

April 12, 2011

TO: William A. Brandt, Jr., Chairman  
Dr. William Barclay  
Gila J. Bronner  
Ronald E. DeNard  
John E. Durburg  
James J. Fuentes  
Norman M. Gold  
Dr. Roger D. Herrin

Michael W. Goetz, Vice-Chairman  
Edward H. Leonard, Sr.  
Terrence M. O'Brien  
Heather D. Parish  
Roger E. Poole  
Bradley A. Zeller

RE: Message from the Executive Director

Dear Members of the Authority:

***End of the First Quarter of Calendar Year 2011/Third Quarter Fiscal Year 2011:  
An Assessment of Market and Regulatory Challenges***

When we rushed to complete a number of financings prior to the expiration of federal stimulus programs in December 2010, we believed the tax-exempt municipal market was about to sag. These predictions proved accurate. Nationally, new issue tax-exempt municipal volume was the lowest in a decade during the first quarter of calendar year 2011. *No Relief Likely for Muni Bonds*, WSJ, Jeannette Neumann and Serena Ng, April 4, 2011.

In January 2011, we discussed the potential negative consequences resulting from the report of the bipartisan commission of the deficit, the *National Commission on Fiscal Responsibility and Reform: The Moment of Truth* ("Deficit Report") in connection with the established national policy of federally tax-exempt municipal debt financing. The Deficit Report, among other recommendations, urged an end to the tax-exempt status of municipal (both general obligation and conduit) bonds as part of an overall strategy of national tax reform.

Over the past week, legislative proposals were introduced in both Houses of Congress that challenge the longstanding national policy of tax-exempt municipal debt. More specifically, House Republicans introduced a budget blueprint for the upcoming fiscal year that generally supported the Deficit Report position against tax-exempt municipal debt. Similarly, Senators Wyden (D-Oregon) and Coats (R-Indiana) introduced legislation in the Senate to replace the tax-exemption with tax-credits after fiscal year 2011. Other legislation with bi-partisan support has been introduced or proposed. In addition to these legislative proposals the Congressional Research Service released a report that criticized tax-exempt municipal debt as "economically inefficient." *State and Local Government Debt: An Analysis*, Steven Maguire, March 31, 2011, p. 16; see also, Dow Jones Newswires, Andrew Ackerman, April 5, 2011.

Also, the U.S. Securities and Exchange Commission's proposed rule to regulate as "municipal advisors" volunteer board members of issuers like the Illinois Finance Authority (the "IFA") remains pending.

IFA staff will continue to monitor these developments through our own resources and through national organizations such as the Council of Development Finance Agencies ("CDFA"), the National Association of Health and Educational Facilities Finance Authorities ("NAHEFFA") and the National Association of Bond Lawyers ("NABL").

Despite the market and regulatory challenges outlined above, the experience of the IFA is that tax-exempt municipal finance is both a long-established and highly effective system of delivering federal

benefits to not-for-profit, corporate and individual borrowers. Importantly, the current tax-exempt conduit system effectively leverages discreet federal benefits for private investment through a system that places a high priority on accountability and transparency as decided by states, counties and municipalities. The result in Illinois has been job retention as well as job creation through targeted capital investments in healthcare, higher education, manufacturing, agriculture, water supply infrastructure and other areas. As it currently exists, federally tax-exempt conduit finance harnesses private sector investment to national public policy priorities as articulated in the federal tax code. The IFA is proud to be part of this construct of federalism that has proved to be a powerful, well-established and well-understood driver for economic development and capital investment.

***End of the First Quarter of Calendar Year 2011/Third Quarter Fiscal Year 2011:  
The State of the IFA***

IFA revenues are currently running well ahead of budget. As noted in previous reports and highlighted in the attached finance and pie-chart documents, IFA had a particularly strong finish to calendar year 2010 due to the expiring federal stimulus tools and in spite of economic challenges. Over the past quarter, the IFA closed over \$402 million through ten individual tax-exempt conduit transactions:

DePaul University	\$164.4 million
CHF-Normal, LLC-Illinois State University (dormitory)	\$ 59.6 million
CHF-DeKalb, LLC-Northern Illinois University (dormitory)	\$132.2 million
Sarah Bush Lincoln Health Center	\$ 45.0 million
Beginning Farmer Bonds (six projects)	\$ .7 million

In connection with IFA's recent appropriation hearings before State House and Senate Committees, we had the opportunity to see the benefits of efforts by the IFA Board and staff to recalibrate our organization's cost structure. Between Fiscal Year 2008 and Fiscal Year 2011 (ending March 31, 2011), IFA reduced operating expenses by 43.3%. During that same time period, headcount was reduced from 31 to 19, a 39% reduction and annualized payroll costs were reduced by 37%. In short, the IFA has made the difficult, but critical choices, necessary to operate in the currently perilous market and regulatory environment.

***Illinois Senate: Appropriation Hearing***

On April 7, the IFA appeared before Senate Appropriations I Committee. We thank Chairwoman Heather Steans, Vice-Chairman Dan Kotowski and Minority Spokesman Matt Murphy and the rest of the committee for the opportunity to describe IFA's State economic development mission and accomplishments. We appreciate their supportive feedback and suggestions.

***Change on the Board***

Our colleague, Joe McInerney, has decided to leave the IFA board. We thank Joe for his service and wish him luck in his future endeavors.

***Conclusion***

As always, I look forward to continuing to work with you to fulfill our public economic development mission.

Respectfully,



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Christopher B. Meister

**Attachments:**

Attachment 1 – General Fund, Financial Results, Consolidated Balance Sheet and Audit Tracking Schedule

Attachment 2 – Schedule of Debt; FY'11 Closed Projects



Illinois Finance Authority  
 FY09 Audit Finding: Material  
 Update as of March 31, 2011

Number of Material Findings - 1

Item Number	Description	Finding Type	Comments	Percentage Completed
09-01	Valuation of Venture Capital Investments	Significant Deficiency	<p><b>Auditor Recommendation:</b> The IFA has not had an independent valuation of its venture capital investments since fiscal year 2006. We recommend the Authority obtain an independent valuation of the investment portfolio periodically in order to support the amounts recorded and disclosed in the financial statements. <b>Authority Response:</b> The Authority accepted the auditor's recommendation. The Authority has procured a vendor and the valuation of the venture capital portfolio is underway.</p>	



**Illinois Finance Authority  
FY09 Audit Finding: Immaterial  
Update as of March 31, 2011**

Item Number	Description	Percentage Completed
Total Number of 4		
FY 09 Immaterial Findings		
IM09-01	Failure to Report Revenue Bond Information to the Illinois Office of the Comptroller	
IM09-02	Inaccurate Agency Report of State Property (C-15)	
IM09-03	Lack of Disaster Contingency Testing to Ensure Recovery of Computer Systems	
IM09-04	Weaknesses Regarding the Security and Control of Confidential Information	

## Bonds Issued and Outstanding as of March 31, 2011

### Bonds Issued Since Inception of Illinois Finance Authority

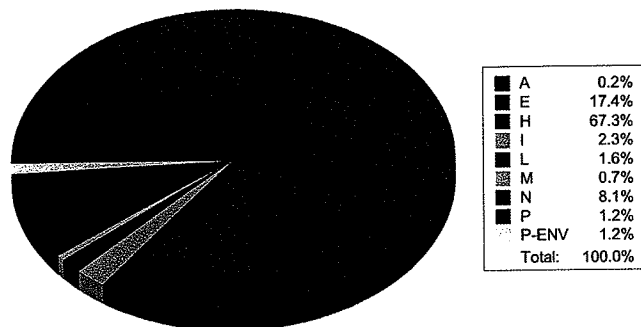
#	Market Sector	Principal Amount (\$)
325	Agriculture **	53,811,251
102	Education	4,014,598,100
327	Healthcare *	16,067,288,508
86	Industrial	931,142,853
27	Local Government	378,145,000
19	Multifamily/Senior Housing	175,417,900
133	501(c)(3) Not-for Profits	1,908,933,195
8	Exempt Facilities Bonds	275,700,000
9	Environmental issued under 20 ILCS 3515/9	326,630,000

**\$ 24,131,666,807**

\* Includes CCRC's

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

### Bonds Issued Since Inception

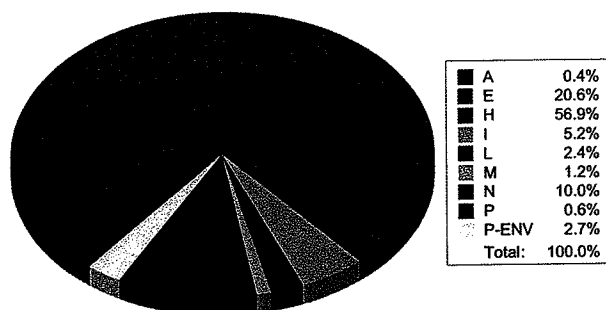


### Schedule of Bonds Outstanding by Market Sector Includes IFA and it's Predecessor Authorities

Market Sector	Amount of Original Issue	Principal Outstanding
Agriculture	292,280,957	93,487,708
Education	5,791,305,730	5,228,330,087
Healthcare *	16,510,612,337	14,443,506,638
Industrial	1,527,482,853	1,318,634,887
Local Government	1,112,759,413	611,376,238
Multifamily/Senior Housing	742,915,396	305,004,318
501(c)(3) Not-for Profits	3,054,474,996	2,533,381,427
Exempt Facilities Bonds	155,360,000	155,160,000
Environmental issued under 20 ILCS 3515/9	770,475,000	673,236,938
	<b>\$ 29,957,666,681</b>	<b>\$ 25,362,118,241</b>

\* Includes CCRC's

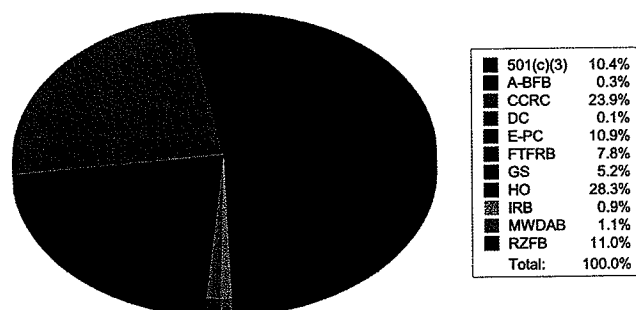
### Principal Outstanding by Market Sector



### Current Fiscal Year

#	Market Sector	Principal Issued
32	Agriculture - Beginner Farmer	5,261,264
4	Education	208,340,000
1	Financially Distressed Cities	1,985,000
1	Freight Transfer Facilities Bonds	150,000,000
1	Gas Supply	100,000,000
10	Healthcare - Hospital	542,820,000
5	Healthcare - CCRC	458,705,000
3	Industrial Revenue	17,329,184
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
<b>70</b>		<b>\$ 1,915,663,448</b>

### Bonds Issued - Current Fiscal Year



# Bonds Issued between July 01, 2010 and March 31, 2011

Bond Issue	Date Issued	Initial Interest Rate	Principal Issued	Bonds Refunded
A-BFB Beginner Farmer Bonds, Series 2011	07/01/2010	Various-See Below	5,261,264	0
HO NorthShore University HealthSystem, Series 2010	07/14/2010	2.00% to 5.25%	136,425,000	115,800,000
CCRC The Clare at Water Tower, Series 2010A&B	07/15/2010	5.10% to 6.125%	87,505,000	87,505,000
CCRC Christian Homes, Inc., Series 2010	07/29/2010	3.40% to 6.125%	25,000,000	8,090,000
IRB Bison Gear & Engineering Corporation, Series 2010	07/29/2010	VRB 0.32%	9,230,000	0
HO Institute for Transfusion Medicine, Series 2010	07/29/2010	VRB 3.60%	26,500,000	0
GS Peoples Gas Light and Coke Company, Series 2010A	08/18/2010	VRB 2.125%	50,000,000	0
RZFB Annex II, LLC - Rock City Development, Series 2010	08/24/2010	6.00%	4,585,000	0
CCRC Greenfields of Geneva, Series 2010A-C	08/31/2010	7.50% to 8.25%	117,600,000	9,185,000
HO Provena Health, Series 2010C&D	09/22/2010	VRB 0.29%	72,000,000	0
GS Peoples Gas Light and Coke Company, Series 2010B	10/05/2010	2.625%	50,000,000	50,000,000
IRB Fabrication Technologies, Inc., Series 2010	10/15/2010	DP-VRB	5,140,000	0
HO Little Company of Mary Hospital, Series 2010	10/20/2010	5.25% to 5.50%	72,000,000	0
HO Beloit Health System, Series 2010	10/21/2010	VRB	37,895,000	40,325,000
RZFB Navistar International Corporation, Series 2010	10/26/2010	6.50%	135,000,000	0
DC City of East St. Louis, Series 2010	10/26/2010	3.00%	1,985,000	1,650,000
HO Swedish Covenant Hospital, Series 2010	11/03/2010	DP 4.99%	20,000,000	0
HO University of Chicago Medical Center, Series 2010A&B	11/09/2010	VRB 0.24%	92,500,000	0
CCRC Admiral at the Lake, Series 2010A-E	11/19/2010	7.25% to 8.00%	202,350,000	0
RZFB BPJ Investments, LLC - Nueco, Inc., Series 2010	12/16/2010	DP-VRB 4.00%	2,803,000	0
HO Proctor Hospital, Series 2010	12/16/2010	DP-VRB 2.59202%	15,500,000	0
E-PC The Old Town School of Folk Music, Inc., Series 2010	12/20/2010	DP-VRB 4.25%	10,000,000	0
MWDAB KONE Centre, Series 2010	12/21/2010	DP-VRB 2.30%	20,200,000	0
FTFRB CenterPoint Joliet Terminal Railroad, Series 2010A&B	12/21/2010	DP-VRB 2.1074%	150,000,000	0
E-PC East-West University, Series 2010	12/22/2010	DP-VRB 2.025%	30,000,000	0
501(c)(3) Quest Academy, Series 2010	12/22/2010	DP-VRB 1.987016%	3,200,000	2,100,000
RZFB Rochelle Energy LLC, Series 2010	12/22/2010	DP 4.53%	10,000,000	0
E-PC Illinois College, Series 2010	12/23/2010	DP 4.22%	3,900,000	0
IRB Alef Sausage, Series 2010	12/23/2010	DP 4.25%	2,959,184	0
HO Silver Cross Hospital & Medical Center, Series 2010	12/27/2010	DP-VRB 1.1973%	25,000,000	0
501(c)(3) St. Francis High School College Preparatory, Series 2010	12/28/2010	DP-VRB 2.18%	4,500,000	0
RZFB JH Naperville Hotel, LLC, Series 2010	12/28/2010	5.16%	30,000,000	0
RZFB 1200 Internationale Parkway, LLC, Series 2010	12/28/2010	DP-VRB 3.97%	3,500,000	0
CCRC Mercy Circle, Series 2010	12/29/2010	DP-VRB 2.10%	26,250,000	0
RZFB SMART Hotels/Olympia Chicago, Series 2010	12/30/2010	DP-VRB 1.9876%	21,500,000	0
RZFB Mayo Properties, LLC, Series 2010	12/30/2010	DP-VRB 3.825%	4,100,000	0
E-PC DePaul University, Series 2011A&B	02/02/2011	5.25% to 6.125%	164,440,000	50,600,000
501(c)(3) CHF-Normal, LLC-Illinois State University, Series 2011	02/23/2011	5.50% to 7.00%	59,610,000	0
501(c)(3) CHF-DeKalb, LLC-Northern Illinois University, Series 2011	03/10/2011	5.125% to 6.875%	132,225,000	18,825,000
HO Sarah Bush Lincoln Health Center, Series 2011	03/18/2011	DP-VRB 3.60%	45,000,000	23,560,000
Total Bonds Issued in Fiscal Year 2011			<b>\$ 1,915,663,448</b>	<b>\$ 407,640,000</b>

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>
Stortzum, Brent A.	07/21/2010	4.25%	157,500	38.00	Effingham
Tolley, Daniel Steven	07/23/2010	4.50%	106,900	82.30	Knox
Justison, Keri L.	07/30/2010	4.25%	249,736	106.00	Montgomery
Justison, David M.	07/30/2010	4.25%	249,736	106.00	Montgomery
Will, Richard & Linda	07/30/2010	4.00%	206,712	71.30	Cumberland
Smithenry, Eric J.	07/30/2010	4.25%	135,000	20.00	Jasper
Stinnett, Sean & Cheryl	08/05/2010	4.75%	224,000	52.84	Macoupin
Alt, Lawrence & Loretta	08/12/2010	4.00%	100,000	26.67	Vermilion
Alt, James & Jo Ellen	08/12/2010	4.00%	102,667	26.67	Vermilion
Kopplin, Seth A.	08/16/2010	4.00%	184,000	73.62	Effingham
Mellendorf, Mark	09/21/2010	4.25%	25,200	20.00	Clay
Gittleson, Brock	09/21/2010	4.46%	207,500	50.00	Lee
Fritschle, Derek	10/07/2010	4.00%	125,000	78.00	Richland
Stahl, Kendall	10/25/2010	4.50%	137,500	50.00	Stark
Stahl, Rodney Lynn	10/25/2010	4.00%	122,500	50.00	Stark
Rosenthal, Darin T.	10/29/2010	4.00%	250,000	80.00	Montgomery
Stephens, Douglas & Cindy	11/05/2010	3.50%	240,000	60.00	Livingston
Richter, Brett Alan	11/05/2010	2.76%	120,000	46.00	Clinton
Stephens, Derek & Brynn	11/05/2010	3.50%	240,000	60.00	Livingston
Truckenbrod, Steven	11/18/2010	5.25%	104,000	40.00	Ogle
Elliott, Lee Wayne & Latisha	11/30/2010	4.25%	112,000	80.00	Jasper
McLaughlin, Wade C.	12/27/2010	4.67%	150,000	60.70	Henry
Mattingly II, Douglas E.	12/27/2010	3.75%	77,120	30.00	Edgar
Ridgely, Jordan	12/27/2010	3.95%	316,000	149.00	Hamilton
Werkheiser, Wade	12/27/2010	3.90%	345,330	161.00	Henry
Waldrop, Ryan D. & Heather D.	12/28/2010	4.25%	237,268	130.60	Lawrence
Rich, Travis Wesley	03/01/2011	3.90%	146,667	26.66	Crawford
Maedge, Travis M.	03/08/2011	2.76%	171,928	40.00	Madison
Goebel, Greg & Krystal	03/16/2011	3.75%	114,000	60.00	Jasper
Goebel, Thad & Lindsay	03/16/2011	3.75%	98,000	60.00	Jasper
King, Rodney & Christine	03/28/2011	4.25%	80,000	40.00	Stark
Dotson, Joshua & Bonnie	03/30/2011	4.25%	125,000	31.00	Will
Total Beginner Farmer Bonds Issued			<u>\$ 5,261,264</u>	<u>2,006.36</u>	

<u>AG Debt Restructuring Guarantee</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>State Guarantee</u>
Nelson, Kenneth	11/08/2010	6.00%	410,000	348,500
Total AG Debt Restructuring Guarantee			<u>\$ 410,000</u>	<u>\$ 348,500</u>

<u>AG Farm Purchase Guarantee</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>State Guarantee</u>
Kerber, Gregory & Jan	10/28/2010	5.85%	500,000	425,000
Total AG Farm Purchase Guarantee			<u>\$ 500,000</u>	<u>\$ 425,000</u>
Total Agriculture Guarantees			<u>\$ 910,000</u>	<u>\$ 773,500</u>



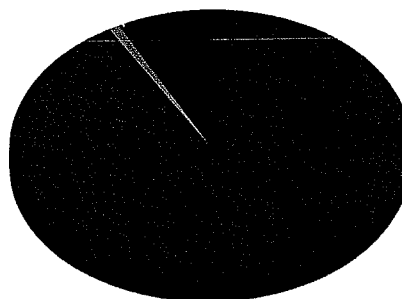
## Bonds Issued - Calendar Year Comparison

### Calendar Year 2009

#	Market Sector	Principal Issued
38	Agriculture - Beginner Farmer	7,315,408
9	Education - Private College	786,245,000
25	Healthcare - Hospital	3,526,456,927
2	Healthcare - CCRC	31,034,820
3	Industrial Revenue	24,000,000
1	Multifamily/Senior Housing	5,700,000
11	501(c)(3) Not-for-Profit	295,436,458
1	Exempt Facilities Bonds	28,500,000
1		4,460,000
<b>91</b>		<b>\$4,711,143,452</b>

### Bonds Issued in 2009

[Excludes Beginner Farmer Bonds]



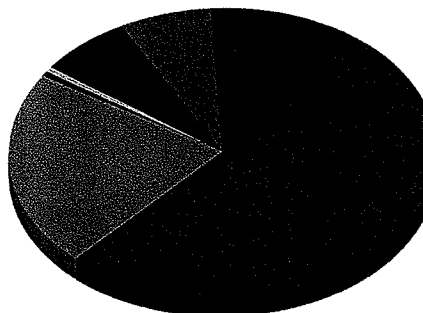
■ E-PC	16.7%
■ HO	75.0%
■ CCRC	0.7%
■ IRB	0.5%
■ MH	0.1%
■ 501(c)(3)	6.3%
■ WF	0.6%
■ Others	0.1%
Total:	100.0%

### Calendar Year 2010

#	Market Sector	Principal Issued
104	Agriculture - Beginner Farmer	18,748,994
5	Education - Private College	64,000,000
1	Financially Distressed Cities	1,985,000
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	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	Exempt Facilities Bonds	25,000,000
<b>110</b>		<b>\$3,018,616,176</b>

### Bonds Issued in 2010

[Excludes Beginner Farmer Bonds]



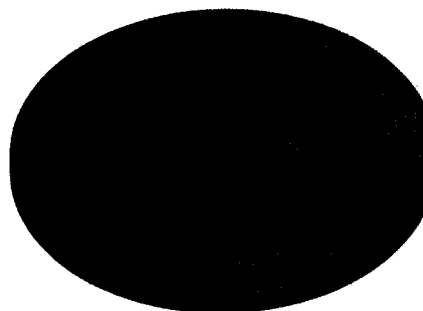
■ E-PC	2.1%
■ DC	0.1%
■ FTFRB	5.0%
■ GS	3.3%
■ HO	51.4%
■ CCRC	22.2%
■ IRB	0.7%
■ MWDAB	0.7%
■ 501(c)(3)	6.7%
■ RZFB	7.0%
■ WF	0.8%
Total:	100.0%

### Calendar Year 2011

#	Market Sector	Principal Issued
6	Agriculture - Beginner Farmer	735,595
1	Education - Private College	164,440,000
1	Healthcare - Hospital	45,000,000
2	501(c)(3) Not-for-Profit	191,835,000
<b>10</b>		<b>\$402,010,595</b>

### Bonds Issued in 2011

[Excludes Beginner Farmer Bonds]



■ E-PC	41.0%
■ HO	11.2%
■ 501(c)(3)	47.8%
Total:	100.0%

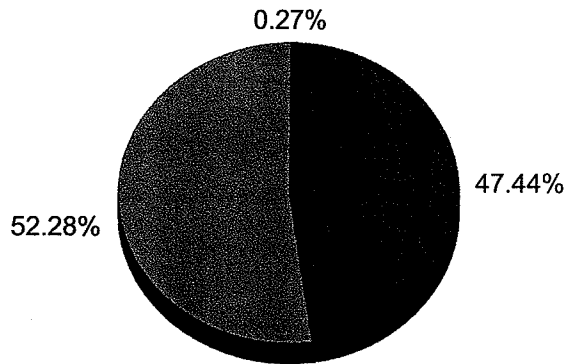


# Illinois Finance Authority

Fiscal Year 2011

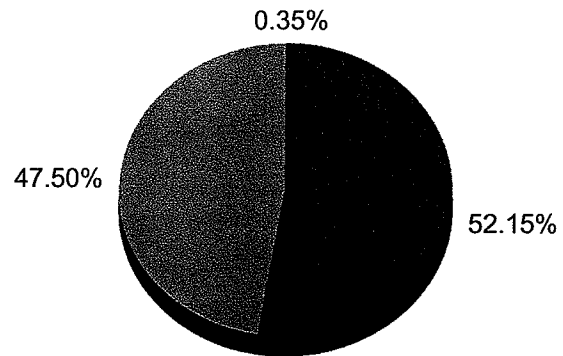
Market Sector	Principal Amount (\$)	New Money (\$)	#	Revenue (\$)
Agriculture	\$ 5,261,264.00	\$ 5,261,264.00	32	\$ 73,366.45
Business/Higher Ed/Non-Profit	908,877,183.67	787,352,183.67	15	2,246,380.67
Healthcare/CCRC's	1,001,525,000.00	717,060,000.00	24	1,638,050.00
	\$ 1,915,663,447.67	\$ 1,509,673,447.67	71	\$ 3,957,797.12

**Principal Amount (\$)**



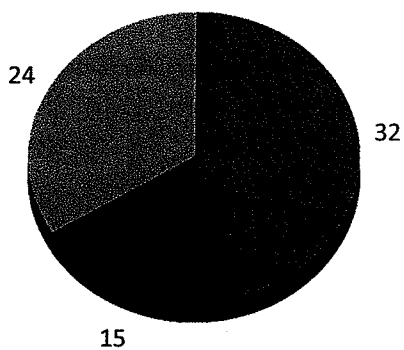
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

**New Money Principal(\$)**



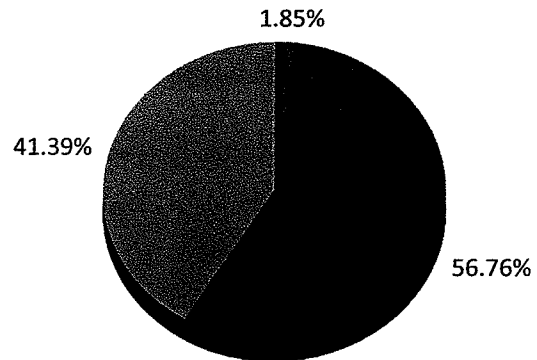
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

**# 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)

## Illinois Finance Authority "IFA" [b]

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2010	March 31, 2011		
312 Agriculture	\$ 46,455,000	\$ 51,433,000		
91 Education	3,721,552,000	3,843,412,000		
232 Healthcare	10,851,968,000	11,603,522,000		
74 Industrial Development [includes Recovery Zone/Midwest Disaster]	345,870,000	828,787,000		
22 Local Government	264,060,000	252,995,000		
18 Multifamily/Senior Housing	157,979,000	159,655,000		
98 501(c)(3) Not-for Profits	1,313,239,000	1,486,709,000		
5 Exempt Facilities Bonds	130,500,000	130,300,000		
852 Total IFA Principal Outstanding	\$ 16,831,623,000	\$ 18,356,813,000		

## Illinois Development Finance Authority "IDFA" [b]

4 Education	42,196,000	41,506,000		
5 Healthcare	404,660,000	219,360,000		
68 Industrial Development	562,917,000	489,847,000		
33 Local Government	386,034,000	338,161,000		
16 Multifamily/Senior Housing	147,219,000	145,350,000		
99 501(c)(3) Not-for Profits	1,025,002,000	972,128,000		
1 Exempt Facilities Bonds	24,860,000	24,860,000		
222 Total IDFA Principal Outstanding	\$ 2,592,888,000	\$ 2,231,212,000		

## Illinois Rural Bond Bank "IRBB" [b]

17 Bond Bank Revenue Bonds	26,385,000	20,220,000		
- Conduit Debt	2,390,000	-		
17 Total IRBB Principal Outstanding	\$ 28,775,000	\$ 20,220,000		

99 Illinois Health Facilities Authority "IHFA"	\$ 2,908,471,000	\$ 2,620,624,000		
49 Illinois Educational Facilities Authority "IEFA"	\$ 1,446,134,000	\$ 1,417,957,000		
561 Illinois Farm Development Authority "IFDA" [f]	\$ 42,055,000	\$ 42,055,000		

1,800 Total Illinois Finance Authority Debt	\$ 23,849,946,000	\$ 24,688,881,000	\$ 28,150,000,000	\$ 3,461,119,000
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Issued under the Illinois Finance Authority Act [20 ILCS 3501/845-5(a)]

## Section I (b)

## General Purpose Moral Obligations

## Illinois Finance Authority Act [20 ILCS 3501/801-40(w)]

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2010	March 31, 2011		
17 Issued through IRBB - Local Government Pools	\$ 26,385,000	\$ 20,220,000		
7 Issued through IFA - Local Government Pools	28,000,000	26,680,000		
2 Issued through IFA - Illinois Medical District Commission	40,000,000	39,640,000		
26 Total General Moral Obligations	\$ 94,385,000	\$ 86,540,000	\$ 150,000,000	\$ 63,460,000

## Financially Distressed Cities Moral Obligations

## Illinois Finance Authority Act [20 ILCS 3501/825-60]

2 Issued through IFA	\$ 2,395,000	\$ 3,825,000		
1 Issued through IDFA	4,660,000	3,565,000		
3 Total Financially Distressed Cities	\$ 7,055,000	\$ 7,390,000	\$ 50,000,000	\$ 42,610,000

## State Component Unit Bonds [c]

17 Issued through IRBB	\$ 26,385,000	\$ 20,220,000		
2 Issued through IDFA [i]	94,075,000	82,090,000		
2 Issued through IFA [j]	91,198,000	81,367,000		
21 Total State Component Unit Bonds	\$ 211,658,000	\$ 183,677,000		

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, 2010	March 31, 2011		
1 Midwest Disaster Bonds [Flood Relief]	\$ -	\$ 20,200,000	\$ 1,515,271,000	\$ 1,495,071,000

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 March 31, 2011	Available "Ceded" Volume Cap
	June 30, 2010	March 31, 2011	June 30, 2010	March 31, 2011		
- Recovery Zone Economic Development Bonds;	\$ 666,972,000	\$ 16,940,000	\$ 12,900,000	\$ 4,040,000		
8 Recovery Zone Facilities Bonds	\$ 1,000,457,000	\$ 292,400,000	\$ 218,702,000	\$ 73,698,000		
- Qualified Energy Conservation Bonds	\$ 133,846,000	\$ -	\$ -	\$ -		

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

## Section II

## Illinois Power Agency

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2010	March 31, 2011		
Illinois Power Agency	\$ -	\$ -	\$ 4,000,000,000	\$ 4,000,000,000

Section III	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2010	March 31, 2011		
Clean Coal, Coal, Renewable Energy and Energy Efficiency Projects	\$ -	\$ -	\$ 3,000,000,000 <sup>(d)</sup>	\$ 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, 2010	March 31, 2011			
Agri Debt Guarantees [Restructuring Existing Debt] 93 Fund # 994 - Fund Balance \$ 9,940,751	\$ 20,300,000	\$ 18,134,000	\$ 160,000,000	\$ 141,866,000	\$ 15,387,000
AG Loan Guarantee Program 50 Fund # 205 - Fund Balance \$ 7,651,586	\$ 47,229,000	\$ 42,872,000	\$ 225,000,000 <sup>(e)</sup>	\$ 182,128,000	\$ 30,831,000
11 Agri Industry Loan Guarantee Program	\$ 11,104,000	\$ 10,198,000			8,668,000
1 Renewable Fuels	24,445,000	23,228,000			14,134,000
2 Farm Purchase Guarantee Program	491,000	991,000			842,000
25 Specialized Livestock Guarantee Program	8,625,000	6,021,000			5,118,000
11 Young Farmer Loan Guarantee Program	2,564,000	2,434,000			2,069,000
143 Total State Guarantees	\$ 67,529,000	\$ 61,006,000	\$ 385,000,000	\$ 323,994,000	\$ 46,218,000

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

Section V			Principal Outstanding		Appropriation Fiscal Year 2011	Fund Balance
			June 30, 2010	March 31, 2011		
116	Fire Truck Revolving Loan Program	Fund # 572	\$ 18,730,135	17,504,048	\$ 6,003,342	2,593,729
10	Ambulance Revolving Loan Program	Fund # 334	\$ 993,200	832,213	\$ 7,006,800	590

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, 2010	March 31, 2011		
Environmental [Large Business]						
9	Issued through IFA		316,440,000	\$ 316,072,000		
19	Issued through IDFA		372,065,000	357,165,000		
28	Total Environmental [Large Business]		\$ 688,505,000	\$ 673,237,000	\$ 2,425,000,000	\$ 1,751,763,000
Environmental [Small Business]						
28	Total Environment Bonds Issued under Act		\$ 688,505,000	\$ 673,237,000	\$ 2,500,000,000	\$ 1,826,763,000

#### Illinois Finance Authority Funds at Risk

Section VII	#		Original Amount	Principal Outstanding	
				June 30, 2010	March 31, 2011
		Participation Loans			
49	Business & Industry		23,020,157.95	17,018,322.85	13,897,295.13
19	Agriculture		6,079,859.01	4,969,295.79	4,111,334.69
68	Participation Loans excluding Defaults & Allowances		\$ 29,100,016.96	\$ 21,987,618.64	\$ 18,008,629.82
		Plus: Legacy IDFA Loans in Default			1,143,112.67
		Less: Allowance for Doubtful Accounts			3,812,479.12
		Total Participation Loans			\$ 15,339,263.37
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	\$ 309,303.50	294,526.74
5	FmHA Loans		\$ 963,250.00	\$ 495,772.95	321,545.96
2	Renewable Energy [RED Fund]		\$ 2,000,000.00	\$ 1,755,664.28	1,705,249.65
80	Total Loans Outstanding		\$ 34,353,016.96	\$ 25,548,359.37	\$ 18,660,585.72

<sup>(a)</sup> Total subject to change; late month payment data may not be included at issuance of report.

<sup>(b)</sup> State Component Unit Bonds included in balance.

<sup>(c)</sup> Does not include Unamortized issuance premium as reported in Audited Financials.

<sup>(d)</sup> Program Limitation reflects the increase to \$3 billion effective 01/01/2010 under P.A. 96-103.

<sup>(e)</sup> Program Limitation reflects the increase from \$75 million to \$225 million effective 01/01/2010 under P.A. 96-103.

<sup>(f)</sup> Beginner Farmer Bonds are currently updated annually; new bonds will be added under the Illinois Finance Authority when the bond closes.

<sup>(g)</sup> 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.

<sup>(h)</sup> 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]

<sup>(i)</sup> 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.

<sup>(j)</sup> Includes EPA Clean Water Revolving Fund

# Principal Issued by Month \*

Month	Data	Year							
		2004	2005	2006	2007	2008	2009	2010	2011
January	Sum of Principal	-	138,085,000	98,670,000	13,680,000	122,870,000	723,895,000	252,800,000	-
	Sum of % of Change			-28.5%	-86.1%	798.2%	489.2%	65.1%	100.0%
February	Sum of Principal	22,950,000	31,714,000	85,235,000	243,775,000	57,235,000	383,520,000	233,982,400	224,050,000
	Sum of % of Change		38.2%	168.8%	186.0%	-76.5%	570.1%	-39.0%	-4.2%
March	Sum of Principal	72,920,000	243,620,900	221,200,000	429,933,900	67,400,000	647,005,000	43,610,000	177,225,000
	Sum of % of Change		234.1%	-9.2%	94.4%	-84.3%	859.9%	-93.3%	-306.4%
April	Sum of Principal	87,500,000	54,890,000	53,160,378	204,725,000	1,217,254,000	504,000,000	277,283,662	
	Sum of % of Change		-37.3%	-3.2%	285.1%	494.6%	53.6%	-45.0%	
May	Sum of Principal	1,112,926,171	374,980,000	67,930,000	239,097,750	1,168,925,000	108,194,732	405,288,433	
	Sum of % of Change		-66.3%	-81.9%	-252.0%	388.9%	-90.7%	274.6%	
June	Sum of Principal	62,305,000	137,165,000	131,900,914	394,513,530	817,587,000	475,200,000	287,150,000	
	Sum of % of Change		120.2%	-3.8%	199.1%	107.2%	-41.9%	-40.1%	
July	Sum of Principal	109,045,000	370,370,000	183,955,000	149,165,000	56,242,400	382,477,000	284,660,000	
	Sum of % of Change		239.6%	-50.3%	-18.9%	-62.3%	580.1%	-25.6%	
August	Sum of Principal	77,395,000	317,680,000	416,886,100	695,600,000	110,315,000	383,766,653	172,185,000	
	Sum of % of Change		310.5%	31.2%	66.9%	84.1%	247.9%	-55.1%	
September	Sum of Principal	195,595,000	199,800,000	34,525,000	65,406,650	186,705,000	-	72,000,000	
	Sum of % of Change		2.1%	-82.7%	89.4%	185.5%	-100.0%	100%	
October	Sum of Principal	17,095,000	78,070,000	303,685,000	747,030,000	112,905,000	185,370,000	302,020,000	
	Sum of % of Change		356.7%	289.0%	146.0%	84.9%	56.7%	70.8%	
November	Sum of Principal	674,465,000	72,530,000	134,980,000	34,691,195	90,609,000	240,000,000	314,850,000	
	Sum of % of Change		-89.2%	86.1%	-74.3%	161.2%	164.9%	31.2%	
December	Sum of Principal	275,415,000	655,400,000	435,050,000	765,246,784	431,000,000	668,404,820	363,412,184	
	Sum of % of Change		138.0%	-33.6%	75.9%	-43.7%	55.1%	-45.6%	
Total Sum of Principal		2,707,611,171	2,674,304,900	2,167,177,392	3,982,864,809	4,439,047,400	4,701,833,205	3,009,241,679	401,275,000

\*Sum of % of Change\* reflects the percent of increase/decrease over the same month in the prior year.

\* Does not include Beginner Farmer Bonds issued.

## Bonds Issued by Quarter - Calendar Year

	2004	2005	2006	2007	2008	2009	2010	2011
1st Quarter	95,870,000	413,419,900	405,105,000	687,388,900	247,505,000	1,754,420,000	530,392,400	401,275,000
2nd Quarter	1,262,731,171	567,035,000	252,991,292	838,336,280	3,203,766,000	1,087,394,732	969,722,095	0
3rd Quarter	382,035,000	887,850,000	635,366,100	910,171,650	353,262,400	766,243,653	528,845,000	0
4th Quarter	966,975,000	806,000,000	873,715,000	1,546,967,979	634,514,000	1,093,774,820	980,282,184	0
Total Bonds Issued - Calendar Year	2,707,611,171	2,674,304,900	2,167,177,392	3,982,864,809	4,439,047,400	4,701,833,205	3,009,241,679	401,275,000
% Change over Prior Calendar Year		-1.2%	-19.0%	83.8%	11.5%	5.9%	-36.0%	-24.3%

## Bonds Issued by Quarter - Fiscal Year

	2004	2005	2006	2007	2008	2009	2010	2011
1st Quarter		382,035,000	887,850,000	635,366,100	910,171,650	353,262,400	766,243,653	528,845,000
2nd Quarter		966,975,000	806,000,000	873,715,000	1,546,967,979	634,514,000	1,093,774,820	980,282,184
3rd Quarter	95,870,000	413,419,900	405,105,000	687,388,900	247,505,000	1,754,420,000	530,392,400	401,275,000
4th Quarter	1,262,731,171	567,035,000	252,991,292	838,336,280	3,203,766,000	1,087,394,732	969,722,095	0
Total Bonds Issued - Fiscal Year	1,358,601,171	2,329,464,900	2,351,946,292	3,034,806,280	5,908,410,629	3,829,591,132	3,360,132,968	1,910,402,184
% Change over Prior Fiscal Year		71.5%	1.0%	29.0%	94.7%	-35.2%	-12.3%	-20.1%

# Principal Issued/Bonds Refunded by Month

Month	Year							
	2004	2005	2006	2007	2008	2009	2010	2011
January		138,085,000	98,670,000	13,680,000	122,870,000	723,895,000	252,800,000	
	-	25,755,000	13,285,000	-	-	205,350,000	155,775,000	-
February	22,950,000	31,714,000	85,235,000	243,775,000	57,235,000	383,520,000	733,982,400	224,050,000
	-	-	52,945,000	96,220,000	45,210,000	113,100,000	90,946,623	50,600,000
March	72,920,000	243,620,500	221,200,000	429,933,000	67,400,000	647,005,000	43,610,000	177,225,000
	53,930,000	191,745,000	117,185,000	147,205,000	62,800,000	255,325,000	29,675,000	42,385,000
April	87,500,000	54,890,000	63,160,378	204,725,000	1,217,254,000	504,000,000	277,283,662	
	-	11,540,000	-	62,890,000	1,141,790,000	464,985,000	70,420,000	
May	1,112,926,171	374,980,000	67,930,000	239,097,750	1,168,925,000	108,194,732	405,288,433	
	451,164,992	93,060,000	29,915,000	99,375,000	456,397,500	-	55,940,000	
June	62,305,000	137,165,000	131,900,914	294,513,530	817,587,000	475,200,000	287,160,000	
	28,810,000	10,870,000	-	46,427,000	605,130,000	-	255,625,000	
July	109,045,000	370,370,000	183,855,000	149,165,000	56,242,400	382,477,000	284,660,000	
	-	238,695,000	4,749,000	34,830,000	-	-	211,395,000	
August	77,395,000	317,660,000	416,886,100	695,600,000	110,315,000	383,766,653	172,185,000	
	43,000,000	239,225,000	255,665,000	123,830,000	65,250,000	35,254,532	9,185,000	
September	195,595,000	199,800,000	34,525,000	65,406,650	186,705,000		72,000,000	
	6,220,000	92,955,000	-	4,500,000	-	-	-	
October	17,095,000	78,070,000	303,685,000	747,030,000	112,505,000	175,870,000	302,020,000	
	-	-	254,960,000	338,880,796	2,400,000	92,425,000	90,325,000	
November	674,465,000	72,530,000	134,980,000	34,691,195	90,603,000	240,000,000	314,850,000	
	247,055,000	36,575,000	25,095,000	14,230,000	10,275,000	102,145,000	-	
December	275,415,000	656,400,000	435,050,000	765,246,784	431,000,000	668,404,820	363,442,184	
	71,565,000	68,360,000	144,825,000	213,930,000	80,300,000	288,007,133	2,100,000	
Total Sum of Principal	2,707,611,171	2,674,304,900	2,167,177,392	3,982,864,809	4,439,047,400	4,693,333,205	3,009,241,679	401,275,000
Total Sum of Refunded	901,744,992	1,008,780,000	898,624,000	1,182,317,796	2,469,552,500	1,556,591,665	971,386,623	92,985,000
Net Bonds Issued	1,805,866,179	1,665,524,900	1,268,553,392	2,800,547,013	1,969,494,900	3,136,741,540	2,037,855,056	308,290,000

Bonds Issued includes the value of the Bonds Refunded.