

**MINUTES OF SPECIAL MEETING OF
THE INDUSTRIAL DEVELOPMENT AUTHORITY OF
THE CITY OF PEORIA, ARIZONA**

September 18, 2007

A Special Meeting of the Board of Directors of The Industrial Development Authority of the City of Peoria, Arizona (the Authority") was convened at 8401 West Monroe Street, Economic Development Conference Room, in open and public session at 4:00 P.M. on Tuesday, September 18, 2007.

Board Members Present in Person or by Telephone: Directors Jerry Gauthier, Michael Bellard, Kenneth Compton, Caron Sada, Carnell Murrell and Randy Wright.

Board Member Absent: Director Shelly Bade.

Others Present: William F. Wilder, legal counsel to the Authority; David Ellis, President and CEO of Arizona Baptist Retirement Centers, Inc. and Stephen M. Kemp, Peoria City Attorney.

Conduct of Business: Jerry Gauthier, President of the Authority, presided at the meeting, and William F. Wilder served as recording secretary at the meeting.

Minutes of June 21, 2006 Special Meeting: The minutes of the Special Meeting of the Authority held on June 21, 2006, were presented to the Directors, and upon a motion made by Mr. Bellard and seconded by Mr. Murrell, the minutes were approved as presented.

NEW BUSINESS

1. **Action to Preliminarily Approve the Issuance of Revenue Bonds for the Benefit of Arizona Baptist Retirement Centers, Inc.**

Mr. Gauthier advised that the next item on the Agenda was for the Board to consider the request of Arizona Baptist Retirement Centers, Inc. for the issuance of not to exceed \$5,200,000 of the Authority's revenue bonds for the benefit of Arizona Baptist Retirement Centers, Inc., and advised that Mr. Wilder together with Mr. David Ellis were available to make presentations and answer questions.

At the request of Mr. Gauthier, Mr. Wilder summarized the Application that had been presented by Arizona Baptist Retirement Centers, Inc. requesting issuance of not to exceed \$5,200,000 of the Authority's bonds to assist in financing the costs of the acquisition and construction of approximately 30 new assisted living units to be located on the Northeast Phoenix Campus of Arizona Baptist Retirement Centers, Inc.'s at 20802 North Cave Creek Road, Phoenix, Arizona. Thereafter, Mr. Ellis made a

presentation and responded to questions from the Board regarding the proposed financing and provided a description of the Project. Thereafter, Mr. Wilder advised that he had reviewed the proposed form of Resolution that was before the Directors for consideration. Thereupon, and after further discussion and upon a motion made by Mr. Bellard and seconded by Mr. Murrell, the following Resolution was unanimously adopted:

RESOLVED, that preliminary approval is hereby granted by the Authority to Arizona Baptist Retirement Centers, Inc. for the issuance of the Authority's revenue bonds in an amount not to exceed \$5,200,000 for the purpose of assisting in the financing of the acquisition and construction of approximately 30 new assisted living units to be constructed on the Northeast Phoenix Campus of Arizona Retirement Centers, Inc. in Phoenix, Arizona, all in accordance with the form of Resolution presented to the meeting, such Resolution being adopted and such Resolution being incorporated into and made a part of these minutes by reference.

2. **Financial Report and Approval of Payables**

Mr. Gauthier next called upon Mr. Wilder to provide a financial report. Mr. Wilder advised that he had previously distributed by mail a financial report covering the period ending July 31, 2007, and reviewed this report with the Directors. A copy of this report, showing a fund balance of \$53,661.75 is included in the records of the Authority.

Next, Mr. Gauthier advised that the Board needed to consider and take action regarding the approval of the statement for services rendered from Ryley, Carlock & Applewhite, legal counsel to the Authority, in the sum of \$8,618.90, covering the period November 1, 2005 through August 31, 2007. Upon a motion made by Mr. Murrell and seconded by Mr. Gauthier, the following resolution was unanimously adopted:

RESOLVED, that the statement for services rendered of Ryley, Carlock & Applewhite covering the period November 1, 2005 through August 31, 2007, in the sum of \$8,618.90, as presented to the Directors, is hereby approved for payment, a copy thereof to be included in the records of the Authority.

Thereafter discussions followed regarding the Authority's current banking relationship with First Community Bank, whether a local Peoria bank should be used and whether a portion of the Authority's funds should be placed in a certificate of deposit account and several Directors advised they would look at various options and advise the Board.

Discussion also followed regarding possible uses the Authority could make of its funds. No action was taken on this matter.

3. **Election of Officers**

Mr. Gauthier advised the next item on the Agenda was the election of officers. After discussion, Mr. Bellard moved and Mr. Compton seconded the nomination of Jerry Gauthier as President; Mr. Gauthier moved and Mr. Wright seconded the nomination of Caron Sada as Vice President; Mr. Gauthier moved and Mr. Murrell seconded the nomination of Ken Compton as Secretary; Mr. Gauthier moved and Mr. Compton seconded the nomination of Mr. Murrell as Treasurer; Mr. Murrell moved and Mr. Gauthier seconded the nomination of Michael Bellard as Assistant Secretary; Mr. Bellard moved and Mr. Gauthier seconded the nomination of Randy Wright as Assistant Treasurer; and thereupon, by unanimous vote, the individuals nominated to the respective offices were elected to such offices.

OTHER BUSINESS

After discussion regarding the time for concluding the financing for Arizona Baptist Retirement Centers, Inc., it was agreed to schedule a meeting of the Board at 4:00 p.m. on Wednesday, October 24, 2007, to take final approval action on the financing for Arizona Baptist Retirement Centers, Inc.

ADJOURNMENT

There being no further business to come before the Board, the meeting was duly adjourned at 5:30 p.m.

Secretary