Finance Authority, 180 North Stetson, Suite 2555, Chicago, IL 60601.

**Board Members Participating:**

Chairman Edward H. Leonard, Sr.  
Mr. Michael W. Goetz  
Mr. Bradley Z. Zeller

**Staff Participants:**

Christopher B. Meister, Executive Director  
Arthur S. Friedson, Chief Human Resources Officer  
Ahad F. Syed, Administrative Assistant

**Others Participating:**

None

**By Telephone:**

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

***I. Call to Order and Roll Call***

Chairman Leonard called the Committee to order at 9:35 a.m. and asked the Administrative Assistant, Mr. Syed, to call the roll. Mr. Syed called the roll with the above Members present. Chairman Leonard declared the quorum met.

***II. Review and Approval of Minutes***

Chairman Leonard asked for a motion to approve the Minutes of the February 3, 2011, Meeting of the Agriculture Committee with a removal of a scrivener's error on the agenda. Mr. Zeller motioned to approve the February 3, 2011, Agriculture Committee Minutes and Mr. Goetz seconded the motion. The motion was followed by unanimous approval of the Committee.

***III. Discussion of Beginning Farmer Bonds***

*Beginner Farmer Bonds*

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

**A. Craig A. & Cara Mz Huber - \$295,450 – 70.5 acres**

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$295,450 for the purchase of approximately 70.5 acres of farmland. This project is located in unincorporated Carroll County, near Lanark, IL.

**B. James V. Mickley - \$248,000 – 120 acres**

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$248,000 for the purchase of approximately 120 acres of farmland. This project is located in unincorporated Henry County, near Colona, IL.

**C. Kane Richard Vandersnick - \$326,000 – 116 acres**

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$326,000 for the purchase of approximately 116 acres of farmland. This project is located in unincorporated Henry County, near Annawan, IL.

Director Meister added that the IFA had received its \$30 Million Beginning Farmer Bond volume cap for calendar year 2011 and will close their first Beginning Farmer Bond for this calendar year today.

Mr. Zeller motioned for approval of the above projects and Mr. Goetz seconded the motion. The Committee concurred that the above projects be recommended for Board approval.

#### ***IV. Recruiting Update***

Mr. Friedson presented two resumes to the Agriculture Committee for potential candidates as Senior Agriculture Lender. The Committee noted the comments by Ms. Karcher of the reputation of one of the candidate in the agriculture lending community in downstate Illinois. Mr. Goetz was pleased to note that the same candidate had considerable civic involvement but had mixed concern about whether it would impede his ability to travel. Mr. Friedson stated that he will be conducting interviews with both individuals shortly and will keep the Agriculture Committee notified as to his progress.

#### ***V. Legislative Update***

Director Meister explained to the Agriculture Committee that he is having discussions with Howard Kenner in Springfield in regards to appropriations and related legislation that could potentially impact the IFA. Director Meister stated that he will be meeting with Mr. Kenner in the coming days.

#### ***VI. Other Business***

Director Meister asked Ms. Karcher and Mr. Senica for an update on the Loan Review Status of the Agriculture Guarantee and Loan Participation portfolios.

Mr. Senica explained that he has completed fifteen items from the portfolio in the Northwest quarter of the State and will be meeting with Country Bank and Farmers Bank in Aledo, IL, to discuss matters pertaining to the Agriculture Guarantee and Loan Participation portfolios.

Director Meister explained to the Board that IFA staff will be working on USDA loans with the same diligence as the Participation Loans and Agriculture Guarantees.

Ms. Karcher explained that she and former employee Mr. Eric Reed had completed work on the other three-quarters of the State (i.e. not including the Northwest quarter of the state) in regard to loan review within the Agriculture Guarantee and Participation Loans that the IFA has in its statewide portfolio. Furthermore, there are no more loans delinquent than those that are on the Watch List.

Director Meister stated that there will be more updates forthcoming on the AquaRanch guarantee loan through Flannigan State Bank as well as the Seabaugh loan through Litchfield Bank. Both are in the preliminary stages of filing bankruptcy.

Director Meister noted the special importance of the Wire Mesh Corporation amendment to the Members of the Board downstate. The amendment seeks to release collateral for a Mexico-based road-building company that has brought jobs to Illinois. Director Meister thanked Mr. Senica for his work on this matter.

#### ***VII. Adjournment***

Chairman Leonard asked if there was any other business before the Board. Hearing none Chairman Leonard asked for a motion to adjourn. Mr. Goetz motioned to adjourn the meeting and Mr. Zeller seconded the motion. The Committee concurred that the meeting be adjourned at 10:00 a.m.

Minutes submitted by:  
Ahad Syed  
Administrative Assistant