

March 10, 2015

TO: William A. Brandt, Jr., Chairman
Gila J. Bronner
James J. Fuentes
Norman M. Gold
Lerry Knox
Edward H. Leonard, Sr.
Carmen Lonstein
Terrence M. O'Brien

Michael W. Goetz, Vice-Chairman
Heather D. Parish
Mayor Barrett F. Pedersen
Roger Poole
Mordecai Tessler
Bradley A. Zeller

RE: Message from the Executive Director

Dear Members of the Authority:

Chairman Brandt, Thank You for Your Service to the People of Illinois

With tireless energy and unflagging good humor, Bill Brandt, the longest-serving Chair of the Illinois Finance Authority (“Authority”), has announced that he will resign from the Authority as both its Chairman and as a Member effective March 31, 2015. On behalf of his Board colleagues and the staff of the Authority, we thank Chairman Brandt for volunteering thousands of hours since January 2008 and for leading us through challenging times for our state.

First and foremost, Chairman Brandt took the business model of the Authority very seriously. He made sure the Authority generated its own revenue, and did not rely on the Illinois taxpayer to support its operations and mission. He also made sure the Authority’s general fund finished every year cash positive – or with income or a profit. This is a determination separate and apart from various accounting presentations that impacted the Authority’s total audited cash position. Chairman Brandt did so during times that coincided with the worst economic crisis since the Great Depression.

Second, and hand in glove with running the Authority on a business or enterprise model as the General Assembly intended, Chairman Brandt valued hard-earned State taxpayer dollars above the Authority’s public funds and he ensured that the finances of the Authority were structured accordingly. For example, when he was first appointed as Authority Chair, halfway through Fiscal Year 2008, the Authority’s contingent State taxpayer guarantees (“Moral Obligation”) stood at \$108.3 million through several outstanding bond issues. Today, the Authority’s Moral Obligation exposure is just over \$36 million through a single borrower, representing a decline of nearly two-thirds. He maintained the Authority’s (and that of its predecessors) unblemished record of entirely avoiding calls on the Moral Obligation. Chairman Brandt accomplished this reduction by overseeing the exit of Moral Obligation commitments, including the defeasance of the Authority’s Revenue Refunding Bonds, Series 2010 (City of East St. Louis Project) (the “Distressed Cities Bonds”) and the redemption and cash defeasance of the Authority’s Rural Bond Bank/Authority Local Government program.

Third, Chairman Brandt ensured that the Authority had the tools from the General Assembly and support in the executive branch to effectively serve Illinois borrowers. A sample list of successful job creation and retention programs and initiatives include:

- Stimulus era Recovery Zone Facilities Bonds (Navistar)
- Midwestern Disaster Bonds (Kone-Quad Cities)
- Multi-State Issuance (various healthcare and senior living projects)
- Revived and updated AAA-rated State Revolving Fund in partnership with IEPA (Clean Water Initiative)

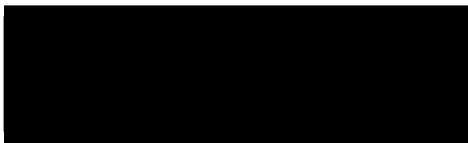
Fourth, during his tenure, Chairman Brandt ensured that the Authority was (and is) a predictable, objective, transparent and accountable organization that both reflects the diversity of our great state and is a reliable partner for all Authority's borrowers: hospitals and health systems, non-profit education, including universities, colleges, private and charter schools; senior and student living facilities; mid-sized factories; cultural institutions; farmers; and local governments. The Chairman also worked with the General Assembly to increase transparency by ensuring Board materials were available online. He was also committed to ensuring that both the Authority's staff and the teams assisting with the financing of projects reflected the diversity of our state.

Fifth and finally, Chairman Brandt has always understood the vital role that the Authority's financing projects have in making a positive impact on the lives of ordinary Illinois citizens: patients, nurses and doctors; students, teachers and professors; taxpayers to local governments; farmers; entrepreneurs; as well as factory workers and construction workers. Chairman Brandt knows that lower-cost project financing can lead to better wages, an enhanced standard of living and better lives for people across Illinois. This knowledge spurred Chairman Brandt develop what we hope becomes his legacy program: the pilot program to assist students with Deferred Action for Childhood Arrival ("DACA") immigration status attend medical and dental school in Illinois. About to enter its second year as a pilot, this program is helping seven students from Mexico (3), Brazil, Venezuela, Ecuador and Pakistan attend medical school in exchange for service in medically underserved areas of Illinois upon becoming doctors.

Chairman Brandt, your colleagues on the Board and the staff of the Authority thank you again for your leadership and for your service to the People of Illinois.

I look forward to continuing to work with each of you in support of jobs and financing capital expansion projects throughout our great state.

Respectfully,

A large black rectangular redaction box covering the signature of Christopher B. Meister.

Christopher B. Meister
Executive Director

Attachments:

Attachment 1 – Bonds Issued – Fiscal Year Comparison for the Period Ending February 28, 2015

Attachment 2 – Bonds Issued and Outstanding as of February 28, 2015

Attachment 3 – Schedule of Debt as of February 28, 2015