

April 13, 2010

TO: William A. Brandt, Jr., Chairman  
Dr. William Barclay  
Ronald E. DeNard  
James J. Fuentes  
Edward H. Leonard, Sr.  
Terrence M. O'Brien  
Juan B. Rivera

Michael W. Goetz, Vice Chairman  
Roderick S. Bashir  
John E. Durburg  
Dr. Roger D. Herrin  
Joseph McInerney  
Roger E. Poole  
Bradley A. Zeller

RE: Message from the Executive Director

Dear Members of the Authority:

Since our meeting last month in Peoria, the staff of the Illinois Finance Authority (“IFA”) concentrated on:

- improving and expanding our tools through legislative advocacy before the General Assembly;
- accounting for our stewardship of existing tools at the State-level through the legislative appropriation process and the audit process supervised by the Illinois Auditor General and the Legislative Audit Commission;
- seeking Congressional approval to retain important federal tools and working with our counterparts nationally;
- as well as focusing on the core business mission of the IFA.

### **IFA State Legislative Priorities**

March 2010 saw a great deal of progress on the legislative priorities of the IFA: HB 5854; SB 3719; SB 3474; and SB 2505. The Illinois General Assembly has scheduled its adjournment on May 7 rather than May 31 so March was a particularly important time for these bills.

HB 5854 (Colvin-Black-Verschoore-Arroyo-Riley/Sen. Clayborne) grants the IFA “multi-state” bonding authority. HB 5854 will allow the IFA to finance non-profit healthcare, education, housing, and cultural projects located outside of Illinois as long as Illinois projects are also financed in the same transaction and State resources are not utilized. This bill will reduce costs of issuance for non-profit borrowers and will allow the IFA to effectively compete against other state issuers that already have this ability. Healthcare borrowers have been particularly interested in the IFA obtaining multi-state authority. On March 12, HB 5854 passed the House 69-26 and has been assigned to the Senate State Government and Veterans Affairs Committee.

SB 3719 (Frerichs-McCarter/Rep. Bradley) will expand the IFA’s agricultural guarantee programs to provide working capital for row-crop farmers. SB 3719 will also add an additional layer of non-appropriated funds as security for the IFA agricultural guarantee programs. On March 11, SB 3719 passed the Senate 57-0 and has been assigned to the House Agriculture and Conservation Committee.

SB 2505 (Frerichs-Holmes-Koehler-Schoenberg-Garrett) will provide a statutory framework for Property Assessed Clean Energy (“PACE”) bonds. PACE financing would allow property owners to finance energy efficient and renewable energy improvements at favorable rates through a voluntary surcharge on their property taxes. Vice-President Biden highlighted the concept in late 2009 and more than 15 states have enacted a PACE bond program in one form or another. IFA has adopted SB 2505 as a legislative priority in light of a pending joint DCEO-IFA competitive application for debt service reserve and revolving loan funding with the U.S. Department of Energy (“USDOE”) and the enactment of SB 583 last year, which laid the foundation for the PACE bond program in Illinois. It is hoped that SB 2505 will pass the Senate this month.

Finally, SB 3474 (Wilhelmi-Jones) will provide a mechanism to encourage the use of Recovery Zone financing, a federal stimulus program allocated to individual counties and large cities before this important federal program expires on December 31, 2010. Recovery Zone financing provides lower cost financing for both private and public projects. It is hoped that SB 3474 will pass the Senate this month.

On behalf of the Board and the entire IFA staff, I would like to thank the lead sponsors of our legislative priorities, Representative Marlow Colvin, Senator Michael Frerichs, and Senator A.J. Wilhelmi, as well as all of the Senators and Representatives who co-sponsored or supported these important bills.

### **IFA Accountability and Transparency**

Accountability and transparency is the IFA’s regular method of operation under the leadership of our chairman, William A. Brandt, Jr., as well as our active volunteer board. IFA has recently expanded its efforts to post public board books and minutes on the internet. IFA is also accountable at the State-level through the legislative appropriation process (even though IFA receives no State appropriations to support its operations) and the audit process directed by the Illinois Auditor General and the Legislative Audit Commission.

On March 22, the IFA appeared before the House Public Safety Appropriations Committee chaired by Representative Karen Yarbrough. The hearing went very well and it is anticipated that the IFA will appear before a Senate Appropriations Committee in late April.

Today, it is anticipated that the Audit Committee will report to the full board the results of the Illinois Auditor General’s Financial Audit of the IFA for Fiscal Year 2009 (published March 3) and the Compliance Examination of the IFA for Fiscal Year 2009 (published March 30). McGladry & Pullen, LLP were special assistant auditors for the Fiscal Year 2009 audits. The final step in the Fiscal Year 2009 audit process will be the consideration of, and hopefully, the closing of both audits by the Legislative Audit Commission.

Preparation for the Fiscal Year 2010 audit is underway. We expect new special assistant auditors to be appointed pursuant to the Auditor General’s rotation policy.

### **IFA Federal Efforts**

IFA has long been active in national trade or industry organizations including National Association of Health Education Facilities Finance Authorities (“NAHEFFA”), Council of Development Finance Agencies (“CDFA”) and the National Council of State Agricultural Finance Programs (NCOSAFP). Eric Reed worked with other State peer agencies and the NCOSAFP to bring improvements to the Beginning Farmer Bond program. Rich Frampton has been a longtime board member of CDFA. We congratulate Pam Lenane on her election as a Vice-President of NAHEFFA in March.

While attending the March NAHEFFA meeting in Washington DC, IFA met with the staffs of U.S. Senator Richard Durbin and Congressman Peter Roskam as well as Congressman Danny Davis and his staff to discuss IFA’s federal legislative priorities:

- ***Extension of the Federal Home Loan Bank Letter of Credit Provision*** (“FHLB LOC”). Authorized in 2008, this provision has helped smaller, non-rated 501(c)(3) borrowers improve their access to financing originated by community banks. IFA worked extensively to support the passage of this provision in 2008 and, to date, IFA closed five transactions with a par amount of \$88.7 million. The FHLB LOC expires on December 31, 2010 unless extended by Congress.
- ***Extension of Bank Qualified Tax-Exempt Bonds*** (“BQ”). Authorized in February 2009 with the federal stimulus, this tax benefit allows commercial banks to bring BQ bonds into their portfolios and to charge a lower interest rate. BQ expires on December 31, 2010 unless extended by Congress.
- ***Extension of the Biodiesel Blenders Tax Credit***. This credit, an essential support to the American biodiesel industry, expired on December 31, 2009. On March 10, 2010, the U.S. Senate passed the extension of this credit retroactive to January 1, 2010. The extension is now under consideration by the U.S. House of Representatives. This credit is of particular importance to the REG-Blackhawk biodiesel plant in Danville, Illinois, that was financed through an IFA agricultural guarantee.

On March 17, USDOE responded positively to IFA’s January qualifications submission to participate in the USDOE Loan Guarantee Program’s Financial Institution Partnership Program (“FIPP”). This response represents a significant advance in IFA’s ongoing efforts to develop the energy sector.

Finally, the IFA has continued to work closely with Governor Quinn’s Office, the Department of Commerce and Economic Opportunity and the Illinois Power Agency, and U.S. Senator Durbin’s Office as well as USDOE to make the FutureGen clean coal project a reality.

### **The Business of the Authority**

In March, IFA closed two 501(c)(3) conduit bond financings and nine beginning farmer conduit financings.

Based on these efforts, total gross revenue year to date for the period ending March, 2010, was \$5.4M or \$838K higher than the approved Fiscal Year ‘10 budget and \$222K lower

than last year. Operating expenses were \$4.3M or \$346K higher than budget and \$368K higher than last year. The unfavorable expense variances are mainly due to reserves for bad debt.

Pursuant to the procurement process, IFA executed contracts with two financial advisors, Scott Balice Strategies and Acacia Financial Group, both women-owned firms. In the agricultural sector, we have initiated efforts with the University of Illinois College of Agricultural, Consumer and Environmental Sciences (“ACES”) to revive a past relationship between ACES and one of IFA’s predecessors. We are hopeful that ACES can serve as a financial advisor and public policy partner to IFA for agricultural projects.

While the economic environment remains very challenging, we plan to continue to work under your leadership to retain and create jobs in our State.

Respectfully,

---

Christopher Meister  
Executive Director


**Attachments:**

Attachment 1-General Fund, Financial Results plus the consolidated balance sheet and the Audit Tracking Schedule





Attachment 2 – Bonds Issued and Outstanding and Schedule of Debt Reports

**Illinois Finance Authority**  
**FY09 Audit Finding: Material**  
**Update as of March 31, 2010**

Number of Material Findings - 1

| Item Number                             | Description  | Finding Type              | Comments  | Percentage Completed  |
|---|--|---------------------------|---|---|
| Government Auditing Standards:<br>09-01 | <b>Valuation of Venture<br/>           Capital Investments</b> | Significant<br>Deficiency | <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 expects the execution of the valuation services to be finalized by June 30, 2010. We procured the services through Scott Balice Strategies, LLC and are currently working with them to execute by June 30th. | 10 20 30 40 50 60 70 80 90 100<br> |

**Illinois Finance Authority  
 FY09 Audit Finding: Immaterial  
 Update as of March 31, 2010**

| Item Number                      | Description  | Percentage Completed  |
|----------------------------------|--|---|
|                                  |  | 10 20 30 40 50 60 70 80 90 100  |
| Total Number of 4                |  |   |
| <b>FY 09 Immaterial Findings</b> |  |   |
| <b>IM09-01</b>                   | Failure to Report Revenue Bond Information to the Illinois Office of the Comptroller |  |
| <b>IM09-02</b>                   | Inaccurate Agency Report of State Property (C-15)                                    |  |
| <b>IM09-03</b>                   | Lack of Disaster Contingency Testing to Ensure Recovery of Computer Systems          |  |
| <b>IM09-04</b>                   | Weaknesses Regarding the Security and Control of Confidential Information            |  |

# Attachment 2

## ILLINOIS FINANCE AUTHORITY Schedule of Debt <sup>[a]</sup>

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, 2009            | March 31, 2010           |                          |                         |
| <b>Illinois Finance Authority "IFA"</b>                              |                          |                          |                          |                         |
| 257 Agriculture  | \$ 40,653,000            | \$ 46,336,000            |                          |                         |
| 86 Education   | 3,494,340,000            | 3,707,031,000            |                          |                         |
| 202 Healthcare   | 9,089,122,000            | 10,330,636,000           |                          |                         |
| 62 Industrial Development  | 366,045,000              | 351,613,000              |                          |                         |
| 21 Local Government  | 271,480,000              | 264,060,000              |                          |                         |
| 19 Multifamily/Senior Housing  | 164,768,000              | 164,600,000              |                          |                         |
| 96 501(c)(3) Not-for Profits   | 1,186,916,000            | 1,234,652,000            |                          |                         |
| 4 Exempt Facilities Bonds  | 77,000,000               | 105,500,000              |                          |                         |
| <b>747 Total IFA Principal Outstanding</b>                           | <b>\$ 14,690,324,000</b> | <b>\$ 16,204,428,000</b> |                          |                         |
| <b>Illinois Development Finance Authority "IDFA" <sup>[b]</sup></b>  |                          |                          |                          |                         |
| 4 Education  | 75,163,000               | 42,202,000               |                          |                         |
| 9 Healthcare   | 544,455,000              | 544,455,000              |                          |                         |
| 79 Industrial Development  | 605,563,000              | 569,996,000              |                          |                         |
| 35 Local Government  | 452,433,000              | 387,684,000              |                          |                         |
| 16 Multifamily/Senior Housing  | 150,192,000              | 147,456,000              |                          |                         |
| 106 501(c)(3) Not-for Profits  | 1,081,733,000            | 1,049,827,000            |                          |                         |
| 1 Exempt Facilities Bonds  | 24,860,000               | 24,860,000               |                          |                         |
| <b>246 Total IDFA Principal Outstanding</b>                          | <b>\$ 2,934,399,000</b>  | <b>\$ 2,766,480,000</b>  |                          |                         |
| <b>Illinois Rural Bond Bank "IRBB" <sup>[b]</sup></b>                |                          |                          |                          |                         |
| 18 Bond Bank Revenue Bonds   | 30,725,000               | 26,385,000               |                          |                         |
| 2 Conduit Debt   | 3,860,000                | 3,715,000                |                          |                         |
| <b>20 Total IRBB Principal Outstanding</b>                           | <b>\$ 34,585,000</b>     | <b>\$ 30,100,000</b>     |                          |                         |
| <b>113 Illinois Health Facilities Authority "IHFA"</b>               | <b>\$ 3,655,331,000</b>  | <b>\$ 3,019,451,000</b>  |                          |                         |
| <b>53 Illinois Educational Facilities Authority "IEFA"</b>           | <b>\$ 1,673,996,000</b>  | <b>\$ 1,558,454,000</b>  |                          |                         |
| <b>604 Illinois Farm Development Authority "IFDA" <sup>[1]</sup></b> | <b>\$ 47,029,000</b>     | <b>\$ 47,029,000</b>     |                          |                         |
| <b>1,783 Total Illinois Finance Authority Debt</b>                   | <b>\$ 23,035,664,000</b> | <b>\$ 23,625,942,000</b> | <b>\$ 28,150,000,000</b> | <b>\$ 4,524,058,000</b> |

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

| Section I (b)   | Principal Outstanding |                       | Program Limitations   | Remaining Capacity   |
|---|-----------------------|-----------------------|-----------------------|----------------------|
|   | June 30, 2009         | March 31, 2010        |                       |                      |
| <b>General Purpose Moral Obligations</b>                |                       |                       |                       |                      |
| Illinois Finance Authority Act [20 ILCS 3501/801-40(w)] |                       |                       |                       |                      |
| 18 Issued through IRBB                                  | \$ 30,725,000         | \$ 30,100,000         |                       |                      |
| 9 Issued through IFA                                    | 64,560,000            | 68,000,000            |                       |                      |
| <b>27 Total General Moral Obligations</b>               | <b>\$ 95,285,000</b>  | <b>\$ 98,100,000</b>  | <b>\$ 150,000,000</b> | <b>\$ 51,900,000</b> |
| <b>Financially Distressed Cities Moral Obligations</b>  |                       |                       |                       |                      |
| Illinois Finance Authority Act [20 ILCS 3501/825-60]    |                       |                       |                       |                      |
| 1 Issued through IFA                                    | \$ 2,925,000          | \$ 2,395,000          |                       |                      |
| 1 Issued through IDFA                                   | 5,720,000             | 4,660,000             |                       |                      |
| <b>2 Total Financially Distressed Cities</b>            | <b>\$ 8,645,000</b>   | <b>\$ 7,055,000</b>   | <b>\$ 50,000,000</b>  | <b>\$ 42,945,000</b> |
| <b>State Component Unit Bonds <sup>[c]</sup></b>        |                       |                       |                       |                      |
| 19 Issued through IRBB                                  | \$ 30,725,000         | \$ 26,385,000         |                       |                      |
| 2 Issued through IDFA                                   | 105,530,000           | 100,915,000           |                       |                      |
| 13 Issued through IFA                                   | 164,818,000           | 159,352,000           |                       |                      |
| <b>34 Total State Component Unit Bonds</b>              | <b>\$ 301,073,000</b> | <b>\$ 286,652,000</b> |                       |                      |

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

| Section I (c)                                | Principal Outstanding |                | Program Limitations     | Remaining Capacity      |
|--|-----------------------|----------------|-------------------------|-------------------------|
|  | June 30, 2009         | March 31, 2010 |                         |                         |
| <b>Midwest Disaster Bonds [Flood Relief]</b> | <b>\$ -</b>           | <b>\$ -</b>    | <b>\$ 1,515,271,000</b> | <b>\$ 1,515,271,000</b> |

**ILLINOIS FINANCE AUTHORITY**  
Schedule of Debt <sup>[a]</sup>

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

| Section II            | Principal Outstanding |                | Program Limitations | Remaining Capacity |
|-----------------------|-----------------------|----------------|---------------------|--------------------|
|                       | June 30, 2009         | March 31, 2010 |                     |                    |
| Illinois Power Agency | \$ -                  | \$ -           | \$ 4,000,000,000    | \$ 4,000,000,000   |

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

| Section III  | Energy | Principal Outstanding |                | Program Limitations             | Remaining Capacity |
|--|--------|-----------------------|----------------|---------------------------------|--------------------|
|  |        | June 30, 2009         | March 31, 2010 |                                 |                    |
| Clean Coal, Coal ,Renewable Energy and 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, 2009         | March 31, 2010 |                               |                    |                |
| <b>Agri Debt Guarantees [Restructuring Existing Debt]</b><br>Fund # 994 - Fund Balance \$ 9,911,327 | \$ 21,986,000         | \$ 20,527,000  | \$ 160,000,000                | \$ 139,473,000     | \$ 17,406,000  |
| Agri Industry Loan Guarantee Program  | \$ 13,648,000         | \$ 9,976,000   |                               |                    | 8,480,000      |
| Renewable Fuels   | 24,445,000            | 24,445,000     |                               |                    | 14,875,000     |
| Farm Purchase Guarantee Program   | 496,000               | 496,000        |                               |                    | 421,000        |
| Specialized Livestock Guarantee Program   | 12,696,000            | 8,925,000      |                               |                    | 7,586,000      |
| Young Farmer Loan Guarantee Program   | 2,430,000             | 2,591,000      |                               |                    | 2,202,000      |
| <b>AG Loan Guarantee Program</b><br>Fund # 205 - Fund Balance \$ 7,628,938                          | \$ 53,715,000         | \$ 46,433,000  | \$ 225,000,000 <sup>[e]</sup> | \$ 178,567,000     | \$ 33,564,000  |
| <b>Total State Guarantees</b>   | \$ 75,701,000         | \$ 66,960,000  | \$ 385,000,000                | \$ 318,040,000     | \$ 50,970,000  |

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

| Section V                         | Principal Outstanding |                | Appropriation Fiscal Year 2010 | Fund Balance |
|-----------------------------------|-----------------------|----------------|--------------------------------|--------------|
|                                   | June 30, 2009         | March 31, 2010 |                                |              |
| Fire Truck Revolving Loan Program | \$ 19,258,322         | \$ 18,800,769  | \$ 6,003,342                   | \$ 1,054,823 |
| Ambulance Revolving Loan Program  | \$ 993,200            | \$ 993,200     | \$ 7,006,800                   | \$ 3,127,252 |

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

| Section VI   | Principal Outstanding |                | Program Limitations | Remaining Capacity |
|--|-----------------------|----------------|---------------------|--------------------|
|  | June 30, 2009         | March 31, 2010 |                     |                    |
| <b>Environmental [Large Business]</b>              |                       |                |                     |                    |
| 9 Issued through IFA                               | \$ 317,704,492        | \$ 317,358,000 |                     |                    |
| 21 Issued through IDFA                             | 407,370,000           | 372,320,000    |                     |                    |
| 30 <b>Total Environmental [Large Business]</b>     | \$ 725,074,492        | \$ 689,678,000 | \$ 2,425,000,000    | \$ 1,735,322,000   |
| <b>Environmental [Small Business]</b>              | \$ -                  | \$ -           | \$ 75,000,000       | \$ 75,000,000      |
| 30 <b>Total Environment Bonds Issued under Act</b> | \$ 725,074,492        | \$ 689,678,000 | \$ 2,500,000,000    | \$ 1,810,322,000   |

**Illinois Finance Authority Funds at Risk**

| Section VII | #   | Participation Loans              | Original Amount  | Principal Outstanding |                  |
|-------------|-----|----------------------------------|------------------|-----------------------|------------------|
|             |     |                                  |                  | June 30, 2009         | March 31, 2010   |
|             | 63  | Business & Industry              | 27,584,793.27    | 20,487,542.83         | 17,353,213.20    |
|             | 26  | Agriculture                      | 6,106,859.01     | 5,323,214.12          | 5,075,908.10     |
|             | 89  | <b>Total Participation Loans</b> | \$ 33,691,652.28 | \$ 25,810,756.95      | \$ 22,429,121.30 |
|             | 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  | \$ 387,931.74         | \$ 318,303.50    |
|             | 6   | FmHA Loans                       | \$ 963,250.00    | \$ 617,776.68         | \$ 527,225.61    |
|             | 2   | Renewable Energy [RED Fund]      | \$ 2,000,000.00  | \$ 1,841,011.12       | \$ 1,777,171.54  |
|             | 102 | <b>Total Loans Outstanding</b>   | \$ 38,944,652.28 | \$ 29,657,476.49      | \$ 26,051,821.95 |



## ILLINOIS FINANCE AUTHORITY

### Schedule of Debt <sup>[a]</sup>

- [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.

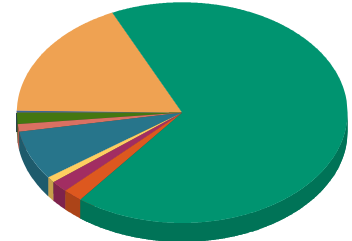
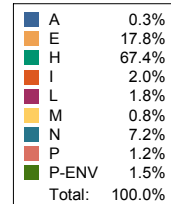


## Bonds Issued and Outstanding as of March 31, 2010

### Bonds Issued Since Inception

| #   | Market Sector                                | Principal Amount (\$) |
|-----|--|-----------------------|
| 8   | Agriculture                                  | 54,069,584            |
| 95  | Education                                    | 3,781,818,100         |
| 284 | Healthcare                                   | 14,322,345,075        |
| 69  | Industrial                                   | 429,425,669           |
| 26  | Local Government                             | 376,160,000           |
| 19  | Multifamily/Senior Housing                   | 175,417,900           |
| 124 | 501(c)(3) Not-for Profits                    | 1,526,734,533         |
| 7   | Exempt Facilities Bonds                      | 250,700,000           |
| 9   | Environmental issued<br>under 20 ILCS 3515/9 | 326,630,000           |
|     |  | \$ 21,243,300,861     |

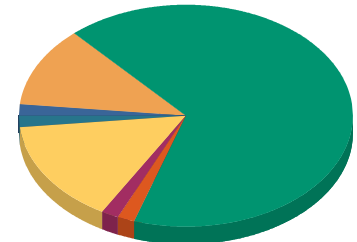
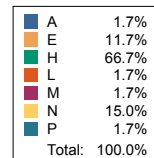
### Bonds Issued Since Inception



### Current Fiscal Year

| #  | Market Sector              | Principal Issued |
|----|----------------------------|------------------|
| 1  | Agriculture                | 5,965,672        |
| 7  | Education                  | 283,745,000      |
| 40 | Healthcare                 | 1,950,467,015    |
| 1  | Local Government           | 4,460,000        |
| 1  | Multifamily/Senior Housing | 5,700,000        |
| 9  | 501(c)(3) Not-for Profits  | 109,038,858      |
| 1  | Exempt Facilities Bonds    | 28,500,000       |
|    |                            | \$ 2,387,876,545 |

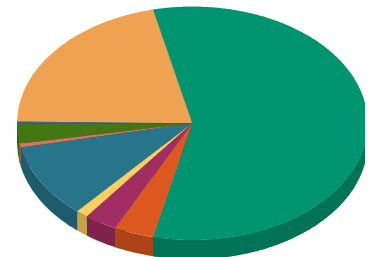
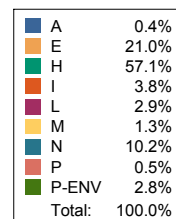
### Bonds Issued - Current Fiscal Year



### Schedule of Bonds Outstanding by Market Sector

| Market Sector                                | Amount of Original Issue | Principal Outstanding |
|--|--------------------------|-----------------------|
| Agriculture                                  | 292,539,290              | 93,364,626            |
| Education                                    | 5,509,605,730            | 5,129,902,173         |
| Healthcare                                   | 15,905,918,904           | 13,894,542,537        |
| Industrial                                   | 1,113,225,669            | 921,608,551           |
| Local Government                             | 1,139,929,413            | 681,844,169           |
| Multifamily/Senior Housing                   | 749,333,296              | 312,055,921           |
| 501(c)(3) Not-for Profits                    | 2,870,145,334            | 2,462,263,797         |
| Exempt Facilities Bonds                      | 130,360,000              | 130,360,000           |
| Environmental issued<br>under 20 ILCS 3515/9 | 770,475,000              | 689,677,608           |
|  | \$ 28,481,532,636        | \$ 24,315,619,381     |

### Principal Outstanding by Market Sector



## Bonds Issued between July 01, 2009 and March 31, 2010

| <u>Bond Issue</u>                                     | <u>Date Issued</u> | <u>Principal Issued</u>        |
|---|--------------------|--------------------------------|
| Beginner Farmer Bonds - Fiscal Year 2010              | 07/01/2009         | 5,965,672                      |
| Provena Health, Series 2009B-D                        | 07/09/2009         | 116,000,000                    |
| Jewish Charities RAN, Series 2009-2010A               | 07/09/2009         | 14,370,000                     |
| Hospice of Northeastern Illinois, Series 2009         | 07/16/2009         | 8,500,000                      |
| Illinois Institute of Technology, Series 2009         | 07/22/2009         | 30,000,000                     |
| Alexian Brothers Health System, Inc., Series 2009     | 07/23/2009         | 13,607,000                     |
| Rush University Medical Center, Series 2009C&D        | 07/29/2009         | 200,000,000                    |
| Riverside Health System, Series 2009                  | 08/13/2009         | 66,500,000                     |
| OSF Healthcare System, Series 2009E-G                 | 08/18/2009         | 70,000,000                     |
| University of Chicago Medical Center, Series 2009C-E  | 08/20/2009         | 225,000,000                    |
| Aunt Martha's Youth Service Center, Inc., Series 2009 | 08/20/2009         | 8,924,195                      |
| St. Patrick High School, Series 2009                  | 08/20/2009         | 5,431,458                      |
| Our Lady of Angels Village, Series 2009               | 08/20/2009         | 7,911,000                      |
| American Water Capital Corp., Series 2009             | 10/01/2009         | 28,500,000                     |
| Lake Forest Hospital, Series 2009                     | 10/16/2009         | 52,000,000                     |
| Trinity International University, Series 2009         | 10/22/2009         | 22,870,000                     |
| Edward Hospital, Series 2009A                         | 10/28/2009         | 43,500,000                     |
| Concordia University Chicago, Series 2009             | 10/29/2009         | 30,000,000                     |
| Central DuPage Health, Series 2009B                   | 11/18/2009         | 240,000,000                    |
| Bond Bank Revenue Bonds, Series 2009A                 | 12/04/2009         | 4,460,000                      |
| Roosevelt University, Series 2009                     | 12/09/2009         | 183,645,000                    |
| Rehabilitation Institute of Chicago, Series 2009A-C   | 12/10/2009         | 90,675,000                     |
| Villa Guadalupe Senior Services, Series 2009          | 12/15/2009         | 3,345,000                      |
| Elgin Academy, Series 2009                            | 12/16/2009         | 11,505,000                     |
| The Joliet Montessori School, Series 2009             | 12/16/2009         | 625,000                        |
| Marion SLF, Series 2009                               | 12/16/2009         | 5,700,000                      |
| Museum Science & Industry, Series 2009A-D             | 12/17/2009         | 64,000,000                     |
| IV HealthCorp, Inc., Series 2009                      | 12/17/2009         | 22,955,000                     |
| Resurrection Health Care, Series 2009                 | 12/22/2009         | 103,805,000                    |
| Memorial Health System, Series 2009                   | 12/22/2009         | 150,000,000                    |
| Providence Life Services, Series 2009A&B              | 12/29/2009         | 27,689,820                     |
| Advocate Health Care Network, Series 2010A-D          | 01/06/2010         | 238,255,000                    |
| Jewish Charities RAN, Series 2009-2010B               | 01/14/2010         | 14,545,000                     |
| Swedish Covenant Hospital, Series 2010A               | 02/02/2010         | 100,690,000                    |
| Provena Health, Series 2010A&B                        | 02/11/2010         | 126,000,000                    |
| Adler School of Professional Psychology, Series 2010  | 02/16/2010         | 5,100,000                      |
| Hispanic Housing Development Corporation, Series 2010 | 02/19/2010         | 2,192,400                      |
| Saint Anthony's Health Center, Series 2010A-C         | 03/18/2010         | 10,000,000                     |
| Friendship Village of Schaumburg, Series 2010         | 03/22/2010         | 33,610,000                     |
| <b>Total Bonds Issued in Fiscal Year 2009</b>         |                    | <b><u>\$ 2,387,876,545</u></b> |

### Beginner Farmer Bonds

| <u>Bond Issue</u>         | <u>Date Issued</u> | <u>Principal Issued</u> |
|---------------------------|--------------------|-------------------------|
| Kane, Jason               | 10/15/2009         | 250,000                 |
| Dietmeier, Thomas & Wendy | 10/15/2009         | 87,500                  |
| Mueller, Charles          | 10/15/2009         | 178,400                 |
| Adair, Tye & Jill         | 10/20/2009         | 137,500                 |
| Miller, Curtis            | 10/29/2009         | 120,000                 |
| Huschen, Rob              | 10/29/2009         | 202,202                 |
| Walk, Chad                | 10/29/2009         | 150,000                 |
| Reeves, Jeremy & Tara     | 11/02/2009         | 201,000                 |
| Van Fleet, Ryan           | 11/18/2009         | 150,000                 |

| <u>Bond Issue</u>                         | <u>Date Issued</u> | <u>Principal Issued</u>   |
|---|--------------------|---------------------------|
| Swanson, Matthew & Angela                 | 11/18/2009         | 101,500                   |
| Hill, Barrett                             | 12/01/2009         | 239,000                   |
| Weber, Daniel                             | 12/10/2009         | 177,300                   |
| Boehl, Bruce                              | 12/15/2009         | 149,000                   |
| Wolber, DuWayne & Abby                    | 12/15/2009         | 250,000                   |
| Jensen, Jeffrey                           | 12/22/2009         | 250,000                   |
| Nichelson, William & Jennie               | 12/22/2009         | 469,200                   |
| Holland, Nicholas                         | 12/22/2009         | 113,920                   |
| Killiam, Mark & Beth                      | 12/22/2009         | 469,200                   |
| Laue, Jonathan                            | 02/19/2010         | 72,500                    |
| Behrens, Ronald & Sandra                  | 03/01/2010         | 470,100                   |
| Semple, Jacob                             | 03/03/2010         | 139,750                   |
| McKeown, Richard & Linda                  | 03/23/2010         | 160,000                   |
| Shike, Ronald & Suellen                   | 03/23/2010         | 160,000                   |
| Eshbach, Galen                            | 03/23/2010         | 470,100                   |
| Kalahar, Chad                             | 03/25/2010         | 203,500                   |
| Pilman, Jacob E.                          | 03/25/2010         | 136,000                   |
| Belusko, David                            | 03/31/2010         | 229,000                   |
| Belusko, Matthew                          | 03/31/2010         | 229,000                   |
| <b>Total Beginner Farmer Bonds Issued</b> |                    | <b><u>\$5,965,672</u></b> |

#### AG Debt Restructuring Guarantee Closings

| <u>Bond Issue</u>                            | <u>Date Issued</u> | <u>Principal Issued</u> | <u>Guaranteed Balance</u> |
|--|--------------------|-------------------------|---------------------------|
| Beer, Keith                                  | 10/23/2009         | 500,000                 | 425,000                   |
| Hayden Farms                                 | 09/30/2009         | 500,000                 | 425,000                   |
| Blackhawk REG [Danville Biofuels Plant]      | 02/26/2010         | 24,444,583              | 14,874,529                |
| <b>Total AG Debt Restructuring Guarantee</b> |                    | <b>\$ 25,444,583</b>    | <b>\$ 15,724,529</b>      |

#### AG Young Farmer Guarantee Closings

| <u>Bond Issue</u>                      | <u>Date Issued</u> | <u>Principal Issued</u> | <u>Guaranteed Balance</u> |
|--|--------------------|-------------------------|---------------------------|
| Wagner, Kyle & Jenny                   | 12/15/2009         | 310,000                 | 263,500                   |
| <b>Total AG Young Farmer Guarantee</b> |                    | <b>\$ 310,000</b>       | <b>\$ 263,500</b>         |