

**MINUTES OF THE DECEMBER 3, 2009 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 Thursday, December 3, 2009 at the Chicago Office of the Illinois Finance Authority, 180 North Stetson, Suite 2555, Chicago, IL 60601.

Board Members Participating:

Bradley A. Zeller
Michael W. Goetz

Board Members

Absent:

Edward H. Leonard, Sr., Chair

Staff Participants:

Christopher B. Meister, Deputy Director &
General Counsel
Beverly Womack-Holloway,
Secretary to the Board
Eric Reed, Downstate Regional Manager

Others Participating:

None

I. Call to Order

Mr. Goetz, Vice Chair of the Board of Directors, called the meeting to order at 9:32 a.m. with the above committee members and staff present via teleconference.

II. Approval of Minutes

The minutes from the Agriculture Committee meetings held on October 8 and November 6, 2009 were reviewed. Mr. Zeller motioned for approval of the minutes and Mr. Goetz seconded the motion. The minutes were unanimously approved by the Committee.

III. Project Approvals -- Beginning Farmer Bonds

Jared W. Brewer

Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$166,375 for the purchase of 55 acres of farmland. This project is located in Cambridge, IL (Henry County).

Mark J. & Beth A. Killam

Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$469,200 for the purchase of an undivided 1/3 interest in a farm equal to 76.48 acres of farmland. This project is located in Auburn, IL (Sangamon County).

William C. & Jennie M. Nichelson

Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$469,200 for the purchase of an undivided 1/3 interest in a farm equal to 76.48 acres of farmland. This project is located in Girard, IL (Sangamon County).

Nicholas L. Holland

Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$113,920 for the purchase of 40 acres of farmland. This project is located in Mason, IL (Effingham County).

Mr. Reed presented the above projects in accordance with the Board Summary. He noted that the legislation granting authorization and setting bond limits for the Beginning Farmer Bond Program includes an automatic yearly increase, allowing higher total bond amounts for projects approved in 2010. The Committee unanimously approved all beginning farmer bonds listed above.

IV. Project Approvals -- Agricultural Guarantees

Baby Bacon, Inc.

Request for final approval for the issuance of an Agri-Debt Guarantee in an amount not-to-exceed \$300,000. Proceeds from this financing will be used to provide an 85% loan guarantee in favor of Resource Bank to refinance the borrowers' debts. This project is located in Amboy, IL (Lee County).

Mr. Reed presented consistent with the Board Summary. He noted the project was for a total of \$300,000 not \$500,000 as indicated on the agenda. He pointed out several of the conditions imposed on the project to the Committee Members and explained them as well. No objections were noted and approval was recommended.

V. Other Business

Mr. Reed gave a brief update on the hog market. He stated all indications from market experts are that prices will recover by 2Q2010, as concerns from the swine flu epidemic and production declines, which will lead to improved prices and improved profitability for producers.

Mr. Reed also noted that Mr. Meister had spoken with the Governor's Office and the Governor's Office of Management and Budget about altering or increasing the Agri-Debt Guarantee Program in order to better serve struggling Illinois farmers. It was agreed to pursue those changes in the Spring 2010 legislative session.

VI. Closing

Mr. Goetz asked if there was any other business to come before the Committee. There being none, Chairman Goetz requested a motion to adjourn. Upon a motion by Brad Zeller and seconded by Mike Goetz, the meeting adjourned at approximately 10:10 a.m.

Transcribed by: Beverly Womack-Holloway, Secretary to the Board

Respectfully Submitted,

Kara Nystrom-Boulahanis
Asst. Secretary to the Board