

November 8, 2011

TO: William A. Brandt, Jr., Chairman
Dr. William Barclay
Gila J. Bronner
John E. Durburg
James J. Fuentes
Norman M. Gold
Edward H. Leonard, Sr.

Michael W. Goetz, Vice Chairman
Terrence M. O'Brien
Heather D. Parish
Mayor Barrett F. Pedersen
Roger E. Poole
Bradley A. Zeller

RE: Message from the Executive Director

Dear Members of the Authority:

Although municipal issuance volume has been down from what it was a year ago, October proved to be a strong and healthy month for issuance nationally (*October is Biggest Month So Far*, The Bond Buyer, James Ramage, November 1, 2011). This national municipal debt issuance trend accurately reflects the 30.5 percent increase in new money issued by the Illinois Finance Authority (the "IFA") in October 2011 compared to the same period last year. We are hopeful that the markets will continue to uptick, although it will be tough to match last fiscal year's second quarter volume, when Recovery Zone Facility Bond deals surged.

As for the existential and regulatory challenges facing the federally tax-exempt conduit sector, the IFA joined the Council of Development Finance Agencies ("CDFA") on Capitol Hill on November 2, 2011 to educate Congress on the vital importance of tax-exempt bonds. Rich Frampton, Vice President of Business and Industry, serves on the CDFA Board. The IFA is coordinating its briefing efforts with the CDFA, as well as the National Association of Health and Higher Education Facilities Authorities ("NAHHEFA") and the National Association of Bond Lawyers ("NABL"), all of whom share a strong interest in preserving federally tax-exempt conduit financing – an essential tool for job retention and creation in these difficult economic times. Rich and I met with the Offices of Senator Durbin and Senator Kirk, as well as with Congressman Davis, Congresswoman Schakowsky, Congressman Quigley, Congressman Shimkus, Congressman Schock, Congressman Hultgren, Congressman Kinzinger and the Office of Congressman Roskam. The IFA sent a powerful message to the Illinois Congressional delegation on the preservation of federally tax-exempt conduit debt.

To a more local but very important update, with further direction from the Board, the \$13,641,041 State Guarantee on the Fifth Third Bank/REG Danville, LLC loan, which accomplished its job creation intent, was released on October 31, 2011. As of this date, it no longer appears as a liability on the IFA's financial statements. We commend Chairman Brandt's leadership on this significant public policy success.

We also thank Mr. O'Brien for his leadership on the newly created Legislative Affairs Committee. Even though this Committee has not yet convened, there was progress in the Illinois General Assembly's 2011 Fall Veto Session. Notably, House Bill 442 Amendment 1, which allows the IFA to convert a loan made to the Illinois Facilities Fund by its predecessor State Agency to "permanent capital", passed out the House unanimously and now moves to the Senate, where Senator Steans has pre-filed the bill.

Finally, congratulations to Vice Chairman Goetz, Ms. Bronner, Mr. Durburg and Mr. O'Brien on their reappointments, all of whom were confirmed by the Illinois Senate on October 26, 2011. We thank them all for their voluntary commitment to public service.

As always, the staff of the IFA looks forward to continuing to work with all of you to fulfill our mission to create and retain jobs.

Respectfully,



Christopher B. Meister
Executive Director

Attachments:

Attachment 1 – Bonds Issued Analyses; Schedule of Debt

Attachment 2 – Audit Tracking Schedule



Bonds Issued and Outstanding as of October 31, 2011

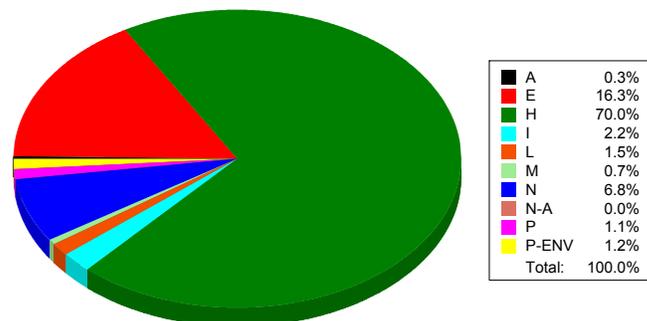
Bonds Issued Since Inception of Illinois Finance Authority

| # | Market Sector | Principal Amount (\$) |
|-----|---|--------------------------|
| 364 | Agriculture ** | 66,510,516 |
| 83 | Education | 4,027,548,100 |
| 174 | Healthcare * | 17,597,048,508 |
| 80 | Industrial | 934,937,853 |
| 25 | Local Government | 378,145,000 |
| 16 | Multifamily/Senior Housing | 175,417,900 |
| 112 | 501(c)(3) Not-for Profits | 1,744,131,195 |
| 8 | Exempt Facilities Bonds | 275,700,000 |
| 8 | Environmental issued under 20 ILCS 3515/9 | 326,630,000 |
| | | \$ 25,526,069,072 |

* Includes CCRC's

** Number of Agriculture bonds has been adjusted to reflect the actual number of Beginner Farmer Bonds issued.

Bonds Issued Since Inception

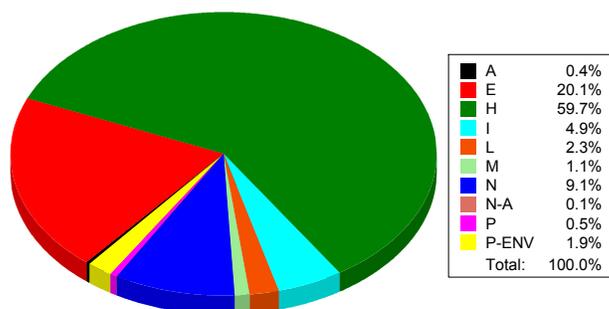


Schedule of Bonds Outstanding by Market Sector Includes IFA and it's Predecessor Authorities

| Market Sector | Amount of Original Issue | Principal Outstanding |
|---|--------------------------|--------------------------|
| Agriculture | 304,980,222 | 88,769,716 |
| Education | 5,625,425,730 | 5,089,278,987 |
| Healthcare * | 17,835,756,959 | 15,112,760,359 |
| Industrial | 1,526,316,939 | 1,253,672,988 |
| Local Government | 1,032,839,413 | 575,231,238 |
| Multifamily/Senior Housing | 726,835,396 | 289,389,005 |
| 501(c)(3) Not-for Profits | 2,841,662,996 | 2,296,902,343 |
| Exempt Facilities Bonds | 130,500,000 | 130,300,000 |
| Environmental issued under 20 ILCS 3515/9 | 756,325,000 | 480,759,110 |
| | \$ 30,780,642,654 | \$ 25,317,063,746 |

* Includes CCRC's

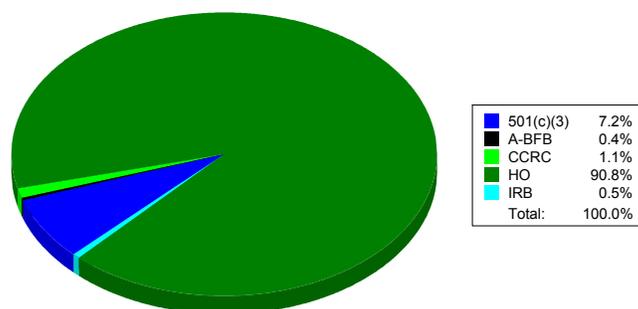
Principal Outstanding by Market Sector



Current Fiscal Year

| # | Market Sector | Principal Issued |
|-----------|-------------------------------|-----------------------|
| 14 | Agriculture - Beginner Farmer | 2,724,567 |
| 5 | Healthcare - Hospital | 653,425,000 |
| 1 | Healthcare - CCRC | 7,600,000 |
| 1 | Industrial Revenue | 3,795,000 |
| 4 | 501(c)(3) Not-for-Profit | 51,698,000 |
| 25 | | \$ 719,242,567 |

Bonds Issued - Current Fiscal Year



Bonds Issued between July 01, 2011 and October 31, 2011

| <u>Bond Issue</u> | <u>Date Issued</u> | <u>Initial Interest Rate</u> | <u>Principal Issued</u> | <u>Bonds Refunded</u> |
|--|--------------------|------------------------------|-------------------------|-----------------------|
| A-BFB Beginner Farmer Bonds, Series 2012A | 07/01/2011 | Various-See Below | 2,724,567 | 0 |
| 501(c)(3) Learn Charter Schools, Series 2011 | 08/01/2011 | Variable | 5,693,000 | 2,830,000 |
| HO CDH-Delnor Health System, Series 2011A&B | 08/05/2011 | Variable | 127,150,000 | 127,150,000 |
| IRB Transparent Container Co., Inc., Series 2011 | 08/09/2011 | DP-VRB | 3,795,000 | 3,795,000 |
| HO CDH-Delnor Health System, Series 2011C | 08/24/2011 | DP-VRB | 58,415,000 | 58,415,000 |
| 501(c)(3) Chicago Shakespeare Theater, Series 2011 | 09/09/2011 | DP-VRB | 4,100,000 | 4,100,000 |
| HO Advocate Health Care Network, Series 2011A-D | 09/21/2011 | DP-VRB | 213,730,000 | 12,295,000 |
| CCRC Chestnut Square at The Glen, Series 2011 | 09/30/2011 | DP-VRB | 7,600,000 | 9,195,000 |
| 501(c)(3) Siena on Brendenwood, Series 2011 | 10/03/2011 | DP-VRB | 4,400,000 | 4,400,000 |
| HO Trinity Health, Series 2011A&B/IL | 10/20/2011 | 2.00% to 5.00% | 239,710,000 | 0 |
| 501(c)(3) UNO Charter School Network, Inc., Series 2011A&B | 10/26/2011 | 6.875% to 7.125% | 37,505,000 | 0 |
| HO Southern Illinois Healthcare Enterprise, Series 2011 | 10/27/2011 | 1.857% to 2.513% | 14,420,000 | 15,280,000 |
| Total Bonds Issued in Fiscal Year 2011 | | | \$ 719,242,567 | \$ 237,460,000 |

Legend: Fixed Rate Bonds as shown

DP-VRB = initial interest rate at the time of issuance on a Direct Purchase Bond

VRB = initial interest rate at the time of issuance on a Variable Rate Bond that does not include the cost of the LOC arrangement.

Beginner Farmer Bonds interest rates are shown in section below.

Beginner Farmer Bonds

| <u>Borrower</u> | <u>Date Funded</u> | <u>Initial Interest Rate</u> | <u>Loan Proceeds</u> | <u>Acres</u> | <u>County</u> |
|---|--------------------|------------------------------|----------------------|---------------|---------------|
| Bennett, Quinn P. & Kristen N. | 07/15/2011 | 4.50% | 252,350 | 75.76 | Shelby |
| Neff, Jennifer | 07/15/2011 | 3.65% | 476,449 | 48.90 | Macoupin |
| Zaagman, Brent | 08/11/2011 | 4.50% | 239,828 | 90.00 | Whiteside |
| Colgan, Andrew J. & Jacqueline L. | 08/16/2011 | 4.00% | 125,000 | 40.00 | Stark |
| Kocher, Doug E. & Lora M. | 08/19/2011 | 4.00% | 80,000 | 38.00 | Jasper |
| Sterrenberg, Casey P. | 09/13/2011 | 4.00% | 477,000 | 96.70 | Livingston |
| Meister, Evan T. | 09/20/2011 | 4.00% | 203,940 | 80.00 | Iroquois |
| Tarasuik, James W. Jr. | 09/20/2011 | 4.00% | 67,000 | 40.00 | Bond |
| Bohnenstiehl, Joshua A. | 09/27/2011 | 4.00% | 159,000 | 38.50 | Madison |
| Bohnenstiehl, Daren A. | 09/27/2011 | 4.00% | 159,000 | 38.50 | Madison |
| Beals, Ronald Lee | 09/30/2011 | 4.00% | 47,500 | 24.00 | Jasper |
| Billups, Nathan W. | 10/14/2011 | 4.50% | 146,000 | 38.00 | Putnam |
| Ohnesorge, Jay W. | 10/27/2011 | 3.75% | 27,500 | 3.50 | Effingham |
| Ettner, Philip P. & Spring M. | 10/27/2011 | 4.35% | 264,000 | 58.00 | Boone |
| Total Beginner Farmer Bonds Issued | | | \$ 2,724,567 | 709.86 | |

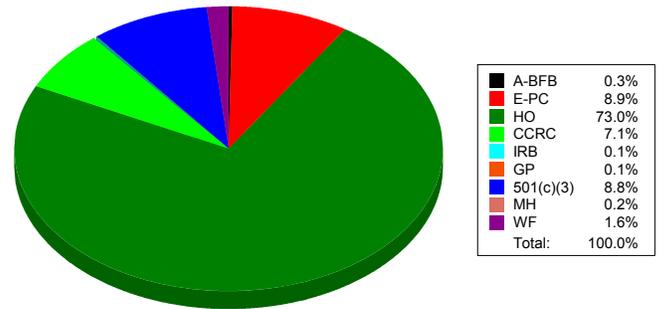
| <u>AG Debt Restructuring Guarantee</u> | <u>Date Funded</u> | <u>Initial Interest Rate</u> | <u>Loan Proceeds</u> | <u>State Guarantee</u> |
|--|--------------------|------------------------------|----------------------|------------------------|
| Bertolino, Adam | 08/24/2011 | 5.95% | 380,000 | 323,000 |
| Total AG Debt Restructuring Guarantee | | | \$ 380,000 | \$ 323,000 |
| Total Agriculture Guarantees | | | \$ 380,000 | \$ 323,000 |

Bonds Issued - Fiscal Year Comparison for the Period Ending October 31, 2011

Fiscal Year 2010

| # | Market Sector | Principal Issued |
|-----------|-------------------------------|-------------------------|
| 44 | Agriculture - Beginner Farmer | 8,545,250 |
| 8 | Education | 298,745,000 |
| 26 | Healthcare - Hospital | 2,458,700,628 |
| 4 | Healthcare - CCRC | 240,184,820 |
| 1 | Industrial Revenue | 2,700,000 |
| 1 | Local Government - Pool | 4,460,000 |
| 11 | 501(c)(3) Not-for-Profit | 296,142,520 |
| 1 | MultiFamily/Senior Housing | 5,700,000 |
| 2 | Water Facilities | 53,500,000 |
| 98 | | \$ 3,368,678,218 |

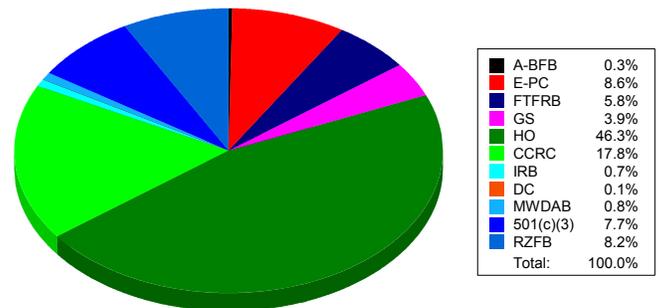
Bonds Issued in Fiscal Year 2010



Fiscal Year 2011

| # | Market Sector | Principal Issued |
|-----------|-----------------------------------|-------------------------|
| 40 | Agriculture - Beginner Farmer | 7,002,064 |
| 5 | Education | 221,290,000 |
| 1 | Freight Transfer Facilities Bonds | 150,000,000 |
| 2 | Gas Supply | 100,000,000 |
| 15 | Healthcare - Hospital | 1,195,055,000 |
| 5 | Healthcare - CCRC | 458,705,000 |
| 3 | Industrial Revenue | 17,329,184 |
| 1 | Financially Distressed Cities | 1,985,000 |
| 1 | Midwest Disaster Area Bonds | 20,200,000 |
| 4 | 501(c)(3) Not-for-Profit | 199,535,000 |
| 8 | Recovery Zone Facilities Bonds | 211,488,000 |
| 85 | | \$ 2,582,589,248 |

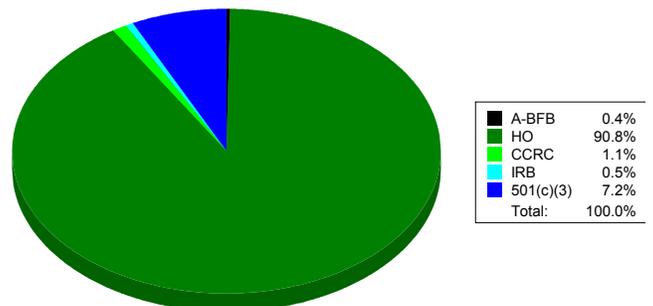
Bonds Issued in Fiscal Year 2011



Fiscal Year 2012

| # | Market Sector | Principal Issued |
|-----------|-------------------------------|-----------------------|
| 14 | Agriculture - Beginner Farmer | 2,724,567 |
| 5 | Healthcare - Hospital | 653,425,000 |
| 1 | Healthcare - CCRC | 7,600,000 |
| 1 | Industrial Revenue | 3,795,000 |
| 4 | 501(c)(3) Not-for-Profit | 51,698,000 |
| 25 | | \$ 719,242,567 |

Bonds Issued in Fiscal Year 2012



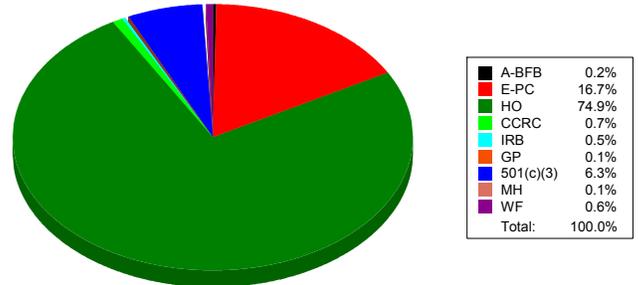


Bonds Issued - Calendar Year Comparison as of October 31, 2011

Calendar Year 2009

| # | Market Sector | Principal Issued |
|-----------|-------------------------------|-------------------------|
| 38 | Agriculture - Beginner Farmer | 7,315,408 |
| 9 | Education | 786,245,000 |
| 26 | Healthcare - Hospital | 3,526,456,927 |
| 2 | Healthcare - CCRC | 31,034,820 |
| 3 | Industrial Revenue | 24,000,000 |
| 1 | Local Government - Pool | 4,460,000 |
| 11 | 501(c)(3) Not-for-Profit | 295,436,458 |
| 1 | MultiFamily/Senior Housing | 5,700,000 |
| 1 | Water Facilities | 28,500,000 |
| 92 | | \$ 4,709,148,613 |

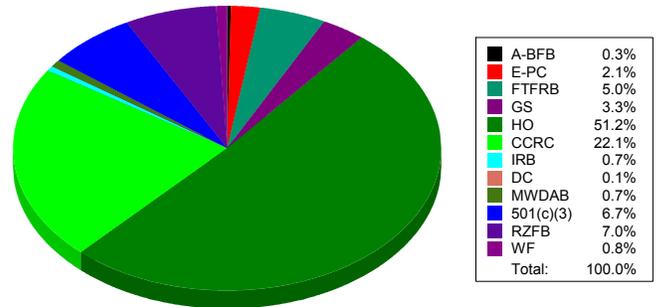
Bonds Issued in Calendar Year 2009



Calendar Year 2010

| # | Market Sector | Principal Issued |
|------------|-----------------------------------|-------------------------|
| 52 | Agriculture - Beginner Farmer | 9,374,497 |
| 5 | Education | 64,000,000 |
| 1 | Freight Transfer Facilities Bonds | 150,000,000 |
| 2 | Gas Supply | 100,000,000 |
| 20 | Healthcare - Hospital | 1,545,643,433 |
| 7 | Healthcare - CCRC | 667,855,000 |
| 4 | Industrial Revenue | 20,029,184 |
| 1 | Financially Distressed Cities | 1,985,000 |
| 1 | Midwest Disaster Area Bonds | 20,200,000 |
| 8 | 501(c)(3) Not-for-Profit | 203,041,062 |
| 8 | Recovery Zone Facilities Bonds | 211,488,000 |
| 1 | Water Facilities | 25,000,000 |
| 110 | | \$ 3,018,616,176 |

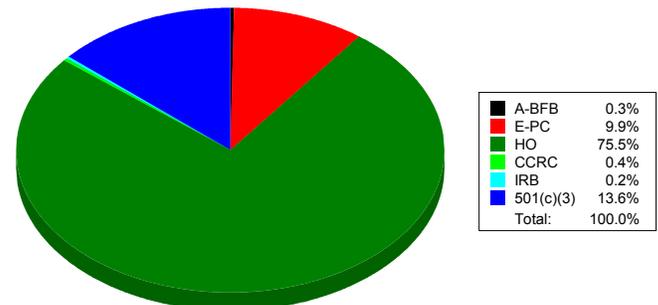
Bonds Issued in Calendar Year 2010



Calendar Year 2011

| # | Market Sector | Principal Issued |
|-----------|-------------------------------|-------------------------|
| 28 | Agriculture - Beginner Farmer | 5,200,962 |
| 2 | Education | 177,390,000 |
| 11 | Healthcare - Hospital | 1,350,660,000 |
| 1 | Healthcare - CCRC | 7,600,000 |
| 1 | Industrial Revenue | 3,795,000 |
| 6 | 501(c)(3) Not-for-Profit | 243,533,000 |
| 49 | | \$ 1,788,178,962 |

Bonds Issued in Calendar Year 2011



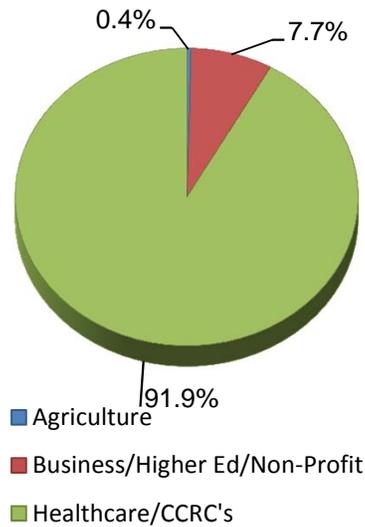


Illinois Finance Authority

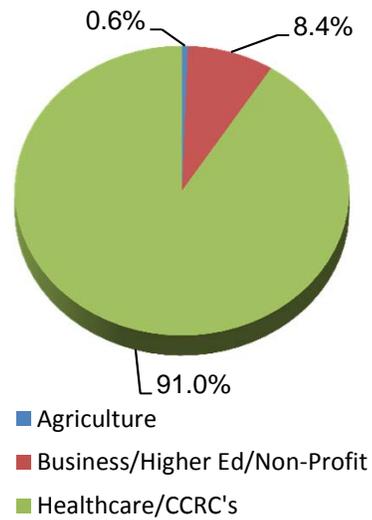
Fiscal Year 2012

| Market Sector | Principal Amount (\$) | New Money (\$) | # | Revenue (\$) |
|-------------------------------|-----------------------|-------------------|----|---------------|
| Agriculture | \$ 2,754,567.00 | \$ 2,754,567.00 | 14 | \$ 39,918.51 |
| Business/Higher Ed/Non-Profit | 55,493,000.00 | 40,368,000.00 | 5 | 140,457.50 |
| Healthcare/CCRC's | 661,025,000.00 | 438,690,000.00 | 6 | 706,707.50 |
| | \$ 719,272,567.00 | \$ 481,812,567.00 | 25 | \$ 887,083.51 |

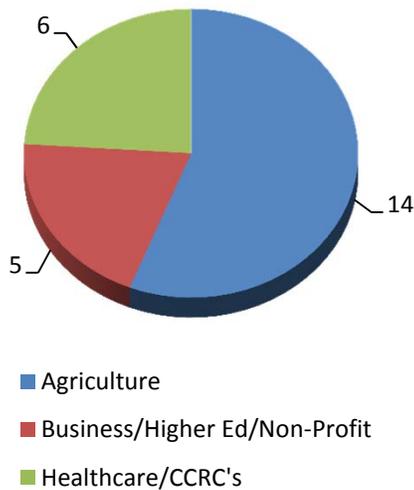
Principal Amount (\$)



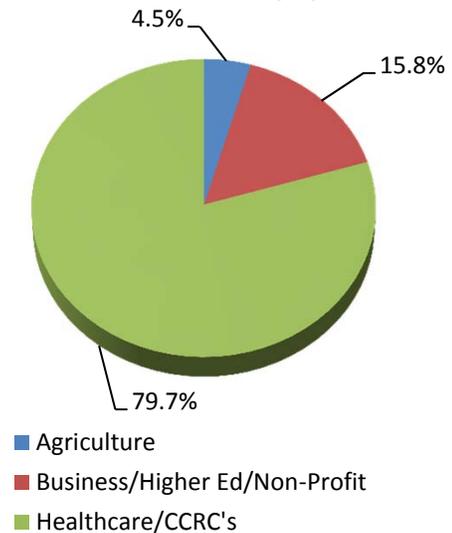
New Money Principal(\$)



of Projects



Revenue (\$)



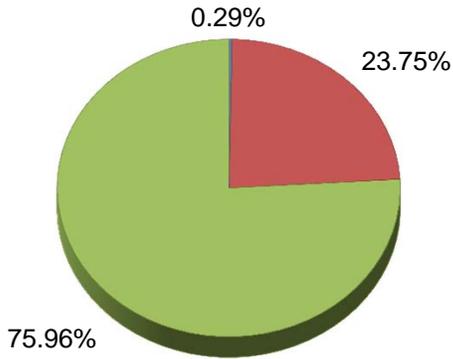


Illinois Finance Authority

Calendar Year 2011

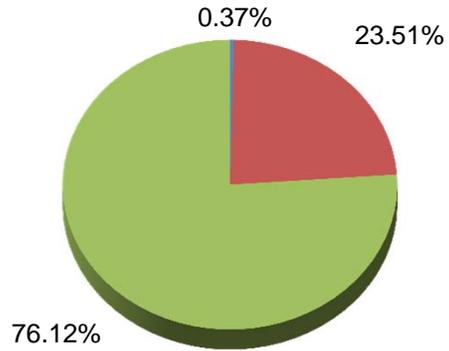
| Market Sector | Principal Amount (\$) | New Money (\$) | # | Revenue (\$) |
|-------------------------------|-----------------------|---------------------|----|-----------------|
| Agriculture | \$ 5,200,962.00 | \$ 5,200,962.00 | 28 | \$ 75,214.43 |
| Business/Higher Ed/Non-Profit | 424,718,000.00 | 326,843,000.00 | 9 | 519,527.50 |
| Healthcare/CCRC's | 1,358,260,000.00 | 1,058,230,000.00 | 12 | 1,103,940.00 |
| | \$ 1,788,178,962.00 | \$ 1,390,273,962.00 | 49 | \$ 1,698,681.93 |

Principal Amount (\$)



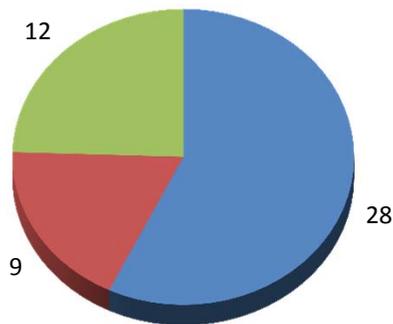
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

New Money Principal(\$)



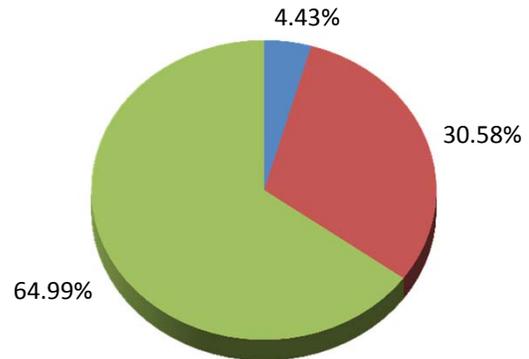
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

of Projects



- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

Revenue (\$)



- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^[a]

Conduit debt issued under the Illinois Finance Authority Act [20 ILCS 3501/845-5(a)] which does not constitute an indebtedness or an obligation, either general or moral, or a pledge of the full faith or a loan of the Authority, the State of Illinois or any Political Subdivision of the State within the purview of any constitutional or statutory limitation or provisions with special limited obligations of the Authority secured under provisions of the individual Bond Indentures and Loan Agreements with the exception of the bonds identified below in Section I (b) -- General Purpose Moral Obligation/State Component Parts -- which are subject to the \$28.15B cap in Section 845-5(a).

| Section I (a) | Principal Outstanding | | Program Limitations | Remaining Capacity |
|---|--|--------------------------|--------------------------|--------------------------|
| | June 30, 2011 | October 31, 2011 | | |
| Illinois Finance Authority "IFA" ^[b] | | | | |
| 332 | Agriculture | \$ 51,236,000 | \$ 53,834,000 | |
| 90 | Education | 3,796,724,000 | 3,760,336,000 | |
| 251 | Healthcare | 12,342,872,000 | 12,539,657,000 | |
| 74 | Industrial Development [includes Recovery Zone/Midwest Disaster] | 824,762,000 | 807,760,000 | |
| 22 | Local Government | 246,460,000 | 240,395,000 | |
| 18 | Multifamily/Senior Housing | 160,222,000 | 159,717,000 | |
| 94 | 501(c)(3) Not-for Profits | 1,268,725,000 | 1,280,673,000 | |
| 5 | Exempt Facilities Bonds | 130,300,000 | 130,300,000 | |
| 886 | Total IFA Principal Outstanding | \$ 18,821,301,000 | \$ 18,972,672,000 | |
| Illinois Development Finance Authority "IDFA" ^[b] | | | | |
| 3 | Education | 20,661,000 | 19,941,000 | |
| 5 | Healthcare | 209,185,000 | 209,185,000 | |
| 65 | Industrial Development | 502,364,000 | 445,913,000 | |
| 32 | Local Government | 322,251,000 | 314,616,000 | |
| 13 | Multifamily/Senior Housing | 130,521,000 | 129,672,000 | |
| 95 | 501(c)(3) Not-for Profits | 961,395,000 | 941,685,000 | |
| 210 | Total IDFA Principal Outstanding | \$ 2,146,377,000 | \$ 2,061,012,000 | |
| Illinois Rural Bond Bank "IRBB" ^[b] | | | | |
| 17 | Bond Bank Revenue Bonds | 20,220,000 | 20,220,000 | |
| 17 | Total IRBB Principal Outstanding | \$ 20,220,000 | \$ 20,220,000 | |
| 95 | Illinois Health Facilities Authority "IHFA" | \$ 2,522,273,000 | \$ 2,363,918,000 | |
| 48 | Illinois Educational Facilities Authority "IEFA" | \$ 1,401,337,000 | \$ 1,383,547,000 | |
| 561 | Illinois Farm Development Authority "IFDA" ^[f] | \$ 34,936,000 | \$ 34,936,000 | |
| 1,817 | Total Illinois Finance Authority Debt | \$ 24,946,444,000 | \$ 24,836,305,000 | \$ 28,150,000,000 |

 Issued under the Illinois Finance Authority Act [20 ILCS 3501/845-5(a)]

| Section I (b) | Principal Outstanding | | Program Limitations | Remaining Capacity |
|---|---|-----------------------|-----------------------|-----------------------|
| | June 30, 2011 | October 31, 2011 | | |
| General Purpose Moral Obligations | | | | |
| Illinois Finance Authority Act [20 ILCS 3501/801-40(w)] | | | | |
| 17 | Issued through IRBB - Local Government Pools | \$ 20,220,000 | \$ 20,220,000 | |
| 7 | Issued through IFA - Local Government Pools | 26,680,000 | 26,680,000 | |
| 2 | Issued through IFA - Illinois Medical District Commission | 39,640,000 | 39,120,000 | |
| 26 | Total General Moral Obligations | \$ 86,540,000 | \$ 86,020,000 | \$ 150,000,000 |
| Financially Distressed Cities Moral Obligations | | | | |
| Illinois Finance Authority Act [20 ILCS 3501/825-60] | | | | |
| 2 | Issued through IFA | \$ 3,825,000 | \$ 3,825,000 | |
| 1 | Issued through IDFA | 3,565,000 | 3,565,000 | |
| 3 | Total Financially Distressed Cities | \$ 7,390,000 | \$ 7,390,000 | \$ 50,000,000 |
| State Component Unit Bonds ^[c] | | | | |
| 17 | Issued through IRBB | \$ 20,220,000 | \$ 20,220,000 | |
| 2 | Issued through IDFA ^[j] | 82,090,000 | 75,510,000 | |
| 2 | Issued through IFA ^[j] | 81,367,000 | 77,252,000 | |
| 21 | Total State Component Unit Bonds | \$ 183,677,000 | \$ 172,982,000 | |

 Designated exclusive Issuer by the Governor of the State of Illinois to issue Midwest Disaster Area Bonds in Illinois, February 11, 2010.

| Section I (c) | Principal Outstanding | | Program Limitations | Remaining Capacity |
|---------------|--|----------------------|----------------------|-------------------------|
| | June 30, 2011 | October 31, 2011 | | |
| 1 | Midwest Disaster Bonds [Flood Relief] | \$ 20,200,000 | \$ 20,200,000 | \$ 1,515,271,000 |

 Designated by the Governor of the State of Illinois to manage and coordinate the re-allocation of Federal ARRA Volume Cap and the issuance of Recovery Zone Bonds in the State of Illinois to fully utilize RZBs before December 31, 2010.

| Section I (d) | ARRA Act of 2009 Volume Cap Allocated ^[h] | City/Counties Ceded Voluntarily to IFA | Bonds Issued as of October 31, 2011 | Available "Ceded" Volume Cap |
|---------------|--|---|-------------------------------------|------------------------------|
| | - | Recovery Zone Economic Development Bonds; | \$ 666,972,000 | \$ 16,940,000 |
| 8 | Recovery Zone Facilities Bonds | \$ 1,000,457,000 | \$ 292,400,000 | \$ 218,577,000 |
| - | Qualified Energy Conservation Bonds | \$ 133,846,000 | \$ - | \$ - |

 Issued under the Illinois Finance Authority Act [20 ILCS 3501/845-5(b)]

| Section II | Principal Outstanding | | Program Limitations | Remaining Capacity |
|-----------------------|-----------------------|------------------|---------------------|--------------------|
| | June 30, 2011 | October 31, 2011 | | |
| Illinois Power Agency | \$ - | \$ - | \$ 4,000,000,000 | \$ 4,000,000,000 |

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^[a]

Illinois Finance Authority Act [20 ILCS 3501 Section 825-65(f); 825-70 and 825-75] - see also P.A. 96-103 effective 01/01/2010

Section III

| | Principal Outstanding | | Program Limitations | Remaining Capacity |
|---|-----------------------|------------------|---------------------------------|--------------------|
| | June 30, 2011 | October 31, 2011 | | |
| Clean Coal, Coal, Renewable Energy and Energy Efficiency Projects | \$ - | \$ - | \$ 3,000,000,000 ^[d] | \$ 3,000,000,000 |

Issued under the Illinois Finance Authority Act [20 ILCS 3501 Sections 830-25 (see also P.A.96-103); 830-30; 830-35; 830-45 and 830-50]

Section IV

| | Principal Outstanding | | Program Limitations | Remaining Capacity | State Exposure |
|---|-----------------------|----------------------|-------------------------------|-----------------------|----------------------|
| | June 30, 2011 | October 31, 2011 | | | |
| Agri Debt Guarantees [Restructuring Existing Debt] | \$ 17,330,000 | \$ 16,561,000 | \$ 160,000,000 | \$ 143,439,000 | \$ 14,062,000 |
| 88 Fund # 994 - Fund Balance \$ 10,002,567 | | | | | |
| AG Loan Guarantee Program | \$ 41,519,000 | \$ 18,031,000 | \$ 225,000,000 ^[e] | \$ 206,969,000 | \$ 15,327,000 |
| 46 Fund # 205 - Fund Balance \$ 7,724,876 | | | | | |
| 11 Agri Industry Loan Guarantee Program | \$ 9,753,000 | \$ 9,313,000 | | | 7,916,000 |
| 0 Renewable Fuels | 22,823,000 | - | | | - |
| 2 Farm Purchase Guarantee Program | 975,000 | 975,000 | | | 829,000 |
| 22 Specialized Livestock Guarantee Program | 5,552,000 | 5,342,000 | | | 4,541,000 |
| 11 Young Farmer Loan Guarantee Program | 2,416,000 | 2,401,000 | | | 2,041,000 |
| 134 Total State Guarantees | \$ 58,849,000 | \$ 34,592,000 | \$ 385,000,000 | \$ 350,408,000 | \$ 29,389,000 |

Issued under the Illinois Finance Authority Act [20 ILCS 3501 Sections 825-80 and 825-85]

Section V

| | Fund # | Principal Outstanding | | Appropriation Fiscal Year 2012 | Fund Balance |
|---------------------------------------|------------|-----------------------|------------------|--------------------------------|--------------|
| | | June 30, 2011 | October 31, 2011 | | |
| 116 Fire Truck Revolving Loan Program | Fund # 572 | \$ 17,486,608 | \$ 16,302,817 | \$ - | \$ 4,014,555 |
| 10 Ambulance Revolving Loan Program | Fund # 334 | \$ 832,213 | \$ 671,227 | \$ - | \$ 161,576 |

Note: Due to deposits in transit, the Cash Balance at the Illinois Office of the Comptroller may differ from the Illinois Finance Authority's General Ledger.

Issued under the Illinois Environmental Facilities Financing Act [20 ILCS 3515/9]

Section VI

| | Principal Outstanding | | Program Limitations | Remaining Capacity |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| | June 30, 2011 | October 31, 2011 | | |
| Environmental [Large Business] | | | | |
| 9 Issued through IFA | 315,148,000 | \$ 123,879,000 | | |
| 19 Issued through IDFA | 356,895,000 | 356,880,000 | | |
| 28 Total Environmental [Large Business] | \$ 672,043,000 | \$ 480,759,000 | \$ 2,425,000,000 | \$ 1,944,241,000 |
| Environmental [Small Business] | | | | |
| 28 Total Environment Bonds Issued under Act | \$ 672,043,000 | \$ 480,759,000 | \$ 2,500,000,000 | \$ 2,019,241,000 |

Illinois Finance Authority Funds at Risk

Section VII

| # | Original Amount | Principal Outstanding | |
|---|-------------------------|-------------------------|-------------------------|
| | | June 30, 2011 | October 31, 2011 |
| Participation Loans | | | |
| 39 Business & Industry | 23,020,157.95 | 12,718,990.12 | 11,375,217.91 |
| 11 Agriculture | 6,079,859.01 | 3,308,196.84 | 2,134,306.01 |
| 50 Participation Loans excluding Defaults & Allowances | \$ 29,100,016.96 | \$ 16,027,186.96 | \$ 13,509,523.92 |
| Plus: Legacy IDFA Loans in Default | | 1,139,934.62 | 910,631.89 |
| Less: Allowance for Doubtful Accounts | | 3,957,841.93 | 3,603,514.66 |
| Total Participation Loans | | \$ 13,209,279.65 | \$ 10,816,641.15 |
| 1 Illinois Facility Fund | \$ 1,000,000.00 | \$ 1,000,000.00 | 1,000,000.00 |
| 4 Local Government Direct Loans | \$ 1,289,750.00 | \$ 246,526.74 | 237,423.96 |
| 4 FmHA Loans | \$ 963,250.00 | \$ 303,781.68 | 277,678.23 |
| 2 Renewable Energy [RED Fund] | \$ 2,000,000.00 | \$ 1,668,554.37 | 1,639,255.61 |
| 61 Total Loans Outstanding | \$ 34,353,016.96 | \$ 16,428,142.44 | \$ 13,970,998.95 |

[a] Total subject to change; late month payment data may not be included at issuance of report.

[b] State Component Unit Bonds included in balance.

[c] Does not include Unamortized issuance premium as reported in Audited Financials.

[d] Program Limitation reflects the increase to \$3 billion effective 01/01/2010 under P.A. 96-103.

[e] Program Limitation reflects the increase from \$75 million to \$225 million effective 01/01/2010 under P.A. 96-103.

[f] Beginner Farmer Bonds are currently updated annually; new bonds will be added under the Illinois Finance Authority when the bond closes.

[g] Midwest Disaster Bonds - Illinois Counties eligible for Midwest Disaster Bonds include Adams, Calhoun, Clark, Coles, Crawford, Cumberland, Douglas, Edgar, Hancock, Henderson, Jasper, Jersey, Lake, Lawrence, Mercer, Rock Island, Whiteside and Winnebago.

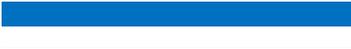
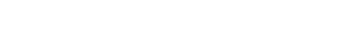
[h] Recovery Zone Bonds - Federal government allocated volume cap directly to all 102 Illinois counties and 8 municipalities with population of 100,000 or more. [Public Act 96-1020]

[i] IFA is working with all of the 110 entities to encourage voluntary waivers to ensure that these resources are used to support project financing before the program expires on December 31, 2010.

[j] Includes EPA Clean Water Revolving Fund

**Illinois Finance Authority
 FY10 Audit Finding: Material
 Update as of October 31, 2011**

Number of Material Findings - 8

| Item Number | Description | Completed by | Comments | Percentage Completed |
|---------------------------------------|---|--------------|----------|---|
| Government Auditing Standards: | | | | 10 20 30 40 50 60 70 80 90 100 |
| 10-1 | Non Compliance with the investment requirements of the Bond Indenture | 12/31/2010 | |  |
| 10-2 | Noncompliance with the program loan agreement | 6/30/2011 | |  |
| 10-3 | Inaccurate State Property records | 5/31/2011 | |  |
| 10-4 | Administrative reports not filed timely | 3/31/2011 | |  |
| 10-5 | Untimely signing of written contracts | 3/31/2011 | |  |
| 10-6 | Delinquent reporting of bond activity | | |  |
| 10-7 | Unsupported and incomplete travel expense reimbursements reports | on going | |  |
| 10-8 | Failure to develop and maintain a list of manufacturing firms that are available for purchase, merger or acquisition in compliance with the state | | |  |

**Illinois Finance Authority
FY10 Audit Finding: Immaterial
Update as of October 31, 2011**

| Item Number | Description | Percentage Completed |
|----------------------------------|---|---|
| Total Number of 2 | | |
| FY 10 Immaterial Findings | | |
| IM10-01 | Inadequate policy over telephone and cellular phone usage |  |
| IM10-02 | Cost of Federal Audit Not Paid Out of Federal Funds |  |