

December 11, 2012

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

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

RE: Message from the Executive Director

Dear Members of the Authority:

Happy Holidays to all of you, to our borrowers and our financial and legal professionals. On behalf of the staff of the Illinois Finance Authority (the "Authority"), we thank all of our Board members for their volunteer public service. On behalf of the entire Authority, we would like to thank our borrowers and the many financial and legal professionals without whom we could not meet our public mission of facilitating viable capital financing and job creation.

A Diverse Agenda

This month, we are pleased to present a diverse agenda of projects. Agriculture, business, elementary education and healthcare capital markets are represented by borrowers such as Mr. Jordan Ruppert, Practice Velocity Holdings, LLC, The Catherine Cook School and Ingalls Health System, respectively.

Cubic Transportation Systems Chicago, Inc. – Facilitating New Transportation Infrastructure

In particular, we point your attention to the Cubic Transportation Systems Chicago, Inc. Project, an important infrastructure and job creation project for the nation's second largest public transportation system, the Chicago Transit Authority (the "CTA"). The Authority and Cubic Transportation Systems Chicago, Inc. are working together to issue an aggregate principal amount of not-to-exceed \$120 million in federally tax-exempt bonds.

At this time, the Authority is pleased to present an Inducement Resolution for the benefit of Cubic Transportation Systems Chicago, Inc. which was awarded a contract by CTA to integrate, deliver, operate and maintain the agency's next-generation open payments system that will accept bank cards and, ultimately, mobile phone payments.

Welcome back board members: Bradley A. Zeller and Edward H. Leonard, Sr.

We are very pleased to welcome back two, veteran volunteer Board members of the Authority: Bradley A. Zeller and Edward H. Leonard, Senior. Governor Quinn appointed Mr. Zeller and Mr. Leonard on November 30, 2012. On behalf of the members and the staff of the Authority, we thank you both for your continued commitment to public service and we look forward to working with you again to finance projects that create and retain jobs in our State.

Mr. Zeller and Mr. Leonard now await confirmation by the Illinois Senate along with Mr. Knox and Mr. Tessler, each of whom were appointed on October 5, 2012.

Appointment of the Executive Director

Finally, the annual appointment of the Executive Director is on the agenda. I am grateful for the support of the Board members and the staff over the past year. In calendar year 2013, I look forward to working with all of you to retain and create jobs for Illinois.

Respectfully,



Christopher B. Meister
Executive Director

Attachment: Bonds Issued Analyses; Schedule of Debt