

RECEIVED
FEC MAIL ROOM

2001 MAR 14 P 1:29

February 24, 2001

Kimberly Willis
Reports Analysis Division
Federal Election Commission
999 "E" Street, NW
Washington, D.C. 20463

Dear Ms. Willis,

It has come to our attention that we made several errors in the reporting of our loans during the 2000 election cycle. The reason for these errors can only be described as a genuine mistake by a freshman campaign in reporting loan information for the first time. In this amended report, we have corrected every error from the "Twelve-day Pre-Primary Report" through the 2000 "Year End Report." We have also attached this letter to clarify each loan we have incurred and to provide a detailed explanation for every mistake we have made on previous reports.

During our campaign, we took out three separate guaranteed loans from three separate lending institutions:

-The first loan was a line of credit from Busey Bank for \$140,000 at an 8.5% interest rate on December 13, 1999 with a maturity date of December 13, 2000. The loan was re-negotiated on December 16, with a new maturity date of June 6, 2001. There were two separate disbursements extended to us from this line of credit. The first disbursement was on January 24, 2000 for \$100,000. The second disbursement was on March 9, 2000 for \$40,000.

-The second loan was from Bank Illinois for \$100,000 at an 8.5% rate on January 6, 2000 with a maturity date of January 6, 2001.

-The third loan was from First State Bank of Monticello for \$100,000 at a 7.0% interest rate on October 5, 2000 with a maturity date of October 5, 2001.

The line of credit and two loans listed above are the ONLY loans we have incurred. Due to the discrepancies between the amounts of our loans listed on previous reports and the amounts listed in this letter we have attached all loan agreements and corresponding C-1 forms to this report. Below we explain the reporting errors we made on every report and describe in detail the amendments we have enclosed.

One of the major errors made on every report from the "Twelve-day Pre-Primary" report through the 2000 "Year-End" report was an incorrect reporting of the two amounts withdrawn from the \$140,000 line of credit extended to us by Busey Bank. Until recently, all of our records indicated that the first amount of the disbursement was for \$50,000 drawn on January, 24 2000 and the second amount for \$90,000 drawn on March 2, 2000 (interest rate of 8.5%). It has been discovered through bank records that these totals have been reported incorrectly throughout the entire reporting period. The amount of

the total line of credit has remained the same (\$140,000). Unfortunately, this error was not brought to our attention until we received notices from your office requesting that a C-1 form be filled out for each loan and each disbursement on the line of credit. We have fixed our error and attached an amendment to every report we have filed from the "Twelve-day Pre-Primary" until now.

"Twelve-day Pre-Primary Report"

In this report there was one major error. On schedule "C" of this report we reported a \$50,000 loan from Bank Illinois. This mistake is primarily an oversight by our committee as we scrambled to learn the reporting process. The amount reported should have been \$100,000 incurred on January 06, 2000 with a maturity date of January 06, 2001 at an interest rate of 8.5%. We have amended both schedule "A" and schedule "C" of this report to show the correct information. For the first and only time during the reporting cycle we reported the first \$100,000 disbursement withdrawal from Busy Bank on January 24, 2000 correctly.

It has also come to our attention that we failed to report these loans on the 48-hour notices prior to the primary. The reason for this is simply the chaotic beginnings of learning what to report and how to report information at the very beginning of our campaign. We made an error that is too late to correct, but hope that the attached amendment will provide the missing information needed.

"April Quarterly Report"

On the January 22, 2001 amendment of this report, the Bank of Illinois loan was reported correctly with an incorrect loan establishment and maturity date. This has been amended to reflect the dates on schedule "C" of this report. This report also reflects the first time an error was made in reporting the line of credit disbursements from Busy Bank. The incorrect report shows the first line of credit extended to us for \$50,000 incurred on January 24, 2000 and \$90,000 incurred on March 3, 2000 (as mentioned above). The actual amounts and dates of these disbursements are \$100,000 withdrawn on January 24, 2000 and \$40,000 withdrawn on March 9, 2000. A new amended report is attached to reflect the correct loan amounts withdrawn on this line of credit. If there is any confusion on this matter please refer to the Busy Bank loan agreement and disbursement statements enclosed with this letter.

It was also brought to our attention that on the September 29th, 2000 amendment to the "April Quarterly Report" there is a loan listed in the amount of \$190,000 from Busy Bank. As you can see by our loan papers there has never been a loan in the amount of \$190,000 withdrawn from Busy Bank. This far exceeds our line of credit with this institution and was likely to be a computer glitch. Over the course of our campaign we had several computer malfunctions. This could be where this terribly outrageous loan amount came from. We only address this September 29th report because it was a question you raised to us over the phone. The January 22, 2001 amendment correctly omits this loan amount.

"July Quarterly and October Quarterly Report"

In these reports we made the exact same mistakes as seen on the January 22, 2001 amendment of the "April Quarterly Report." The Bank of Illinois loan was reported correctly with an incorrect loan establishment and maturity date on both reports. This has been amended to reflect the dates on schedule "C" of these reports. These reports also reflect the error that was made in reporting the line of

credit disbursements from Busy Bank. The incorrect report's show the first line of credit extended to us for \$50,000 incurred on January 24, 2000 and \$90,000 incurred on March 3, 2000 (as mentioned above). The actual amounts and dates of these disbursements are \$100,000 withdrawn on January 24, 2000 and \$40,000 withdrawn on March 9, 2000. A new amended report is attached to reflect the correct loan amounts withdrawn on this line of credit.

"Twelve-day Pre-General Report"

In this report we show for the first time the First State Bank of Monticello loan for \$100,000 at a 7.0% interest rate on October 5, 2000 with a maturity date of October 5, 2001. The information on this loan is reported correctly on the report. Again, the Bank of Illinois loan was reported correctly in this report with an incorrect loan establishment and maturity date. This has been amended to reflect the dates on schedule "C" of this report. Again, this report also reflects the error in reporting the line of credit disbursements from Busy Bank. The incorrect report shows the first line of credit extended to us for \$50,000 incurred on January 24, 2000 and \$90,000 incurred on March 3, 2000(as mentioned above). The actual amounts and dates of these disbursements are \$100,000 withdrawn on January 24, 2000 and \$40,000 withdrawn on March 9, 2000. A new amended report is attached to reflect the correct loan amounts withdrawn on this line of credit.

"Thirty-day Post-General Election"

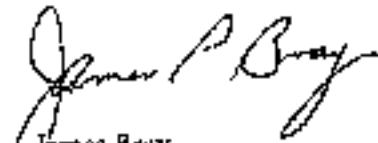
The only loan reported correctly on this report is the First State Bank of Monticello loan for \$100,000 at a 7.0% interest rate on October 5, 2000 with a maturity date of October 5, 2001. Again, the Bank of Illinois loan was reported correctly in this report with an incorrect loan establishment and maturity date. This has been amended to reflect the dates on schedule "C" of this report. Again, this report also reflects the error in reporting the line of credit disbursements from Busy Bank. The incorrect report shows the first line of credit extended to us for \$50,000 incurred on January 24, 2000 and \$90,000 incurred on March 3, 2000(as mentioned above). The actual amounts and dates of these disbursements are \$100,000 withdrawn on January 24, 2000 and \$40,000 withdrawn on March 9, 2000. A new amended report is attached to reflect the correct loan amounts withdrawn on this line of credit.

"2000 Year-End Report"

Again, the only loan reported correctly on this report is the First State Bank of Monticello loan for \$100,000 at a 7.0% interest rate on October 5, 2000 with a maturity date of October 5, 2001. On this report the Bank of Illinois loan was reported correctly with an incorrect loan establishment and maturity date. This has been amended to reflect the dates on schedule "C" of this report. Again, this report also reflects the error in reporting the line of credit disbursements from Busy Bank. The incorrect report shows the first line of credit extended to us for \$50,000 incurred on January 24, 2000 and \$90,000 incurred on March 3, 2000(as mentioned above). The actual amounts and dates of these disbursements are \$100,000 withdrawn on January 24, 2000 and \$40,000 withdrawn on March 9, 2000. Also during this reporting period our line of credit maturity date expired. We failed to show the newly re-negotiated line of credit maturity date as June 16, 2001. This new information is shown on both schedule "A" and schedule "C" of our amendment. If there is any confusion on this matter please refer to our re-negotiated loan agreement enclosed with this letter.

We sincerely apologize for the confusion we have caused your office. We want to FULLY comply with all PEC rules and regulations as to the reporting of receipts and disbursements. If there is still confusion regarding any matter discussed in this letter, please contact us and we will respond immediately. Thank you for your time and patience with us as we learn the reporting process.

Sincerely,



James Bray

REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee
(Summary Page)

RECEIVED
FEC MAIL ROOM

2001 MAR 14 P 1:29

1. NAME OF COMMITTEE (In full) Friends of Tim Johnson		2. FEC IDENTIFICATION NUMBER C00350421
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. 905 S. Nell		
CITY, STATE and ZIP CODE Champaign, IL 61820	STATE/DISTRICT IL 15	3. IS THIS REPORT AN AMENDMENT? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

4. TYPE OF REPORT

<input type="checkbox"/> April 15 Quarterly Report <input type="checkbox"/> July 15 Quarterly Report <input type="checkbox"/> October 15 Quarterly Report <input checked="" type="checkbox"/> January 31 Year End Report <input type="checkbox"/> July 31 Mid-Year Report (Non-election Year Only)	<input type="checkbox"/> 12 Day Pre-Election Report for the _____ (Type of Election) election on _____ in the State of _____ <input type="checkbox"/> 30-Day Post-Election Report following the General Election on _____ in the State of _____ <input type="checkbox"/> Termination Report
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This report contains activity for Primary Election General Election Special Election Runoff Election

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-date
5. Covering Period <u>11/28/2000</u> through <u>12/31/2000</u>		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	\$15,895.00	\$935,802.34
(b) Total Contribution Refunds (From Line 20(d))	\$1,200.00	\$5,325.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	\$14,695.00	\$930,477.34
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	\$56,196.71	\$1,286,417.91
(b) Total Offsets to Operating Expenditures (from Line 14)	\$2,766.24	\$2,766.24
(c) Net Operating Expenditures (Subtract Line 7(b) from 7(a))	\$53,430.47	\$1,283,651.67
8. Cash on Hand at Close of Reporting Period (from Line 27)	\$166,136.75	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	\$0.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	\$373,070.69	

For further information:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-894-1100

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer Jim Bray	
Signature of Treasurer 	Date 2/24/01

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to penalties of 2 U.S.C. §437g.

Detailed Summary Page

of Receipts and Disbursements
(Page 2, FEC FORM 3)

Name of Committee (in full) Friends of Tim Johnson	Report Covering the Period:	
	From: 11/28/2000	To: 12/31/2000
I. RECEIPTS	Column A Total This Period	Column B Calendar Year-To-Date
11. CONTRIBUTIONS (other than loans) FROM:		
(a) Individuals/Persons Other Than Political Committees		
(i) Itemized (Use Schedule A)	\$3,150.00	
(ii) Unitemized	\$745.00	
(iii) Total of contributions from individual	\$3,895.00	\$537,279.00
(b) Political Party Committees	\$0.00	\$21,728.00
(c) Other Political Committees (such as PACs)	\$12,000.00	\$376,795.34
(d) The Candidate	\$0.00	\$0.00
(e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a)(iii), (b), (c) and (d))	\$15,895.00	\$935,802.34
12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES	\$0.00	\$0.00
13. LOANS:		
(a) Made or Guaranteed by the Candidate	\$140,000.00	\$340,000.00
(b) All Other Loans	\$0.00	\$0.00
(c) TOTAL LOANS (add 13(a) and (b))	\$140,000.00	\$340,000.00
14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	\$2,766.24	\$2,766.24
15. OTHER RECEIPTS (Dividends, Interest, etc.)	\$0.00	\$0.00
16. TOTAL RECEIPTS (add 11(a), 12, 13(c), 14 and 15)	\$158,661.24	\$1,278,566.58
II. DISBURSEMENTS		
17. OPERATING EXPENDITURES	\$55,186.71	\$1,286,417.91
18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES	\$0.00	\$0.00
19. LOAN REPAYMENTS:		
(a) Of Loans Made or Guaranteed by the Candidate	\$0.00	\$0.00
(b) Of All Other Loans	\$0.00	\$0.00
(c) TOTAL LOAN REPAYMENTS (add 19(a) and (b))	\$0.00	\$0.00
20. REFUNDS OF CONTRIBUTIONS TO:		
(a) Individuals/Persons Other Than Political Committees	\$0.00	\$3,875.00
(b) Political Party Committees	\$1,200.00	\$1,200.00
(c) Other Political Committees (such as PACs)	\$0.00	\$250.00
(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), (b) and (c))	\$1,200.00	\$5,325.00
21. OTHER DISBURSEMENTS	\$0.00	\$0.00
22. TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d) and 21)	\$57,386.71	\$1,291,742.91
III. CASH SUMMARY		
23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD		\$64,872.22
24. TOTAL RECEIPTS THIS PERIOD (from Line 16)		\$158,661.24
25. SUBTOTAL (add Line 23 and Line 24)		\$223,533.46
26. TOTAL DISBURSEMENTS THIS PERIOD (from Line 16)		\$57,386.71
27. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 26 from 25)		\$166,146.75

SCHEDULE A

ITEMIZED RECEIPTS

Use separate schedule/d1 for each category of the Detailed Bureau Page

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)
 Friends of Tim Johnson

A. Full Name, Mailing Address and Zip Code Busey Bank 201 W. Main Urbana, IL 61801- Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> other (specify)	Name of Employer _____	Date (month, day, year) 12/16/2000	Amount of Each Receipt this Period 100,000.00
	Occupation _____	Aggregate Year-to-Date -> 100,000.00	
B. Full Name, Mailing Address and Zip Code Busey Bank 201 W. Main Urbana, IL 61801- Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> other (specify)	Name of Employer _____	Date (month, day, year) 12/16/2000	Amount of Each Receipt this Period 40,000.00
	Occupation _____	Aggregate Year-to-Date -> 140,000.00	

SUBTOTAL of Receipts This Page (optional)	\$140,000.00
TOTAL This Period (last page this line number only)	\$140,000.00

NAME OF COMMITTEE (In Full) Friends of Tim Johnson			
1. Full Name, Mailing Address and ZIP Code of Loan Source Bank Illinois 100 W. University Avenue Champaign, IL 61820- Elected: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Original Amount of Loan \$100,000.00	Cumulative Payment To Date \$0.00	Balance Outstanding at Close of This Period \$100,000.00
Terms: Date Incurred <u>01/06/2000</u> Date Due <u>01/06/2001</u> Interest Rate <u>8.50</u> % (apd) Secured <u>YES</u>			
Let All Endorsements or Guarantees (if any) to Item 2			
Full Name, Mailing Address and ZIP Code Timothy Johnson 251 County Road 1100W Sidney, IL 61877-	Name of Employer Occupation Attorney Amount Guaranteed Outstanding: \$100,000.00		

SUBTOTAL This Period This Page (optional)	\$100,000.00
TOTAL This Period (last page this line number only)	

NAME OF COMMITTEE (In Full) Friends of Tim Johnson			
1. Full Name, Mailing Address and ZIP Code of Loan Source Busey Bank 201 W. Main Urbana, IL 61801- Election: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Original Amount of Loan \$100,000.00	Cumulative Payment To Date \$0.00	Balance Outstanding at Close of This Period \$100,000.00
Terms: DATE INCURRED <u>12/16/2000</u> DATE DUE <u>06/16/2001</u> INTEREST RATE <u>8.50</u> % (apr) SECURED <u>YES</u>			
List All Endorsers or Guarantors (if any) to Item 2			
Full Name, Mailing Address and Zip Code Timothy V. Johnson 2151 County Road 1100 W Sidney, IL 61877-	Name of Employer Johnson, Frank, Frederick & WA Occupation Attorney Amount Guaranteed Outstanding \$100,000.00		

SUBTOTAL This Period This Page (optional)	\$100,000.00
TOTAL This Period (last page this line number only)	

NAME OF COMMITTEE (In Full) Friends of Tim Johnson			
A. Full Name, Mailing Address and ZIP Code of Loan Source Eusey Bank 201 W. Main Urbana, IL 61801- Election: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Original Amount of Loan \$40,000.00	CUMULATIVE PAYMENT IN DCA \$0.00	Balance Outstanding at Close of This Period \$40,000.00
Terms: DATE INCURRED <u>12/16/2000</u> DATE DUE <u>06/16/2001</u> INTEREST RATE <u>8.50</u> % (Apr) SECURED <u>YES</u>			
List All Endorsements or Guarantors (if any) to Item A			
Full Name, Mailing Address and Zip Code Timothy Johnson 2151 County Road 1100N Sidney, IL 61877-	Name of Employer Occupation Attorney Amount Guaranteed Outstanding: \$140,000.00		

SUBTOTAL This Period This Page (optional)	\$40,000.00
TOTAL This Period (last page this line number only)	

NAME OF COMMITTEE (In Full) Friends of Tim Johnson			
A. Full name, mailing address and zip code of loan source First State Bank of Monticello 201 West Main Street PO Box 260 Monticello, IL 61856- Election: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	Original amount of loan \$100,000.00	Cumulative payments to date \$0.00	Balance outstanding at close of this period \$100,000.00
Terms: Date incurred <u>10/05/2000</u> Date due <u>10/05/2001</u> Interest rate <u>7.00</u> % (apr) Secured <u>YES</u>			
List all Enforcers or Guarantors (if any) to Item 1			
Full Name, Mailing Address and Zip Code Timothy V. Johnson 21751 CR 1100N Sidney, IL 61877-	Name of Employer	[REDACTED]	
	Occupation		
	Amount Guaranteed Outstanding: \$100,000.00		

SUBTOTAL This Period This Page (optional)	\$100,000.00
TOTAL This Period (last page this line number only)	\$340,000.00

Federal Election Commission

**ENVELOPE REPLACEMENT PAGE
FOR INCOMING DOCUMENTS**

The Commission has added this page to the end of this filing to indicate how it was received.

<input checked="" type="checkbox"/> Hand Delivered	Date of Receipt <i>3-14-01</i>
<input type="checkbox"/> First Class Mail	POSTMARKED
<input type="checkbox"/> Registered/Certified Mail	POSTMARKED (R/C)
<input type="checkbox"/> No Postmark	
<input type="checkbox"/> Postmark Illegible	
<input type="checkbox"/> Received from the House office of Records and Registration	Date of Receipt
<input type="checkbox"/> Received from the Senate Office of Public Records	Date of Receipt
<input type="checkbox"/> Other (Specify):	Postmarked and/or Date of Receipt
<input type="checkbox"/> Electronic Filing	
<i>JMP</i> PREPARER	<i>3-14-01</i> DATE PREPARED