



**Board Meeting
Tentative Agenda
May 10, 2016, 11:00 a.m.**

**Presentation Room
2015 Grand Ave.
Des Moines, Iowa**

I. Consent Agenda

- Approval of Minutes of the April 6, 2016, IFA Board Meeting
- AG 16-019A, Chase and Jessica Weller
- AG 16-020A, Dalton J. and Rachel J. Van Zanten
- AG 16-021A, Andrew and Meghan Bergan
- AG 16-022A, Brandon D. Reinberg
- AG 16-023A, Nathan G. Nieuwendorp
- AG 16-024A, Joseph G. and Hannah A. Gent
- AG 16-025A, Patrick D. and Sarah M. O'Rourke
- AG 16-026A, Joshua J. and Amy Reis
- 04478M Steven J. and Kally M. Sporrer, Dedham
- 04557M Bruce D. Long, Ruthven
- 04628M Justin M. and Cindy (Quang) Scott, Oskaloosa
- AG-LP #16-05, Loan Participation Program
- AG-TC #16-05, Beginning Farmer Tax Credit Program
- ED 16-05A, Coe College Project
- WQ 16-07, SRF Planning and Design Loans
- WQ 16-08, SRF Construction Loans
- WQ 16-09, Loan for INHF-Mahaska County-Vos Property

II. Administration

- ◆ Executive Director's Report
- **Accounting and Finance**
 - ◆ March Financial Statement
 - ◆ FIN 16-05 SRF Reimbursement Resolution
- **Communications**
- **Legal**
 - ◆ Municipal Derivatives Transaction Class Action Participation

III. HousingIowa

- HI 16-06, SHTF Project-Based Housing Award
- HI 16-07, Floyd County Housing Trust Fund: Decertification & Merger

IV. Community Development

- **Iowa Agriculture Development Division**
 - ◆ AG 16-018B, Daren P. Winkowitsch
 - ◆ AG 16-019B, Chase and Jessica Weller
 - ◆ AG 16-020B, Dalton J. and Rachel J. Van Zanten
 - ◆ AG 16-021B, Andrew and Meghan Bergan
 - ◆ AG 16-022B, Brandon D. Reinberg
 - ◆ AG 16-023B, Nathan G. Nieuwendorp
 - ◆ AG 16-024B, Joseph G. and Hannah A. Gent
 - ◆ AG 16-025B, Patrick D. and Sarah M. O'Rourke
 - ◆ AG 16-026B, Joshua J. and Amy Reis
- **Economic Development**
 - ◆ ED 16-03B, Care Initiatives Project

V. Miscellaneous Items

- Receive Comments from General Public – 5 min./person; 30 min. total time

VI. Adjournment – Next meeting is June 9th

Agenda Updated: 5/6/2016



TELEPHONIC BOARD MEETING MINUTES

**Iowa Finance Authority
2015 Grand Ave
Des Moines, Iowa
April 6, 2016**

Board Members Present

Ruth Randleman, Chair
Darlys Baum
Jane Bell
Shaner Magalhães

Joan Johnson
Eric Peterson
David Greenspon

Board Members Absent

Michel Nelson
Jeff Heil

Staff Members Present

David Jamison, Executive Director
Jess Flaherty, Executive Assistant/
Recording Secretary
Lori Beary, Chief Community Development
Officer
Cindy Harris, Chief Financial Officer
Steve Harvey, Accounting Director

Jerry Floyd, HOME Program Analyst
Megan Miller, Legal Secretary
Wes Peterson, Director of Government Relations
Mark Thompson, General Counsel
Dave Vaske, LIHTC Manager

Others Present

David Grossklaus, Dorsey & Whitney
Ron Lewis, Warren County Abstract
James Smith, Dorsey & Whitney

Call to Order

Chair Randleman called to order the April 6, 2016, regular monthly meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:04 a.m. Roll call was taken, and a quorum was established with the following Board members present: Randleman, Baum, Johnson, Magalhães, Bell, and Greenspon.

Chair Randleman stated that the meeting was being held electronically, by telephone, due the inability of Board members meeting in person due to conflicting schedules.

Consent Agenda

Chair Randleman introduced the consent agenda and asked if anyone wanted to request that items be removed.

MOTION: There being no objections, Mr. Magalhães made a motion to approve the items on the consent agenda, which included the following:

- Approval of Minutes of the March 9, 2016, IFA Board Meeting
- February Financial Statement
- AG 16-013A, Wesley J. and Jackie L. Hageman
- AG 16-014A, Ethan L. and Kristyn L. Nielsen
- AG 16-015A, Ben Hayes
- AG 16-016A, Brad Hayes
- AG 16-017A, Travis J. Greiner
- AG 16-018A, Daren P. Winkowitsch
- 04239M Nicholas J. Hoversten, Alden
- AG-LP #16-04, Loan Participation Program
- AG-TC #16-04, Beginning Farmer Tax Credit Program
- ED 16-04A, Van Ess Dairy Project
- WQ 16-06, SRF Construction Loans

On a second by Mr. Greenspon, the Board unanimously approved the items on the consent agenda.

Community Development

ECONOMIC DEVELOPMENT

ED 16-02B, Unity Point Health Project

Ms. Beary stated that this is a resolution to authorize the issuance of Iowa Finance Authority Health Facilities Revenue bonds not to exceed \$206,000,000 in one or more series. Ms. Beary reported the public hearing had taken place; there were no attendees and no public comment. In response to the Board question as to why the amount increased, Mr. Grossklaus explained it was in part to take on more projects.

MOTION: Mr. Magalhães made a motion to approve Resolution ED 16-02B. On a second by Ms. Baum, the Board unanimously approved ED 16-02B.

IOWA AGRICULTURAL DEVELOPMENT DIVISION (IADD)

AG 16-013B, Wesley J. and Jackie L. Hageman

AG 16-014B, Ethan L. and Kristyn L. Nielsen

AG 16-015B, Ben Hayes

AG 16-016B, Brad Hayes

AG 16-017B, Travis J. Greiner

Ms. Beary introduced the resolutions for the IADD and asked for Board action.

MOTION: Ms. Bell made a motion to approve AG 16-013B, AG 16-014B, AG 16-015B, AG 16-016B and AG 16-017B. On a second by Mr. Greenspon, the Board unanimously approved the resolutions.

Miscellaneous

Receive Comments from General Public

Chair Randleman opened the public comment period and asked if anyone in the audience would like to address the Board.

No members of the audience requested to speak. Chair Randleman closed the public comment period.

Chair Randleman announced there are no appeals regarding the 2016 LIHTC awards. The deadline to file an appeal has passed.

Chair Randleman announced there will be a 2017 QAP open forum held at IFA on April 20 from 9:00 a.m. – 12:00 p.m.

Chair Randleman announced the National Council of State Housing Agencies (NCSHA) will no longer be hosting a NCSHA Board conference in August. The material typically presented at that meeting will be incorporated to the NCSHA Annual Conference. This year's Annual Conference is being held in Miami, September 24-27.

Chair Randleman stated the next IFA Board meeting will take place on May 10, 2016, at 11 a.m.

Adjournment

On a motion by Mr. Greenspon and a second by Mr. Magalhães, the April 6, 2016, regular monthly meeting of the IFA Board of Directors adjourned at 11:12 a.m.

Dated this 10th day of May 2016.

Respectfully submitted:

Approved as to form:

David D. Jamison
Executive Director/Board Secretary

Ruth Randleman, Chair
Iowa Finance Authority



IOWA FINANCE
AUTHORITY

To: IFA Board of Directors
From: Tammy Nebola, Iowa Ag Program Specialist
Lori Beary, Community Development Director
Date: April 29, 2016
Re: Iowa Agricultural Division Beginning Farmer Loan Program

Consent Agenda

Iowa Agricultural Development Division

Inducement Resolutions

AG 16-019 Chase and Jessica Weller

This is an application for \$520,000 of Agricultural Development Revenue Bonds for Chase and Jessica Weller. The bond will be used: To purchase approximately 196 acres of agricultural land in Taylor County. The lender is Okey Vernon First National Bank in Corning.

- **Need Board action on Resolution AG 16-019A**

AG 16-020 Dalton J. and Rachel J. Van Zanten

This is an application for \$250,000 of Agricultural Development Revenue Bonds for Dalton J. and Rachel J. Van Zanten. The bond will be used: To construct a 2,400 Hd Hog Finishing Building in Osceola County. The lender is Premier Bank in Rock Valley.

- **Need Board action on Resolution AG 16-020A**

AG 16-021 Andrew and Meghan Bergan

This is an application for \$418,000 of Agricultural Development Revenue Bonds for Andrew and Meghan Bergan. The bond will be used: To purchase approximately 181 acres of agricultural land, house and out-buildings in Clayton County. The lender is Luana Savings Bank in Luana.

- **Need Board action on Resolution AG 16-021A**

AG 16-022 Brandon D. Reinberg

This is an application for \$250,000 of Agricultural Development Revenue Bonds for Brandon D. Reinberg. The bond will be used: To construct a 1,200 Hd Hog Finishing Building in Benton County. The lender is Green Belt Bank & Trust in Grundy Center.

- **Need Board action on Resolution AG 16-022A**

AG 16-023 Nathan G. Nieuwendorp

This is an application for \$250,000 of Agricultural Development Revenue Bonds for Nathan G. Nieuwendorp. The bond will be used: To construct a 2,400 Hd Hog Barn in Lyon County. The lender is Northwestern Bank in Orange City.

- **Need Board action on Resolution AG 16-023A**

AG 16-024 Joseph G. and Hannah A. Gent

This is an application for \$110,500 of Agricultural Development Revenue Bonds for Joseph G. and Hannah A. Gent. The bond will be used: To construct an undivided 1/2 interest in a 1,241 Hd Hog Finishing Building in Washington County. The lender is Libertyville Savings Bank in Keota.

- **Need Board action on Resolution AG 16-024A**

AG 16-025 Patrick D. and Sarah M. O'Rourke

This is an application for \$110,500 of Agricultural Development Revenue Bonds for Patrick D. and Sarah M. O'Rourke. The bond will be used: To construct an undivided 1/2 interest in a 1,241 Hd Hog Finishing Building in Washington County. The lender is Libertyville Savings Bank in Keota.

- **Need Board action on Resolution AG 16-025A**

AG 16-026 Joshua J. and Amy Reis

This is an application for \$340,000 of Agricultural Development Revenue Bonds for Joshua J. and Amy Reis. The bond will be used: To purchase approximately 80 acres of agricultural land in Howard County. The lender is C US Bank in Cresco.

- **Need Board action on Resolution AG 16-026A**

Amending Resolutions

04478 Steven J. and Kally M. Sporrer, Dedham

This is a resolution amending a \$469,200 Beginning Farmer Loan to Steven J. and Kally M. Sporrer issued 12/4/2009 to lower the interest rate from 4.69% to 4.35% until December 31, 2025 at which time the rate will adjust to the original index of 85% of 2.50% over the 5 year Treasury Note and be adjustable every five years thereafter. Decrease the rate floor from 4.65% to 4.35%. All other loan terms will remain the same. The lender is U.S. Bank, N.A. in Boone.

- **Need Board action on Resolution 04478M**

04557 Bruce D. Long, Ruthven

This is a resolution amending a \$336,800 Beginning Farmer Loan to Bruce D. Long issued 9/15/2010 to remove Michelle T. Long as a borrower due to divorce. All other loan terms will remain the same. The lender is Iowa State Bank in Ruthven.

- **Need Board action on Resolution 04557M**

04628 Justin M. and Cindy (Quang) Scott, Oskaloosa

This is a resolution amending a \$65,849 Beginning Farmer Loan to Justin M. Scott and Cindy Quang issued 12/28/2011 to remove Cindy Quang as a borrower due to the couple not getting married and splitting up. All other loan terms will remain the same. The lender is Bank Iowa in Oskaloosa.

- **Need Board action on Resolution 04628M**

Loan Participation Program

AG-LP #16-05, Loan Participation Program

The Loan Participation Program (LPP) was established in to assist low income farmers secure loans and make down payments. IADD's participation can be used to supplement the borrower's down payment, thereby helping a farmer secure a loan more readily. The lender's risk is also reduced since the IADD provides a "last-in/last-out" loan participation for the financial institution. The interest rate will be 1.0% over the FSA Direct Farm Ownership Down Payment Loan Program (which is currently at 1.5%) fixed for the first five years, then re-adjusted to the same index and fixed for the final five years. The participation loan is a 10 year balloon with a 20 year amortization. Attached are the LPP applications reviewed last month. The IADD Board has recommended approval.

Beginning Farmer Tax Credit Program

AG-TC #16-05, Beginning Farmer Tax Credit Program

The Agricultural Assets Transfer Tax Credit commonly referred to as the Beginning Farmer Tax Credit (BFTC) program allows agricultural asset owners to earn tax credits for leasing their land, equipment and/or breeding livestock to beginning farmers. Leases must be for terms of 2-5 years. The tax credit for cash rent leases is 7% of the amount of the rent. The tax credit for crop share leases is 17%. There is an additional 1% tax credit if the beginning farmer is also a veteran. Maximum tax credit for any one asset owner is \$50,000 per year. The maximum amount of tax credits allocated cannot be more than \$12 million in any one year. Attached are the BFTC applications reviewed last month. The IADD Board has recommended approval.

RESOLUTION
AG 16-019A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 16-019
- 2. Beginning Farmer:** Chase and Jessica Weller
2309 200th St
Bedford, IA 50833-8235
- 3. Bond Purchaser:** Okey Vernon First National Bank
701 Davis Ave, PO Box 109
Corning, IA 50841-0109
- 4. Principal Amount:** \$520,000
- 5. Approval Date:** 5/10/2016
- 6. Project:** To purchase approximately 196 acres of agricultural land

RESOLUTION
AG 16-020A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number: AG 16-020**
- 2. Beginning Farmer: Dalton J. and Rachel J. Van Zanten
1437 11th St
Rock Valley, IA 51247-1319**
- 3. Bond Purchaser: Premier Bank
1004 21st Ave, PO Box 177
Rock Valley, IA 51247-0177**
- 4. Principal Amount: \$250,000**
- 5. Approval Date: 5/10/2016**
- 6. Project: To construct a 2,400 Hd Hog Finishing Building**

RESOLUTION
AG 16-021A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number: AG 16-021**
- 2. Beginning Farmer: Andrew and Meghan Bergan
17015 290th St
Elkader, IA 52043-8224**
- 3. Bond Purchaser: Luana Savings Bank
100 Harvest Dr, PO Box 68
Luana, IA 52156-0068**
- 4. Principal Amount: \$418,000**
- 5. Approval Date: 5/10/2016**
- 6. Project: To purchase approximately 181 acres of agricultural land,
house and out-buildings**

RESOLUTION
AG 16-022A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number: AG 16-022**
- 2. Beginning Farmer: Brandon D. Reinberg
1993 B Ave
Gladbrook, IA 50635-9615**
- 3. Bond Purchaser: Green Belt Bank & Trust
508 G Ave, PO Box 8
Grundy Center, IA 50638-0130**
- 4. Principal Amount: \$250,000**
- 5. Approval Date: 5/10/2016**
- 6. Project: To construct a 1,200 Hd Hog Finishing Building**

RESOLUTION
AG 16-023A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number: AG 16-023**
- 2. Beginning Farmer: Nathan G. Nieuwendorp
505 Zuider Zee Dr SE, PO Box 372
Orange City, IA 51041-1765**
- 3. Bond Purchaser: Northwestern Bank
122 Central Ave NW, PO Box 260
Orange City, IA 51041-0260**
- 4. Principal Amount: \$250,000**
- 5. Approval Date: 5/10/2016**
- 6. Project: To construct a 2,400 Hd Hog Barn**

RESOLUTION
AG 16-024A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 16-024
- 2. Beginning Farmer:** Joseph G. and Hannah A. Gent
1075 120th St
Wellman, IA 52356-9620
- 3. Bond Purchaser:** Libertyville Savings Bank
225 E Broadway, PO Box 68
Keota, IA 52248-0068
- 4. Principal Amount:** \$110,500
- 5. Approval Date:** 5/10/2016
- 6. Project:** To construct an undivided 1/2 interest in a 1,241 Hd Hog
Finishing Building

RESOLUTION
AG 16-025A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 16-025
- 2. Beginning Farmer:** Patrick D. and Sarah M. O'Rourke
28629 110th St
South English, IA 52335-8581
- 3. Bond Purchaser:** Libertyville Savings Bank
225 E Broadway, PO Box 68
Keota, IA 52248-0068
- 4. Principal Amount:** \$110,500
- 5. Approval Date:** 5/10/2016
- 6. Project:** To construct an undivided 1/2 interest in a 1,241 Hd Hog
Finishing Building

RESOLUTION
AG 16-026A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 16-026
- 2. Beginning Farmer:** Joshua J. and Amy Reis
11486 Valley Ave
Cresco, IA 52136-8204
- 3. Bond Purchaser:** C US Bank
111 N Elm St, PO Box 57
Cresco, IA 52136-0057
- 4. Principal Amount:** \$340,000
- 5. Approval Date:** 5/10/2016
- 6. Project:** To purchase approximately 80 acres of agricultural land

**RESOLUTION
04478M**

A Resolution amending an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Agricultural Development Authority, or its successor, the Iowa Finance Authority (the "Authority"), heretofore took action to authorize the issuance of an Agricultural Development Revenue Bond, Project No. 04478 (the "Bond") pursuant to Resolution B relating thereto (the "Bond Resolution") for the purpose of financing the acquisition of the Project (as defined in the Bond Resolution) by the Beginning Farmer (as defined in the Bond Resolution); and

WHEREAS, the Beginning Farmer has requested to lower the current interest rate on the Bond.

NOW, THEREFORE, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Authority hereby approves lowering the current interest rate on the Bond from 4.69% to 4.35% until December 31, 2025 at which time the rate will adjust to the original index of 85% of 2.50% over the 5 year Treasury Note and be adjustable every five years thereafter. Decrease the rate floor from 4.65% to 4.35%. All other loan terms will remain the same. Eff. 04/15/2016.

Section 2. That the Staff and Officers of the Authority are hereby authorized to amend any and all loan documents as necessary to reflect the aforementioned amendments.

Section 3. That except as amended herein, the Bond and other loan documents are hereby confirmed in all other respects.

Section 4. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall become effective immediately upon adoption.

Passed and approved on this 10th day of May, 2016.

Chairman

ATTEST:

Secretary

(Seal)



IOWA AGRICULTURAL
DEVELOPMENT DIVISION

May 10, 2016

Cody Bowers
U.S. Bank, N.A.
724 Story St, PO Box 518
Boone, IA 50036-0518

Re: Steven J. and Kally M. Sporrer – Project No. 04478

Dear Mr. Bowers:

The Iowa Finance Authority (IFA) Board held its monthly meeting on May 10, 2016, and the above project was approved for the proposed loan changes. The changes approved were as follows:

Lower the interest rate from 4.69% to 4.35% until December 31, 2025 at which time the rate will adjust to the original index of 85% of 2.50% over the 5 year Treasury Note and be adjustable every five years thereafter. Decrease the rate floor from 4.65% to 4.35%. All other loan terms will remain the same. Eff. 04/15/2016

Attached is a copy of the official board resolution for the above Beginning Farmer Loan Program project. This resolution was recently approved by the Iowa Finance Authority (IFA) board of directors and prepared by our bond attorney.

If you have any questions, please contact our office at 515.725.4900.

Sincerely,

David Jamison
Executive Director

Enclosure: Board Resolution
cc: Steven J. and Kally M. Sporrer

**RESOLUTION
04557M**

A Resolution amending an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Agricultural Development Authority, or its successor, the Iowa Finance Authority (the "Authority"), heretofore took action to authorize the issuance of an Agricultural Development Revenue Bond, Project No. 04557 (the "Bond") pursuant to Resolution B relating thereto (the "Bond Resolution") for the purpose of financing the acquisition of the Project (as defined in the Bond Resolution) by the Beginning Farmer (as defined in the Bond Resolution); and

WHEREAS, the Beginning Farmer has requested to remove a borrower from the Bond.

NOW, THEREFORE, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Authority hereby approves removing Michelle T. Long as a borrower due to divorce. All other loan terms will remain the same. Eff. 04/01/2016.

Section 2. That the Staff and Officers of the Authority are hereby authorized to amend any and all loan documents as necessary to reflect the aforementioned amendments.

Section 3. That except as amended herein, the Bond and other loan documents are hereby confirmed in all other respects.

Section 4. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall become effective immediately upon adoption.

Passed and approved on this 10th day of May, 2016.

Chairman

ATTEST:

Secretary

(Seal)



IOWA AGRICULTURAL
DEVELOPMENT DIVISION

May 10, 2016

Larry J. Conlon
Iowa State Bank
1108 Gowrie St
Ruthven, IA 51358

Re: Bruce D. Long – Project No. 04557

Dear Mr. Conlon:

The Iowa Finance Authority (IFA) Board held its monthly meeting on May 10, 2016, and the above project was approved for the proposed loan changes. The changes approved were as follows:

Remove Michelle T. Long as a borrower due to divorce. All other loan terms will remain the same. Eff. 04/01/2016

Attached is a copy of the official board resolution for the above Beginning Farmer Loan Program project. This resolution was recently approved by the Iowa Finance Authority (IFA) board of directors and prepared by our bond attorney.

If you have any questions, please contact our office at 515.725.4900.

Sincerely,

David Jamison
Executive Director

Enclosure: Board Resolution
cc: Bruce D. Long

**RESOLUTION
04628M**

A Resolution amending an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Agricultural Development Authority, or its successor, the Iowa Finance Authority (the "Authority"), heretofore took action to authorize the issuance of an Agricultural Development Revenue Bond, Project No. 04628 (the "Bond") pursuant to Resolution B relating thereto (the "Bond Resolution") for the purpose of financing the acquisition of the Project (as defined in the Bond Resolution) by the Beginning Farmer (as defined in the Bond Resolution); and

WHEREAS, the Beginning Farmer has requested to remove a borrower on the Bond.

NOW, THEREFORE, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Authority hereby approves removing Cindy Quang as a borrower due to the couple not getting married and splitting up. All other loan terms will remain the same. Eff. 04/11/2016.

Section 2. That the Staff and Officers of the Authority are hereby authorized to amend any and all loan documents as necessary to reflect the aforementioned amendments.

Section 3. That except as amended herein, the Bond and other loan documents are hereby confirmed in all other respects.

Section 4. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall become effective immediately upon adoption.

Passed and approved on this 10th day of May, 2016.

Chairman

ATTEST:

Secretary

(Seal)



IOWA AGRICULTURAL
DEVELOPMENT DIVISION

May 10, 2016

Brian Hawk
Bank Iowa
1710 3rd Ave E
Oskaloosa, IA 52577

Re: Justin M. Scott – Project No. 04628

Dear Mr. Hawk:

The Iowa Finance Authority (IFA) Board held its monthly meeting on May 10, 2016, and the above project was approved for the proposed loan changes. The changes approved were as follows:

Remove Cindy Quang as a borrower due to the couple not getting married and splitting up. All other loan terms will remain the same. Eff. 04/11/2016

Attached is a copy of the official board resolution for the above Beginning Farmer Loan Program project. This resolution was recently approved by the Iowa Finance Authority (IFA) board of directors and prepared by our bond attorney.

If you have any questions, please contact our office at 515.725.4900.

Sincerely,

David Jamison
Executive Director

Enclosure: Board Resolution
cc: Justin M. Scott

**RESOLUTION
AG-LP 16-05**

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and 2013 Iowa Acts House File 607, has established the Iowa Agricultural Development Division ("IADD") to administer the Loan Participation Program pursuant to Chapter 175 and Chapter 16

WHEREAS, the Authority administers programs to assist beginning farmers with the purchase of agricultural land, equipment and breeding livestock; and

WHEREAS, the Authority understands that the lack of capital is a major impediment for beginning farmers and desires to assist those farmers with down payment assistance; and

WHEREAS, the IADD has received an application from a lending institution to participate in a loan for the down payment for the purchase of agricultural land by an eligible beginning farmer; and

WHEREAS, the IADD Board has recommended approval of the funding of the Loan Participation set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes the Authority to finalize this transaction with the Borrower, to negotiate and complete the necessary loan documents, and to fund the participation in the Loan as described herein. The Executive Director is authorized to prepare and execute any necessary documents in connection with the participation in the Loan, consistent with the terms of this Resolution.

SECTION 3. The Board authorizes the Executive Director to fund said participation from available funds held under the IADD, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 10th day of May, 2016.

David D. Jamison, Secretary

(Seal)

Exhibit A

Loan Participation Program

Project No.	Beginning Farmer	Bank	Purpose	Loan Amt
P0215	David and Darci Palsma	American State Bank, Sioux Center	To construct a 1,200 Hd Hog Finishing Building	\$99,000.00
P0216	Kyler R. Oswald	Peoples Trust & Savings Bank, Jefferson	To purchase approximately 3.47 acres and improve a 2,000 Hd Hog Building	\$130,000.00
P0217	Austin & Jaclyn Van Beek	American State Bank, Sioux Center	To purchase approximately 1.5 acres and construct a 1,200 Hd Hog Finishing Building	\$109,500.00
P0218	Joseph G. & Hannah A. Gent	Libertyville Savings Bank, Keota	To construct an undivided 1/2 interest in a 1,241 Hd Hog Finishing Building	\$49,500.00
P0219	Patrick D. & Sarah M. O'Rourke	Libertyville Savings Bank, Keota	To construct an undivided 1/2 interest in a 1,241 Hd Hog Finishing Building	\$49,500.00
P0220	Nicholas D. & Stephanie Murch	Lincoln Savings Bank, Reinbeck	To purchase machinery and 2 Hoop Buildings for Hogs and Storage	\$36,750.00
P0221	Dalton J. & Rachel J. Van Zanten	Premier Bank, Rock Valley	To construct a 2,400 Hd Hog Finishing Building	\$150,000.00
				\$624,250.00

**RESOLUTION
AG-TC 16-05**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, has established the Iowa Agricultural Development Division (“IADD”) to administer the Agricultural Assets Transfer Tax Credit program and the Custom Farming Contract Tax Credit (together the “Iowa Agricultural Tax Credit Programs”); and

WHEREAS, the Authority offers tax credits under the Iowa Agricultural Tax Credit Programs as a means of encouraging the execution of assets transfer agreements and custom farming contracts with beginning farmers; and

WHEREAS, the Authority has received applications seeking tax credit allocations from the Iowa Agricultural Tax Credit Programs; and

WHEREAS, the IADD has determined the applications meet the eligibility requirements of Chapter 16; and

WHEREAS, the IADD Board has recommended approval of the tax credit applications set forth on Exhibit A; and

WHEREAS, the Authority desires to authorize the allocation of tax credits set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes allocating tax credits to the asset owners set forth on Exhibit A, attached hereto, against taxes imposed in chapter 422, division II, as provided in section 422.11M, and in chapter 422, division III, as provided in section 422.33, and such other restrictions as may be deemed necessary and appropriate by the Executive Director.

SECTION 3. The Board authorizes the Executive Director to certify said tax credits in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

Exhibit A

Agricultural Assets Transfer Tax Credit Program

Project #	Owner Name	County	Beginning Farmer	Rental Type	Term(Years)	Tax Credit
2218	Glenda Lovrien	Butler	Clint Swick	Cash Rent	2	\$ 2,627.10
2315	Carlene Murrane Family Trust	Greene	Justan & Dan Bielenberg	Cash Rent	2	\$ 1,890.95
2318	Barbara J Henrich	Plymouth	Justin & Jordan Plathe	Cash Rent	2	\$ 2,425.50
2334	David & Patricia Friedrich Family Trust	Buena Vista	Tyler James Millard	Cash Rent	5	\$ 5,483.10
2339	Joan K & Lynn C Harris Rev Trust & Harris Farms, Inc.	Palo Alto	Cole Danner	Cash Rent	2	\$ 9,800.00
2345	Calvin Sheer	Greene	Justan & Dan Bielenberg	Cash Rent	2	\$ 425.08
2346	Howard & Betty Sheer Trust	Greene	Justan & Dan Bielenberg	Cash Rent	2	\$ 418.53
2347	Patricia A Murrane	Greene	Justan & Dan Bielenberg	Cash Rent	2	\$ 1,323.66
2350	David Rossman	O'Brien	Brenton Rossman	Share Crop	5	\$ 3,690.21
2351	Ardella R Reitmeier	Lyon	Paul Croatt	Cash Rent	5	\$ 1,442.00
2352	Richard Meirick	Mitchell	Derrick Huffman	Share Crop	5	\$ 19,876.72
2353	Jeannie Pedrick	Keokuk	Ryan Vogel	Cash Rent	2	\$ 3,040.10
2354	Annette Rose	Keokuk	Ryan Vogel	Cash Rent	2	\$ 6,217.12
2356	Michael H & Penny L Frey	Madison	Parker & Harrison Frey	Cash Rent	2	\$ 902.59
2357	James B Wahrenbrock & Mary Vavroch	Hamilton	Jacob Klaver	Cash Rent	2	\$ 3,716.20
2359	Rolan D Jensen	Adair	Matthew E Jensen	Share Crop	5	\$ 10,958.56
2360	Allan & Kay Field	Mitchell	Cody L & Ramon V Kuntz	Cash Rent	5	\$ 2,624.16
2361	Robert L & Eleanor Johnston	Cherokee	Tucker Petersen	Share Crop	5	\$ 12,840.23
2362	Keith L & Joan I Gelder Trusts	Hamilton	Jacob Klaver	Share Crop	3	\$ 7,747.75
2363	Richard Allan	Butler	Kyle Poppens	Cash Rent	2	\$ 7,098.00
2364	Cecil D & Sandra L Welhousen	Kossuth	Ryan D Welhousen	Share Crop	2	\$ 23,455.62
2365	Frieda Feldt	Mitchell	Cody L & Ramon V Kuntz	Cash Rent	2	\$ 2,836.51
2366	Larry E Feldt	Mitchell	Cody L & Ramon V Kuntz	Cash Rent	2	\$ 2,667.56
2367	Vickie D & Francis Pete Renze	Sac	Michael & Mark McDonough	Cash Rent	2	\$ 5,110.00
2368	William M & Jane L Scheitler	Plymouth	Michael Scheitler	Share Crop	5	\$ 8,561.79
2371	Raymond Klein	Franklin	Tom Abbas	Cash Rent	2	\$ 1,225.00
2372	Dennis L Peterson	Webster	Skylar Warehime	Cash Rent	2	\$ 5,775.00
2373	Mark A & Delores I Batchelder Revocable Trusts	Wayne	Dillon Lain	Share Crop	5	\$ 6,347.32
2375	TIGIC, LLC	Carroll	Derek Anthofer	Cash Rent	5	\$ 5,181.75
2376	Benna-Anderson Farms Partnership	Osceola	Brad Alexander	Share Crop	5	\$ 5,588.92
2377	Roger Bernard DeSloover	Chickasaw	Michael Brincks	Cash Rent	2	\$ 2,930.20
2378	Roger Bernard DeSloover	Chickasaw	Bryce R. Elliott	Cash Rent	2	\$ 3,239.60
2379	John K. Gordon	Calhoun	Scott Hicks	Cash Rent	2	\$ 2,833.60
2380	Steven Moorman	Delaware	Jared Moorman	Share Crop	2	\$ 12,945.46
2381	D & M Seehusen Rev Trust	Calhoun	Mike Seehusen	Share Crop	5	\$ 11,732.79
2382	LJ LeClair Farm, Inc.	Clay	Kyle Thomsen	Cash Rent	2	\$ 1,540.00
2383	Alma V Long Rev Trust	Delaware	Curtis Nefzger	Cash Rent	2	\$ 985.64
2384	Beverly Poppinga	Pocahontas	Shawn Wiemers	Share Crop	5	\$ 6,695.89
2385	Charles Schwager	Jackson	Christopher Hoerschelman	Cash Rent	5	\$ 2,000.00
2386	Marvin L Gerstandt & Linda Hoy	Cherokee	Jeff Friedrichsen	Cash Rent	5	\$ 277.20
2387	Linda Hoy	Cherokee	Jeff Friedrichsen	Cash Rent	5	\$ 532.00
2388	Marvin L Gerstandt	O'Brien	Jeff Friedrichsen	Share Crop	5	\$ 17,479.94
2389	Rex Hartwig	Calhoun	Jason Bingham	Share Crop	5	\$ 3,537.32
2391	Double TT Farms, Inc.	Floyd	Paul Ott	Share Crop	5	\$ 3,334.49

Project #	Owner Name	County	Beginning Farmer	Rental Type	Term(Years)	Tax Credit
2392	William Sutton & Sutton Farms, Inc.	Greene	Justin Ostrander	Cash Rent	2	\$ 3,073.14
2393	William Sutton	Greene	Justin Ostrander	Cash Rent	2	\$ 3,073.96
2394	Kenneth Weinberger	Mitchell	Cody L & Ramon V Kuntz	Cash Rent	5	\$ 7,631.28
2395	Rick & Julie Mellott	Mills	Taylor Mellott	Share Crop	5	\$ 5,730.62
2396	Jack A & Marjorie S Cavanah	Greene	Justin Ostrander	Share Crop	3	\$ 5,085.41
						<u>\$ 265,955.57</u>

 Denotes Military Veteran



To: IFA Board of Directors
From: Lori Beary, Community Development Director
Date: 4/29/16
Re: Economic Development and Water Quality

Consent Agenda

Economic Development Bond Program

ED Loan #16-05, Coe College Project

This is an application for \$43,000,000 of Iowa Finance Authority Private College Facility Revenue and Refunding Bonds for the Coe College Project in Cedar Rapids. The bonds will be used for the expansion and improvements to existing facilities and to refund outstanding debt. Coe College is a 501 c(3) non-profit corporation.

State Revolving Fund

SRF Planning and Design Loans - WQ 16-07

This is a resolution to approve SRF Planning and Design Loans totaling \$1,672,900 for the cities of Algona, Johnston, Ogden, Sidney, Slater, and Walnut and the Gallery Acres West HOA. P&D loans have 0% interest for up to 3 years to help communities with the costs during the planning and design phase of their wastewater or drinking water project. P&D Loans are either rolled into an SRF construction loan or repaid when other permanent financing is acquired.

SRF Construction Loans - WQ 16-08

This is a resolution to approve an SRF Construction Loans totaling of \$9,908,550 for the cities of Aplington, Arthur, Dyersville, Monona and Mount Ayr. SRF loans have an interest rate of 1.75% for 20 years or 2.75% for 30 years.

WQ 16-09 Loan for INHF – Mahaska County – Vos Property

This is a resolution for IFA to purchase a participation of a loan not to exceed \$729,000 to the Iowa Natural Heritage Foundation. The loan will be originated by People's Bank in Indianola for a term not to exceed 5 years for the purchase of 202 acres in Mahaska County.

The project consists of 202 acres that adjoins the Mahaska County Conservation Board Headquarters at the Russell Wildlife Area north of Oskaloosa. The Vos property is a combination of Conservation Reserve Program (CRP), row crop and a small amount of riparian timber. There are 106 acres of CRP and 53 acres in row crop. Conservation practices on this property are essential for improving water quality. The upland crop field is still in production and is considered highly erodible. Land protection will ensure water quality benefits of the floodplain and hydric soils now in CRP will become permanently established.

Protection of the Vos property will ensure quality habitat for a variety of wetland and floodplain species including waterfowl, reptiles and migratory birds. When combined with the Russell Wildlife Area, a 442-acre complex of public land will be established. INHF will own the property until it can be transferred to the Mahaska County Conservation Board.

RESOLUTION
ED 16-05A

Approving an Application for \$43,000,000
Private College Facility Revenue and Refunding Bonds
(Coe College Project), in one or more series
For Coe College (the "Borrower")

And Evidencing the Intent to Proceed with the Issuance of
\$43,000,000 Private College Facility Revenue and Refunding Bonds

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Authority") is authorized and empowered by Chapter 16 of the Code of Iowa (the "Act") to issue bonds and notes for the purpose of financing or refunding the cost of certain projects defined in the Act that further the development and expansion of family farming, soil conservation, housing, and business in the State; and

WHEREAS, the Authority has received the Economic Development Loan Program Application set forth in Exhibit A attached hereto (the "Application") which Application is incorporated herein as though set out here in full; and

WHEREAS, the Application is a request that the Authority issue its Private College Facility Revenue and Refunding Bonds in one or more series, in an amount not to exceed \$43,000,000 (the "Bonds") and loan the proceeds from the sale of the Bonds to the Borrower listed in the Application for the purposes of (i) refunding the outstanding bonds stated therein (the "Refunding"); and (ii) financing the project stated therein (the "Project"); and

WHEREAS, the Authority and the Borrower desire to comply with the requirements of Treasury Regulation 1.150-2 (the "Regulations") with respect to the Project and the Refunding;

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Approval of Application. The Application is hereby approved, and the Executive Director of the Authority is authorized to notify the Borrower of such approval.

Section 2. Reimbursement from Bond Proceeds. Based upon representations of the Borrower, the Authority declares (a) that the Borrower proposes to undertake the Project and the Refunding, (b) that except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5% of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20% of the issue price of the Bonds, and (iii) other expenditures made not earlier than 60 days before the date hereof, no expenditures for the Project or the Refunding have been made by the Borrower and no expenditures will be made by the Borrower until after the date hereof, and (c) the Borrower reasonably expects to reimburse the expenditures made for costs of the Project and the Refunding with the proceeds of the Bonds. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. Intent to Issue Bonds. It is hereby determined necessary and advisable that the Authority proceed with the issuance and sale of the Bonds as permitted by the Act and that the Authority hereby declares its intent to issue the Bonds to finance the Project and the Refunding, and

that such actions will be taken by the Authority as may be required by the Act to authorize, issue and sell the Bonds.

Section 4. Execution and Approval of Agreements. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bonds. The Authority's Program Counsel and/or General Counsel shall approve all agreements to be entered into in connection with the issuance of the Bonds, and such agreements shall be authorized and approved after due consideration by the Authority prior to their execution by the Authority.

Section 5. Notice and Governor Approval. If necessary, the Executive Director, and the staff of the Authority are directed, on behalf of the Authority, to publish notice of the proposal to issue the Bonds, to conduct a public hearing on such proposal and, following such hearing, obtain the approval of the Governor as the chief elected executive officer, all as required by Section 147(f) of the Internal Revenue Code of 1986, as amended.

Section 6. Preliminary Official Statement. If necessary, the Executive Director and the staff of the Authority are authorized to cooperate in the preparation of a preliminary official statement with respect to the Bonds, and that the Executive Director is authorized to execute and deliver such certificates to comply with SEC Rule 15c2-12 in connection with the offer, sale and issuance of the Bonds.

Section 7. Further Actions. The officers, Executive Director and Program Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and purpose of this Resolution, the accomplishment of the Project and the Refunding and the sale and issuance of the Bonds.

Section 8. Not Obligations of the Authority. The Bonds, when issued, shall be limited obligations payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Borrower, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of, or claim against, the State of Iowa or the Authority or a charge against their general credit or general funds.

Section 9. Costs. It is to be understood that the Borrower shall pay all reasonable and necessary costs, including costs of counsel, and expenses of the Authority related to the Bonds, the Project and the Refunding.

Section 10. Repealer. All resolutions, parts of resolutions, and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 10th day of May, 2016.

David D. Jamison, Secretary

(Seal)

Exhibit A



IOWA FINANCE AUTHORITY

David D. Jamison, Executive Director
2015 Grand Avenue
Des Moines, Iowa 50312
(515) 725-4900 - (800) 432-7230

FOR IFA USE ONLY
Project No. ED 16-05
Application Received 4/22/2014
Application Fee Received? [x]
Volume Cap? [] Yes [x] No
Amount of Request \$ 43,000,000

Application forms can be obtained from the Authority's website at www.IowaFinanceAuthority.gov

ECONOMIC DEVELOPMENT BOND APPLICATION

Part A - Borrower Information

1. Project Name: Coe College Project

2. Contact Person/Title: Michael White/Shane Austerman

Company: Coe College

Address: 1220 First Avenue NE

City, State, Zip: Cedar Rapids, IA 52402

Telephone: 319-399-8643 E-mail: mwhite@coe.edu / sausterman@coe.edu

5. Principals: (If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff.) Attach separate list if necessary.

Please See Attached list of Officers and Directors

State of Incorporation is Iowa

6. If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose: provide learning and education, IRS letter dated 9/25/09

7. Is the Borrower currently qualified to transact business within the State of Iowa? Yes [x] No []

8. If project is a Nursing Facility, is state certificate of need required: [] Yes [x] No

9. Total current FTE's of Borrower: 304

Number of permanent FTE's created by the project: 2

Part B - Project Information

1. This Project qualifies for financing pursuant to the Economic Development Loan Program as land, buildings or improvements suitable for use as one of the following facilities (Check one):

X 501 c (3) entity:

X Private college or university

Housing facility for elderly or disabled persons

Museum or library facility

Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135c.1 (6) of the Iowa Code. Specify:

Other 501c (3) entity (please specify)

Manufacturing facility

Agricultural processing facility

Multi-family housing

Solid Waste facility

3. Amount of Loan Request: \$ 43,000,000

Amount to be used for refunding: \$19,500,000

4. Address/Location of Project

Street/City/State 1220 First Avenue NE (Borrower's Campus, parts i, ii and iv below) and 1430 E. Avenue NE, 1424 B Avenue NE, and 1261 and 1263 First Avenue NE (for item iii below) all in Cedar Rapids, Iowa 52402

County Linn

5. General Project Description:

The proceeds of the bonds will be used to provide financing for (i) a 3,850 square foot renovation and expansion of Hickok Hall, including new electrical service, HVAC, elevator and ADA restrooms along with two new classrooms and student space; (ii) an 83,000 square foot addition to Eby Field House providing a new competition arena, new fitness center, wrestling room, strength and conditioning area and a fitness bridge that will connect Eby Field House to the Clark Racquet Center along with a renovation to the older space by adding new windows, EVAC, new locker room facilities on the lower level and turning the gymnasium into a multi-use court space for the student body; (iii) the refinancing of debt incurred by the College to acquire and renovate the Hampton Court Apartments, Whipple Fire House, and an apartment complex; (iv) the refunding of the City of Robins, Iowa Private College Revenue Bond Series 2011 (Coe College Project), the City of Robins, Iowa Private College Revenue Bond Series 2009 (Coe College Project), the City of Robins, Iowa

Private College Revenue Bond Series 2004 (Coe College Project), the City of Robins, Iowa Private College Revenue Bond Series 2002 (Coe College Project) and the City of Hiawatha, Iowa Private College Revenue Bond Series 2007 (Coe College Project) (altogether, the "Project"); and (y) the costs of the Project.

Part B - Project Information continued

6. Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?
 ___ No
 x Yes, in the amount of \$2,400,000 (There are IRS limitations on eligible reimbursable costs.)

7. Parties related to the Project:
 a. Principal User will be: Coe College
 b. Seller (if any) of the Project: _____
 c. Purchaser (if any) or Owner or Lessee of the Project: _____
 d. Relationship of Project Seller and Purchaser, if any: _____

8. Sources and Uses of Project Funds (Sum of Sources and Uses must match):

Sources:	Amount	Uses:	Amount
Bond Proceeds	\$43,000,000	Eby-Hickok Projects	\$21,100,000
_____	_____	Refunding Prior Bonds	19,500,000
_____	_____	Refinance apartments & Whipple Fire House	2,400,000
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
	\$ 43,000,000		\$43,000,000
Total	_____	Total	_____

9. Type of Bond Sale Public Sale Private Placement

Part C - Professionals Participating in the Financing

Applications must have either Bond Counsel or Underwriter/Financial Institution identified

1. Bond Counsel: (an attorney hired by the borrower to ensure the bonds can be issued on a tax-exempt basis)

Name: David Van Sickel & Courtney Strutt Todd
Firm Name: Davis Brown Law Firm
Address: 215 10th Street, Suite 1300
City/State/Zip Code: Des Moines, Iowa 50309
Telephone: 515-246-7842 E-mail: courtneystrutttodd@davisbrownlaw.com

2. Counsel to the Borrower:

Name: David Van Sickel & Courtney Strutt Todd
Firm Name: Davis Brown Law Firm
Address: 215 10th Street, Suite 1300
City/State/Zip Code: Des Moines, Iowa 50309
Telephone: 515-246-7842 E-mail: courtneystrutttodd@davisbrownlaw.com

3. Underwriter or Financial Institution purchasing the bonds:

Name: Reed Jaksich
Firm Name: U.S. Bank National Association
Address: 222 2nd Avenue SE
City/State/Zip Code: Cedar Rapids, IA 52401
Telephone: 319-368-4181 E-mail: reed.jaksich@usbank.com

4. Counsel to the Underwriter:

Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ E-mail: _____

5. Trustee: (if needed)

Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ E-mail: _____

PART D - Fees and Charges

1. A non-refundable application fee must accompany this form at the time of submission to the Authority. For applications up to \$10 million, the application fee is \$1,000. For applications over \$10 million, the application fee is \$2,500. The application fee is subtracted from the Issuer's fee at closing.

Applications will expire if the bonds are not issued within 18 months.

Submit application to the Authority at the following address:

Lori Beary
Community Development Director
Iowa Finance Authority
2015 Grand Avenue
Des Moines, IA 50312

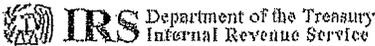
2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Lori Beary at 515-725-4965 or lori.beary@iowa.gov for more information.
3. Borrower is required to pay the fees and expenses of Dorsey & Whitney, who serve as Issuer's Counsel. Bond documents should be sent to David Claypool (claypool.david@dorsey.com) or David Grossklaus (Grossklaus.David@dorsey.com) at Dorsey & Whitney and the Authority's Community Development Director (lori.beary@iowa.gov).

Dated this 21st day of April, 2016

Borrower: Coe College

By: Michael J. White

Title: Executive Vice President



P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248364844
Sep. 25, 2009 LTR 4168C E0
42-0686467 000000 00

00014251
BODC: TE

COE COLLEGE
% BUSINESS OFFICE
1220 1ST AVE NE
CEDAR RAPIDS IA 52402-5008

COPY

4417

Employer Identification Number: 42-0686467
Person to Contact: Mrs. Baker
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your request of Sep. 16, 2009, regarding your tax-exempt status.

Our records indicate that a determination letter was issued in August 1939, that recognized you as exempt from Federal income tax, and discloses that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(ii).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Michele M. Sullivan

Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations I

COE COLLEGE

Officers of the College:

David McNally	President
Michael L. White	Executive Vice President/Assistant Secretary/Assistant Treasurer
David Hayes	Vice President for Advancement/Assistant Secretary
Erik Albinson	Vice President for Student Affairs
Marie Baehr	Vice President for Academic Affairs and Dean of the Faculty

Board of Trustees Officers:

David McNally	President
Dave Carson	Chair
Ken Golder	Vice Chair
Lori Sturdevant	Second Vice Chair
Tom Ellis	Secretary
Paul Meyer	Treasurer
Michael L. White	Assistant Secretary & Assistant Treasurer
David T. Hayes	Assistant Secretary
Kim Pribyl	Assistant Secretary

RESOLUTION
WQ 16-07

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the "SRF Program"); and

WHEREAS, the Authority offers loans under the SRF Program for planning and design expenses associated with clean water and drinking water projects (the "Planning and Design Loans"); and

WHEREAS, the Authority offers the Planning and Design Loans as zero interest loans maturing no later than three years from execution; and

WHEREAS, the communities listed on Exhibit A have applied to the Authority for financial assistance through Planning and Design Loans; and

WHEREAS, the Authority desires to approve Planning and Design Loans to the communities and in the amounts set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes funding Planning and Design Loans to the communities and in the amounts set forth on Exhibit A attached hereto, each with an interest rate of 0%, with a maturity of not to exceed three years, and such other restrictions as may be deemed necessary and appropriate by the Executive Director.

SECTION 3. The Board authorizes the Executive Director to fund said loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 10th day of May, 2016.

David D. Jamison, Secretary

(Seal)

Exhibit A

Planning and Design Loans

Borrower	County	Pop.	Amount	CW/DW	Description
Algona	Kossuth	5,560	\$130,000	CW	Infiltration/Inflow Correction
Gallery Acres West HOA	Johnson	43	\$75,000	DW	Water Source & Treatment
Johnston	Polk	17,728	\$288,000	CW	Streambank Stabilization (Beaver Creek)
Ogden	Boone	2,044	\$428,900	CW	Wastewater Treatment Plant Upgrades
Sidney	Fremont	1,138	\$120,000	DW	Treatment Improvements
Slater	Story	1,820	\$461,000	CW	Wastewater Treatment Improvements
Walnut	Pottawattamie	785	\$170,000	DW	Water Source & Transmission

\$1,672,900

RESOLUTION
WQ 16-08

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources (the "Department"), to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the "SRF Program"); and

WHEREAS, the Authority offers loans under the SRF Program as a means of financing all or part of the construction of certain drinking water or wastewater treatment facilities; and

WHEREAS, the construction activities being undertaken meet the requirements of the SRF Program and have been approved by the Department; and

WHEREAS, the Authority offers the SRF loans at below market interest maturing no later than thirty years from execution; and

WHEREAS, the Authority desires to approve SRF Loans to the communities and in the amounts set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes funding SRF Loans to the communities and in the amounts set forth on Exhibit A attached hereto, each with an interest rate of 1.75% for a maturity of twenty years or an interest rate of 2.75% with a maturity of not to exceed thirty years, and such other restrictions as may be deemed necessary and appropriate by the Executive Director.

SECTION 3. The Board authorizes the Executive Director to fund said loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

Exhibit A

SRF Construction Loans

Borrower	County	Population	Amount	CW/ DW	Description
Aplington	Butler	1,128	\$1,104,000	CW	Treatment Improvements
Arthur	Ida	206	\$950,000	CW	Treatment Improvements
Dyersville	Dubuque	4,056	\$4,000,000	CW	Treatment Improvements
Monona	Clayton	1,549	\$2,954,550	CW	Infiltration/Inflow Corrections
Mount Ayr	Ringgold	1,691	\$900,000	CW	Treatment Improvements

\$9,908,550

**RESOLUTION
WQ 16-09**

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, 2007, as amended and sections 455B.291 through and including 455B.299 of the Code of Iowa, 2007, as amended, works with the Iowa Department of Natural Resources (the "DNR") to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the "SRF Program"); and

WHEREAS, the Authority offers low-interest loans, pass through loans or linked deposits through local lending institutions under the SRF Program for non-point source projects; and

WHEREAS, prior to applying to the Authority for a non-point source loan under the SRF Program, a borrower must receive approval of its project from DNR; and

WHEREAS, The Iowa Natural Heritage Foundation (the "Borrower") has received the necessary written approval from DNR on the project described in Exhibit A attached hereto (the "Project"), which approval is attached as Exhibit B hereto; and

WHEREAS, in connection with the Project, the Borrower has applied for a loan (the "Loan") from People's Bank in Indianola pursuant to the SRF Program; and

WHEREAS, the Authority has reviewed the loan application of the Borrower and desires purchase a participation in the Loan for the Project, in an amount not to exceed \$729,000 upon the terms and conditions set forth on Exhibit C attached hereto;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board hereby approves up to a 100% participation in the Loan to the Borrower for the Project, in an amount not to exceed \$729,000 upon the terms and conditions detailed in Exhibit C hereto. The Executive Director is authorized to prepare and issue a commitment for the Loan consistent with the terms of this Resolution.

SECTION 2. The Board authorizes the Authority to finalize this transaction with the Borrower, to negotiate and complete the necessary loan documents, and to fund the participation in the Loan as described herein. The Executive Director is authorized to prepare and execute any necessary documents in connection with the participation in the Loan, consistent with the terms of this Resolution.

SECTION 3. The Board authorizes the Executive Director to fund said participation from available funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 10th day of May, 2016.

David D. Jamison, Secretary

(Seal)

EXHIBIT A

Project: *VOS PROPERTY – MAHASKA COUNTY*

The project consists of 202 acres that adjoins the Mahaska County Conservation Board Headquarters at the Russell Wildlife Area north of Oskaloosa. The Vos property is a combination of Conservation Reserve Program (CRP), row crop and a small amount of riparian timber. There are 106 acres of CRP and 53 acres in row crop.

Conservation practices on this property are essential for improving water quality. The upland crop field is still in production and is considered highly erodible. Land protection will ensure water quality benefits of the floodplain and hydric soils now in CRP will become permanently established.

Protection of the Vos property will ensure quality habitat for a variety of wetland and floodplain species including waterfowl, reptiles and neotropical migratory birds. When combined with the Russell Wildlife Area, a 442-acre complex of public land will be established.

INHF will own the property until it can be transferred to the Mahaska County Conservation Board.

EXHIBIT B

PROGRAM APPLICATION
Iowa Water Quality Loan Fund General Non-Point Source Program

Project: Vos Property

Applicant

Applicant	Address	City:	State	Zip
<i>Iowa Natural Heritage Foundation</i>	<i>505 5th Avenue, STE 444</i>	<i>Des Moines</i>	<i>IA</i>	<i>50309</i>

Phone Number

Email

Contact Name

<i>515-288-1846</i>	<i>imcagovern@inhf.org</i>	<i>Joe McGovern, President</i>
---------------------	----------------------------	--------------------------------

Legal Description

The West 128 feet of the East 341.5 feet of the South 256 feet except the East 60 feet thereof in Lot Three of the Southeast Quarter of the Southwest Quarter, Section One, Township Seventy-five North, Range Sixteen West, Mahaska County, Iowa, AND

The East one-half of the Northeast Quarter; the Northeast Quarter of the Southeast Quarter; and commencing at the Northeast corner of said Northwest Quarter of the Northeast Quarter; thence South along the East line thereof 1250.5 feet; thence South 89 degrees 37' 30" West 86.0 feet; thence North 0 degrees 06' 55" East 1249.1 feet to the North line of said Northwest Quarter of the Northeast Quarter; thence North 88 degrees 38' 20" East 83.5 feet to the point of beginning, all in Section 30; and the North one-half of the Southwest Quarter of Section 29; all of the above described real estate being in Township 76, Range 15, AND

Grantor's undivided one-half interest in:

- a) The Northeast Quarter of Section 2, Township 76, Range 15
- b) Southwest Quarter of Southwest Quarter and Lot 3 of Southeast Quarter of Southwest Quarter except the East 60 feet thereof and except commencing 213.5 feet West of the SE corner, thence West 272 feet, thence North 256 feet, thence East 272 feet, thence South 256 feet to point of beginning, in Section 1, Township 75 N, Range 16 West

Assistance is available to projects where facilities are needed to protect, restore or improve water quality from non-point source pollution. Only applicants that are owners of record of the property or have long-term control of the property where the project is to be implemented are eligible. For additional project eligibility information, please refer to Iowa Administrative Code 567, Chapter 92.13 (455B).

Description of Practice. Attach Maps, Timeline for Project Completion and an Estimated Lifespan for the Practice.

The Iowa Natural Heritage Foundation (INHF) has been working with the Mahaska County Conservation Board (MCCB) to assist with the acquisition of the 202-acre Vos Property that adjoins the MCCB Headquarters at the Russell Wildlife Area, just north of Oskaloosa.

The current owner would like to see the property owned by the County. INHF will hold the land while Mahaska CCB applies for grant funding and secures donations. This is expected to be completed in 2-4 years. The county will use the property for floodplain habitat and water quality protection as well as public access for hunting and fishing.

Protection of the Vos property will ensure quality habitat for a variety of wetland and floodplain species including waterfowl, reptiles and Neotropical migratory birds. When combined with the Russell Wildlife Area, a 442-acre complex of public land will be established.

Description of Water Quality Benefits of the Project

This segment of the of the South Skunk River in Mahaska County is listed as a category 5 impaired water (TMDL Needed) because of bacteria. The local NRCS staff indicate that the South Skunk is targeted for the Nutrient Reduction Management Strategy, but that nothing has been done.

The Vos property contains a levee that created agricultural fields on hydric soils in the floodplain. The levee is not part of a formal levee district and the bottomland fields have been enrolled in CRP. So, once the land is protected, any future breach of the levee will not need to be repaired which will allow the bottomlands to absorb flood waters.

Overall, the Vos Property is a mixture of Conservation Reserve Program (CRP), row crop and a small amount of riparian timber. There are 106 acres in CRP while 53 acres are in rowcrop.

Altogether 72% of the soils on the property are hydric and 23% are highly erodible. Conservation practices on this property are essential for improving water quality. The upland crop field is still in production and the portion being farmed is 95% HEL. The upland field is listed as "moderately" eroded (25%-75% eroded) according to the NRCS Field Office Technical Guide. INHF will work with the local NRCS and Soil District to develop a conservation plan for the upland. The MCCB has stated that there is a slight chance that they may not be able to acquire the upland from INHF if their fundraising is only partially successful. If this is the case, INHF may be faced with selling off the cropland to help finance the project. We will pursue additional conservation practices prior to that option, so that the perennial land cover is maximized.

Land protection will ensure water quality benefits of the floodplain and hydric soils now in CRP will become permanently established.

Total Estimated Project Costs

Percentage of Project for Water Quality Protection/Improvement

\$ 729,000

100%

Estimated General Non-Point Source Program Loan: \$729,000

PROGRAM APPLICANT CONDITIONS

- Timely completion. The approval of this application is good for six months following DNR signature. If the project is not expected to be complete within six months, the applicant may request an extension from the DNR. If the project is not complete and a request to extend this approval is not made, GNS funds may not be available.
- Records. The project owner shall maintain records that document all costs associated with the project for not less than 3 years from the date of the final loan payment. The project owner shall provide the Department of Natural Resources representative access to the project to verify the loan was used for the purpose intended.
- Rectification and Disputes. Failure of the project owner to implement the approved local water protection project or to comply with the applicable requirements constitutes grounds for the Department of Natural Resources or the lending institution to withhold loan disbursements. The project owner is responsible for ensuring that the identified problem is rectified.
- Repayment & Property Transfer. Loans shall be repaid in accordance with the terms and conditions of the executed loan agreement between the participating lender and project owner. Repayment of the loan must begin within 30 days after the project is completed or by the date specified by the participating lender, whichever is earlier. In the event of property transfer from the project owner that secured the loan to another person or entity during the repayment period specified in the loan agreement, the balance of the loan, principal and any accrued interest shall be due in full. Prepayment of the principal in whole or in part shall be allowed without penalty.
- Project owner is responsible for obtaining all applicable permits. This application approval does NOT constitute a permit.

PROGRAM APPLICANT SIGNATURE

Project Owner Signature. By signing this program application, I agree that all information provided in this application is accurate and I agree to the conditions listed above.

Project Signature Name and Title	Signature	Date
Joe McGovern, President Iowa Natural Heritage Foundation		12/7/15

PROJECT RATING CRITERIA

The general non-point source rating criteria consider the use classification of the receiving waters, water quality of the receiving waters, the project benefits and a tiebreaker. Priority ranking for the projects is based on the total points awarded for all the categories. The greater the total number of points, the higher the ranking. All applications will be rated using 567 Iowa Administrative Code 91.11(455B) General nonpoint source projects rating system (see next page for more details).

PROGRAM APPLICATION APPROVAL

DNR Signature. By approving this program application, the Department of Natural Resources confirms that the application accurately estimates the cost of the practice, that the practice described is reasonable and proper, and that the proposed project is eligible under the rules of the program.

DNR Signature Name and Title	Signature	Date
Patricia Cale-Finnegan SRF Coordinator		3/15/16

EXHIBIT C

LOAN REQUEST

<u>NOTE</u> <u>TYPE</u>	<u>ORIGINAL</u> <u>AMOUNT</u>	<u>RATE</u>	<u>TERM</u>	<u>PURPOSE</u>	<u>SECURITY</u>
Loan	\$729,000	Up to 3%	5 Years	Purchase 202 acres Mahaska County	REM/ INHF

People's Bank in Indianola has agreed to be the direct lender on this loan with 100% participation with Iowa Finance Authority

Equity

	2014	2013	2012	2011
Total Assets	\$58,912,482	\$57,074,659	\$51,762,912	\$39,834,310
Total Liabilities	\$21,372,784	\$22,134,975	\$20,935,881	\$11,214,332
Total Net Assets	\$37,539,698	\$34,939,684	\$30,827,031	\$28,619,978

The Iowa Natural Heritage Foundation (INHF) is a member-supported organization whose priorities include protecting priority lands, connecting natural landscapes and natural corridors, restoring natural areas, and engaging Iowans with their natural heritage. INHF, a non-profit conservation group, has helped protect more than 120,000 acres of Iowa's prairies, wetlands, woodlands, greenways, trails and river corridors. Each year INHF works with members, landowners, volunteers, leaders and conservation professionals across Iowa. The INHF staff, which includes 21 full time employees, works closely with at least 100 volunteers annually. There are over 7,000 individuals, families, businesses and organizations who are members of INHF. These members are INHF's main source of volunteer work, project support, new project ideas, landowner contracts, and major planned gifts for the future of Iowa conservation.

From a financial standpoint, INHF is very sound. The foundation reported a net worth of \$37M as of 12/31/14, a \$2.6M increase over 2013.



To: IFA Board of Directors
From: Terri Rosonke, HousingIowa Development Specialist
Date: 5/10/16
Re: State Housing Trust Fund – Project-Based Housing Program

As provided in the Allocation Plan, IFA will accept applications for the Project-Based Housing Program on an open-window basis until all available moneys have been exhausted. Available funding under the FY 2016 Project-Based Housing Program totals \$295,000. The attached funding recommendation is offered for your consideration for one award totaling \$50,000.

If the attached FY 2016 Project-Based Housing Program funding recommendation is approved by the Board, awards to date will total \$190,000, with \$105,000 remaining available for allocation.

Awards approved by the Board in FY 2016 are leveraging an additional \$659,015 in other financing resources or \$3.47 for every dollar of Project-Based funding. The approved projects will assist a total of six affordable housing units in Iowa with an average per unit subsidy of \$27,143 in FY 2016 funding.



**FY 2016 State Housing Trust Fund – Project-Based Housing Program
Application Summary and Funding Recommendations
May 10, 2016**

Project-Based Application #16-32

Applicant: Habitat for Humanity of Central Iowa

Project Location: Huxley (Story County)

Project Name: Huxley Build

Funding Request: \$50,000

Number of Units: 1

Total Budget: \$134,600

Project Type: Homeownership

Activity: New construction affordable housing

Background: Habitat for Humanity of Central Iowa has requested a \$50,000 grant to help construct a single-family home on the site of a redeveloped former mobile home park in Huxley. The new approximately 1,150 square foot home to be sold to a low-income family will include five bedrooms and two bathrooms with a full basement. The partner family will receive financial, home repair, homeownership, and foreclosure prevention education and must also complete the required sweat equity/community service hours prior to closing on the home.

Habitat for Humanity of Central Iowa serves Story, Hamilton, and Hardin Counties. Beginning its 20th year in operation, Habitat for Humanity of Central Iowa has constructed 51 homes for low-income families to date.

The Project-Based Housing Program award will be used to help finance construction costs. The requested grant represents 40 percent of the net project budget, exclusive of any amounts budgeted for administration and developer fee.

Recommendation: The application is recommended for funding in the amount of \$50,000 contingent upon satisfaction of the following prior to the disbursement of any Project-Based Housing Program grant funds:

1. IFA compliance staff must review and approve the homebuyer's gross annual household income verification documentation as submitted by Habitat for Humanity of Central Iowa.
2. Habitat for Humanity of Central Iowa shall comply with Iowa Code section 103A.10A. Construction may not begin prior to written approval by the State Building Code Bureau of the Iowa Department of Public Safety. All plans and specifications must be submitted to the State Building Code Bureau for review and approval. IFA will not disburse funds for construction activities until evidence of the State Building Code Bureau's approval has been submitted. Furthermore, all newly constructed buildings and structures shall be subject to inspection by State Building Code Bureau staff.

RESOLUTION
HI 16-06

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, works to expand, protect and preserve affordable housing for low and moderate income families in the State of Iowa; and

WHEREAS, pursuant to Iowa Code section 16.181, a housing trust fund has been created within the Authority (the “Trust Fund”); and

WHEREAS, the Authority has adopted an allocation plan for the Project-Based Housing Program under the Trust Fund (the “Allocation Plan”); and

WHEREAS, the Allocation Plan establishes a Project-Based Housing Program and provides for criteria for grants for the program; and

WHEREAS, pursuant to Iowa Code section 16.181 and the terms of the Allocation Plan, applications for the program will be accepted on an open-window basis until all available moneys have been exhausted; and

WHEREAS, Authority staff has reviewed the applications referenced in Exhibit A pursuant to the criteria set forth in the Allocation Plan and recommends the Board award funds under the Allocation Plan as set forth on the attached Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. Pursuant to the Allocation Plan, the Board hereby awards grants under the Project-Based Housing Program to the recipient(s) and in the amount(s) listed on Exhibit A, contingent upon all other funding sources, as identified in each applicant’s project budget, being secured.

SECTION 2. The Board hereby authorizes Authority staff to prepare a grant award agreement for each recipient consistent with this resolution and with the Allocation Plan.

PASSED AND APPROVED this 10th day of May, 2016.

David D. Jamison, Secretary
(Seal)

EXHIBIT A

Applicant	Category	Funding Recommendation
#16-32, Habitat for Humanity of Central Iowa <i>Project Location: Huxley (Story County)</i>	Project-Based	\$ 50,000
Total Funding Recommendations 5/10/16	Project-Based	\$ 50,000
Total Prior Awards FY2016	Project-Based	\$ 140,000
Total FY2016 Funding Recommendations/Awards To Date	Project-Based	\$ 190,000
Total FY2016 Funding Remaining	Project-Based	\$ 105,000

**RESOLUTION
HI 16-07**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, works to expand, protect and preserve affordable housing for low and moderate income families in the State of Iowa; and

WHEREAS, pursuant to Iowa Code section 16.181, a housing trust fund has been created within the Authority (the “Trust Fund”); and

WHEREAS, from time to time the Authority has adopted annual allocation plans (collectively, the “Allocation Plans”) under the Trust Fund; and

WHEREAS, pursuant to Iowa Code section 16.181 and the terms of the Allocation Plans, local housing trust funds must be approved by the Authority in order to be eligible to apply for funding from the Trust Fund; and

WHEREAS, the Authority adopted an Allocation Plan for the Local Housing Trust Fund Program Dated June 2009; and

WHEREAS, pursuant to section 2.3 of the Plan the Authority is tasked with certifying local housing trust funds provided that certain criteria have been met; and

WHEREAS, pursuant to section 2.4 of the Plan the Authority may upon recommendation from Authority staff, decertify an inactive local housing trust fund that does not apply for or that does not receive an award from the Fund in the most recent funding round; and

WHEREAS, the Floyd County Housing Trust Fund was certified by the Authority as a local housing trust fund on April 6, 2005; and

WHEREAS, the Floyd County Housing Trust Fund has submitted a written request asking the Board to approve Floyd County Housing Trust Fund’s voluntary withdrawal as a certified local housing trust fund and to simultaneously approve the Floyd County Housing Trust Fund’s desire to join the NIACOG Housing Trust Fund; and

WHEREAS, the NIACOG Housing Trust Fund was certified by the Authority as a local housing trust fund on November 2, 2011 and adopted a resolution dated April 5, 2016, accepting the Floyd County Housing Trust Fund into its certification; and

WHEREAS, Authority staff recommends that the Floyd County Housing Trust Fund be decertified as a local housing trust fund and that the merger of the Floyd County Housing Trust Fund into the NIACOG Housing Trust Fund be approved.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

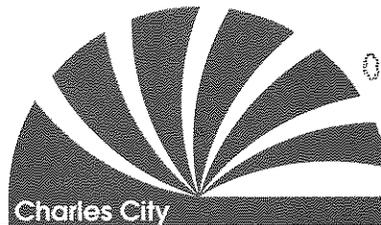
SECTION 1. The Floyd County Housing Trust Fund is hereby decertified as a local housing trust fund pursuant to section 2.4 of the Authority’s Allocation Plan for the Local Housing Trust Fund (LHTF) Dated June 2009 as adopted by the Authority.

SECTION 2. The Board approves the expansion of the NIACOG Housing Trust Fund's certification to include Floyd County in its geographic area served, and the NIACOG Housing Trust Fund shall remain eligible to apply for funds under the Authority's Allocation Plan for the Local Housing Trust Fund Program Dated June 2009 as adopted by the Authority unless and until becoming ineligible pursuant to the terms of a subsequently adopted Allocation Plan or through decertification action taken by the Board.

PASSED AND APPROVED this 10th day of May, 2016.

David D. Jamison, Secretary
(Seal)

401 North Main Street
Charles City, Iowa 50616



03-11-16 09:35

641.228.3020
FAX: 641.228.4744

www.charlescitiya.com

Charles City
Area Development Corporation

email: ccadc@charlescitiya.com

9 March 2016

Terri Rosonke, Housing Iowa Development Specialist
Iowa Finance Authority
2015 Grand Avenue
Des Moines, Iowa 50312

Dear Terri:

The Floyd County Housing Trust Fund has been a single-county Housing Trust Fund since its 2005 inception. However, its Board of Directors has been approached by the NIACOG HTF to consider a joint certification as an Iowa Finance Authority-funded regional housing trust fund. Since that time, we have considered the financial and relationship benefits of a merger. We have also considered the impacts of decertification and the additional coordination requirements for the application, reporting, and draw processes. And, after deliberation of these issues, the Floyd County Housing Trust Fund Board of Directors opted unanimously to join the NIACOG Housing Trust Fund in joint certification as an IFA-funded regional housing trust fund. Please reference the enclosed Board of Director meeting minutes.

Therefore, subject to the IFA board's simultaneous approval of the merger, we hereby request that the Floyd County Housing Trust fund be decertified as an IFA-funded Housing Trust Fund. However, was the merger to be denied by the IFA board, please consider this request withdrawn.

We understand and agree that the NIACOG Housing Trust Fund is to serve as the lead agency should the merger be approved by IFA, and we understand that our Floyd County HTF board will continue to coordinate a local program tailored to Floyd County's needs.

Please contact me with any questions or additional administrative tasks. Thank you for your time and attention to this matter.

Sincerely,

Timothy S. Fox, Vice Chair

Floyd County Housing Trust Fund

Minutes 16 February 2016 Charles City Public Library

Directors in Attendance: Fox, Hassman, Nielsen, Schlader, Sisson, Staudt

1. *Call to Order, Vice Chair Fox:* 4:04 P.M.
2. *Consideration of Minutes 27 January 2016:* M/S Nielsen, Schlader to approve [ratified]
3. *Discussion upon Prospective Merger with North Iowa Area Council of Governments [NIACOG] Housing Trust Fund:*
 - a. *Pecuniary Considerations:* Budget comparisons compiled by NIACOG depicting stand-alone versus merged allocations were distributed
 - b. *Board Representation:* Consensus emerged that Vice Chair should be FCHTF representative to NIACOG HTF
 - c. *Decertification:* It will be necessary to decertify FCHTF in order to achieve merger
 - d. *Regionalism:* Iowa Finance Authority is rewarding regionalism in this instance, as Iowa Economic Development Authority has also done
 - e. *Potential Project Activity with Larger Base:* Staudt: Would we still be autonomous? Response: Yes, still have control over what we do with our subsection of the funding per annum. Prospective projects include rental rehabilitation siding, insulation, windows, roofs, owner-occupied siding, wells, septic systems, electrical service/panels
 - f. *Decision upon MEMORANDUM OF AGREEMENT BETWEEN THE NIACOG HOUSING TRUST FUND, INC. AND THE FLOYD COUNTY HOUSING TRUST FUND:* M/S Hassman, Nielsen to ratify Memorandum of Agreement. Hassman: aye; Staudt: aye; Fox: aye; Schlader: aye; Nielsen: aye; Sisson: aye. Motion carried 6-0-0. M/S Schlader, Sisson to allow Vice Chair to sign Memorandum of Agreement [carried]. M/S Sisson, Staudt to decertify Floyd County Housing Trust Fund when appropriate [approved]
4. *USDA Section 533 Housing Preservation Grant Performance:* Charles City Area Development Corporation is in cash flow bind in that USDA will not release funds until project is completed; if receive this grant in 2016 we will necessarily have to reduce local match component
5. *Other/New Business:* None
6. *Adjournment:* M/S Sisson, Schlader to adjourn at 4:29 P.M. [carried]

Respectfully Submitted:



Timothy S. Fox, Vice Chair

RESOLUTION 2016-01

**ACCEPTANCE OF THE FLOYD COUNTY HOUSING TRUST FUND
INTO THE IOWA FINANCE AUTHORITY CERTIFICATION OF THE NIACOG
HOUSING TRUST FUND AS A FUNDED HOUSING TRUST FUND**

WHEREAS, the NIACOG Housing Trust Fund, Inc. (NIACOG HTF) and the Floyd County Housing Trust Fund (FC HTF) are both established Local Housing Trust Funds (LHTF); and,

WHEREAS, creating a joined Local Housing Trust Fund (LHTF) that is certified by the Iowa Finance Authority to receive funding, would increase the base allocation received from the State Housing Trust Fund; and,

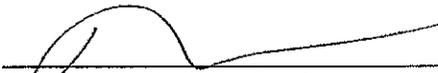
WHEREAS, the joining of two trust funds can increase capacity for sharing expertise and partnering on projects at the mutual discretion of the Boards of Directors; and,

WHEREAS, the trust funds may continue to operate with distinct goals, Boards of Directors, and day-to-day management that target the needs of the respective counties;

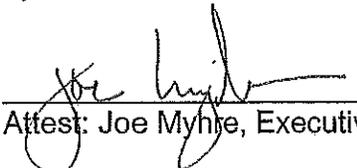
NOW THEREFORE BE IT RESOLVED THAT the NIACOG Housing Trust Fund, Inc. hereby accepts the Floyd County Housing Trust Fund into its certification as an Iowa Finance Authority funded agency, as related to the State Housing Trust Fund,

AND, THEREFORE THAT, the NIACOG Housing Trust Fund, Inc. hereby adopts the Memorandum of Agreement Between The NIACOG Housing Trust Fund, Inc. and the Floyd County Housing Trust Fund.

Signed this 5th day of April, 2016.



Jacquelyn Arthur, Chair



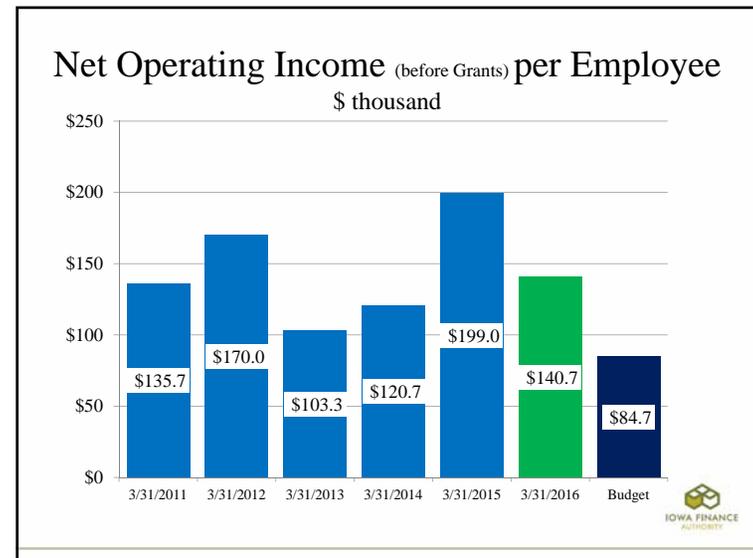
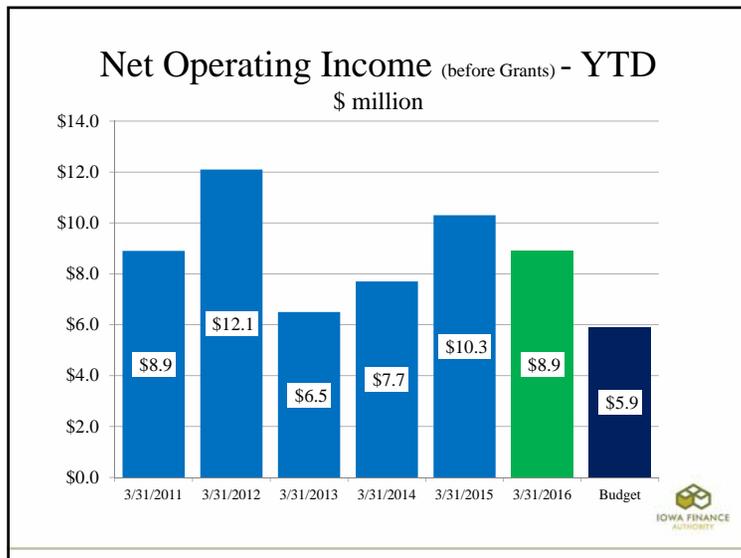
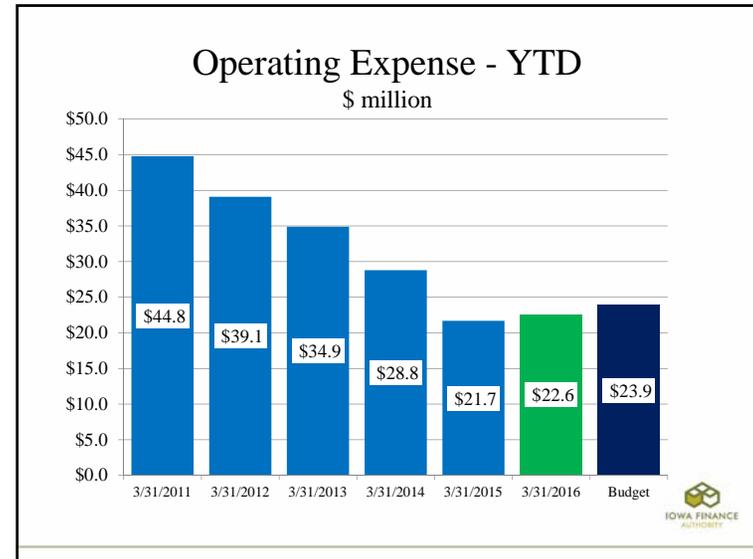
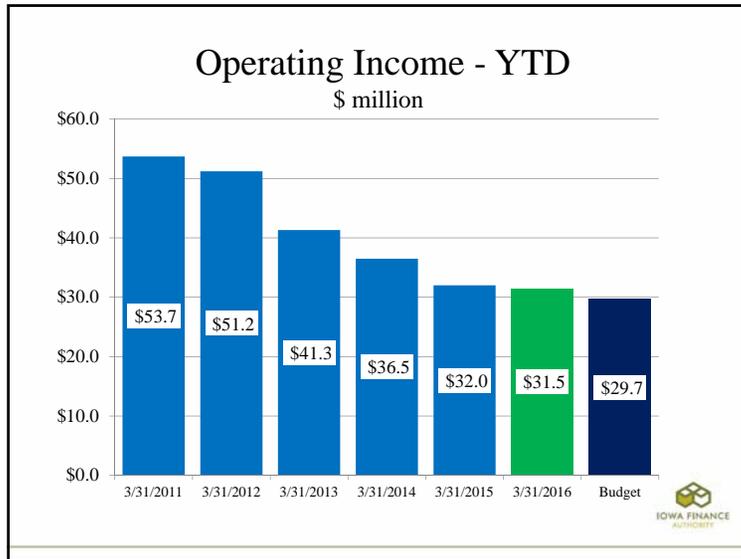
Attest: Joe Myhre, Executive Director

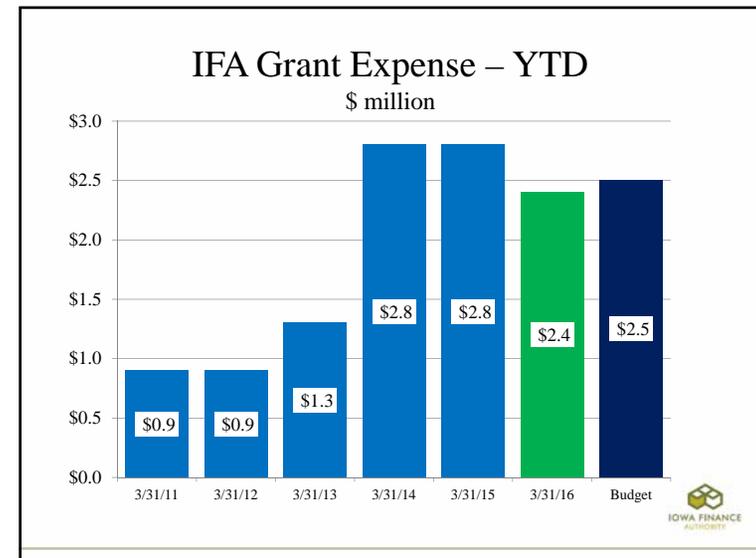
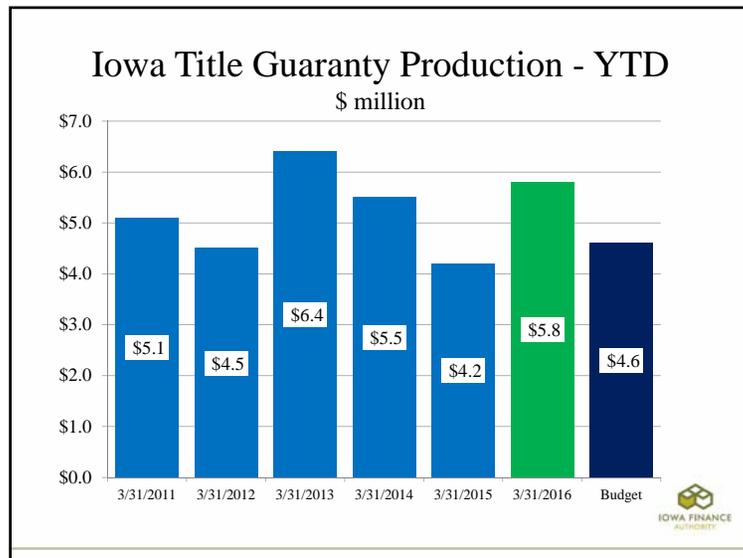
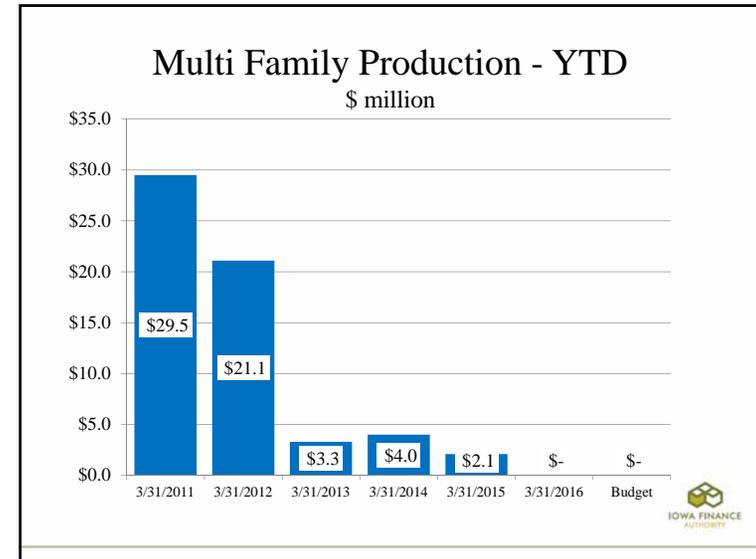
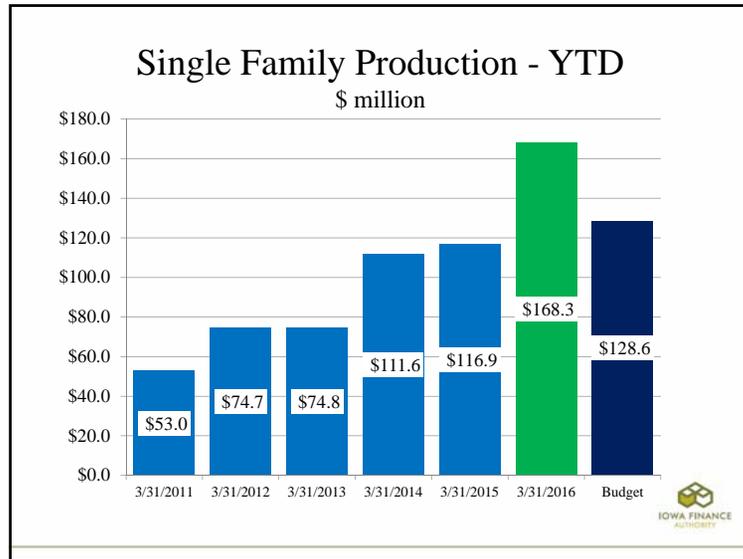


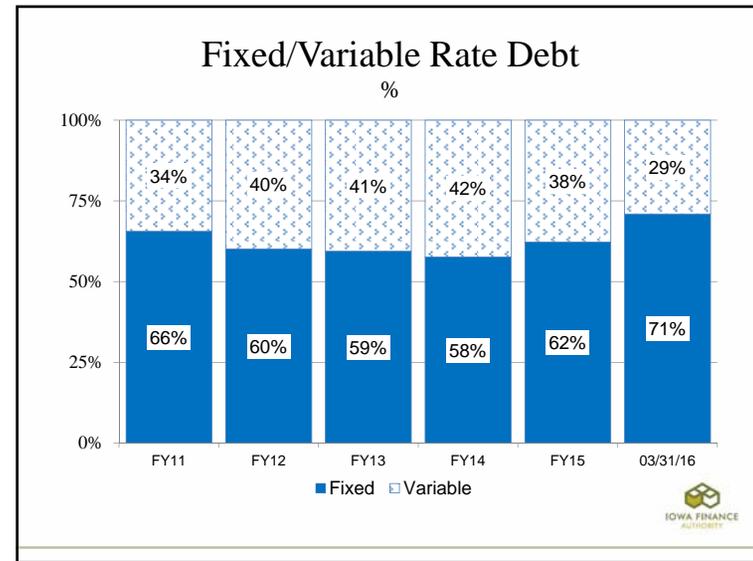
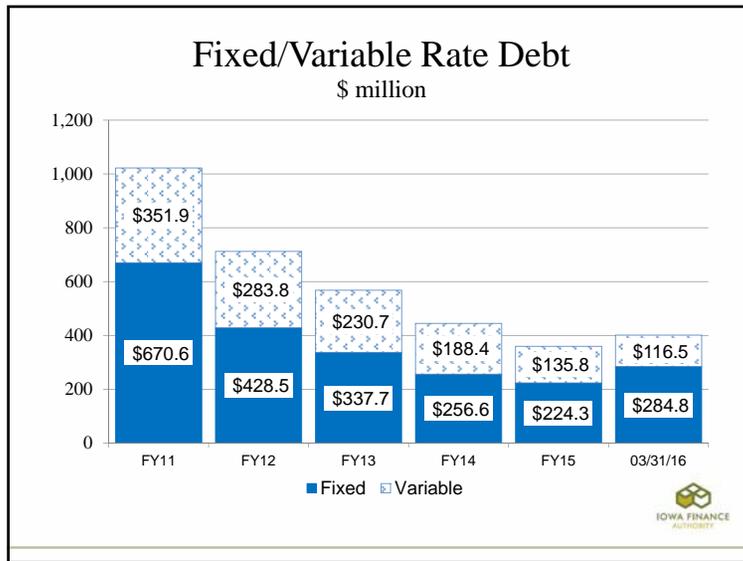
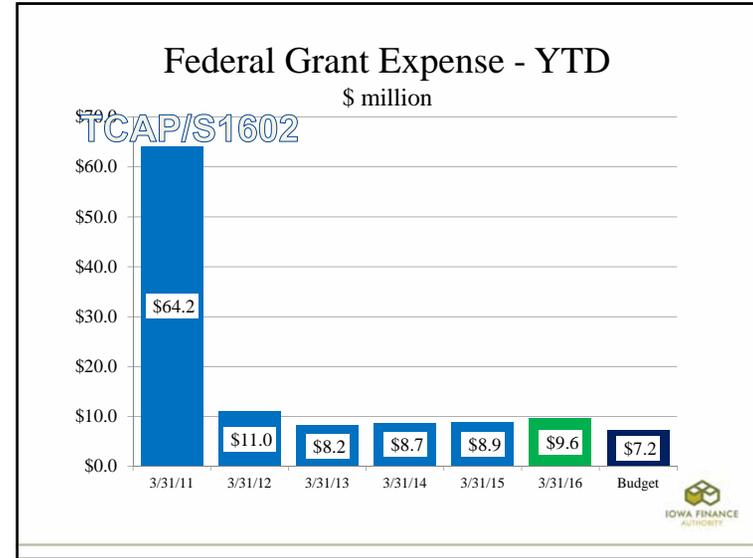
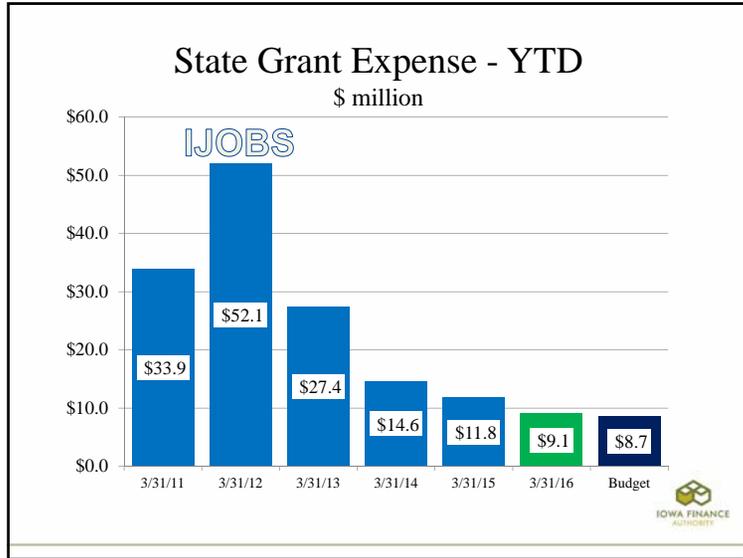
IOWA FINANCE
AUTHORITY

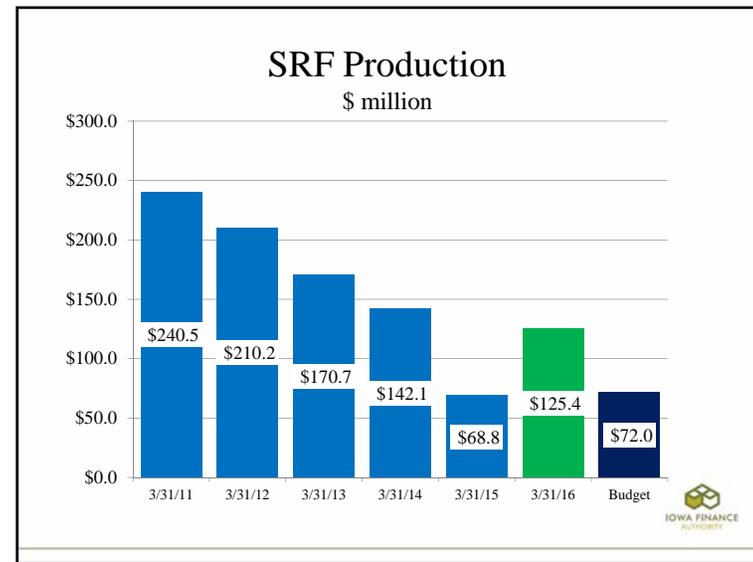
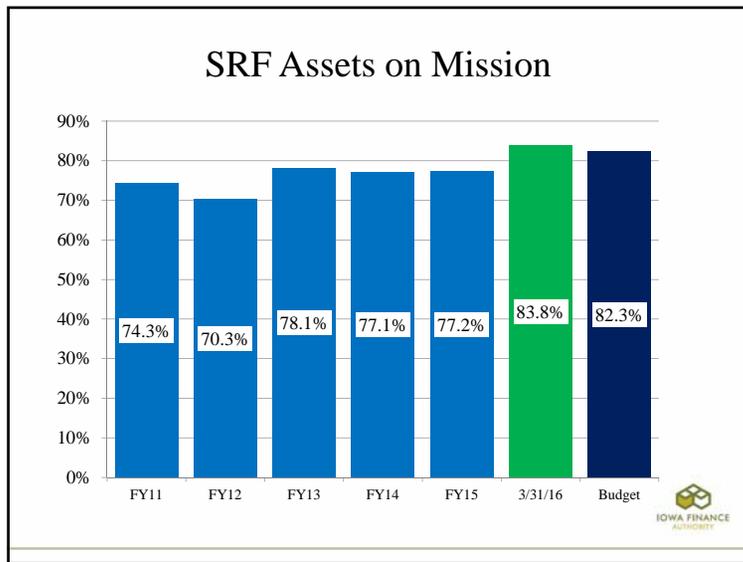
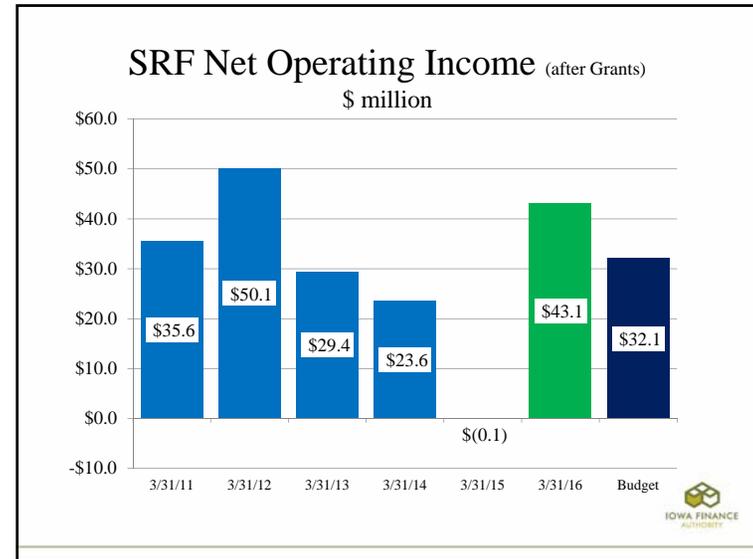
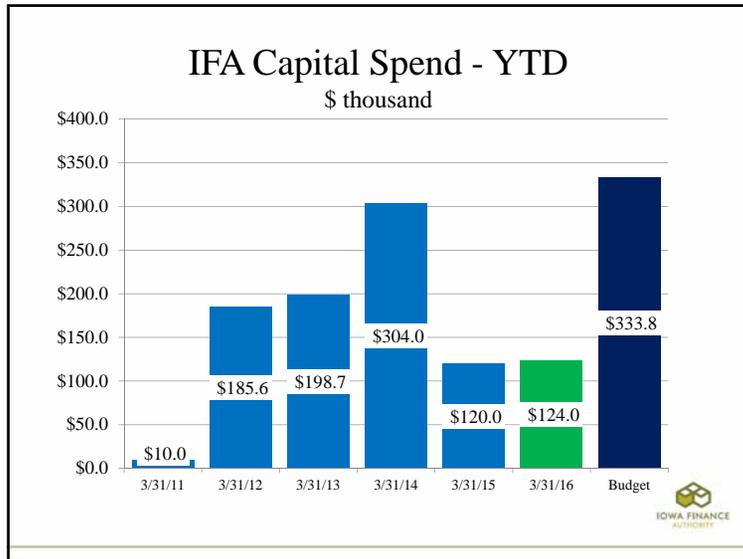
Financial Dashboards

March, 2016









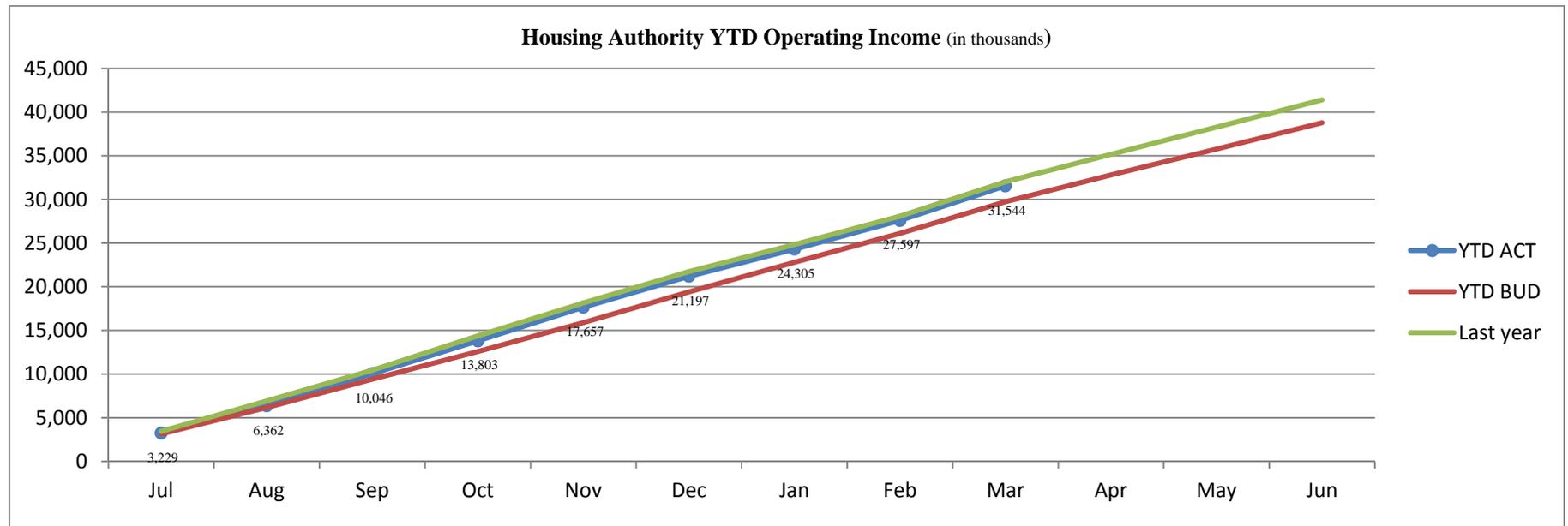
To: David D Jamison
 From: Steven E Harvey
 Date: April 20, 2016
 Re: March 2016 Financial Results



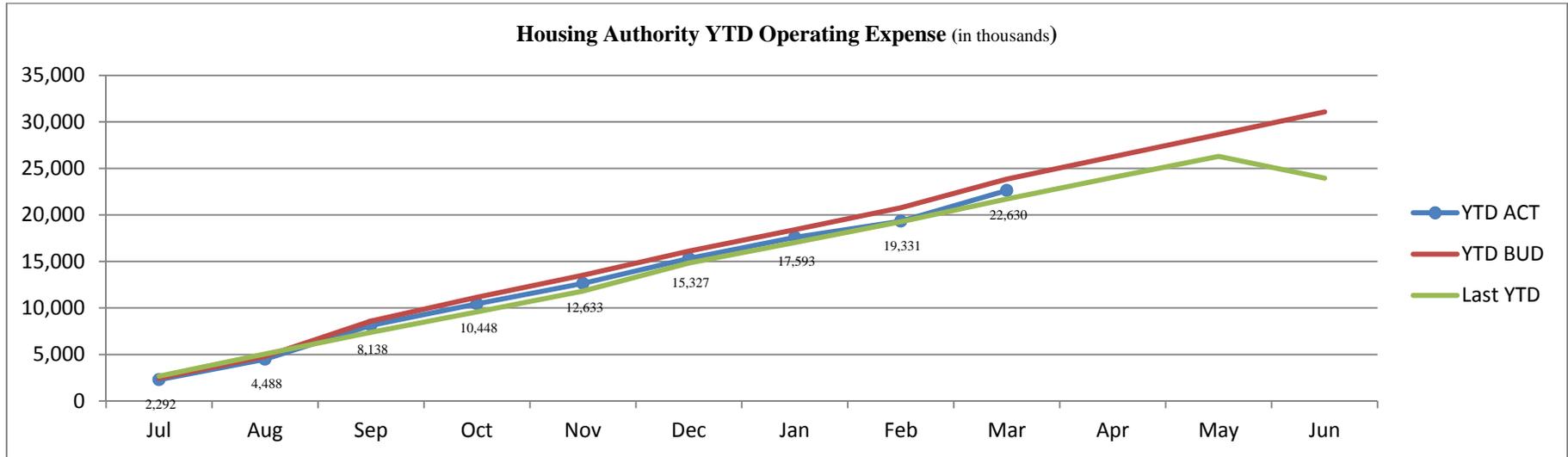
Housing Authority Highlights

YTD March results for the Housing Authority were favorable to budget.

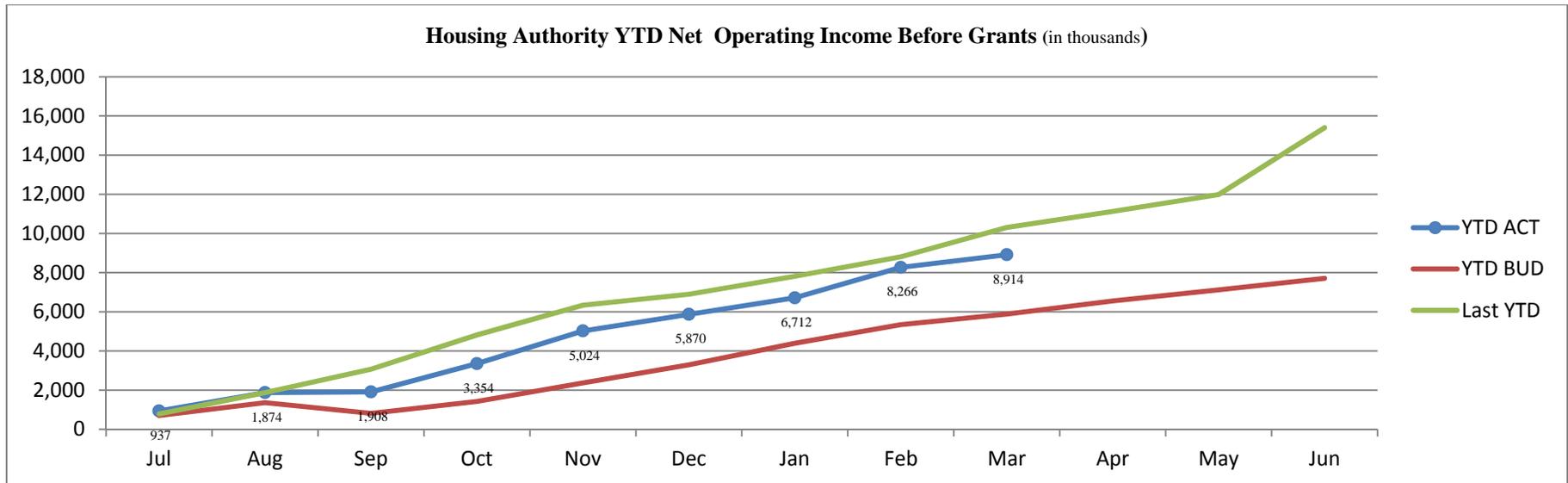
- ITG continues to exceed Operating Income budget by \$1,162,591 or 25.2%.
- LIHTC Fees exceed budget by \$257,827 or 18.6%
- Ag Division fees exceed budget by \$158,241 or 56.0%
- Aggressive debt reduction continues to reduce interest expense, which was \$1,558,650 or 14.6% below budget.
- Staffing was below budget by 8 FTE's resulting in employee expenses being \$519,140 or 6.6% below budget.
- Provisions for Loan Losses increased in March with the addition of two loans to the "impaired list", and now exceeds budget by \$324,446, over 100% above budget (see the Reserve for Loan Loss Analysis on page 12).
- Marketing expense was \$106,060 or 20.9% below budget but should catch-up to budget by the end of the year.
- Professional services were above budget by \$602,496 or 17.3% due mainly to ITG incentive payments to field issuers.
- Net Grant Expense of \$218,112 was \$543,941 or 71.4% below budget.



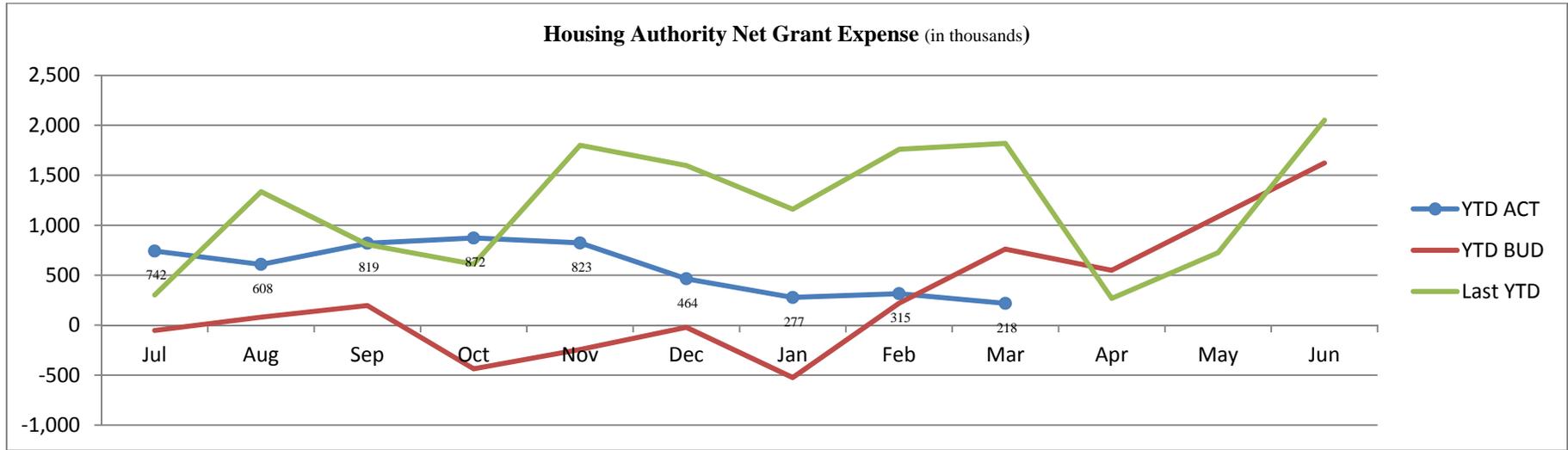
YTD Operating Income of \$31,544,361 was \$1,808,781 or 6.1% above budget but \$475,736 or 1.5% below last year.



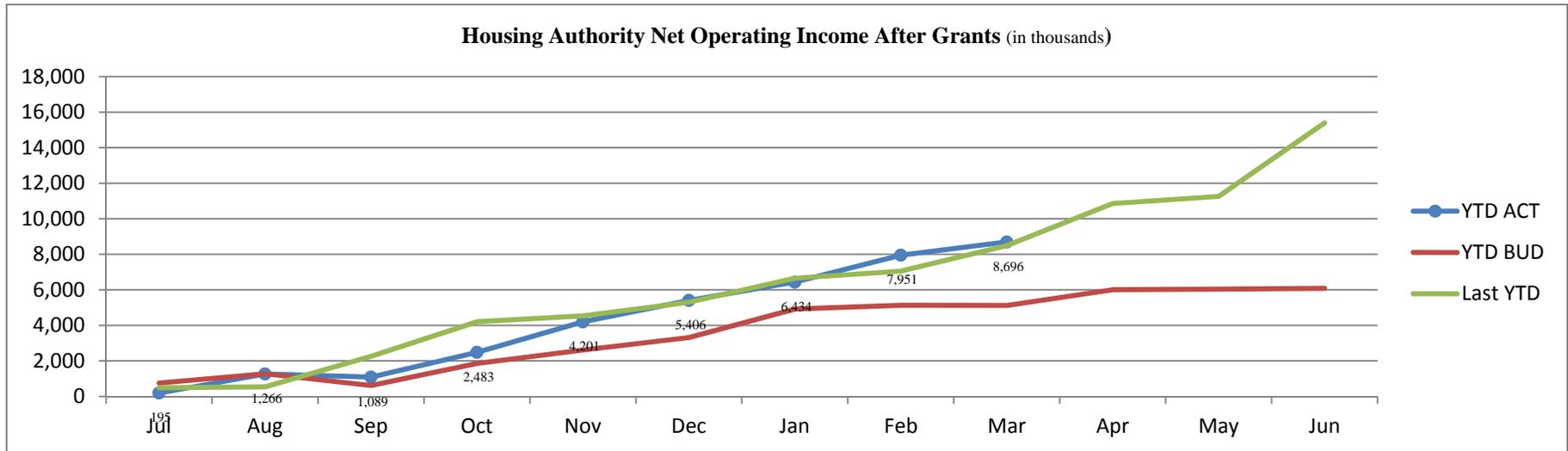
YTD Operating Expense of \$22,630,441 was \$1,222,799 or 5.1% below budget but \$913,926 or 4.2% above last year.



YTD Net Operating Income before Grants of \$8,913,921 was \$3,031,580 or 51.5% above budget but \$1,389,662 or 13.5% below last year.

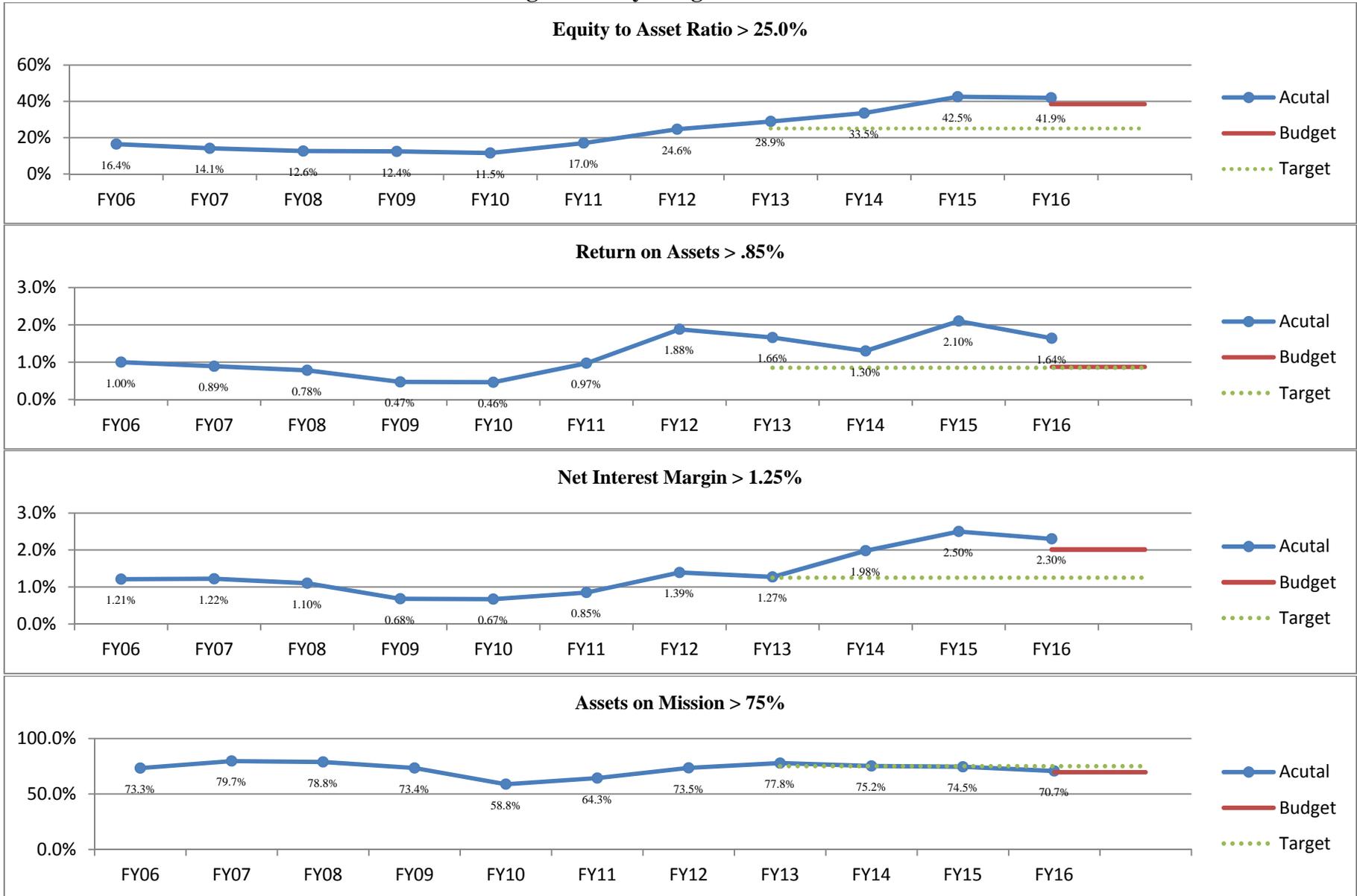


YTD Net Grant Expense of \$218,112 was \$543,941 or 71.4% below budget and \$1,599,935 or 88.0% below last year



YTD Net Operating Income after Grants of \$8,695,809 was \$3,575,521 or 69.8% above budget and \$210,273 or 2.5% above last year.

Housing Authority Long-Term Measures



Income Statement	Housing Authority (Rollup)													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	2,315,866	2,048,106	267,760	13.1	2,336,628	(20,762)	-0.9	21,009,665	20,965,631	44,033	0.2	23,874,293	(2,864,629)	-12.0
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	1,586,560	1,565,474	21,086	1.3	1,558,322	28,238	1.8	10,301,571	8,572,098	1,729,474	20.2	7,914,844	2,386,727	30.2
Other Income	45,192	4,496	40,697	905.2	41,980	3,212	7.7	233,125	197,851	35,274	17.8	230,960	2,165	0.9
Total Operating Income	3,947,618	3,618,076	329,543	9.1	3,936,930	10,688	0.3	31,544,361	29,735,580	1,808,781	6.1	32,020,097	(475,736)	-1.5
Operating Expense														
Interest Expense	1,558,418	1,637,348	(78,930)	-4.8	1,044,936	513,481	49.1	9,081,459	10,640,109	(1,558,650)	-14.6	10,036,005	(954,546)	-9.5
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	870,423	931,577	(61,154)	-6.6	873,440	(3,017)	-0.3	7,379,558	7,898,698	(519,140)	-6.6	7,315,383	64,175	0.9
Operating Expenses	105,888	105,989	(101)	-0.1	95,932	9,956	10.4	931,697	956,987	(25,289)	-2.6	940,533	(8,836)	-0.9
Marketing Expense	17,777	10,349	7,429	71.8	15,373	2,404	15.6	400,399	506,459	(106,060)	-20.9	375,550	24,850	6.6
Professional Services	384,147	380,628	3,519	0.9	255,650	128,497	50.3	4,092,932	3,490,436	602,496	17.3	2,851,768	1,241,164	43.5
Claim and Loss Expenses	305,593	30,731	274,863	894.4	145,006	160,587	110.7	632,634	275,990	356,644	129.2	171,967	460,667	267.9
Service Release Premium	19,400	12,647	6,753	53.4	6,447	12,953	200.9	79,569	95,825	(16,256)	-17.0	20,926	58,643	280.2
Miscellaneous Operating Expense	43,701	4,604	39,097	849.2	11,978	31,722	264.8	95,219	48,823	46,395	95.0	61,110	34,108	55.8
Overhead Allocation	(6,132)	(7,050)	919	-13.0	(5,860)	(272)	4.6	(63,026)	(60,087)	(2,938)	4.9	(56,727)	(6,299)	11.1
Total Operating Expense	3,299,216	3,106,822	192,394	6.2	2,442,903	856,312	35.1	22,630,441	23,853,240	(1,222,799)	-5.1	21,716,515	913,926	4.2
Net Operating Income (Loss) Before Grants	648,403	511,254	137,149	26.8	1,494,027	(845,624)	-56.6	8,913,921	5,882,340	3,031,580	51.5	10,303,582	(1,389,662)	-13.5
Net Grant (Income) Expense														
Grant Income	(1,594,966)	(1,381,692)	(213,274)	15.4	(2,172,231)	577,265	-26.6	(20,792,434)	(17,659,909)	(3,132,525)	17.7	(21,700,327)	907,893	-4.2
Grant Expense	1,498,426	1,923,798	(425,372)	-22.1	2,231,762	(733,336)	-32.9	21,010,546	18,421,962	2,588,584	14.1	23,518,374	(2,507,828)	-10.7
Total Net Grant (Income) Expense	(96,540)	542,105	(638,645)	-117.8	59,530	(156,071)	-262.2	218,112	762,053	(543,941)	-71.4	1,818,047	(1,599,935)	-88.0
Net Operating Income (Loss) After Grants	744,943	(30,852)	775,795	-2514.6	1,434,497	(689,554)	-48.1	8,695,809	5,120,287	3,575,521	69.8	8,485,536	210,273	2.5
Non-Operating (Income) Expense	141,365	-	141,365	0.0	(510,566)	651,932	-127.7	1,912,108	-	1,912,108	0.0	(1,374,534)	3,286,642	-239.1
Net Income (Loss)	603,578	(30,852)	634,430	-2056.4	1,945,063	(1,341,485)	-69.0	6,783,700	5,120,287	1,663,413	32.5	9,860,069	(3,076,369)	-31.2
IFA Home Dept Staff Count	83	93	(10)	-10.8	85	(2)	-2.4	83	92	(9)	-10.2	87	(4)	-4.5
FTE Staff Count	85	93	(8)	-8.5	85	0	0.0	84	93	(8)	-8.8	88	(4)	-4.1

Balance Sheet	Housing Authority (Rollup)						
	Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	188,482,954	175,405,294	13,077,660	7.5	143,611,914	44,871,040	31.2
Investments	19,695,215	23,111,855	(3,416,640)	-14.8	22,547,195	(2,851,980)	-12.6
Mortgage Backed Securities	401,245,786	409,280,806	(8,035,020)	-2.0	416,455,666	(15,209,880)	-3.7
Loans - net of reserve for losses	139,183,402	136,524,269	2,659,133	1.9	147,482,858	(8,299,456)	-5.6
Capital Assets (net of accumulated depreciation)	2,700,111	2,937,608	(237,496)	-8.1	2,840,029	(139,917)	-4.9
Other Assets	13,157,416	39,035,162	(25,877,746)	-66.3	39,082,079	(25,924,663)	-66.3
Deferred Outflows	4,479,125	7,015,421	(2,536,296)	-36.2	6,203,546	(1,724,421)	-27.8
Total Assets and Deferred Outflows	768,944,009	793,310,414	(24,366,405)	-3.1	778,223,287	(9,279,277)	-1.2
Liabilities, Deferred Inflows, and Equity							
Liabilities and Deferred Inflows							
Debt	401,366,536	394,456,389	6,910,147	1.8	369,147,291	32,219,245	8.7
Interest Payable	2,398,991	3,349,525	(950,534)	-28.4	2,725,398	(326,406)	-12.0
Unearned Income	3,892,247	3,967,633	(75,385)	-1.9	4,227,099	(334,852)	-7.9
Escrow Deposits	10,694,309	7,196,146	3,498,164	48.6	8,696,065	1,998,244	23.0
Reserves for Claims	1,003,584	5,530,301	(4,526,716)	-81.9	5,250,123	(4,246,539)	-80.9
Accounts Payable & Accrued Liabilities	3,188,381	3,829,926	(641,545)	-16.8	20,081,360	(16,892,979)	-84.1
Other liabilities	10,731,608	37,241,055	(26,509,447)	-71.2	37,241,055	(26,509,447)	-71.2
Deferred Inflows	1,524,352	-	1,524,352	0.0	-	1,524,352	0.0
Total Liabilities and Deferred Inflows	434,800,009	455,570,973	(20,770,964)	-4.6	447,368,390	(12,568,381)	-2.8
Equity							
YTD Earnings(Loss)	6,783,700	5,120,287	1,663,413	32.5	9,860,069	(3,076,369)	-31.2
Prior Years Earnings	327,360,300	332,619,154	(5,258,854)	-1.6	321,006,940	6,353,360	2.0
Transfers	0	(0)	0		(12,112)	12,112	
Total Equity	334,144,001	337,739,441	(3,595,441)	-1.1	330,854,897	3,289,104	1.0
Total Liabilities, Deferred Inflows, and Equity	768,944,009	793,310,414	(24,366,405)	-3.1	778,223,287	(9,279,277)	-1.2

IOWA FINANCE AUTHORITY
RESERVE FOR LOAN LOSS ANALYSIS

March 31, 2016				
Series	Description	Principal	Reserve %	Reserve \$
	Performing first mortgage loans	786,925		-
	Performing less than first mortgage loans	-	5%	-
	Impaired Loans: (None)	-	100%	-
001-010	General Fund	786,925		-
	Performing first mortgage loans	3,575,858		-
	Performing less than first mortgage loans	176,329	5%	8,816
	Impaired Loans: (None)			-
100-053	Single Family	3,752,188		9,000
	Performing first mortgage loans	56,791,969		-
	Impaired first mortgage loans:			
	MF-07-001 - Humility of Mary Shelter	780,600	30%	234,180
	MF-03-005 - Postville Partners	192,429	10%	19,243
	MF-03-006 - Perry Partners	307,414	10%	30,741
	MF-03-007 - Area XV MultiCounty Hsg Agency	576,750	5%	28,838
	MF-08-003 - Welch Hotel	437,176	25%	109,294
	MF-08-005 - Maquoketa Housing	224,141	25%	56,035
	MF-09-004p - SA Roosevelt LP	1,668,693	5%	83,435
	Performing less than first mortgage loans	1,045,431	5%	52,272
	Impaired Loans less than first:			
	HA-97-016 - Perry Partners	16,322	25%	4,080
	HA-97-020 - Postville Partners	29,358	25%	7,339
	Cash Flow Loans:			
	MF-02-003B -West Cap Santa Clara, LLC	149,178	25%	37,294
	HA-94-008 - Area XV Multi-County Housing Agency	41,516	100%	41,516
	HA-98-022 - Pella Housing Partners	108,609	100%	108,609
	HA-98-024 - Grinnell Housing Partners	118,642	100%	118,642
200-005	Multi Family	62,488,228		932,000
	Performing first mortgage loans	911,792	0%	-
	Impaired first mortgage loans:			
	#MF-02-001 - Winfield Village, L.P.	153,671	50%	76,836
	#MF-02-002 - Davenport Manor	1,463,086	25%	365,771
	Performing less than first mortgage loans	1,910,996	5%	95,550
	Impaired Loans:			
	#MF-08-004 - Welch Hotel	206,122	25%	51,531
	#MF-08-006 - Maquoketa Housing	106,049	25%	26,512
	#IHC-95-034 - Countryside Assoc of Manchester	53,784	100%	53,784
	Cash Flow Loans:			
	#MF-15-004 - Twin Oaks Manor	229,777	50%	114,888
	#HA-98-020 - Area XV Multi-County Housing Agency	46,129	100%	46,129
	#HA-98-021 - Newton Housing Partners, LLC	143,688	100%	143,688
	#HA-98-023 - Kellogg Housing Partners, LLC	133,004	100%	133,004
	#HA-98-025 - Monroe Housing Partners, LLC	133,004	100%	133,004
	#IHC-03-001 - Stout Place	102,565	100%	102,565
	#IHC-92-010N - Bishop's Block	157,494	100%	157,494
500-047	State Housing Trust Fund	5,751,160		1,501,000
	Performing first mortgage loans	2,894,647	0%	-
	Performing less than first mortgage loans	3,042,501	5%	152,125
500-049	Senior Living Trust Fund	5,937,148		152,000
	Performing first mortgage loans	856,667	0%	-
	Performing less than first mortgage loans	121,966	5%	6,098
	Impaired loans:			
	#HC-06-001 - Community Hsg. Initiatives (Adel)	319,968	10%	31,997
	#HC-08-001 - Mahaska County Agency on Aging	116,364	10%	11,636
500-050	Home and Community Based Trust	1,414,965		50,000
	Performing first mortgage loans	526,405	0%	-
	Performing less than first mortgage loans	1,524,330	5%	76,216
	Impaired loans:			
	#TH-06-001 - The Way Home I, LLP	515,212	10%	51,521
500-051	Transitional Housing Trust	2,565,947		128,000
500-057	Tax Credit Assistance Proram (TCAP)	18,978,542	100%	18,978,542
500-058	HOME	129,652,251	63%	82,277,337
	Performing first mortgage loans	128,081	0%	-
	Forgivable Loans			
	#CH-14-002B Hope Haven Development Ctr.	141,223	100%	141,223
500-062	Community Housing and Services	269,304		141,000
600-174	Ag Development	2,342,868	1%	23,428.68
Total IFA Loans		233,939,524		104,192,307
			Net Loans	129,747,217

Iowa Finance Authority
Housing Agency Grant Commitments

Grant Program	Grant #	Original Commitment	Balance 06/30/2015	FY16	FY16 Payments	Commitment Balance
				Additions (Red)	Total	
Local Housing Trust Fund Grant (FY13) - \$5,469,749						
Floyd County Housing Trust Fund	13-04	\$46,303	0	0	0	\$0
NIACOG Housing Trust Fund Inc	13-05	\$74,151	0	0	0	\$0
Northwest Iowa Regional Housing Trust Fund Inc	13-06	\$271,707	31,262	0	(31,262)	\$0
Southern Iowa COG Housing Trust Fund	13-07	\$244,115	0	0	0	\$0
Northeast Iowa Regional Housing Trust Fund	13-08	\$238,081	0	0	0	\$0
Region 6 Housing Trust Fund	13-09	\$269,863	0	0	0	\$0
Fayette County Local Housing Trust Fund	13-10	\$50,880	0	0	0	\$0
Iowa Northland Regional Housing Council LHTF	13-11	\$283,417	0	0	0	\$0
Southwest Iowa Housing Trust Fund Inc	13-13	\$296,151	0	0	0	\$0
Homeward Housing Trust Fund	13-14	\$291,249	0	0	0	\$0
Scott County Housing Council	13-15	\$382,969	0	0	0	\$0
Clay County Local Housing Trust Fund Inc	13-16	\$46,667	11,273	0	(11,273)	\$0
City of Dubuque Housing Trust Fund	13-17	\$147,637	0	0	0	\$0
Polk County Housing Trust Fund	13-18	\$550,640	0	0	0	\$0
AHEAD Regional Housing Trust Fund	13-19	\$165,600	0	0	0	\$0
COG Housing Inc	13-20	\$249,671	0	0	0	\$0
Great River Housing Inc	13-21	\$282,719	29,144	0	(29,144)	\$0
Council Bluffs Housing Trust Fund Inc	13-22	\$152,230	10,000	0	(10,000)	\$0
East Central Iowa Housing Trust Fund	13-23	\$259,773	0	0	0	\$0
Housing Trust Fund of Johnson County	13-24	\$250,882	0	0	0	\$0
Housing Fund for Linn County	13-25	\$331,226	0	0	0	\$0
Dallas County Local Housing Trust Fund Inc	13-26	\$152,036	0	0	0	\$0
Sioux City Housing Trust Fund Inc	13-27	\$172,684	0	0	0	\$0
Chariton Valley Regional Housing Trust Fund Inc	13-28	\$212,431	49,019	0	(49,019)	\$0
Subtotal		\$5,423,082	\$130,698	\$0	(\$130,698)	\$0
Local Housing Trust Fund Grant (FY14) \$7,514,816						
Sioux City Housing Trust Fund Inc	14-04	\$234,697	\$44,994	0	(44,994)	\$0
City of Dubuque Housing Trust Fund	14-05	\$190,865	142,976	0	(67,000)	\$75,976
Northwest Iowa Regional Housing Trust Fund Inc	14-06	\$344,237	259,249	0	(172,505)	\$86,744
Floyd County Housing Trust Fund	14-07	\$58,530	0	0	0	\$0
Southwest Iowa Housing Trust Fund Inc	14-08	\$387,014	199,442	0	(199,442)	\$0
Region 6 Housing Trust Fund	14-09	\$341,010	102,992	0	(102,992)	\$0
AHEAD Regional Housing Trust Fund	14-10	\$176,235	0	0	0	\$0
Southern Iowa COG Housing Trust Fund	14-11	\$295,951	204,858	0	(204,858)	\$0
Homeward Housing Trust Fund	14-12	\$378,436	0	0	0	\$0
COG Housing Inc	14-13	\$305,674	0	0	0	\$0
Scott County Housing Council	14-14	\$538,946	49,541	0	(49,541)	\$0
NIACOG Housing Trust Fund Inc	14-15	\$107,264	0	0	0	\$0
Northeast Iowa Regional Housing Trust Fund	14-16	\$285,392	169,618	0	(84,048)	\$85,570
Council Bluffs Housing Trust Fund Inc	14-17	\$198,903	130,955	0	(130,955)	\$0
Fayette County Local Housing Trust Fund	14-18	\$66,540	13,280	0	(13,280)	\$0
Iowa Northland Regional Housing Council LHTF	14-19	\$364,730	109,186	0	(109,186)	\$0
Western Iowa Community Improvement Regional Housing Trust Fund	14-20	\$302,537	119,361	0	(79,474)	\$39,887
Polk County Housing Trust Fund	14-21	\$867,333	152,876	0	(152,876)	\$0
Clay County Local Housing Trust Funds Inc	14-22	\$59,167	52,707	0	(42,244)	\$10,463
Great River Housing Inc	14-23	\$363,508	290,761	0	(171,451)	\$119,310
Waterloo Housing Trust Fund	14-24	\$90,000	10,198	0	(10,198)	\$0
Housing Trust Fund of Johnson County	14-25	\$349,044	231,763	0	(156,408)	\$75,355
East Central Iowa Housing Trust Fund	14-26	\$323,353	90,696	0	(81,781)	\$8,915
Housing Fund for Linn County	14-27	\$489,646	417,955	0	(235,412)	\$182,543
Dallas County Local Housing Trust Fund Inc	14-28	\$155,300	0	0	0	\$0
Chariton Valley Regional Housing Trust Fund Inc	14-29	\$240,504	123,810	0	(56,361)	\$67,449
Subtotal		\$7,514,816	\$2,917,219	\$0	(\$2,165,007)	\$752,212
Local Housing Trust Fund Grant (FY15) \$7,372,535						
Northwest Iowa Regional Housing Trust Fund Inc	15-03	\$339,392	\$339,392	0	(115,125)	\$224,267
NIACOG Housing Trust Fund Inc	15-04	\$94,019	\$27,191	0	(27,191)	\$0
Floyd County Housing Trust Fund	15-05	\$53,639	\$0	0	0	\$0
AHEAD Regional Housing Trust Fund	15-06	\$322,440	\$131,826	0	(111,487)	\$20,339
Sioux City Housing Trust Fund Inc	15-07	\$209,892	\$209,892	0	(206,170)	\$3,722
Southern Iowa COG Housing Trust Fund	15-08	\$275,217	\$275,217	0	(275,217)	\$0
Waterloo Housing Trust Fund	15-09	\$108,135	\$97,322	0	(63,464)	\$33,858
Eastern Iowa Regional Housing Corporation Housing Trust Fund	15-10	\$379,802	\$306,684	0	(91,270)	\$215,414
City of Dubuque Housing Trust Fund	15-11	\$173,574	\$173,574	0	(10,000)	\$163,574
Region 6 Housing Trust Fund	15-12	\$312,551	\$281,296	0	(104,582)	\$176,714
Southwest Iowa Housing Trust Fund Inc	15-13	\$350,669	\$350,669	0	(157,850)	\$192,819
Fayette County Local Housing Trust Fund	15-14	\$60,276	\$60,276	0	(60,276)	\$0
Northeast Iowa Regional Housing Trust Fund	15-15	\$266,467	\$239,992	0	(93,029)	\$146,963
Homeward Housing Trust Fund	15-16	\$343,561	\$213,086	0	(192,374)	\$20,712
Clay County Local Housing Trust Fund Inc	15-17	\$54,167	\$54,167	0	0	\$54,167
Chariton Valley Regional Housing Trust Fund Inc	15-18	\$229,275	\$229,275	0	(17,045)	\$212,230
Scott County Housing Council	15-19	\$476,555	\$340,304	0	(264,132)	\$76,172

**Iowa Finance Authority
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2015	FY16	FY16 Payments	Commitment Balance
				Additions (Red)	Total	
COG Housing Inc	15-20	\$283,273	\$218,367	0	(218,367)	\$0
Council Bluffs Housing Trust Fund Inc	15-21	\$180,234	\$180,234	0	(31,666)	\$148,568
Polk County Housing Trust Fund	15-22	\$797,159	\$797,159	0	(617,795)	\$179,364
Dallas County Local Housing Trust Fund Inc	15-23	\$84,189	\$84,189	0	(84,189)	\$0
Iowa Northland Regional Housing Council LHFT	15-24	\$332,205	\$289,185	0	(137,383)	\$151,802
East Central Iowa Housing Trust Fund	15-25	\$297,921	\$297,921	0	(31,464)	\$266,457
Housing Fund for Linn County	15-26	\$426,278	\$426,278	0	(44,279)	\$381,999
Housing Trust Fund of Johnson County	15-27	\$309,779	\$309,779	0	(32,177)	\$277,602
Western Iowa Community Improvement Regional Housing Trust Fund	15-28	\$280,673	\$280,673	0	0	\$280,673
Great River Housing Inc	15-29	\$331,193	\$331,193	0	0	\$331,193
Subtotal		\$7,372,535	\$6,545,141	\$0	(\$2,986,530)	\$3,558,610
Local Housing Trust Fund Grant (FY16)						
Floyd County Housing Trust Fund	16-03	\$45,379	\$0	45,379	(29,937)	\$15,442
Northwest Iowa Regional Housing Trust Fund Inc	16-04	\$291,718	\$0	291,718	0	\$291,718
Region 6 Housing Trust Fund	16-05	\$268,579	\$0	268,579	(26,858)	\$241,721
Southwest Iowa Housing Trust Fund Inc	16-06	\$301,439	\$0	301,439	0	\$301,439
Sioux City Housing Trust Fund Inc	16-07	\$178,355	\$0	178,355	0	\$178,355
Waterloo Housing Trust Fund	16-08	\$160,508	\$0	160,508	(16,050)	\$144,458
NIACOG Housing Trust Fund Inc	16-09	\$80,189	\$0	80,189	(3,528)	\$76,661
Fayette County Local Housing Trust Fund	16-10	\$51,100	\$0	51,100	0	\$51,100
AHEAD Regional Housing Trust Fund	16-11	\$277,104	\$0	277,104	(69,885)	\$207,219
Southern Iowa COG Housing Trust Fund	16-12	\$236,394	\$0	236,394	0	\$236,394
Northeast Iowa Regional Housing Trust Fund	16-13	\$228,851	\$0	228,851	0	\$228,851
Eastern Iowa Regional Housing Corporation Housing Trust Fund	16-14	\$326,554	\$0	326,554	0	\$326,554
Chariton Valley Regional Housing Trust Fund Inc	16-15	\$196,789	\$0	196,789	0	\$196,789
Scott County Housing Council	16-16	\$409,961	\$0	409,961	(132,727)	\$277,234
Homeward Housing Trust Fund	16-17	\$295,311	\$0	295,311	(13,482)	\$281,829
Great River Housing Inc	16-18	\$284,649	\$0	284,649	0	\$284,649
City of Dubuque Housing Trust Fund	16-19	\$147,046	\$0	147,046	0	\$147,046
Iowa Northland Regional Housing Council LHFT	16-20	\$285,521	\$0	285,521	(28,552)	\$256,969
COG Housing Inc	16-21	\$243,339	\$0	243,339	0	\$243,339
Housing Trust Fund of Johnson County	16-22	\$263,603	\$0	263,603	0	\$263,603
Dallas County Local Housing Trust Fund Inc	16-23	\$81,652	\$0	81,652	0	\$81,652
East Central Iowa Housing Trust Fund	16-24	\$255,966	\$0	255,966	0	\$255,966
Polk County Housing Trust Fund	16-25	\$638,300	\$0	638,300	0	\$638,300
Housing Fund for Linn County	16-26	\$364,033	\$0	364,033	0	\$364,033
Clay County Local Housing Trust Fund Inc	16-27	\$45,834	\$0	45,834	0	\$45,834
Council Bluffs Housing Trust Fund Inc	16-28	\$152,788	\$0	152,788	0	\$152,788
Subtotal		\$6,110,962	\$0	\$6,110,962	(\$321,019)	\$5,789,943
Project Based Grant (FY13) - \$350,000						
Fort Dodge Housing Agency	13-01	\$50,000	0	0	0	\$0
Habitat for Humanity of Marion County Inc	13-02	\$50,000	0	0	0	\$0
Habitat for Humanity of Mitchell County	13-03	\$50,000	0	0	0	\$0
Habitat for Humanity of Central Iowa	13-30	\$50,000	0	0	0	\$0
Habitat for Humanity of North Central Iowa	13-31	\$50,000	25,000	0	(25,000)	\$0
Iowa Heartland Habitat for Humanity	13-34	\$50,000	0	0	0	\$0
Subtotal		\$300,000	\$25,000	\$0	(\$25,000)	\$0
Project Based Grant (FY15) - \$350,000						
Habitat for Humanity of Boone and Greene Counties Inc	15-01	\$20,000	20,000	0	(20,000)	\$0
Habitat for Humanity of Marion County Inc	15-02	\$50,000	25,000	0	(25,000)	\$0
Northeast Iowa Community Action Corporation	15-30	\$50,000	50,000	0	(50,000)	\$0
NeighborWorks Home Solutions	15-32	\$50,000	50,000	0	0	\$50,000
Hope Haven Inc	15-33	\$50,000	0	0	0	\$0
Heart of Iowa Habitat for Humanity	15-34	\$35,000	35,000	0	0	\$35,000
Habitat for Humanity of North Central Iowa	15-35	\$25,000	0	25,000	0	\$25,000
Subtotal		\$280,000	\$180,000	\$25,000	(\$95,000)	\$110,000
Project Based Grant (FY16) - \$385,000						
Heart of Iowa Habitat for Humanity	16-15-34	\$15,000	0	15,000	0	\$15,000
Habitat for Humanity of Marion County Inc	16-01	\$50,000	0	50,000	0	\$50,000
Habitat for Humanity of North Central Iowa	16-02	\$25,000	0	25,000	0	\$25,000
Iowa Heartland Habitat for Humanity	16-30	\$25,000	0	25,000	0	\$25,000
Iowa Heartland Habitat for Humanity	16-31	\$25,000	0	25,000	0	\$25,000
Subtotal		\$140,000	\$0	\$140,000	\$0	\$140,000
Shelter Assistance Fund (2015)						
Beacon of Life		\$30,000	22,500	0	(22,500)	\$0
Catholic Council for Social Concern - Catholic Charities		\$37,500	18,724	0	(18,724)	\$0
Community Action Agency of Siouxland		\$34,121	28,615	0	(28,615)	\$0
Community Housing Initiatives Inc		\$14,000	8,440	0	(8,440)	\$0
Community Kitchen of North Iowa		\$29,250	19,335	0	(19,335)	\$0

**Iowa Finance Authority
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2015	FY16	FY16 Payments	Commitment Balance
				Additions (Red)	Total	
Council on Sexual Assault & Domestic Violence		\$42,075	35,211	0	(35,211)	\$0
Crisis Intervention Services - NIAD Center for Human Development		\$45,000	21,568	0	(21,519)	\$49
Domestic/Sexual Assault Outreach Center		\$40,000	39,763	0	(39,763)	\$0
Dubuque Community YMCA/YWCA		\$42,500	31,337	0	(31,337)	\$0
Emergency Residence Project		\$29,959	29,959	0	(29,959)	\$0
Family Crisis Centers		\$47,500	27,644	0	(27,644)	\$0
Family Promise of Greater Des Moines		\$18,000	8,443	0	(8,443)	\$0
Fort Dodge Housing Agency		\$35,442	28,810	0	(28,810)	\$0
Foundation 2		\$37,428	20,462	0	(20,462)	\$0
Muscatine Center for Social Action		\$30,000	30,000	0	(30,000)	\$0
New Visions Homeless Services - The Christian Worship Center		\$37,500	15,189	0	(15,189)	\$0
Northern Lights Alliance for the Homeless		\$32,370	20,302	0	(20,302)	\$0
Opening Doors		\$40,000	40,000	0	(39,959)	\$41
Pathway Living Center		\$45,000	9,548	0	(9,548)	\$0
Shesler Hall		\$12,000	1,509	0	(1,509)	\$0
Table to Table Food Distribution Network		\$15,000	3,904	0	(3,904)	\$0
The Salvation Army - Waterloo/Cedar Falls		\$25,200	25,200	0	(25,200)	\$0
The Salvation Army of Siouland		\$27,446	26,432	0	(665)	\$25,767
Willis Dady Emergency Shelter		\$39,600	10,309	0	(10,309)	\$0
Youth Emergency Services & Shelter		\$37,764	37,764	0	(37,764)	\$0
Institute for Community Alliances		\$46,800	24,382	0	(24,382)	\$0
Subtotal		\$871,455	\$585,349	\$0	(\$559,492)	\$25,857
Shelter Assistance Fund (2016)						
Beacon of Life		\$34,800	0	34,800	0	\$34,800
Catholic Council for Social Concern - Catholic Charities		\$48,500	0	48,500	(12,072)	\$36,428
Children & Families of Iowa		\$47,500	0	47,500	(8,374)	\$39,126
Community Action Agency of Siouland		\$42,439	0	42,439	0	\$42,439
Community Housing Initiatives Inc		\$19,000	0	19,000	0	\$19,000
Community Kitchen of North Iowa		\$39,498	0	39,498	(3,305)	\$36,193
Council on Sexual Assault & Domestic Violence		\$48,500	0	48,500	(8,306)	\$40,194
Crawford Hall Family Shelter		\$42,373	0	42,373	0	\$42,373
Dubuque Community YMCA/YWCA		\$50,000	0	50,000	(1,242)	\$48,758
Family Promise of Greater Des Moines		\$19,400	0	19,400	0	\$19,400
Fort Dodge Housing Agency		\$39,380	0	39,380	0	\$39,380
Foundation 2		\$50,000	0	50,000	(12,924)	\$37,076
Francis Lauer Youth Services		\$48,015	0	48,015	(3,821)	\$44,194
Muscatine Center for Social Action		\$47,500	0	47,500	0	\$47,500
New Visions Homeless Services - The Christian Worship Center		\$47,500	0	47,500	0	\$47,500
Northern Lights Alliance for the Homeless		\$47,150	0	47,150	0	\$47,150
Opening Doors		\$47,500	0	47,500	0	\$47,500
Pathway Living Center		\$48,500	0	48,500	0	\$48,500
The Salvation Army of the Quad Cities		\$48,500	0	48,500	0	\$48,500
The Salvation Army - Waterloo/Cedar Falls		\$47,500	0	47,500	0	\$47,500
Youth Emergency Services & Shelter		\$37,381	0	37,381	0	\$37,381
Institute for Community Alliances		\$46,800	0	46,800	(5,999)	\$40,801
Subtotal		\$947,736	\$0	\$947,736	(\$56,044)	\$891,692
Emergency Solutions Grant Program (FFY 2014 in CY 2015)						
Area Substance Abuse Council		\$82,350	40,340	0	(40,340)	\$0
Assault Care Center Extending Shelter and Support		\$69,372	51,647	0	(51,647)	\$0
Catherine McAuley Center		\$73,292	40,296	0	(40,296)	\$0
Cedar Valley Friends of the Family		\$132,793	121,765	0	(121,764)	\$0
Center for Siouland		\$52,250	41,803	0	(41,803)	\$0
Central Iowa Shelter & Services		\$88,115	43,938	0	(43,938)	\$0
Children & Families of Iowa		\$79,797	55,010	0	(55,010)	\$0
City of Sioux City		\$79,762	79,762	0	(79,762)	\$0
Community Action of Southeast Iowa		\$41,175	7,255	0	(7,255)	\$0
Crisis Intervention & Advocacy Center		\$59,292	59,292	0	(59,292)	\$0
Crisis Intervention Services - NIAD Center for Human Development		\$92,500	74,317	0	(74,317)	\$0
Des Moines Area Religious Council		\$45,293	32,419	0	(32,419)	\$0
Domestic Violence Intervention Program		\$101,332	77,188	0	(75,362)	\$1,825
Family Resources		\$142,500	125,114	0	(125,114)	\$0
Hawkeye Area Community Action Program		\$150,000	129,000	0	(129,000)	\$0
Hawthorne Hill		\$31,500	16,246	0	(16,246)	\$0
Heartland Family Service		\$41,175	29,285	0	(29,285)	\$0
Humility of Mary Housing Inc		\$90,000	65,835	0	(65,835)	\$0
Humility of Mary Shelter Inc		\$133,000	90,906	0	(90,906)	\$0
Iowa Legal Aid		\$112,500	75,798	0	(75,798)	\$0
MICAH House		\$41,175	17,332	0	(17,332)	\$0
North Iowa Community Action Organization		\$123,525	84,521	0	(35,116)	\$49,404
Project Concern		\$48,022	30,125	0	(30,125)	\$0
Shelter House Community Shelter and Transition Services		\$150,000	112,037	0	(112,037)	\$0
The Salvation Army - Quad Cities		\$123,525	101,169	0	(101,169)	\$0
Upper Des Moines Opportunity Inc		\$123,538	76,675	0	(76,675)	\$0
Waypoint Services		\$123,525	83,060	0	(83,060)	\$0
Youth and Shelter Services Inc		\$110,020	86,313	0	(84,983)	\$1,330

**Iowa Finance Authority
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2015	FY16	FY16 Payments	Commitment Balance
				Additions (Red)	Total	
YWCA Clinton		\$101,650	79,835	0	(79,835)	\$1
Iowa Institute for Community Alliances - HMIS		\$46,800	25,906	0	(25,906)	\$0
Subtotal		\$2,689,778	\$1,954,188	\$0	(\$1,901,628)	\$52,561
Emergency Solutions Grant Program (FFY 2015 in CY 2016)						
Area Substance Abuse Council		\$107,000	0	107,000	0	\$107,000
Assault Care Center Extending Shelter and Support		\$78,036	0	78,036	(11,842)	\$66,194
Catherine McAuley Center		\$58,663	0	58,663	(9,772)	\$48,891
Cedar Valley Friends of the Family		\$90,000	0	90,000	(11,558)	\$78,442
Center for Siouxland		\$42,500	0	42,500	(6,039)	\$36,461
Central Iowa Shelter & Services		\$127,500	0	127,500	0	\$127,500
Community Action of Southeast Iowa		\$39,000	0	39,000	(8,592)	\$30,408
Crisis Intervention Services		\$105,000	0	105,000	0	\$105,000
Crisis Intervention & Advocacy Center		\$63,700	0	63,700	0	\$63,700
Crisis Intervention Services - NIAD Center for Human Development		\$142,500	0	142,500	(1,429)	\$141,071
Domestic/Sexual Assault Outreach Center		\$60,000	0	60,000	(9,874)	\$50,126
Domestic Violence Intervention Program		\$141,569	0	141,569	(9,564)	\$132,005
Family Crisis Centers of NW Iowa		\$134,582	0	134,582	(8,376)	\$126,206
Family Resources		\$90,000	0	90,000	0	\$90,000
Hawkeye Area Community Action Program		\$150,000	0	150,000	0	\$150,000
Hawthorne Hill		\$30,000	0	30,000	(5,676)	\$24,324
Heartland Family Service		\$62,000	0	62,000	0	\$62,000
Home Opportunities Made Easy (HOME)		\$39,000	0	39,000	0	\$39,000
Humility of Mary Housing Inc		\$75,000	0	75,000	(3,796)	\$71,204
Humility of Mary Shelter Inc		\$65,000	0	65,000	(8,287)	\$56,713
MICAH House		\$36,000	0	36,000	0	\$36,000
Project Concern		\$69,237	0	69,237	(8,561)	\$60,676
Shelter House Community Shelter and Transition Services		\$146,250	0	146,250	0	\$146,250
Shesler Hall		\$18,000	0	18,000	(4,543)	\$13,457
Upper Des Moines Opportunity Inc		\$120,000	0	120,000	(17,074)	\$102,926
Waypoint Services		\$126,000	0	126,000	(13,495)	\$112,505
Willis Dady Emergency Shelter		\$69,220	0	69,220	0	\$69,220
Youth and Shelter Services Inc		\$79,480	0	79,480	0	\$79,480
YWCA Clinton		\$90,000	0	90,000	(8,180)	\$81,820
Iowa Institute for Community Alliances - HMIS		\$46,800	0	46,800	(5,388)	\$41,412
Subtotal		\$2,502,037	\$0	\$2,502,037	(\$152,044)	\$2,349,993
HOPWA (FFY 2014 IN CY 2015)						
Cedar Valley Hospice		\$27,238	27,238	0	(25,936)	\$1,302
Primary Health Care Inc		\$165,387	137,263	0	(125,772)	\$11,492
Siouxland Community Health Center		\$51,341	34,595	0	(32,428)	\$2,167
The Project of the Quad Cities (AIDS Project Quad Cities)		\$62,510	57,930	104	(58,033)	\$0
University of Iowa		\$91,512	68,156	0	(57,157)	\$10,999
Iowa Institute for Community Alliances		\$11,409	6,801	0	(6,801)	\$0
Subtotal		\$409,397	\$331,983	\$104	(\$306,127)	\$25,960
HOPWA (FFY 2015 IN CY 2016)						
Cedar Valley Hospice		\$29,043	0	29,043	0	\$29,043
Primary Health Care Inc		\$171,152	0	171,152	0	\$171,152
Siouxland Community Health Center		\$65,757	0	65,757	0	\$65,757
The Project of the Quad Cities (AIDS Project Quad Cities)		\$61,373	0	61,373	0	\$61,373
University of Iowa		\$96,809	0	96,809	0	\$96,809
Iowa Institute for Community Alliances		\$11,492	0	11,492	0	\$11,492
Subtotal		\$435,627	\$0	\$435,627	\$0	\$435,627
HOME						
East Central Intergovernmental Association	11-HM-112	\$399,990	185,113	(185,113)	0	\$0
Upper Explorerland Regional Planning Commission	12-HM-138	\$410,000	54,923	(54,311)	(612)	\$0
Upper Explorerland Regional Planning Commission	12-HM-141	\$410,000	214,627	(214,627)	0	\$0
Habitat for Humanity of Iowa	12-HM-144	\$423,500	297,000	(77,000)	(220,000)	\$0
Habitat for Humanity of Marion County Inc	12-HM-150	\$154,000	58,951	(20,561)	(38,390)	\$0
Family Housing Assistance - Anawim Housing	12-HM-510	\$212,258	1,119	0	(1,119)	\$0
Subtotal		\$2,009,748	\$811,733	(\$551,612)	(\$260,121)	\$0
HOME (2013)						
Affordable Housing Network Inc	13-HM-03CO	\$50,000	\$0	50,000	(50,000)	\$0
Northeast Iowa Community Action Corporation	13-HM-113	\$11,000	18,982	0	0	\$18,982
Greater Des Moines Habitat for Humanity Inc	13-HM-168	\$305,000	305,000	0	(41,899)	\$263,101
Upper Explorerland Regional Planning Commission	13-HM-169	\$395,000	114,033	0	(67,274)	\$46,759
Scott County Housing Council	13-HM-177	\$499,975	451,980	0	(23,202)	\$428,778
Siouxland Interstate Metropolitan Planning Council	13-HM-180	\$242,200	213,714	(205,105)	(8,609)	\$0
East Central Intergovernmental Association	13-HM-192	\$285,250	281,827	0	(101,038)	\$180,789
Habitat for Humanity of Marion County Inc	13-HM-197	\$154,000	154,000	0	(66,000)	\$88,000
Iowa Community Action Association	13-HM-563	\$1,099,960	205,426	0	(103,118)	\$102,308
Anawim Housing	13-HM-573	\$241,986	107,441	0	(58,453)	\$48,988

**Iowa Finance Authority
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2015	FY16	FY16 Payments	Commitment Balance
				Additions (Red)	Total	
Fort Dodge Housing Agency	13-HM-575	\$241,670	16,157	0	(16,157)	\$0
Des Moines Municipal Housing Agency	13-HM-578	\$1,100,000	397,860	0	(175,850)	\$222,010
City of Clinton, Iowa Housing Authority	13AUG-HM-513	\$184,965	184,965	0	(69,332)	\$115,633
Mason City Housing Authority	13AUG-HM-520	\$194,832	139,492	0	(96,720)	\$42,772
Partners United for Supportive Housing - Affordable Housing Network	13AUG-HM-593	\$928,948	657,562	0	(239,085)	\$418,477
Affordable Housing Network Inc	13AUG-HM-594	\$202,169	186,295	0	(102,666)	\$83,629
Capax Infiniti Housing Inc	13AUG-HM-595	\$366,031	3,831	0	(3,831)	\$0
Children and Families of Iowa	13AUG-HM-597	\$123,420	110,120	0	(110,120)	\$0
Subtotal		\$6,626,406	\$3,548,685	(\$155,105)	(\$1,333,354)	\$2,060,226
HOME (2014)						
Home Opportunities Made Easy Inc	14-HM-159	\$231,000	231,000	0	(55,000)	\$176,000
Region XII Council of Governments Inc	14-HM-161	\$412,500	412,500	0	(55,848)	\$356,652
Upper Explorerland Regional Planning Commission	14-HM-163	\$395,000	379,985	0	(19,463)	\$360,522
Upper Explorerland Regional Planning Commission	14-HM-164	\$395,000	395,000	0	(30,037)	\$364,963
Upper Explorerland Regional Planning Commission	14-HM-165	\$276,000	276,000	0	(23,233)	\$252,767
Region 6 Planning Commission	14-HM-174	\$268,000	263,074	0	(188,418)	\$74,656
Region XII Council of Governments Inc	14-HM-177	\$412,500	273,348	0	(128,035)	\$145,313
Region XII Council of Governments Inc	14-HM-179	\$495,000	324,039	0	(85,947)	\$238,092
Capax Infiniti Housing Inc	14-HM-503	\$630,958	271,097	0	(89,565)	\$181,532
Children and Families of Iowa	14-HM-556	\$156,674	155,999	0	(155,999)	\$0
Eastern Iowa Regional Housing Corporation	14-HM-566	\$998,064	504,642	0	(504,642)	\$0
Anawim Housing	14-HM-570	\$327,383	194,653	0	(122,603)	\$72,050
Mason City Housing Authority	14-HM-586	\$442,161	264,068	0	(168,805)	\$95,263
Iowa Community Action Association	14-HM-593	\$999,586	734,185	0	(613,710)	\$120,475
The Housing Fellowship	14JUL-HM-02CO	\$50,000	40,000	0	(40,000)	\$0
Subtotal		\$6,489,826	\$4,719,590	\$0	(\$2,281,305)	\$2,438,285
HOME (2015)						
Region XII Council of Governments	15-HM-102	\$224,400	\$0	224,400	0	\$224,400
Region XII Council of Governments	15-HM-103	\$192,500	\$0	192,500	0	\$192,500
Region XII Council of Governments	15-HM-109	\$412,500	\$0	412,500	0	\$412,500
Region XII Council of Governments	15-HM-116	\$206,250	\$0	206,250	0	\$206,250
Region XII Council of Governments	15-HM-118	\$206,250	\$0	206,250	0	\$206,250
Habitat for Humanity of Iowa Inc	15-HM-124	\$385,000	\$0	385,000	(25,000)	\$360,000
East Central Iowa Council of Governments	15-HM-186	\$540,000	\$0	594,000	0	\$594,000
Southeast Iowa Regional Planning Commission	15-HM-199	\$267,992	\$0	267,992	0	\$267,992
Eastern Iowa Regional Housing Corporation	15-HM-504	\$998,934	\$0	998,934	(137,066)	\$861,868
Fort Dodge Housing Agency	15-HM-507	\$111,100	\$0	111,100	(27,322)	\$83,778
United Neighbors Inc	15-HM-511	\$502,560	\$0	502,560	(22,991)	\$479,569
Anawim Housing	15-HM-585	\$310,440	\$0	310,440	(77,225)	\$233,215
Capax Infiniti Housing	15-HM-589	\$821,815	\$0	821,815	(55,367)	\$766,448
Iowa Community Action Association	15-HM-591	\$999,760	0	999,760	(196,498)	\$803,262
Subtotal		\$6,179,501	\$0	\$6,233,501	(\$541,469)	\$5,692,032
Total		\$6,302,905	\$21,749,587	\$15,688,249	(\$13,114,838)	\$24,322,998

GRANT COMMITMENT SUMMARY:

STATE	11,268,314
FEDERAL	13,054,683

TOTAL COMMITMENT BALANCE **24,322,998**

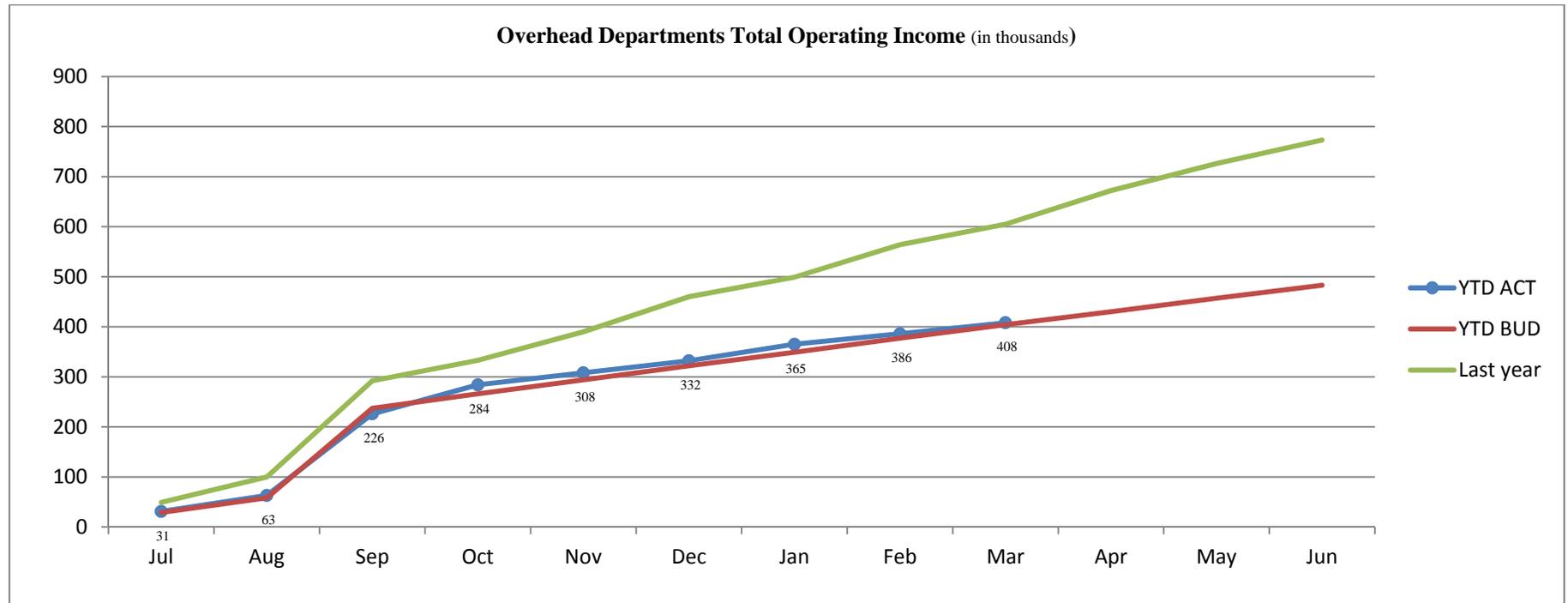
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To: IFA Board Members
 From: Karen Klinkefus
 Date: April 18, 2016
 Re: March 2016 Overhead Financial Results

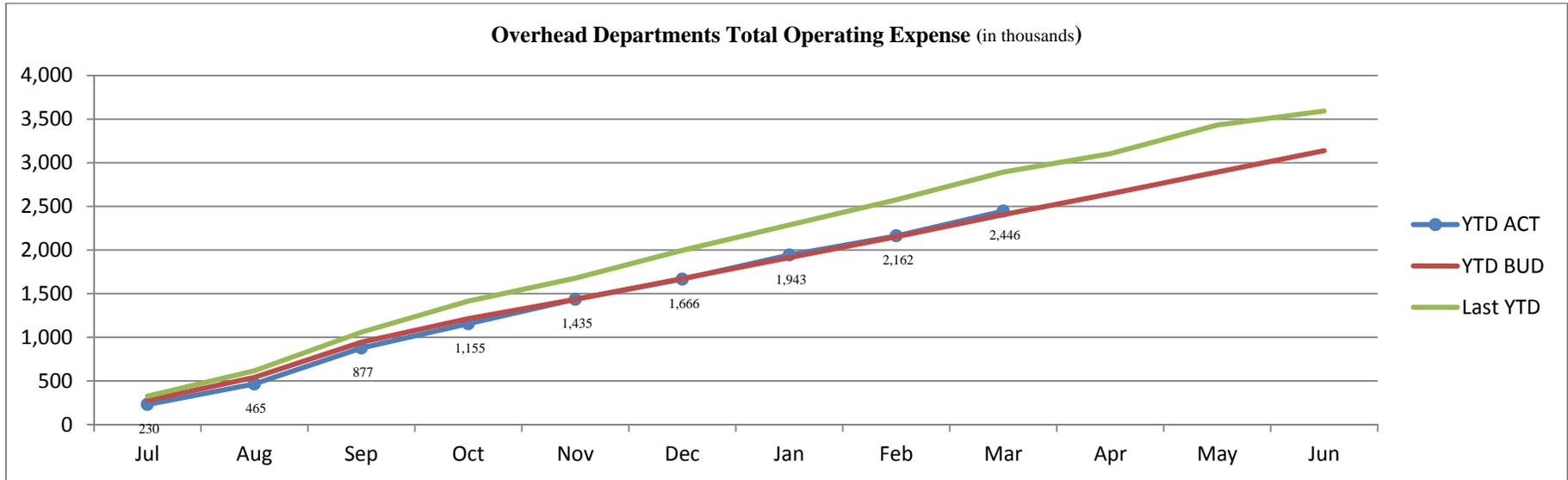


YTD March Overhead Departments Highlights (Administration, Accounting, Finance, IT, HR, Marketing)

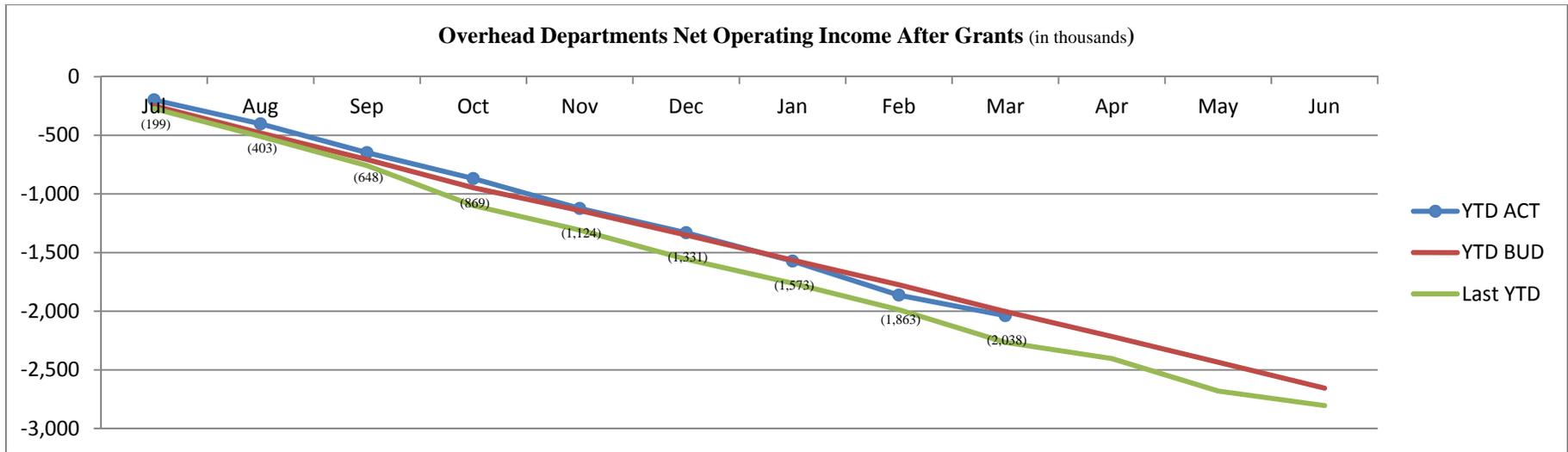
- Interest income is above budget with more investment income due to higher balances/rates than planned.
- Other income is below budget due to Housing Conference income lower than planned \$6,793.
- Operating expenses are above budget due to meetings expense and software/equipment purchases higher than planned.
- Marketing expenses are below budget due to Housing Conference expenses lower than planned.
- Professional Services are above budget due to an IT security analysis of \$23,650 and LightEdge consulting of \$16,200 unplanned.



YTD Total Operating Income of \$407,707 was \$4,102 or 1.0% above budget and \$197,192 below last year.



YTD Operating Expense of \$2,445,690 is \$39,438 or 1.6% above budget and \$447,555 below last year.



YTD Net Operating Loss of \$2,037,983 is \$35,336 or 1.8% above budget and \$228,198 below last year.

Management has established a GF liquidity policy calling for Cash plus CE balances of greater than 3 months budgeted GF expenditures or \$2.3 million; and Cash plus CE plus Investment plus MBS balances of greater than 1 year budgeted GF expenses or \$9.2 million. On March 31, 2016, these balances were \$4.94 million and \$9.29 million respectively.

Income Statement	Overhead (Rollup)													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	21,755	26,905	(5,150)	-19.1	33,598	(11,844)	-35.3	259,033	253,605	5,428	2.1	317,551	(58,518)	-18.4
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	-	-	-	0.0	7,416	(7,416)	-100.0	5,218	-	5,218	0.0	138,855	(133,637)	-96.2
Other Income	-	-	-	0.0	-	-	0.0	143,457	150,000	(6,543)	-4.4	148,493	(5,036)	-3.4
Total Operating Income	21,755	26,905	(5,150)	-19.1	41,015	(19,260)	-47.0	407,707	403,605	4,102	1.0	604,899	(197,192)	-32.6
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	235,821	224,316	11,505	5.1	251,345	(15,523)	-6.2	1,864,979	1,880,259	(15,279)	-0.8	2,113,559	(248,579)	-11.8
Operating Expenses	37,386	33,849	3,537	10.4	44,361	(6,975)	-15.7	317,475	298,849	18,626	6.2	409,613	(92,138)	-22.5
Marketing Expense	4,145	1,667	2,478	148.7	11,055	(6,910)	-62.5	260,184	265,003	(4,819)	-1.8	258,290	1,894	0.7
Professional Services	29,987	19,943	10,044	50.4	23,194	6,793	29.3	226,262	179,488	46,775	26.1	227,373	(1,111)	-0.5
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	(17)	-	(17)	0.0	123	(140)	-113.8
Overhead Allocation	(23,390)	(25,465)	2,075	-8.2	(12,113)	(11,277)	93.1	(223,193)	(217,347)	(5,846)	2.7	(115,712)	(107,481)	92.9
Total Operating Expense	283,950	254,310	29,640	11.7	317,842	(33,891)	-10.7	2,445,690	2,406,252	39,438	1.6	2,893,245	(447,555)	-15.5
Net Operating Income (Loss) Before Grants	(262,196)	(227,406)	(34,790)	15.3	(276,827)	14,631	-5.3	(2,037,983)	(2,002,647)	(35,336)	1.8	(2,288,347)	250,363	-10.9
Net Grant (Income) Expense														
Grant Income	6,238	-	6,238	0.0	(60,541)	66,778	-110.3	-	-	-	0.0	(605,008)	605,008	-100.0
Grant Expense	-	-	-	0.0	62,252	(62,252)	-100.0	-	-	-	0.0	582,843	(582,843)	-100.0
Total Net Grant (Income) Expense	6,238	-	6,238	0.0	1,711	4,526	264.5	-	-	-	0.0	(22,165)	22,165	-100.0
Net Operating Income (Loss) After Grants	(268,433)	(227,406)	(41,028)	18.0	(278,538)	10,105	-3.6	(2,037,983)	(2,002,647)	(35,336)	1.8	(2,266,181)	228,198	-10.1
Non-Operating (Income) Expense	1,769	-	1,769	0.0	(11,506)	13,275	-115.4	95,073	-	95,073	0.0	(81,155)	176,228	-217.1
Net Income (Loss)	(270,202)	(227,406)	(42,796)	18.8	(267,032)	(3,170)	1.2	(2,133,056)	(2,002,647)	(130,409)	6.5	(2,185,026)	51,970	-2.4
IFA Home Dept Staff Count	24	30	(6)	-20.0	26	(2)	-7.7	23	29	(6)	-20.1	27	(3)	-12.1
FTE Staff Count	19	19	(0)	-1.9	23	(4)	-16.7	19	19	0	0.2	24	(5)	-21.4

Balance Sheet	Overhead (Rollup)						
	Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	4,937,411	360,707	4,576,704	1268.8	3,205,234	1,732,177	54.0
Investments	1,364,546	2,113,441	(748,896)	-35.4	2,118,374	(753,828)	-35.6
Mortgage Backed Securities	2,991,006	5,431,316	(2,440,310)	-44.9	6,263,476	(3,272,470)	-52.2
Loans - net of reserve for losses	786,925	801,132	(14,207)	-1.8	838,542	(51,617)	-6.2
Capital Assets (net of accumulated depreciation)	2,697,049	2,937,608	(240,559)	-8.2	2,840,029	(142,980)	-5.0
Other Assets	1,210,467	1,630,724	(420,257)	-25.8	1,753,217	(542,750)	-31.0
Deferred Outflows	577,140	-	577,140	0.0	-	577,140	0.0
Total Assets and Deferred Outflows	14,564,544	13,274,929	1,289,616	9.7	17,018,872	(2,454,327)	-14.4
Liabilities, Deferred Inflows, and Equity							
Liabilities and Deferred Inflows							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Income	2,122,107	2,123,645	(1,537)	-0.1	2,512,495	(390,388)	-15.5
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	1,661,367	1,982,746	(321,379)	-16.2	1,652,200	9,167	0.6
Other liabilities	3,272,117	-	3,272,117	0.0	-	3,272,117	0.0
Deferred Inflows	1,247,892	-	1,247,892	0.0	-	1,247,892	0.0
Total Liabilities and Deferred Inflows	8,303,483	4,106,391	4,197,092	102.2	4,164,695	4,138,788	99.4
Equity							
YTD Earnings(Loss)	(2,133,056)	(2,002,647)	(130,409)	6.5	(2,185,026)	51,970	-2.4
Prior Years Earnings	7,410,790	12,295,346	(4,884,556)	-39.7	15,308,091	(7,897,301)	-51.6
Transfers	983,327	(1,124,161)	2,107,488		(268,888)	1,252,216	
Total Equity	6,261,061	9,168,538	(2,907,477)	-31.7	12,854,177	(6,593,115)	-51.3
Total Liabilities, Deferred Inflows, and Equity	14,564,544	13,274,929	1,289,616	9.7	17,018,872	(2,454,327)	-14.4

Income Statement	010 - Admin													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income (a)	21,755	26,905	(5,150)	-19.1	33,598	(11,844)	-35.3	259,033	253,605	5,428	2.1	317,551	(58,518)	-18.4
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	-	-	-	0.0	7,416	(7,416)	-100.0	-	-	-	0.0	132,509	(132,509)	-100.0
Other Income	-	-	-	0.0	-	-	0.0	250	-	250	0.0	-	250	0.0
Total Operating Income	21,755	26,905	(5,150)	-19.1	41,015	(19,260)	-47.0	259,283	253,605	5,678	2.2	450,060	(190,777)	-42.4
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses (b)	72,716	106,103	(33,387)	-31.5	75,351	(2,635)	-3.5	569,617	819,963	(250,345)	-30.5	592,731	(23,113)	-3.9
Operating Expenses (c)	14,533	11,623	2,910	25.0	11,824	2,709	22.9	112,543	97,191	15,352	15.8	111,017	1,526	1.4
Marketing Expense	-	-	-	0.0	-	-	0.0	750	-	750	0.0	-	750	0.0
Professional Services	13,585	6,000	7,585	126.4	5,895	7,690	130.5	59,206	54,000	5,206	9.6	45,614	13,592	29.8
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	(17)	-	(17)	0.0	123	(140)	-113.8
Overhead Allocation	(23,390)	(25,465)	2,075	-8.2	(12,113)	(11,277)	93.1	(223,193)	(217,347)	(5,846)	2.7	(115,712)	(107,481)	92.9
Total Operating Expense	77,444	98,261	(20,816)	-21.2	80,957	(3,513)	-4.3	518,907	753,807	(234,899)	-31.2	633,773	(114,866)	-18.1
Net Operating Income (Loss) Before Grants	(55,690)	(71,356)	15,666	-22.0	(39,942)	(15,747)	39.4	(259,624)	(500,202)	240,577	-48.1	(183,713)	(75,911)	41.3
Net Grant (Income) Expense														
Grant Income (d)	6,238	-	6,238	0.0	(60,541)	66,778	-110.3	-	-	-	0.0	(605,008)	605,008	-100.0
Grant Expense	-	-	-	0.0	62,252	(62,252)	-100.0	-	-	-	0.0	582,843	(582,843)	-100.0
Total Net Grant (Income) Expense	6,238	-	6,238	0.0	1,711	4,526	264.5	-	-	-	0.0	(22,165)	22,165	-100.0
Net Operating Income (Loss) After Grants	(61,927)	(71,356)	9,429	-13.2	(41,653)	(20,274)	48.7	(259,624)	(500,202)	240,577	-48.1	(161,548)	(98,077)	60.7
Non-Operating (Income) Expense	1,769	-	1,769	0.0	(11,506)	13,275	-115.4	95,073	-	95,073	0.0	(81,155)	176,228	-217.1
Net Income (Loss)	(63,696)	(71,356)	7,660	-10.7	(30,147)	(33,548)	111.3	(354,697)	(500,202)	145,505	-29.1	(80,393)	(274,304)	341.2
IFA Home Dept Staff Count	7	9	(2)	-22.2	6	1	16.7	6	8	(2)	-24.0	6	0	5.6
FTE Staff Count	6	8	(2)	-21.1	6	0	4.6	6	7	(1)	-19.5	6	(0)	-2.8

(a) Interest Income - Lower MBS balances due to sale, less interest earned.

(b) Employee Expenses - One open position (Chief of Staff); and IT manager planned in Admin (dept 10) accrued in Info Tech (dept 14).

(c) Operating Expenses - Software \$3,099 HotDocs for legal dept.

(d) Grant Income - Moved ESGP overhead to MRF (500 indenture).

Income Statement	011 - Accounting													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Other Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses (a)	62,813	55,857	6,956	12.5	73,068	(10,255)	-14.0	481,932	478,316	3,616	0.8	645,084	(163,152)	-25.3
Operating Expenses	11,216	11,818	(602)	-5.1	15,648	(4,432)	-28.3	102,035	107,636	(5,601)	-5.2	136,074	(34,039)	-25.0
Marketing Expense	-	-	-	0.0	-	-	0.0	340	-	340	0.0	-	340	0.0
Professional Services (b)	12,802	13,843	(1,041)	-7.5	15,365	(2,563)	-16.7	125,654	124,588	1,066	0.9	134,540	(8,887)	-6.6
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Expense	86,832	81,518	5,314	6.5	104,081	(17,250)	-16.6	709,961	710,540	(579)	-0.1	915,698	(205,738)	-22.5
Net Operating Income (Loss) Before Grants	(86,832)	(81,518)	(5,314)	6.5	(104,081)	17,250	-16.6	(709,961)	(710,540)	579	-0.1	(915,698)	205,738	-22.5
Net Grant (Income) Expense														
Grant Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	(86,832)	(81,518)	(5,314)	6.5	(104,081)	17,250	-16.6	(709,961)	(710,540)	579	-0.1	(915,698)	205,738	-22.5
Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	(86,832)	(81,518)	(5,314)	6.5	(104,081)	17,250	-16.6	(709,961)	(710,540)	579	-0.1	(915,698)	205,738	-22.5
IFA Home Dept Staff Count	8	10	(2)	-20.0	10	(2)	-20.0	8	10	(2)	-24.4	10	(2)	-24.4
FTE Staff Count	7	6	1	20.8	8	(1)	-11.3	6	6	0	8.2	8	(2)	-24.3

(a) Employee Expenses - Hours planned in programs expensed here as home dept.

(b) Professional Services - Audit accrual reduced, new company.

Income Statement	012 - Finance													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	-	-	-	0.0	-	-	0.0	5,218	-	5,218	0.0	6,346	(1,128)	-17.8
Other Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Income	-	-	-	0.0	-	-	0.0	5,218	-	5,218	0.0	6,346	(1,128)	-17.8
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses (a)	24,185	15,375	8,810	57.3	38,207	(14,023)	-36.7	192,232	130,652	61,581	47.1	399,943	(207,710)	-51.9
Operating Expenses (b)	5,343	4,736	607	12.8	10,955	(5,612)	-51.2	46,084	45,143	941	2.1	97,121	(51,037)	-52.6
Marketing Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Professional Services	-	-	-	0.0	-	-	0.0	-	-	-	0.0	79	(79)	-100.0
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Expense	29,528	20,111	9,417	46.8	49,162	(19,634)	-39.9	238,316	175,795	62,521	35.6	497,142	(258,826)	-52.1
Net Operating Income (Loss) Before Grants	(29,528)	(20,111)	(9,417)	46.8	(49,162)	19,634	-39.9	(233,098)	(175,795)	(57,304)	32.6	(490,796)	257,698	-52.5
Net Grant (Income) Expense														
Grant Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	(29,528)	(20,111)	(9,417)	46.8	(49,162)	19,634	-39.9	(233,098)	(175,795)	(57,304)	32.6	(490,796)	257,698	-52.5
Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	(29,528)	(20,111)	(9,417)	46.8	(49,162)	19,634	-39.9	(233,098)	(175,795)	(57,304)	32.6	(490,796)	257,698	-52.5
IFA Home Dept Staff Count	4	5	(1)	-20.0	4	-	0.0	4	5	(1)	-20.0	5	(1)	-14.3
FTE Staff Count	2	1	1	90.5	3	(1)	-37.8	2	1	1	95.3	4	(2)	-50.4

(a) Employee Expenses - Hours planned in programs expensed here as home dept.

(b) Operating Expenses - Software \$640; for loan servicing.

Income Statement	014 - Information Technology													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Other Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses (a)	46,123	20,186	25,938	128.5	18,849	27,275	144.7	269,508	177,459	92,048	51.9	159,441	110,066	69.0
Operating Expenses (b)	2,288	1,284	1,004	78.2	1,423	865	60.8	16,033	11,278	4,754	42.2	23,791	(7,758)	-32.6
Marketing Expense (b)	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Professional Services (c)	3,600	-	3,600	0.0	1,856	1,744	94.0	39,850	-	39,850	0.0	46,109	(6,259)	-13.6
Claim and Loss Expenses (c)	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Expense	52,011	21,470	30,542	142.3	22,127	29,884	135.1	325,390	188,737	136,653	72.4	229,341	96,049	41.9
Net Operating Income (Loss) Before Grants	(52,011)	(21,470)	(30,542)	142.3	(22,127)	(29,884)	135.1	(325,390)	(188,737)	(136,653)	72.4	(229,341)	(96,049)	41.9
Net Grant (Income) Expense														
Grant Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	(52,011)	(21,470)	(30,542)	142.3	(22,127)	(29,884)	135.1	(325,390)	(188,737)	(136,653)	72.4	(229,341)	(96,049)	41.9
Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	(52,011)	(21,470)	(30,542)	142.3	(22,127)	(29,884)	135.1	(325,390)	(188,737)	(136,653)	72.4	(229,341)	(96,049)	41.9
IFA Home Dept Staff Count	2	2	-	0.0	2	-	0.0	2	2	-	0.0	2	-	0.0
FTE Staff Count	1	1	0	7.3	1	(0)	-26.7	1	1	0	12.5	1	0	2.1

(a) Employee Expenses - IT manager accrued in Info Tech (dept 14) planned in Admin (dept 10); contract services two months invoices.

(b) Operating Expenses - Maintenance agreement \$1,127 not planned.

(c) Professional Services - LightEdge consulting two months invoices not planned.

Income Statement	015 - HR & Support													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Other Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	10,894	12,898	(2,004)	-15.5	13,239	(2,345)	-17.7	89,595	110,317	(20,722)	-18.8	110,474	(20,878)	-18.9
Operating Expenses	1,533	1,853	(320)	-17.3	1,701	(168)	-9.9	13,336	15,282	(1,946)	-12.7	13,657	(321)	-2.4
Marketing Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Professional Services	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Expense	12,427	14,751	(2,324)	-15.8	14,939	(2,513)	-16.8	102,931	125,599	(22,668)	-18.0	124,131	(21,200)	-17.1
Net Operating Income (Loss) Before Grants	(12,427)	(14,751)	2,324	-15.8	(14,939)	2,513	-16.8	(102,931)	(125,599)	22,668	-18.0	(124,131)	21,200	-17.1
Net Grant (Income) Expense														
Grant Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	(12,427)	(14,751)	2,324	-15.8	(14,939)	2,513	-16.8	(102,931)	(125,599)	22,668	-18.0	(124,131)	21,200	-17.1
Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	(12,427)	(14,751)	2,324	-15.8	(14,939)	2,513	-16.8	(102,931)	(125,599)	22,668	-18.0	(124,131)	21,200	-17.1
IFA Home Dept Staff Count	2	2	-	0.0	2	-	0.0	2	2	-	0.0	2	-	0.0
FTE Staff Count	2	2	(1)	-28.3	2	(1)	-31.5	2	2	(0)	-19.1	2	(0)	-20.4

Income Statement	019 - Marketing													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Other Income	-	-	-	0.0	-	-	0.0	143,207	150,000	(6,793)	-4.5	148,493	(5,286)	-3.6
Total Operating Income	-	-	-	0.0	-	-	0.0	143,207	150,000	(6,793)	-4.5	148,493	(5,286)	-3.6
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses (a)	19,090	13,898	5,192	37.4	32,631	(13,541)	-41.5	262,095	163,552	98,543	60.3	205,887	56,208	27.3
Operating Expenses	2,473	2,534	(61)	-2.4	2,810	(337)	-12.0	27,445	22,319	5,125	23.0	27,953	(508)	-1.8
Marketing Expense	4,145	1,667	2,478	148.7	11,055	(6,910)	-62.5	259,094	265,003	(5,909)	-2.2	258,290	804	0.3
Professional Services	-	100	(100)	-100.0	79	(79)	-100.0	1,552	900	652	72.5	1,031	521	50.6
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Expense	25,709	18,200	7,509	41.3	46,575	(20,866)	-44.8	550,185	451,774	98,411	21.8	493,160	57,026	11.6
Net Operating Income (Loss) Before Grants	(25,709)	(18,200)	(7,509)	41.3	(46,575)	20,866	-44.8	(406,979)	(301,774)	(105,205)	34.9	(344,667)	(62,312)	18.1
Net Grant (Income) Expense														
Grant Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	(25,709)	(18,200)	(7,509)	41.3	(46,575)	20,866	-44.8	(406,979)	(301,774)	(105,205)	34.9	(344,667)	(62,312)	18.1
Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	(25,709)	(18,200)	(7,509)	41.3	(46,575)	20,866	-44.8	(406,979)	(301,774)	(105,205)	34.9	(344,667)	(62,312)	18.1
IFA Home Dept Staff Count	1	2	(1)	-50.0	2	(1)	-50.0	2	2	(0)	-22.2	2	(0)	-22.2
FTE Staff Count	1	1	(0)	-17.4	2	(1)	-44.1	2	1	0	21.9	2	(0)	-18.6

(a) Employee Expenses - Hours planned in programs expensed here as home dept; temp services continued longer than planned.

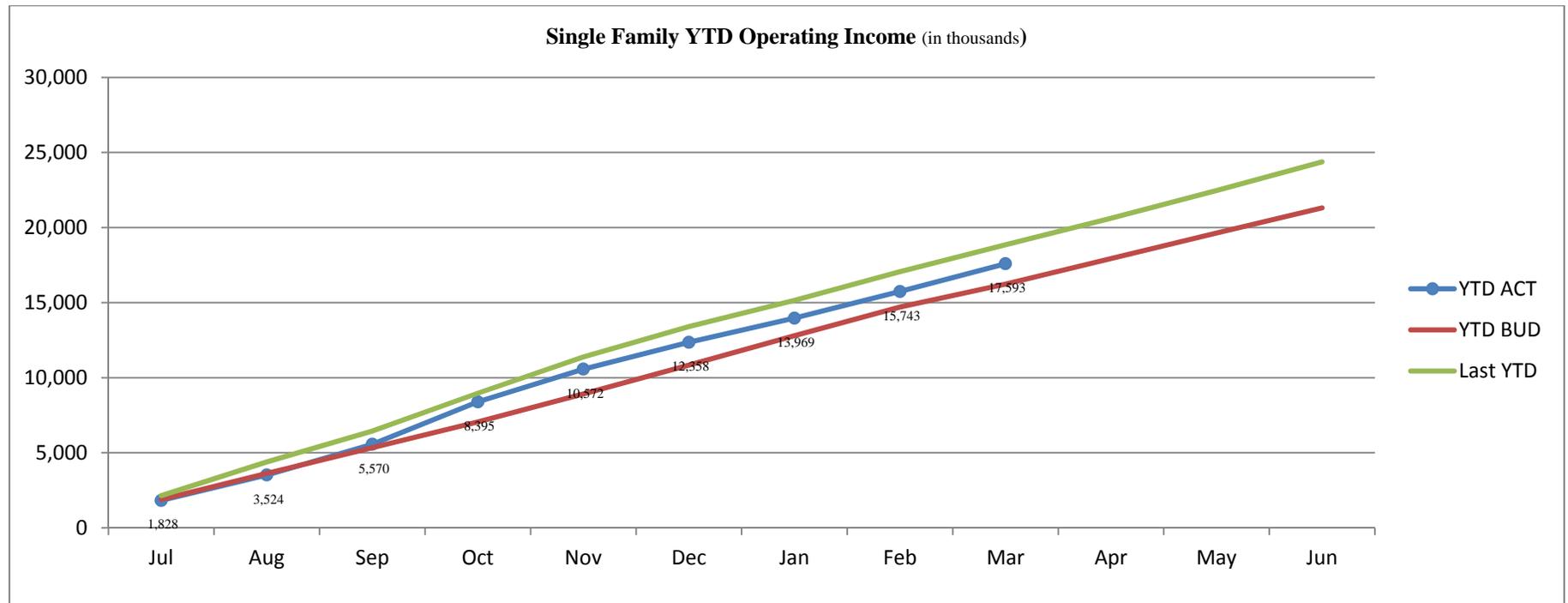
To: IFA Board Members
 From: Mark P. Hutchison
 Date: April 14, 2016
 Re: March 2016 Financial Results – Single Family



General Information

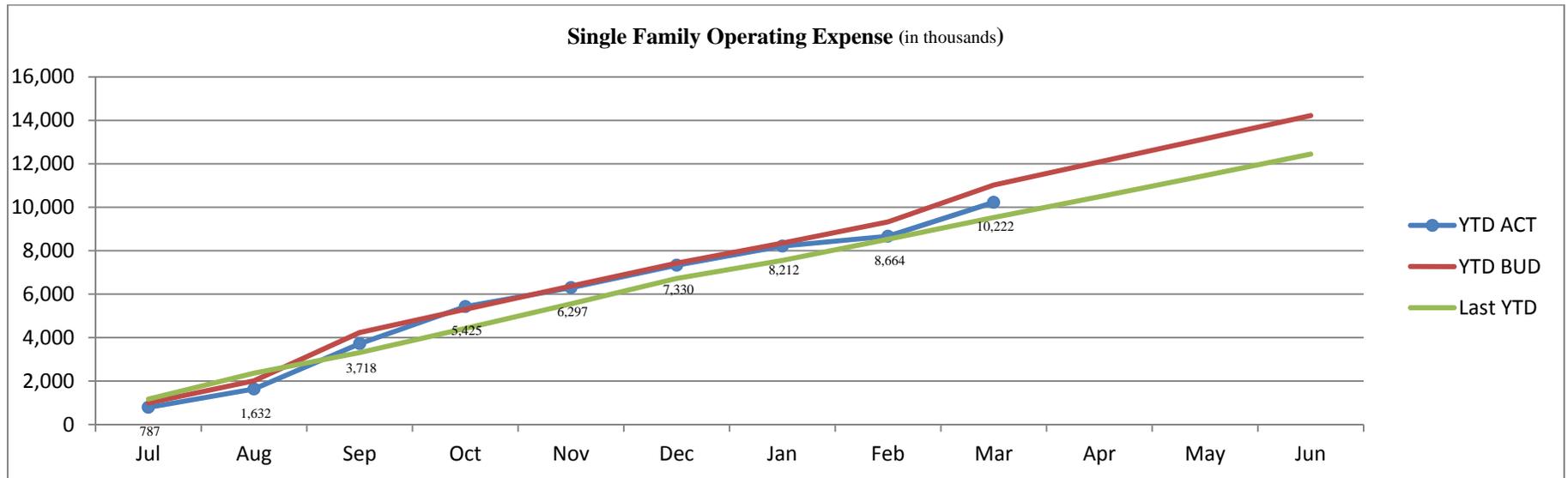
Performance Target: FirstHome and Homes for Iowans purchases of about \$171,750,000 in mortgage backed securities with the intent to sell 100% into the secondary market.

December Financial Results



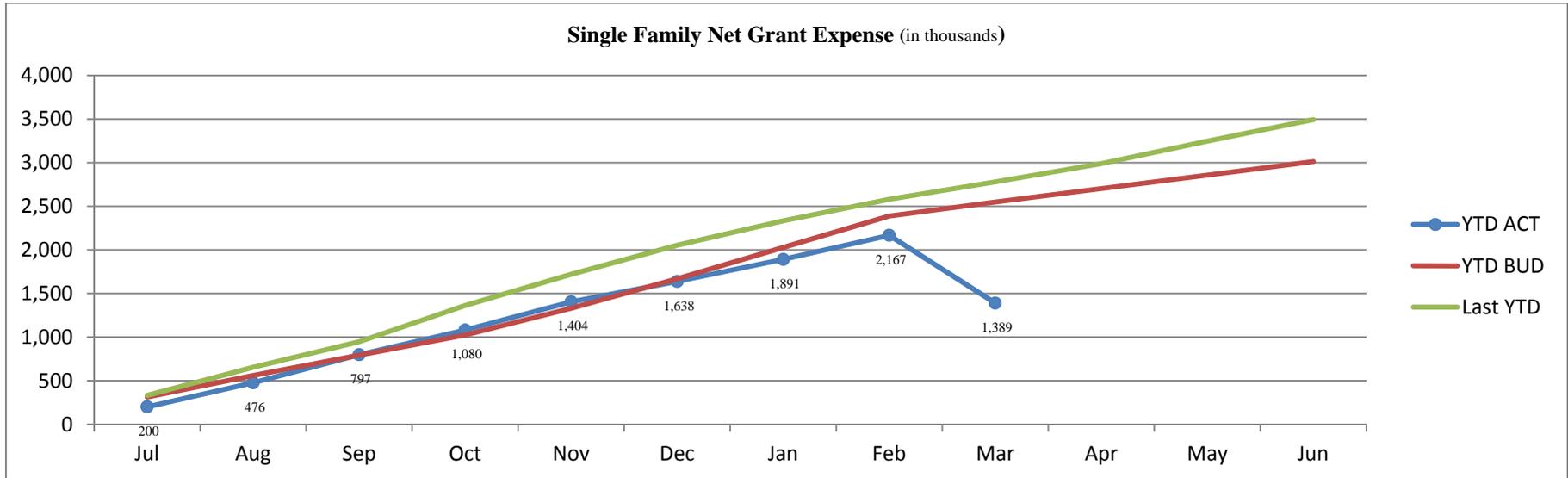
YTD Total Operating Income of \$17,592,567 is \$1,325,275 or 8.4% above budget but \$1,263,307 below last year.

- Interest Income is \$325,408 favorable. See attached for further detail.
- Authority Fees is \$980,436 favorable because we did not budget for them. Offset by Authority Fee expense.
- Fee Income is \$52,481 favorable due to more MCC fees than expected.

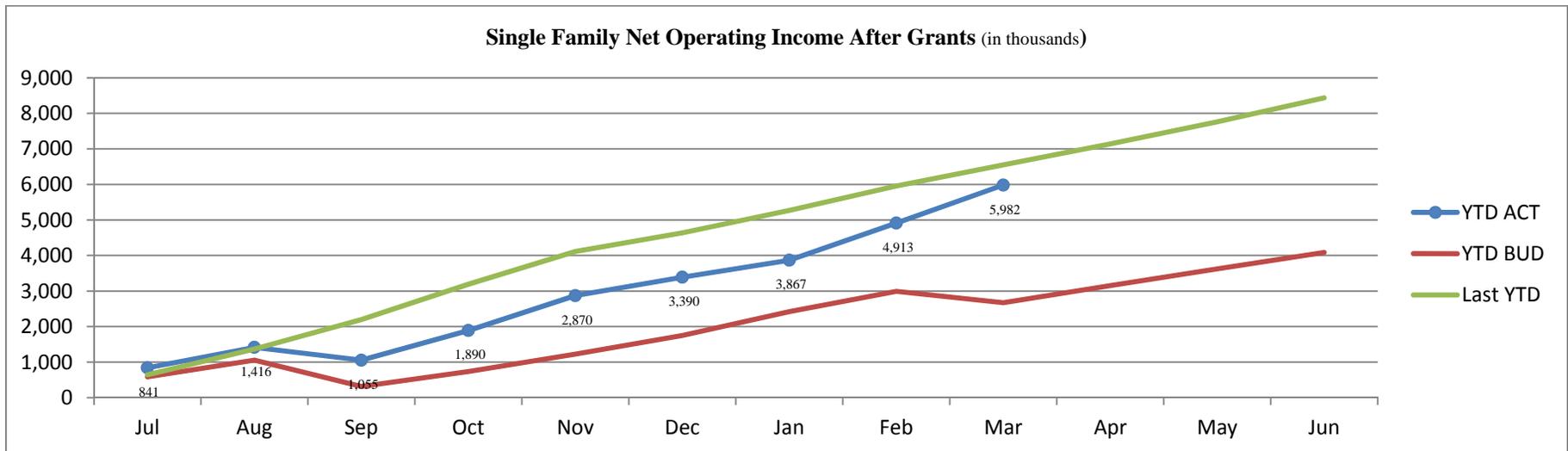


YTD Total Operating Expense of \$10,221,994 is \$795,386 or 7.2% below budget but \$694,951 above last year.

- Interest Expense is \$1,554,134 favorable primarily due to redeeming much more debt than planned. See attached for further detail.
- Authority Fees is \$980,436 unfavorable because we did not budget for them. Offset by Authority Fee income.
- Employee Expenses are \$113,123 favorable because less time was allocated than budgeted.
- Operating expenses are \$12,357 unfavorable because of a one time payment of \$17,250 to DBC.
- Marketing Expense is \$107,441 favorable.
- Service Release Premiums are \$16,256 favorable.

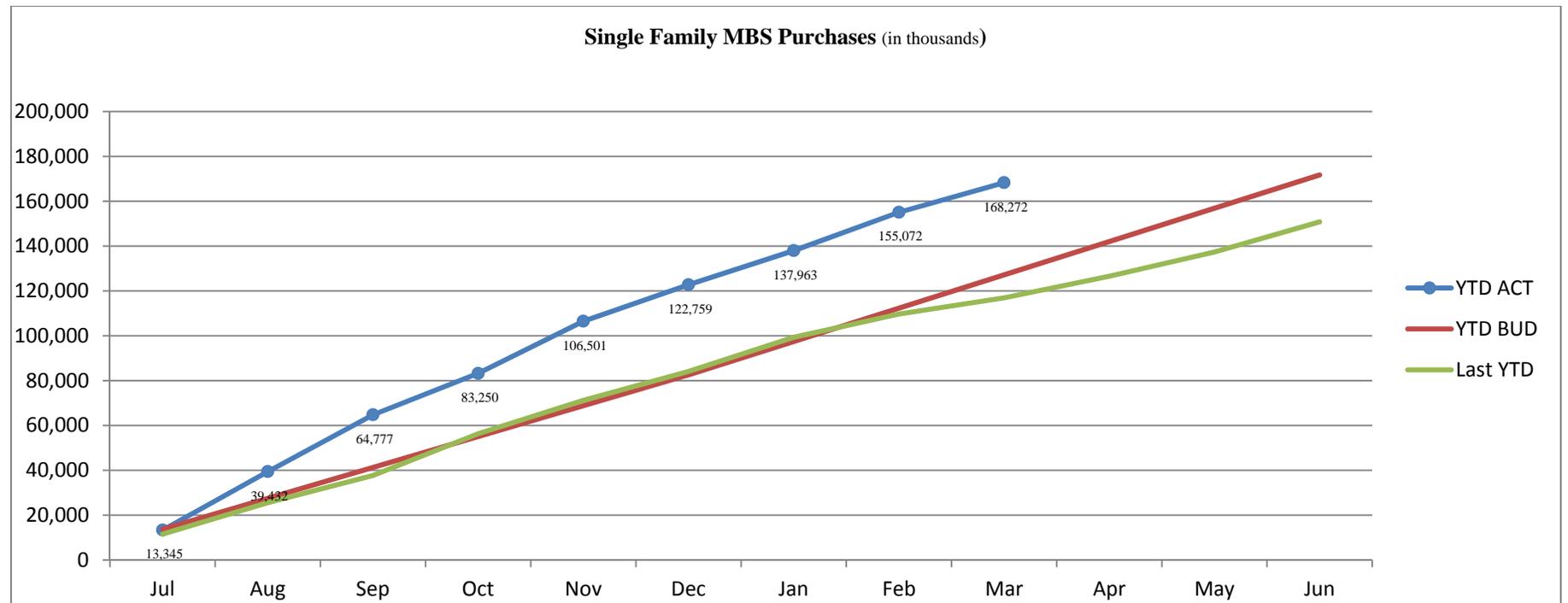


YTD Net Grant Expense of \$2,166,602 is \$1,159,210 or 45.5% below budget and \$1,389,915 below last year.



YTD Net Operating Income After Grants of \$5,981,626 is \$3,311,872 or 124.1% above budget but \$568,343 below last year.

YTD MBS Activity

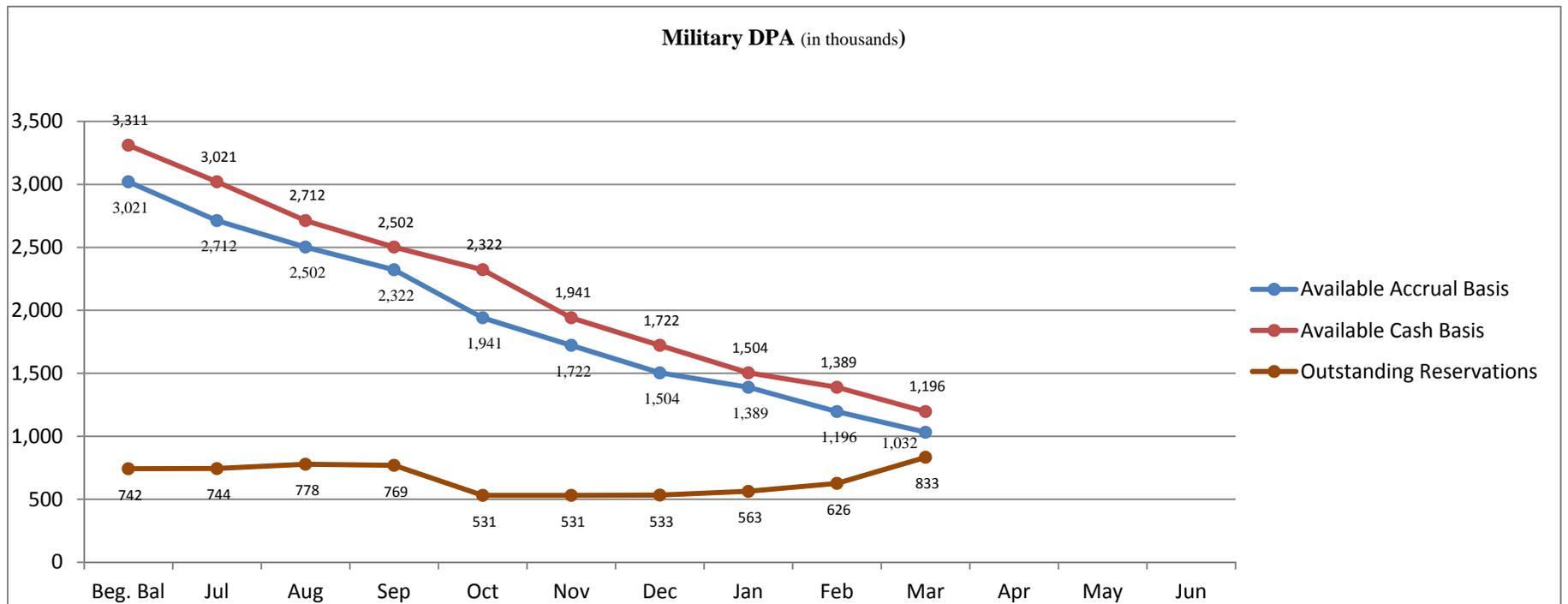


Series	Purchased	Sold	Net	Entry Cost Assistance	Funds Available
RHF Security	47,804,009	(17,653,556)	30,150,453	-	10,350,206
RHF Program	82,140,502	(72,522,781)	9,617,721	2,158,356	17,000,361
Retired MBS	321,239	-	321,239	-	2,400,693
2015 ABC	7,697,466	-	7,697,466	-	-
SF Warehouse Acct	30,308,760	(17,071,509)	13,237,251	-	18,953,113
Total Single Family	168,271,976	(107,247,846)	61,024,130	2,158,356	48,704,372
General Fund	-	-	-	-	-
Grand Total	168,271,976	(107,247,846)	61,024,130	2,158,356	48,704,372

SF Portfolio Analysis

Description	June 30, 2015		Additions	Payments	February 29, 2016		
	#	Balance			Balance	Chg	#
Mortgage Backed Sec	6,662	363,760,330	61,024,130	(56,019,531)	368,764,929	1%	9,171
Other SF Loans	25	3,967,012	10,192,875	(980,514)	13,179,373	232%	21
Subtotal		367,727,342	71,217,005	(57,000,045)	381,944,302	4%	
FMVA		31,728,093	0	(2,238,242)	29,489,851	-7%	
Total Portfolio	6,687	399,455,436	71,217,005	(59,238,287)	411,434,153	3%	9,192

Military DPA



INTEREST INCOME

Sales Volume Difference

Budgeted Sales	93,536,784	
Actual Sales	<u>107,247,846</u>	
Difference	13,711,062	
Budgeted 3.62%		496,340
Reduction of budgeted sales @ 3.2%	(24,000,000)	(100,800)

Rate of Return Difference

3.62% of Actual Sales	3,882,372	
Actual Gain (3.46%)	3,913,191	<u>30,819</u>
		426,359
Difference Due to Pair Out Fees		(92,860)
Difference Due to BU/BD Fees		116,796
Difference Due to Reprice Fees		<u>8,569</u>
Difference Due to Gain on Sales		458,864
Difference Due to Investment Interest		(425,238)
Difference Due to MBS Interest		210,838
Difference Due to Other Loan Interest		<u>80,944</u>
Total Interest Income Variance		<u><u>325,408</u></u>

INTEREST EXPENSE

Difference Due to Bond Interest	(336,809)
Difference Due to COI	(222,383)
Difference Due to Disc/Prem	(784,261)
Difference Due to Swap Interest	(140,462)
Difference Due to Remarketing Fees	(57,988)
Difference Due to Liquidity Fees	(70,110)
Difference Due to Redemption Premium	57,879
Total Interest Expense Variance	<u><u>(1,554,134)</u></u>

Income Statement	Single Family (Rollup)													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	1,770,011	1,475,172	294,840	20.0	1,744,612	25,400	1.5	16,161,877	15,836,469	325,408	2.1	18,817,082	(2,655,205)	-14.1
Authority Income	-	-	-	0.0	-	-	0.0	980,436	-	980,436	0.0	-	980,436	0.0
Fee Income	78,605	56,479	22,126	39.2	21,716	56,889	262.0	451,304	398,823	52,481	13.2	17,971	433,333	2411.2
Other Income	500	-	500	0.0	25,100	(24,600)	-98.0	(1,050)	-	(1,050)	0.0	20,820	(21,870)	-105.0
Total Operating Income	1,849,116	1,531,651	317,465	20.7	1,791,427	57,688	3.2	17,592,567	16,235,292	1,357,275	8.4	18,855,873	(1,263,307)	-6.7
Operating Expense														
Interest Expense	1,419,751	1,498,598	(78,847)	-5.3	897,820	521,931	58.1	7,832,361	9,386,496	(1,554,134)	-16.6	8,714,995	(882,634)	-10.1
Authority Expense	-	-	-	0.0	-	-	0.0	980,436	-	980,436	0.0	-	980,436	0.0
Employee Expenses	67,927	91,026	(23,099)	-25.4	58,597	9,331	15.9	658,446	771,570	(113,123)	-14.7	502,835	155,611	30.9
Operating Expenses	13,239	13,841	(603)	-4.4	7,530	5,709	75.8	134,940	122,583	12,357	10.1	68,593	66,347	96.7
Marketing Expense	2,396	2,222	174	7.8	-	2,396	0.0	55,892	163,333	(107,441)	-65.8	-	55,892	0.0
Professional Services	35,024	74,547	(39,523)	-53.0	30,265	4,759	15.7	480,634	477,573	3,060	0.6	219,527	261,107	118.9
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	1,000	-	1,000	0.0	-	1,000	0.0
Service Release Premium	19,400	12,647	6,753	53.4	6,447	12,953	200.9	79,569	95,825	(16,256)	-17.0	20,926	58,643	280.2
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	(1,285)	-	(1,285)	0.0	167	(1,451)	-871.5
Overhead Allocation	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Expense	1,557,737	1,692,882	(135,145)	-8.0	1,000,659	557,078	55.7	10,221,994	11,017,380	(795,386)	-7.2	9,527,042	694,951	7.3
Net Operating Income (Loss) Before Grants	291,379	(161,231)	452,610	-280.7	790,768	(499,390)	-63.2	7,370,573	5,217,912	2,152,661	41.3	9,328,831	(1,958,258)	-21.0
Net Grant (Income) Expense														
Grant Income	(1,164,466)	(208,333)	(956,133)	458.9	(129,384)	(1,035,082)	800.0	(2,988,951)	(1,874,997)	(1,113,954)	59.4	(1,735,524)	(1,253,427)	72.2
Grant Expense	386,811	368,375	18,437	5.0	328,678	58,133	17.7	4,377,898	4,423,155	(45,256)	-1.0	4,514,386	(136,488)	-3.0
Total Net Grant (Income) Expense	(777,655)	160,042	(937,696)	-585.9	199,294	(976,949)	-490.2	1,388,947	2,548,158	(1,159,210)	-45.5	2,778,862	(1,389,915)	-50.0
Net Operating Income (Loss) After Grants	1,069,033	(321,273)	1,390,306	-432.7	591,474	477,559	80.7	5,981,626	2,669,754	3,311,872	124.1	6,549,969	(568,343)	-8.7
Non-Operating (Income) Expense	126,649	-	126,649	0.0	(493,334)	619,983	-125.7	1,634,749	-	1,634,749	0.0	(1,488,132)	3,122,880	-209.9
Net Income (Loss)	942,384	(321,273)	1,263,657	-393.3	1,084,808	(142,424)	-13.1	4,346,877	2,669,754	1,677,123	62.8	8,038,101	(3,691,223)	-45.9
IFA Home Dept Staff Count	5	6	(1)	-16.7	6	(1)	-16.7	6	6	(0)	-7.4	6	(0)	-7.4
FTE Staff Count	7	10	(3)	-27.8	6	1	10.1	8	10	(2)	-19.6	7	1	17.2

Balance Sheet	Single Family (Rollup)						
	Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	97,552,561	100,380,670	(2,828,109)	-2.8	60,908,661	36,643,900	60.2
Investments	9,790,015	10,584,270	(794,255)	-7.5	10,042,391	(252,376)	-2.5
Mortgage Backed Securities	398,254,780	403,849,490	(5,594,710)	-1.4	410,192,190	(11,937,410)	-2.9
Loans - net of reserve for losses	13,179,373	3,493,143	9,686,230	277.3	4,047,236	9,132,137	225.6
Other Assets	11,398,254	36,186,393	(24,788,139)	-68.5	37,274,827	(25,876,574)	-69.4
Deferred Outflows	3,140,003	6,584,941	(3,444,938)	-52.3	5,773,066	(2,633,063)	-45.6
Total Assets and Deferred Outflows	533,314,986	561,078,907	(27,763,921)	-4.9	528,238,372	5,076,614	1.0
Liabilities, Deferred Inflows, and Equity							
Liabilities and Deferred Inflows							
Debt	355,099,321	347,594,174	7,505,147	2.2	320,184,530	34,914,790	10.9
Interest Payable	1,936,637	2,371,926	(435,289)	-18.4	2,224,005	(287,368)	-12.9
Unearned Income	1,031,807	1,103,655	(71,848)	-6.5	974,271	57,536	5.9
Accounts Payable & Accrued Liabilities	578,617	716,838	(138,221)	-19.3	543,571	35,046	6.4
Other liabilities	6,192,324	36,810,575	(30,618,251)	-83.2	36,810,575	(30,618,251)	-83.2
Deferred Inflows	-	-	-	0.0	-	-	0.0
Total Liabilities and Deferred Inflows	364,838,706	388,597,169	(23,758,463)	-6.1	360,736,952	4,101,754	1.1
Equity							
YTD Earnings(Loss)	4,346,877	2,669,754	1,677,123	62.8	8,038,101	(3,691,223)	-45.9
Prior Years Earnings	164,381,410	168,664,792	(4,283,382)	-2.5	158,833,141	5,548,269	3.5
Transfers	(252,007)	1,147,192	(1,399,199)		630,178	(882,185)	
Total Equity	168,476,280	172,481,738	(4,005,458)	-2.3	167,501,420	974,860	0.6
Total Liabilities, Deferred Inflows, and Equity	533,314,986	561,078,907	(27,763,921)	-4.9	528,238,372	5,076,614	1.0

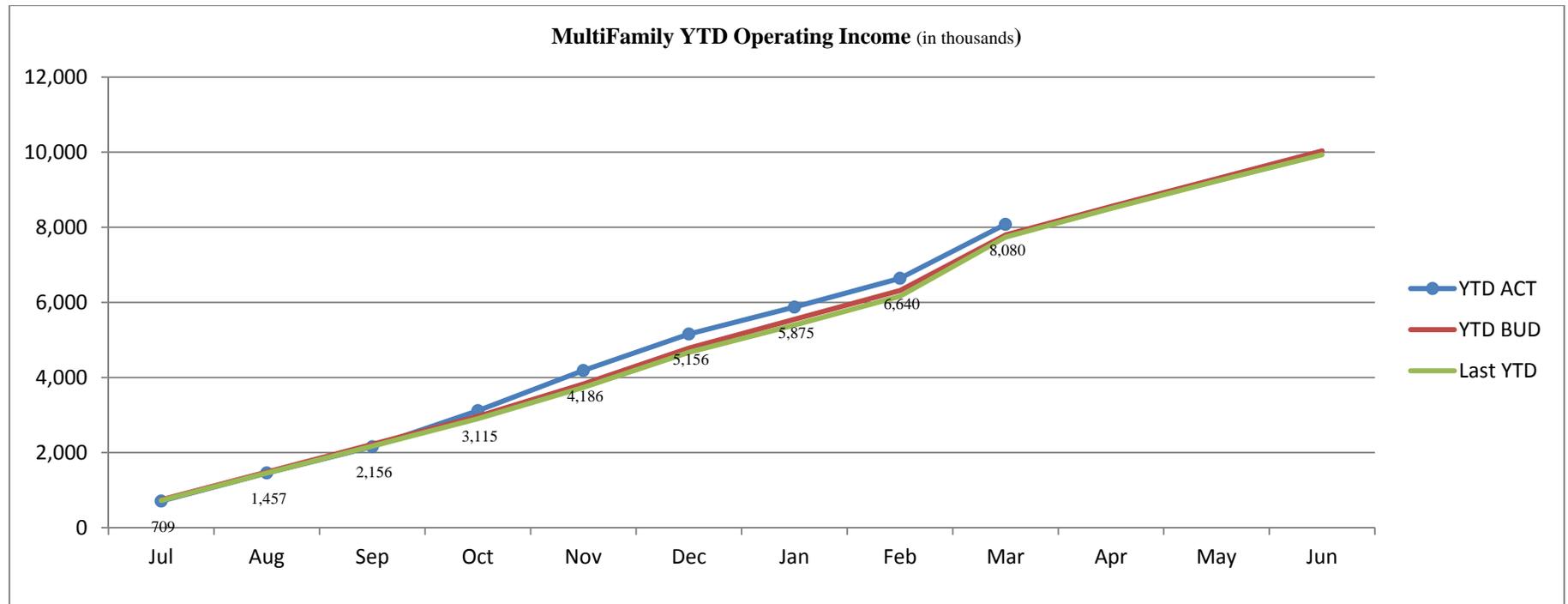
* * * I N V E S T O R S U M M A R Y * * *

Investor Pool	Count	Principal Balance	Escrow Balance	Suspense Balance	Late Fees
100034 CST SF Construction Loans	2	176,329.41	0.00	0.00	0.00
100034 EQT SF Equity Equivalent Loans	0	0.00	0.00	0.00	0.00
100034 HFH SF Habitat for Humanity	13	3,404,210.40	0.00	0.00	0.00
100034 REH SF Rehabilitation Revolving	5	171,647.71	0.00	0.00	0.00
Total For Segment 034	20	3,752,187.52	0.00	0.00	0.00
Total For Investor 100	20	3,752,187.52	0.00	0.00	0.00
* Totals *	20	3,752,187.52	0.00	0.00	0.00

To: IFA Board Members
 From: Mark P. Hutchison
 Date: April 14, 2016
 Re: March 2016 Financial Results – Multifamily

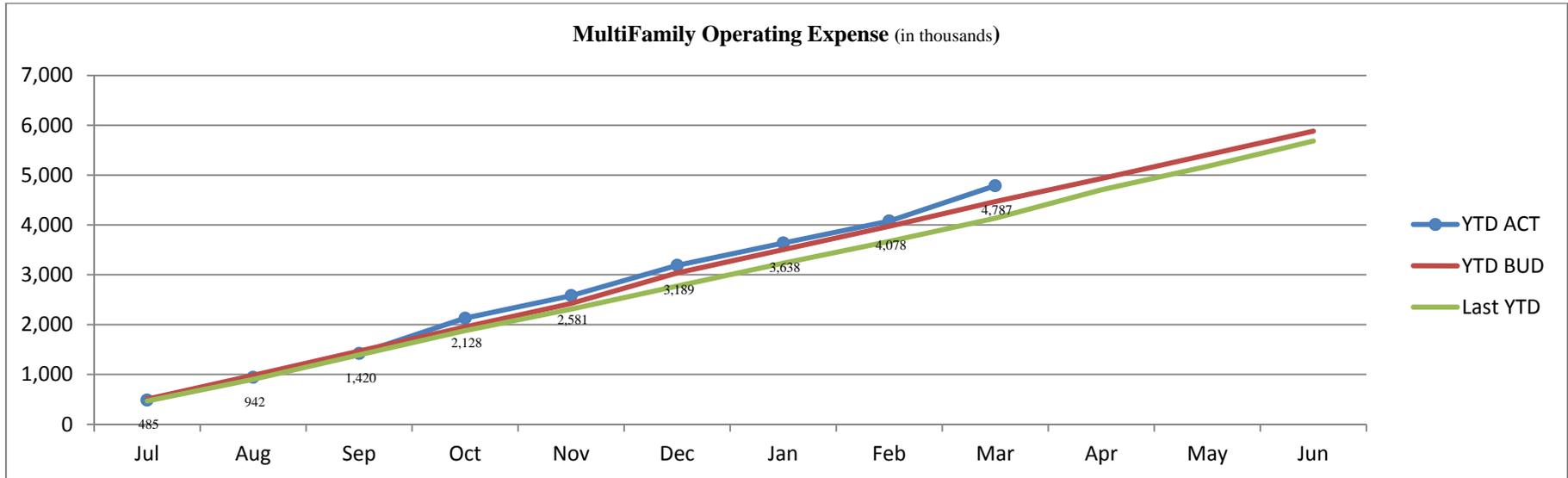


March Financial Results



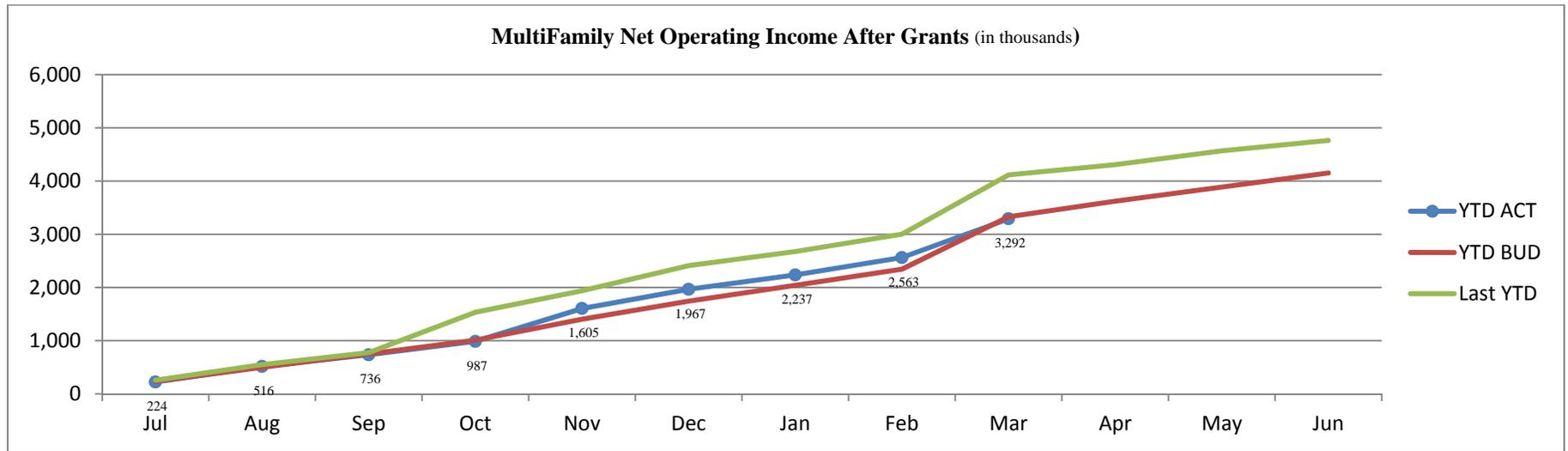
YTD Total Operating Income of \$8,079,595 is \$282,468 or 3.6% above budget and \$342,821 above last year.

- Interest Income is \$320,957 unfavorable due to lower loan and investment balances than budgeted.
- Authority Fees is \$244,332 favorable because they were not budgeted. This is offset by Authority Fee expense.
- Fee Income is \$354,293 favorable due to LIHTC and Section 8 fees being \$292,008 higher than budget and \$62,285 in loan fees for MLK Crossing.



YTD Total Operating Expense of \$4,787,132 is \$320,086 or 7.2% above budget and \$653,296 above last year.

- Authority Fees is \$244,332 unfavorable because they were not budgeted. This is offset by Authority Fee income.
- Employee Expenses are \$30,171 favorable because less time was allocated than budgeted.
- Professional Services are \$88,197 favorable. This is mostly due to lower than budgeted Compliance Expense (\$63,300) and Consultants Expense (\$22,300).
- Provision for Loan Losses is \$203,000 unfavorable due to the addition of two loans to the impaired loan list.



YTD Net Operating Income After Grants of \$3,292,686 is \$37,618 or 1.1% below budget and \$310,474 below last year.

MF Portfolio Analysis

	#	6/30/2015	Additions	Reductions	End Bal	CHG	#
Multifamily Endowment Loans	54	22,833,503	0	(316,730)	22,516,773	-1%	54
Multifamily Real Estate Owned	0	0	0	0	0	N/A	0
Multifamily Loans	7	40,441,678	0	(470,223)	39,971,455	-1%	7
Loan Reserves		(729,000)	(203,000)		(932,000)	28%	
Total Portfolio	61	62,546,181	(203,000)	(786,953)	61,556,228	-2%	61

MF Loan Commitments

	Original Commitment	Loan Balance as of 1/31/2016	Monthly Activity	Loan Balance 2/29/2016	Remaining Commitment
Construction Loans					
MF-15-xxx - MLK Crossing	6,000,000	0	0	0	6,000,000
Total Construction	6,000,000	0	0	0	6,000,000
Permanent Loans					
MF-15-xxx - MLK Crossing	800,000	0	0	0	800,000
MF-15-xxx - MLK Crossing	220,000	0	0	0	220,000
Total Permanent	1,020,000	0	0	0	1,020,000
Totals	7,020,000	0	0	0	7,020,000

Income Statement	Multi Family (Rollup)													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	483,589	513,467	(29,878)	-5.8	518,245	(34,656)	-6.7	4,258,623	4,579,580	(320,957)	-7.0	4,415,291	(156,668)	-3.5
Authority Income	-	-	-	0.0	-	-	0.0	244,332	-	244,332	0.0	-	244,332	0.0
Fee Income	954,675	966,932	(12,257)	-1.3	1,055,275	(100,600)	-9.5	3,571,840	3,217,548	354,293	11.0	3,316,833	255,008	7.7
Other Income	1,000	-	1,000	0.0	-	1,000	0.0	4,800	-	4,800	0.0	4,650	150	3.2
Total Operating Income	1,439,264	1,480,399	(41,135)	-2.8	1,573,520	(134,255)	-8.5	8,079,595	7,797,127	282,468	3.6	7,736,774	342,821	4.4
Operating Expense														
Interest Expense	141,020	138,750	2,271	1.6	147,116	(6,096)	-4.1	1,251,451	1,253,613	(2,162)	-0.2	1,321,010	(69,559)	-5.3
Authority Expense	-	-	-	0.0	-	-	0.0	244,332	-	244,332	0.0	-	244,332	0.0
Employee Expenses	285,242	281,072	4,169	1.5	271,174	14,068	5.2	2,371,820	2,401,991	(30,171)	-1.3	2,293,897	77,922	3.4
Operating Expenses	26,463	24,934	1,529	6.1	24,712	1,752	7.1	208,500	215,320	(6,821)	-3.2	228,034	(19,535)	-8.6
Marketing Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	1,136	(1,136)	-100.0
Professional Services	33,808	37,435	(3,627)	-9.7	21,161	12,647	59.8	406,922	495,119	(88,197)	-17.8	435,818	(28,896)	-6.6
Claim and Loss Expenses	212,000	-	212,000	0.0	(2,000)	214,000	-10700.0	203,000	-	203,000	0.0	(147,000)	350,000	-238.1
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	(651)	-	(651)	0.0	258	(909)	-352.3	244	-	244	0.0	941	(697)	-74.1
Overhead Allocation	11,426	11,807	(381)	-3.2	-	11,426	0.0	100,864	101,002	(138)	-0.1	-	100,864	0.0
Total Operating Expense	709,308	493,998	215,310	43.6	462,421	246,887	53.4	4,787,132	4,467,046	320,086	7.2	4,133,837	653,296	15.8
Net Operating Income (Loss) Before Grants	729,956	986,401	(256,445)	-26.0	1,111,099	(381,143)	-34.3	3,292,463	3,330,081	(37,618)	-1.1	3,602,937	(310,474)	-8.6
Net Grant (Income) Expense														
Grant Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	(512,000)	512,000	-100.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	(512,000)	512,000	-100.0
Net Operating Income (Loss) After Grants	729,956	986,401	(256,445)	-26.0	1,111,099	(381,143)	-34.3	3,292,463	3,330,081	(37,618)	-1.1	4,114,937	(822,474)	-20.0
Non-Operating (Income) Expense	12,947	-	12,947	0.0	(6,081)	19,028	-312.9	182,143	-	182,143	0.0	193,108	(10,965)	-5.7
Net Income (Loss)	717,009	986,401	(269,392)	-27.3	1,117,179	(400,170)	-35.8	3,110,320	3,330,081	(219,761)	-6.6	3,921,829	(811,509)	-20.7
IFA Home Dept Staff Count	27	26	1	3.8	30	(3)	-10.0	27	26	1	3.8	30	(3)	-10.7
FTE Staff Count	26	27	(1)	-2.9	28	(1)	-3.8	26	27	(1)	-4.2	27	(1)	-3.9

Balance Sheet	Multi Family (Rollup)						
	Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	53,371,326	47,532,499	5,838,826	12.3	44,336,536	9,034,790	20.4
Investments	8,087,187	9,702,270	(1,615,084)	-16.6	9,715,499	(1,628,312)	-16.8
Loans - net of reserve for losses	61,556,228	66,973,753	(5,417,525)	-8.1	67,621,158	(6,064,930)	-9.0
Other Assets	379,732	1,268,756	(889,025)	-70.1	447,221	(67,489)	-15.1
Deferred Outflows	542,257	430,480	111,777	26.0	430,480	111,777	26.0
Total Assets and Deferred Outflows	123,936,729	125,907,758	(1,971,030)	-1.6	122,550,893	1,385,836	1.1
Liabilities, Deferred Inflows, and Equity							
Liabilities and Deferred Inflows							
Debt	46,267,215	46,862,215	(595,000)	-1.3	48,386,779	(2,119,564)	-4.4
Interest Payable	462,355	977,599	(515,244)	-52.7	501,393	(39,038)	-7.8
Escrow Deposits	6,391,650	5,998,718	392,932	6.6	6,172,031	219,619	3.6
Accounts Payable & Accrued Liabilities	113,750	313,222	(199,471)	-63.7	167,669	(53,918)	-32.2
Other liabilities	542,257	430,480	111,777	26.0	430,480	111,777	26.0
Total Liabilities and Deferred Inflows	53,777,226	54,582,233	(805,007)	-1.5	55,658,351	(1,881,125)	-3.4
Equity							
YTD Earnings(Loss)	3,110,320	3,330,081	(219,761)	-6.6	3,921,829	(811,509)	-20.7
Prior Years Earnings	67,790,787	68,033,419	(242,633)	-0.4	63,367,237	4,423,549	7.0
Transfers	(741,605)	(37,975)	(703,629)		(396,525)	(345,080)	
Total Equity	70,159,502	71,325,525	(1,166,023)	-1.6	66,892,541	3,266,961	4.9
Total Liabilities, Deferred Inflows, and Equity	123,936,729	125,907,758	(1,971,030)	-1.6	122,550,893	1,385,836	1.1

* * * I N V E S T O R S U M M A R Y * * *

Investor Pool	Count	Principal Balance	Escrow Balance	Suspense Balance	Late Fees
200005 CF MF Cash Flow Loans	4	417,943.69	0.00	0.00	0.00
200005 CST MF Construction Loans	1	0.00	0.00	1,399.27-	0.00
200005 PDV Predevelopment Loans	0	0.00	0.00	0.00	0.00
200005 TM MF Term Loans	49	22,098,828.86	3,450,756.91	0.12	0.00
Total For Segment 005	54	22,516,772.55	3,450,756.91	1,399.15-	0.00
200006 TM MF Term Loans	2	5,067,822.10	1,201,210.46	0.00	0.00
Total For Segment 006	2	5,067,822.10	1,201,210.46	0.00	0.00
200007 TM MF Loans	2	20,553,363.79	178,236.32	0.00	0.00
Total For Segment 007	2	20,553,363.79	178,236.32	0.00	0.00
200009 MF Loan	1	3,493,057.85	189,969.95	0.00	0.00
Total For Segment 009	1	3,493,057.85	189,969.95	0.00	0.00
200011 MF FHLB B1	2	10,857,211.46	0.00	0.00	0.00
Total For Segment 011	2	10,857,211.46	0.00	0.00	0.00
Total For Investor 200	61	62,488,227.75	5,020,173.64	1,399.15-	0.00
* Totals *	61	62,488,227.75	5,020,173.64	1,399.15-	0.00

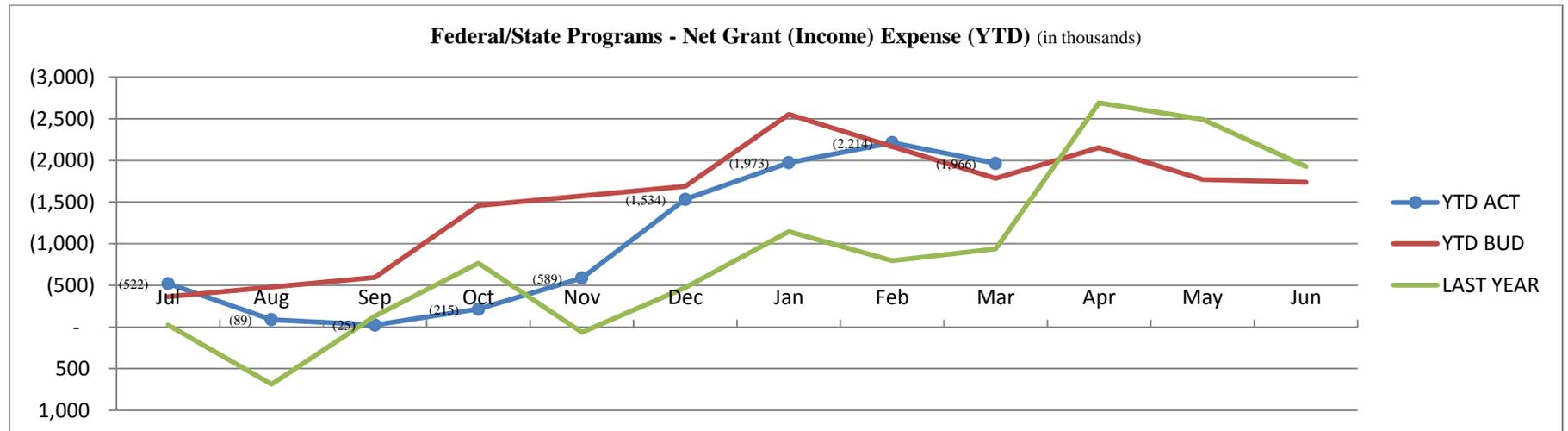
To: IFA Board Members
 From: Michelle Thomas
 Date: April 19, 2016
 Re: Federal/State Programs – Narrative for March 2016



Strategic Goals: Utilize available funds to provide low cost financing to develop or preserve affordable housing and home and community based services.

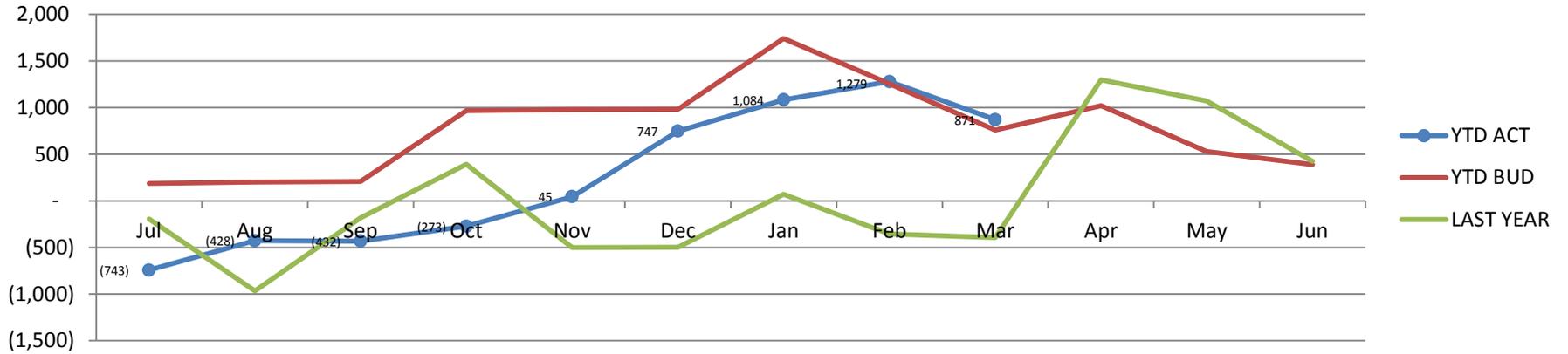
March 2016 Federal and State Programs Highlights

- The State Housing Trust Fund Net Grant (Income) Expense moved toward the budget as expected.



Net Grant (Income) Expense (YTD) of (\$1,965,657) was \$179,553 or 10.1% above budget but \$1,027,007 or 109.4% above last year.

Federal/State Programs - Net Operating Income (Loss) After Grants (YTD) - (in thousands)



Net Operating Income (Loss) After Grants (YTD) of \$871,453 was \$112,972 or 14.9% above budget but \$1,265,838 or 321.0% above last year.

Performance Targets	6/30/2013	6/30/2014	6/30/2015	3/31/2016	YTD Increase
Increase FSP Loan Portfolio	157,608,559	164,582,596	178,513,874	164,569,316	-7.8%

FSP Loan Portfolio	June 30, 2015		Year to Date		March 31, 2016			
	#	Balance	Additions	Reductions	Balance	CHG	#	3 Mo Delq
500-047 SHTF - Lns	22	5,177,577	-	(372,078)	4,805,499	-7%	18	0
500-047 SHTF - Cash Flow Lns	6	714,834	230,826	-	945,660	32%	7	0
500-049 Senior Living Trust Lns	7	6,143,836	-	(206,688)	5,937,148	-3%	7	0
500-050 Home & Comm Tr Lns	5	1,498,821	-	(83,856)	1,414,965	-6%	5	0
500-051 Transitional Housing Lns	3	2,661,047	-	(95,100)	2,565,947	-4%	3	0
500-057 TCAP Lns	12	18,978,542	-	-	18,978,542	0%	12	0
500-058 HOME Lns	249	125,535,614	4,810,093	(693,456)	129,652,251	3%	252	3
500-060 OEI Lns	20	17,529,008	-	(17,529,008)	-	-100%	0	0
500-062 CHS Lns	3	274,594	-	(5,290)	269,304	-2%	3	0
Loan Reserves		(101,153,584)	-	(2,074,295)	(103,227,879)	2%		
Total Portfolio	327	\$ 77,360,290	\$ 5,040,919	\$ (21,059,771)	\$ 61,341,437	-20.7%	307	3

	State Housing Trust Fund	Senior Living Trust	Home and Community	Transitional Housing	Community Housing & Services
Funds Available (Cash, Cash Equiv & Invest)	10,685,242	699,935	908,236	576,759	2,574,522
Commitments					
2014 SHT Round	(757,510)				
2015 SHT Round	(3,748,446)				
2016 SHT Round	(5,991,898)				
Senior Living Revolving Loan Program		(690,000)	(900,000)	(570,000)	(121,095)
Net Funds Available	187,388	9,935	8,236	6,759	2,453,427

Summary of FSP Loans 90 days delinquent

Borrower	Indenture - Series	P&I Amount Delinquent	Loan Balance
G & G Living Centers	500-058	270,000.00	270,000.00
Twin Oaks Manor LPI	500-058	15,000.00	408,428.32
Village Green Partners	500-058	4,518.01	43,795.96
		289,518.01	722,224.28

Income Statement	Federal and State Grant Programs (Rollup)													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	28,050	23,588	4,462	18.9	32,301	(4,251)	-13.2	237,206	215,435	21,771	10.1	246,312	(9,106)	-3.7
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	9,205	11,000	(1,795)	-16.3	-	9,205	0.0	155,541	101,000	54,541	54.0	2,000	153,541	7677.1
Other Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Income	37,255	34,588	2,667	7.7	32,301	4,954	15.3	392,747	316,435	76,312	24.1	248,312	144,436	58.2
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	103,622	115,242	(11,620)	-10.1	74,319	29,303	39.4	1,009,757	980,944	28,813	2.9	736,209	273,548	37.2
Operating Expenses	9,256	10,684	(1,428)	-13.4	3,190	6,066	190.2	84,299	91,972	(7,673)	-8.3	30,674	53,625	174.8
Marketing Expense	399	2,000	(1,601)	-80.0	395	4	1.1	3,819	18,000	(14,181)	-78.8	20,626	(16,807)	-81.5
Professional Services	9,611	8,205	1,406	17.1	295	9,315	3154.3	155,620	142,662	12,958	9.1	169,614	(13,994)	-8.3
Claim and Loss Expenses	68,000	6,000	62,000	1033.3	128,000	(60,000)	-46.9	173,000	54,000	119,000	220.4	564,790	(391,790)	-69.4
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	25	25	-	0.0	-	25	0.0	1,153	225	928	412.4	449	704	156.8
Overhead Allocation	5,832	6,608	(776)	-11.7	6,253	(421)	-6.7	59,303	56,257	3,046	5.4	58,986	318	0.5
Total Operating Expense	196,745	148,764	47,981	32.3	212,452	(15,707)	-7.4	1,486,952	1,344,060	142,892	10.6	1,581,347	(94,395)	-6.0
Net Operating Income (Loss) Before Grants	(159,490)	(114,175)	(45,314)	39.7	(180,151)	20,661	-11.5	(1,094,205)	(1,027,625)	(66,580)	6.5	(1,333,036)	238,831	-17.9
Net Grant (Income) Expense														
Grant Income	(1,788,348)	(1,173,359)	(614,988)	52.4	(1,982,307)	193,959	-9.8	(19,573,305)	(15,784,912)	(3,788,393)	24.0	(19,871,795)	298,490	-1.5
Grant Expense	2,036,615	1,555,423	481,192	30.9	1,840,832	195,783	10.6	17,607,648	13,998,808	3,608,840	25.8	18,933,145	(1,325,497)	-7.0
Total Net Grant (Income) Expense	248,267	382,064	(133,796)	-35.0	(141,475)	389,742	-275.5	(1,965,657)	(1,786,105)	(179,553)	10.1	(938,650)	(1,027,007)	109.4
Net Operating Income (Loss) After Grants	(407,757)	(496,239)	88,482	-17.8	(38,676)	(369,081)	954.3	871,453	758,480	112,972	14.9	(394,386)	1,265,838	-321.0
Non-Operating (Income) Expense	-	-	-	0.0	354	(354)	-100.0	144	-	144	0.0	1,645	(1,501)	-91.2
Net Income (Loss)	(407,757)	(496,239)	88,482	-17.8	(39,030)	(368,726)	944.7	871,308	758,480	112,828	14.9	(396,031)	1,267,339	-320.0
IFA Home Dept Staff Count	8	9	(1)	-11.1	4	4	100.0	9	9	(0)	-2.5	4	5	119.4
FTE Staff Count	11	12	(1)	-9.0	8	3	34.0	12	12	(1)	-6.4	9	3	35.8

Balance Sheet	Federal and State Grant Programs (Rollup)						
	Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	17,306,944	15,147,992	2,158,952	14.3	21,160,614	(3,853,670)	-18.2
Investments	-	508,405	(508,405)	-100.0	467,464	(467,464)	-100.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	61,341,437	62,694,408	(1,352,970)	-2.2	73,208,313	(11,866,876)	-16.2
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	377,999	(248)	378,247	-152611.3	(201,590)	579,589	-287.5
Deferred Outflows	-	-	-	0.0	-	-	0.0
Total Assets and Deferred Outflows	79,026,381	78,350,557	675,824	0.9	94,634,801	(15,608,420)	-16.5
Liabilities, Deferred Inflows, and Equity							
Liabilities and Deferred Inflows							
Debt	-	-	-	0.0	575,981	(575,981)	-100.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Income	738,333	740,333	(2,000)	-0.3	740,333	(2,000)	-0.3
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	463,824	463,824	-	0.0	463,824	-	0.0
Accounts Payable & Accrued Liabilities	199,440	9,165	190,275	2076.1	17,005,297	(16,805,857)	-98.8
Other liabilities	-	-	-	0.0	-	-	0.0
Deferred Inflows	-	-	-	0.0	-	-	0.0
Total Liabilities and Deferred Inflows	1,401,596	1,213,321	188,275	15.5	18,785,435	(17,383,839)	-92.5
Equity							
YTD Earnings(Loss)	871,308	758,480	112,828	14.9	(396,031)	1,267,339	-320.0
Prior Years Earnings	76,743,192	76,363,811	379,381	0.5	76,222,275	520,917	0.7
Transfers	10,284	14,944	(4,660)		23,122	(12,838)	
Total Equity	77,624,785	77,137,236	487,549	0.6	75,849,367	1,775,418	2.3
Total Liabilities, Deferred Inflows, and Equity	79,026,381	78,350,557	675,824	0.9	94,634,801	(15,608,420)	-16.5

To: IFA
 From: Debbie VanRheenen
 Date: April 20, 2016
 Re: March 2016 Financial Results



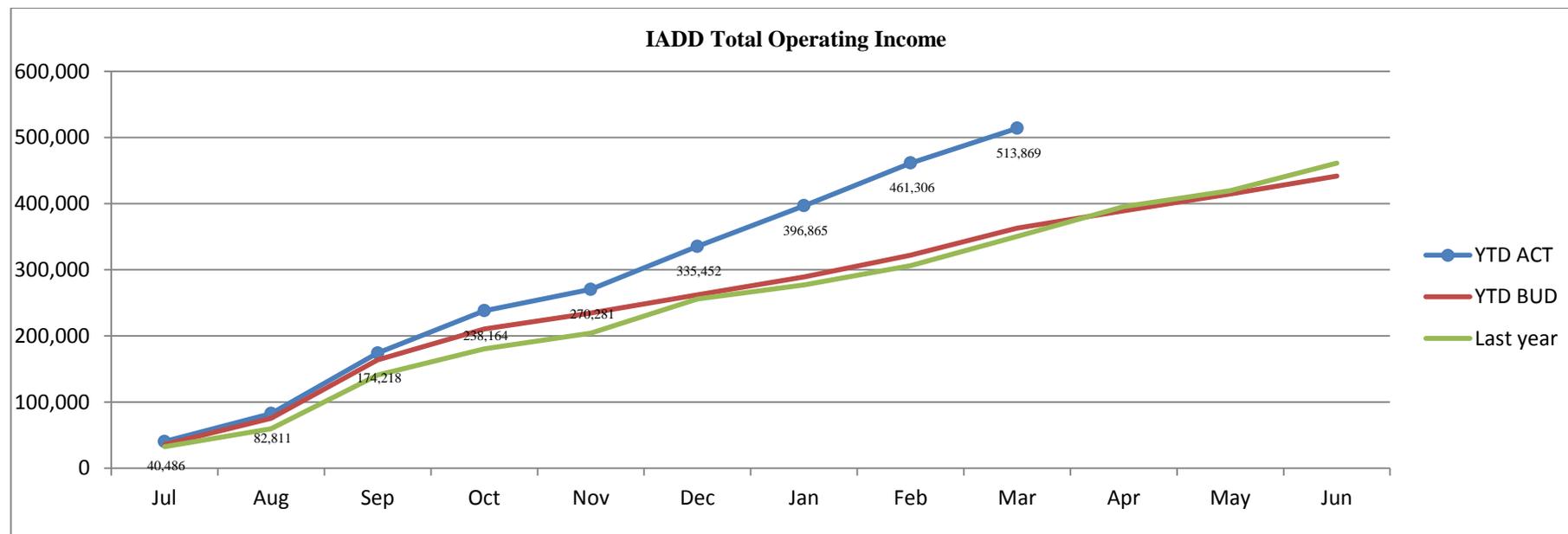
General Information

Strategic Goal: Provide financing opportunities for beginner farmers.

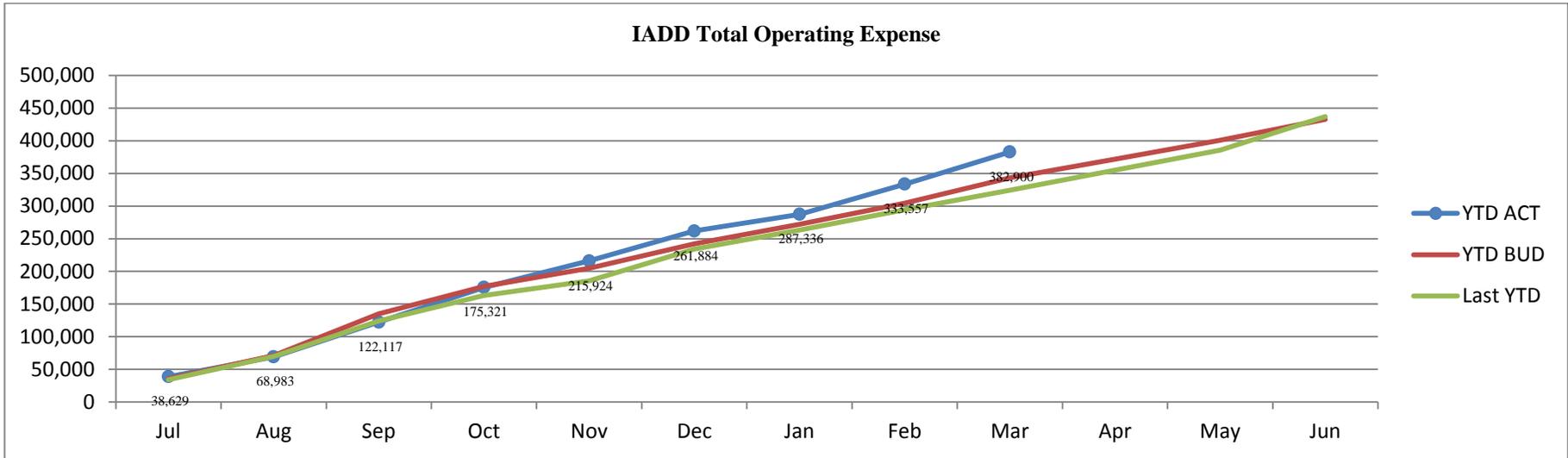
Performance Target: Look for growth opportunities in FY 2016.

YTD March 2016 - Iowa Agricultural Development Division Highlights

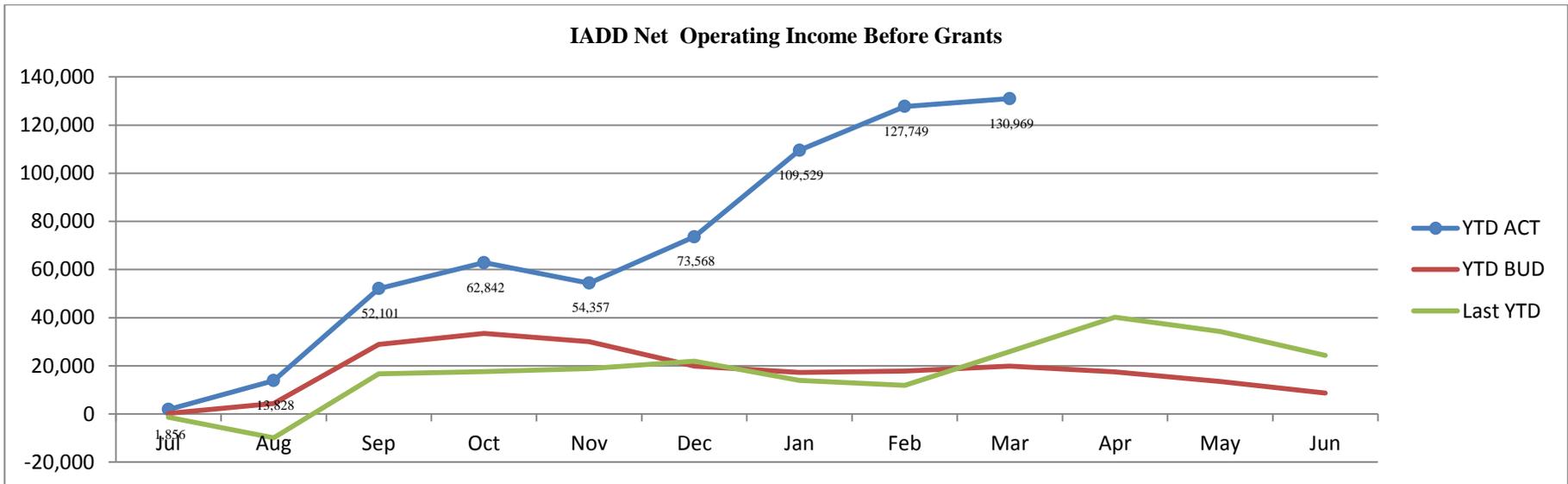
- As of March 31, 2016 there is \$617,459 of funds available for administrative expenses.
- As of March 31, 2016 there is \$2,961,530 of restricted Rural Rehab Trust funds available.
- Fee Income year-to-date is \$440,766 which is \$158,241 above budget.
- Marketing and Professional Services Expense year-to-date are greater than budget by \$19,242 and \$22,573 respectively.
- The STEM Grant expense was accrued at \$75,000 in March 2016.



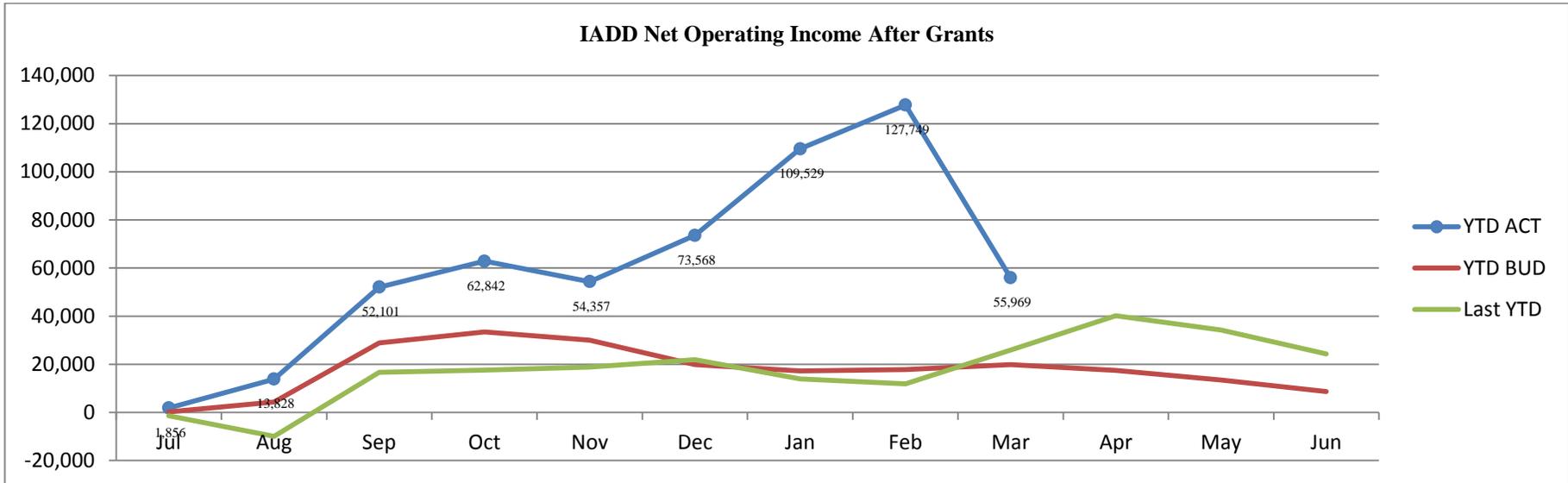
Total Operating Income of \$513,869 is \$150,802 or 41.5% above budget and \$163,556 above last year.



Total Operating Expense of \$382,900 is \$39,664 or 11.6% above budget and \$58,488 above last year.



Net Operating Income Before Grants of \$130,969 is \$111,138 or 560.4% above budget and \$105,068 above last year



Net Operating Income After Grants is \$55,969 which is \$36,138 or 182.2% above budget and \$30,068 above last year

Iowa Agriculture Development Division
March 31, 2016

Summary Income Statement									
	Mar-2016				YTD as of Mar-2016				
	Actuals	Bud FY16	Difference	%	Actuals	Bud FY16	Difference	%	
Interest Income - Loans	6,464	7,578	(1,114)	-14.7%	52,009	67,760	(15,751)	-23.2%	
Interest Income - CE & Inv	4,387	1,396	2,991	214.2%	21,095	12,783	8,312	65.0%	
FEE INC - BFLP FEES	17,825	12,000	5,825	48.5%	242,828	108,000	134,828	124.8%	
FEE INC - LPP FEES	3,738	1,875	1,863	99.3%	15,738	5,925	9,813	165.6%	
FEE INC - BFTC	20,150	17,900	2,250	12.6%	177,800	166,000	11,800	7.1%	
FEE INC - BFCH TAX CREDITS	-	-	-	0.0%	4,400	2,600	1,800	69.2%	
Total Operating Income	52,564	40,749	11,815	29.0%	513,869	363,067	150,802	41.5%	
Employee Expenses	21,200	20,958	241	1.2%	175,482	178,840	(3,358)	-1.9%	
Operating Expenses	2,007	1,882	125	6.7%	19,096	19,335	(239)	-1.2%	
Marketing Expense	7,282	2,083	5,199	249.5%	37,992	18,750	19,242	102.6%	
Professional Services	18,337	12,550	5,787	46.1%	145,903	123,330	22,573	18.3%	
Claim and Loss Expenses	517	1,300	(784)	-60.3%	4,427	2,981	1,446	48.5%	
Total Operating Expense	49,343	38,774	10,569	27.3%	382,900	343,236	39,664	11.6%	
Net Operating Income (Loss) Before Grants	3,221	1,976	1,245	63.0%	130,969	19,832	111,138	560.4%	
Grant Income	-	-	-	0.0%	-	-	-	0.0%	
Grant Expense	75,000	-	75,000	0.0%	75,000	-	75,000	0.0%	
Total Net Grant (Income) Expense	75,000	-	75,000	0.0%	75,000	-	75,000	0.0%	
Net Operating Income (Loss) After Grants	(71,779)	1,976	(73,755)	-3,733.4%	55,969	19,832	36,138	182.2%	
Non-Operating (Income) Expense	-	-	-	0.0%	-	-	-	0.0%	
Net Income (Loss)	(71,779)	1,976	(73,755)	-3,733.4%	55,969	19,832	36,138	182.2%	

Summary Balance Sheet			
	Admin / BFLP-BFTC	RRTF/LPP	Totals
Cash State Treasurer	413,991	2,961,530	3,375,521
Investments	203,468	250,000	453,468
Loans - net of reserve for losses	-	2,319,439	2,319,439
Interest Receivable (Investments and Loans)	24,680	11,625	36,306
Intercompany Receivable (Payable)	-	-	-
Total Assets and Deferred Outflows	642,139	5,542,594	6,184,733
Accounts Payable State (Mabsco & Legal)	14,342	-	14,342
Accounts Payable- Owed to General Fund	37,042	-	37,042
Accrued Liabilities (Mabsco & STEM Grant)	13,265	75,000	88,265
Total Liabilities	64,650	75,000	139,650
Prior Years Earnings / Fund Balance	525,861	5,463,253	5,989,114
Current Years Earnings	51,628	4,341	55,969
Total Equity	577,490	5,467,594	6,045,084
Total Liabilities and Equity	642,139	5,542,594	6,184,733

Income Statement	Agriculture Development Division (Rollup)													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	10,851	8,974	1,877	20.9	7,872	2,979	37.8	73,104	80,542	(7,439)	-9.2	78,057	(4,953)	-6.3
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	41,713	31,775	9,938	31.3	36,017	5,696	15.8	440,766	282,525	158,241	56.0	272,256	168,509	61.9
Other Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Income	52,564	40,749	11,815	29.0	43,889	8,675	19.8	513,869	363,067	150,802	41.5	350,313	163,556	46.7
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	21,200	20,958	241	1.2	18,334	2,866	15.6	175,482	178,840	(3,358)	-1.9	156,982	18,500	11.8
Operating Expenses	2,007	1,882	125	6.7	1,623	385	23.7	19,096	19,335	(239)	-1.2	17,502	1,594	9.1
Marketing Expense	7,282	2,083	5,199	249.5	689	6,593	956.2	37,992	18,750	19,242	102.6	25,921	12,071	46.6
Professional Services	18,337	12,550	5,787	46.1	11,357	6,980	61.5	145,903	123,330	22,573	18.3	126,152	19,751	15.7
Claim and Loss Expenses	517	1,300	(784)	-60.3	(2,145)	2,662	-124.1	4,427	2,981	1,446	48.5	(2,145)	6,572	-306.3
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Expense	49,343	38,774	10,569	27.3	29,858	19,485	65.3	382,900	343,236	39,664	11.6	324,412	58,488	18.0
Net Operating Income (Loss) Before Grants	3,221	1,976	1,245	63.0	14,031	(10,810)	-77.0	130,969	19,832	111,138	560.4	25,901	105,068	405.6
Net Grant (Income) Expense														
Grant Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	75,000	-	75,000	0.0	-	75,000	0.0	75,000	-	75,000	0.0	-	75,000	0.0
Total Net Grant (Income) Expense	75,000	-	75,000	0.0	-	75,000	0.0	75,000	-	75,000	0.0	-	75,000	0.0
Net Operating Income (Loss) After Grants	(71,779)	1,976	(73,755)	-3733.4	14,031	(85,810)	-611.6	55,969	19,832	36,138	182.2	25,901	30,068	116.1
Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	(71,779)	1,976	(73,755)	-3733.4	14,031	(85,810)	-611.6	55,969	19,832	36,138	182.2	25,901	30,068	116.1
IFA Home Dept Staff Count	2	2	-	0.0	2	-	0.0	2	2	-	0.0	2	-	0.0
FTE Staff Count	2	2	0	0.2	2	0	7.6	2	2	(0)	-2.5	2	(0)	-0.1

Balance Sheet	Agriculture Development Division (Rollup)						
	Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	3,375,521	3,251,543	123,978	3.8	4,017,010	(641,489)	-16.0
Investments	453,468	203,468	250,000	122.9	203,468	250,000	122.9
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	2,319,439	2,561,834	(242,395)	-9.5	1,767,609	551,830	31.2
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	36,306	5,485	30,821	562.0	10,144	26,161	257.9
Deferred Outflows	-	-	-	0.0	-	-	0.0
Total Assets and Deferred Outflows	6,184,733	6,022,329	162,405	2.7	5,998,231	186,502	3.1
Liabilities, Deferred Inflows, and Equity							
Liabilities and Deferred Inflows							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Income	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	139,650	7,530	132,120	1754.6	7,530	132,120	1754.6
Other liabilities	-	-	-	0.0	-	-	0.0
Deferred Inflows	-	-	-	0.0	-	-	0.0
Total Liabilities and Deferred Inflows	139,650	7,530	132,120	1754.6	7,530	132,120	1754.6
Equity							
YTD Earnings(Loss)	55,969	19,832	36,138	182.2	25,901	30,068	116.1
Prior Years Earnings	5,989,114	5,994,967	(5,853)	-0.1	5,964,800	24,314	0.4
Transfers	-	-	-	-	-	-	-
Total Equity	6,045,084	6,014,799	30,285	0.5	5,990,701	54,382	0.9
Total Liabilities, Deferred Inflows, and Equity	6,184,733	6,022,329	162,405	2.7	5,998,231	186,502	3.1

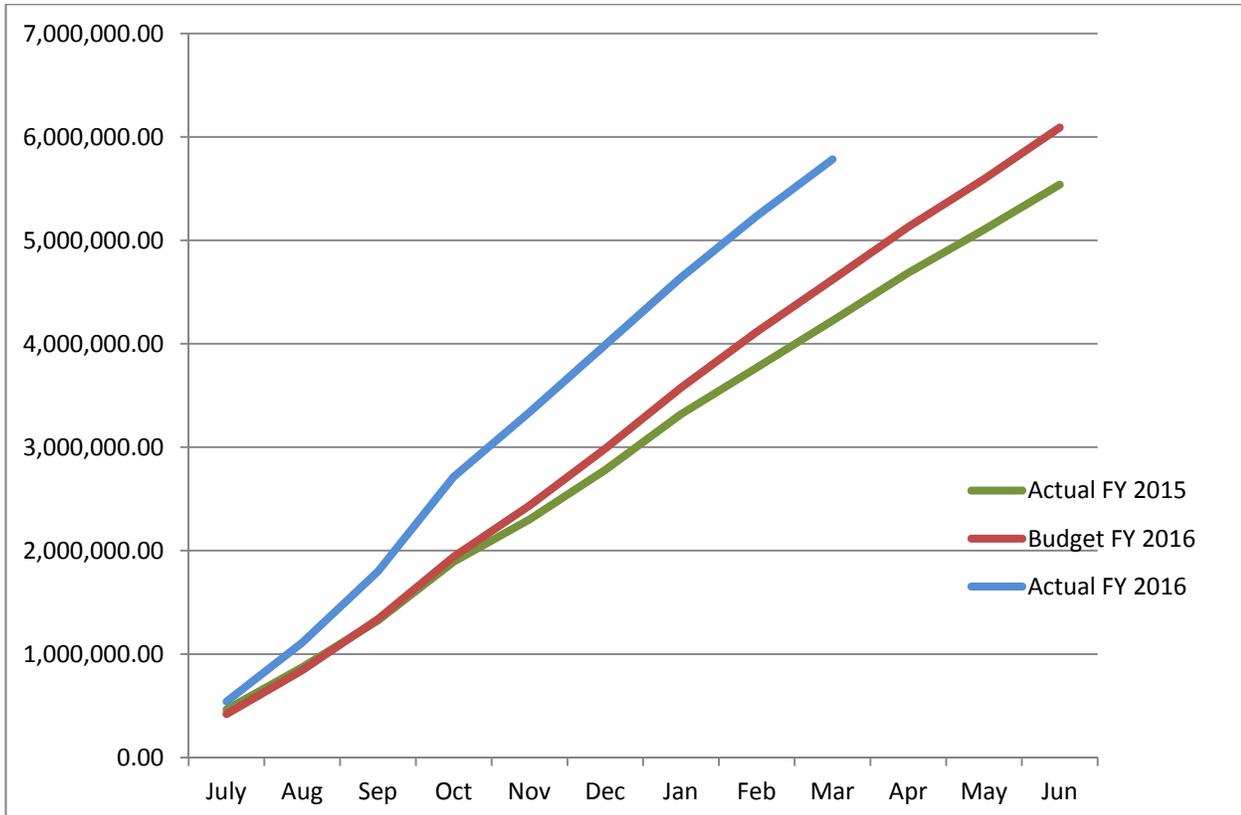
Agriculture Development Division (Rollup)
FY16 Actuals by Month

Accounts	Jul-2015	Aug-2015	Sep-2015	Oct-2015	Nov-2015	Dec-2015	Jan-2016	Feb-2016	Mar-2016	Apr-2016	May-2016	Jun-2016	FYTD
Operating Income													
Interest Income													
Interest Income - Loans	6,086.77	5,444.30	5,225.14	5,680.66	5,827.53	6,344.37	5,328.22	5,608.07	6,463.85	-	-	-	52,008.91
Interest Income - CE & Inv	3,139.77	1,301.45	1,784.32	2,072.07	1,707.76	2,620.38	2,079.32	2,002.42	4,387.46	-	-	-	21,094.95
Total Interest Income	9,226.54	6,745.75	7,009.46	7,752.73	7,535.29	8,964.75	7,407.54	7,610.49	10,851.31	-	-	-	73,103.86
Fee Income - Agriculture Development													
5420-000 FEE INC - BFLP FEES	13,684.15	19,229.40	22,647.84	11,517.75	18,506.90	49,868.72	52,155.83	37,392.49	17,825.00	-	-	-	242,828.08
5420-010 FEE INC - LPP FEES	2,175.00	100.00	100.00	2,075.00	2,725.00	3,387.50	200.00	1,237.50	3,737.50	-	-	-	15,737.50
5420-020 FEE INC - BFTC	15,400.00	16,250.00	61,450.00	42,600.00	1,550.00	550.00	1,650.00	18,200.00	20,150.00	-	-	-	177,800.00
5420-030 FEE INC - BFCH TAX CREDITS	-	-	200.00	-	1,800.00	2,400.00	-	-	-	-	-	-	4,400.00
Total Fee Income	31,259.15	35,579.40	84,397.84	56,192.75	24,581.90	56,206.22	54,005.83	56,829.99	41,712.50	-	-	-	440,765.58
Total Operating Income	40,485.69	42,325.15	91,407.30	63,945.48	32,117.19	65,170.97	61,413.37	64,440.48	52,563.81	-	-	-	513,869.44
Operating Expense													
Employee Expenses	20,976.78	15,625.44	20,007.21	20,970.21	17,232.95	22,268.61	17,763.47	19,437.99	21,199.58	-	-	-	175,482.24
Operating Expenses	3,214.63	1,713.82	2,662.47	1,891.12	1,646.92	1,959.03	2,026.66	1,974.46	2,007.30	-	-	-	19,096.41
Marketing Expense	4,022.02	310.19	3,937.69	2,664.69	8,600.12	2,312.64	116.33	8,746.18	7,282.16	-	-	-	37,992.02
Professional Services	13,078.40	12,816.85	26,665.00	26,319.46	11,135.57	18,211.86	5,774.70	13,563.24	18,337.48	-	-	-	145,902.56
Claim and Loss Expenses	(2,662.48)	(113.15)	(138.08)	1,359.00	1,986.76	1,207.81	(228.28)	2,498.61	516.55	-	-	-	4,426.74
Total Operating Expense	38,629.35	30,353.15	53,134.29	53,204.48	40,602.32	45,959.95	25,452.88	46,220.48	49,343.07	-	-	-	382,899.97
Net Operating Income (Loss) Before Grants	1,856.34	11,972.00	38,273.01	10,741.00	(8,485.13)	19,211.02	35,960.49	18,220.00	3,220.74	-	-	-	130,969.47
Net Grant (Income) Expense	-	-	-	-	-	-	-	-	75,000.00	-	-	-	75,000.00
Net Operating Income (Loss) After Grants	1,856.34	11,972.00	38,273.01	10,741.00	(8,485.13)	19,211.02	35,960.49	18,220.00	(71,779.26)	-	-	-	55,969.47
Non-Operating (Income) Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Income (Loss)	1,856.34	11,972.00	38,273.01	10,741.00	(8,485.13)	19,211.02	35,960.49	18,220.00	(71,779.26)	-	-	-	55,969.47
IFA Home Dept Staff Count	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	0.00	0.00	0.00	
FTE Staff Count	2.18	2.16	2.35	2.31	2.38	2.50	2.37	2.52	2.42	0.00	0.00	0.00	

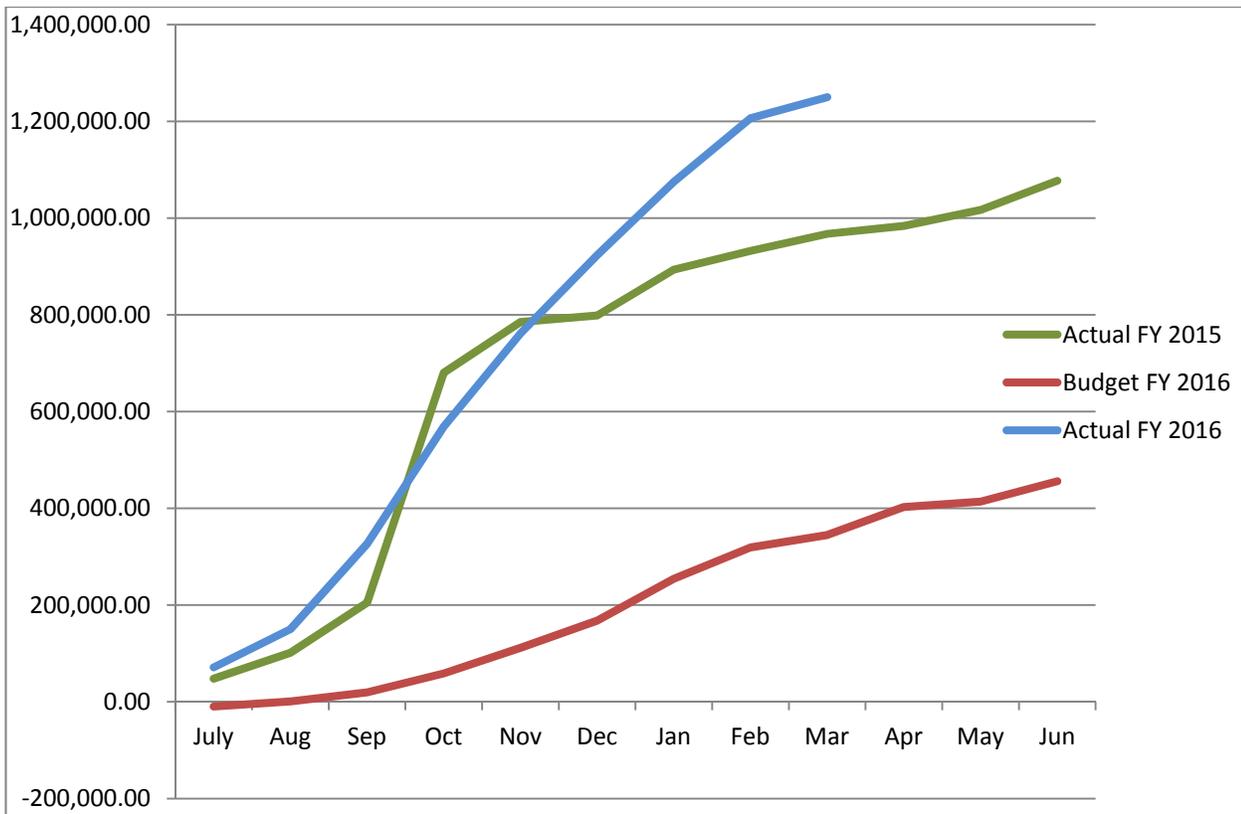


Iowa Title Guaranty
Monthly Reporting Package
March 31, 2016

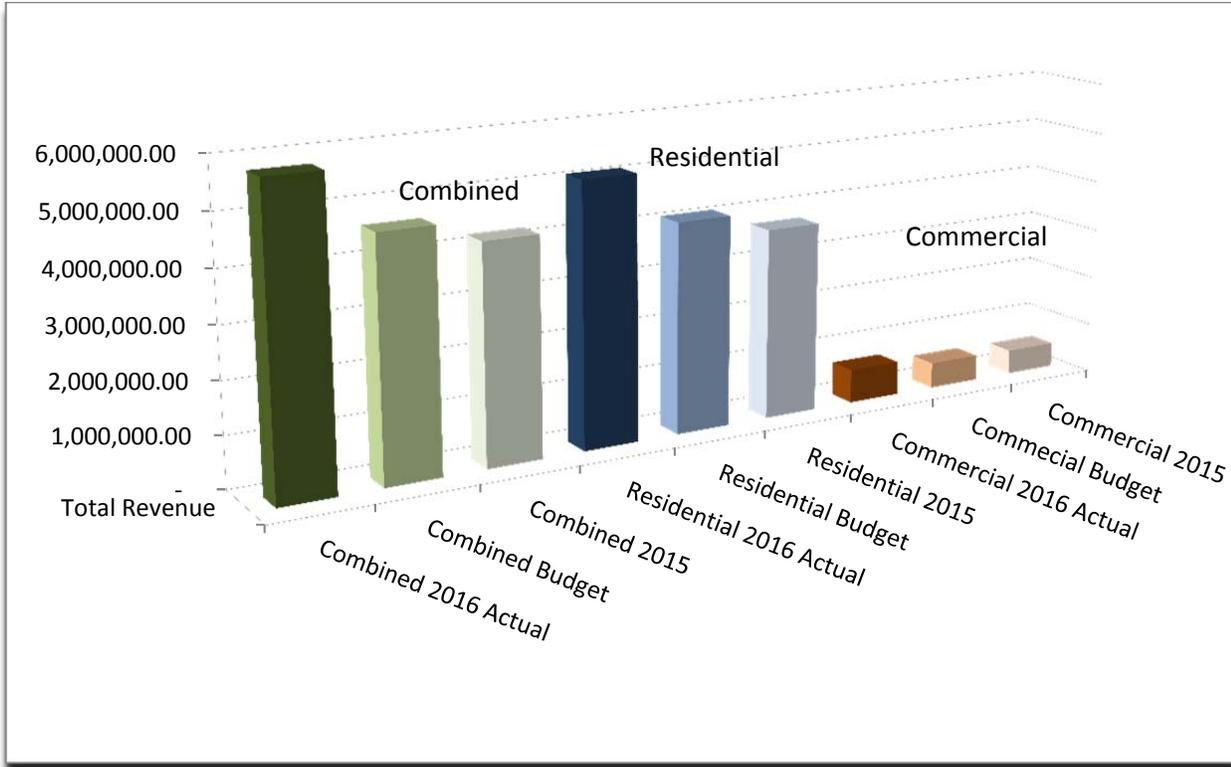
Fiscal Year to Date Revenue



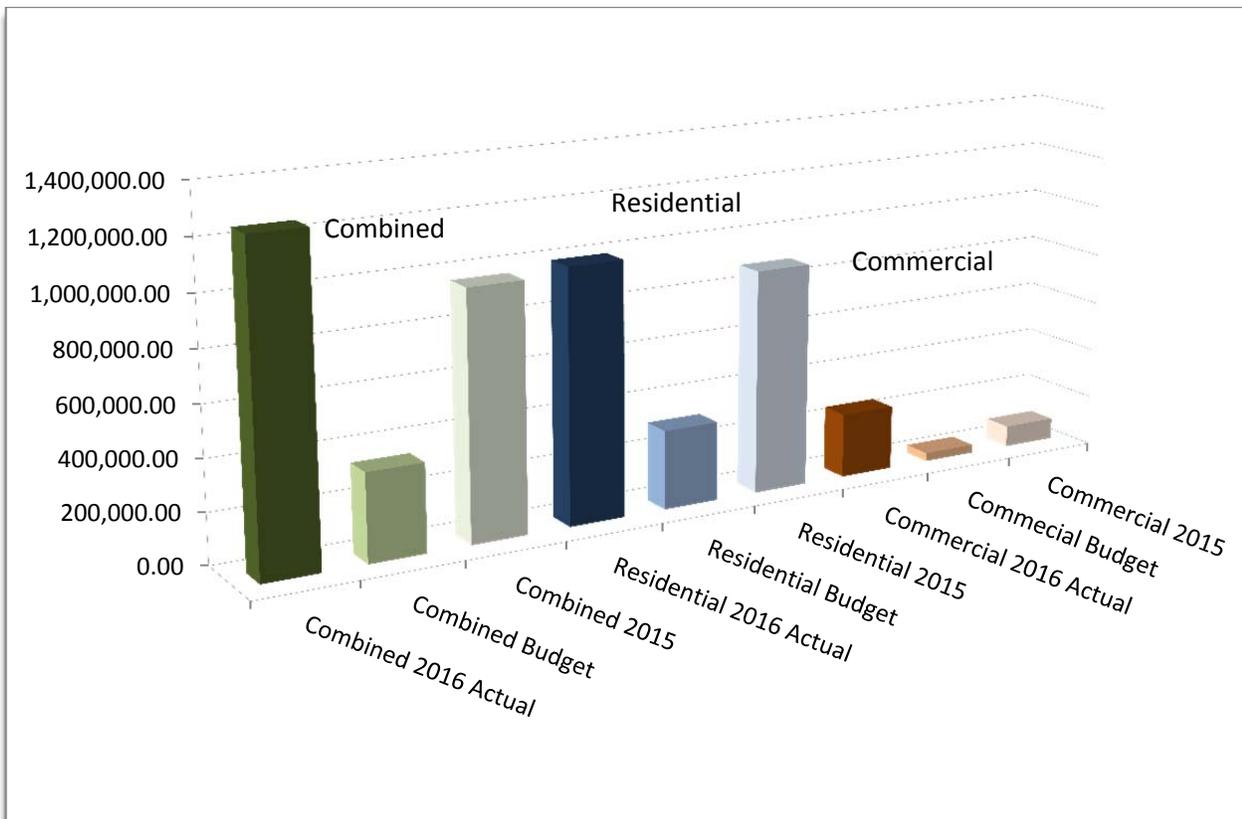
Fiscal Year to Date Net Income



Year to Date Revenue by Series



Year to Date Net Income by Series





TITLE GUARANTY

To: ITG and IFA Board Members

From: Randy Ambrozic

Date: April 13, 2016

Subject: Iowa Title Guaranty – A Division of the Iowa Finance Authority – March 2016

Mission Statement: To provide guaranties of Iowa real property titles to facilitate lenders' participation in the secondary market and to add to the integrity of the Iowa land-transfer system. All surplus funds are re-invested to support affordable home ownership.

Revenue

During the nine month period ended March 31, 2016, total operating revenue is approximately \$5,782,600. The 2016 fiscal year-to-date revenue increased \$1,162,600, or 25.2%, compared to revenue budgeted for the period and increased \$1,558,700, or 36.9%, compared to the nine month period ended March 31, 2015.

(000's)	Actual	Budget	Variance from		Last Year
			Budget - \$	Year - \$	
Premium Fees - Residential	\$5,024.1	\$4,058.3	\$965.8	\$3,673.3	\$1,350.8
Premium Fees - Commercial	\$503.2	\$410.1	\$93.0	\$424.1	\$79.0
Conference Registration Fees	\$18.4	\$10.0	\$8.4	\$18.3	\$0.1
Annual Participant Fees	\$41.9	\$28.9	\$12.9	\$30.4	\$11.5
Escrow Fees	\$130.6	\$105.7	\$24.9	\$104.8	\$25.7
Other Income	\$118.4	\$60.3	\$58.1	\$70.0	\$48.4
Reinsurance	(\$53.8)	(\$53.3)	(\$0.5)	(\$97.1)	\$43.3
Net Operating Revenue	\$5,782.6	\$4,620.1	\$1,162.6	\$4,223.9	\$1,558.7

Total Operating Expenses

Total Operating Expense is approximately \$4,532,900 for the nine months ended March 31, 2016, which is an increase of \$257,600 compared to the budget and an increase of \$1,276,300 compared to the nine month period ended March 31, 2015.

(000's)	Actual	Budget	Variance from		Last Year
			Budget - \$	Last Year - \$	
Employee Expenses	\$1,299.1	\$1,685.1	(\$386.0)	\$1,511.9	(\$212.8)
Operating Expenses	\$248.1	\$209.0	\$39.1	\$195.2	\$52.9
Sales & Marketing	\$56.9	\$89.5	(\$32.6)	\$119.2	(\$62.3)
Field Issuer Incentives	\$2,304.1	\$1,810.4	\$493.7	\$1,477.8	\$826.3
Other Professional Services	\$373.5	\$262.3	\$111.2	\$188.5	\$185.0
Claims Activity Expenses	\$251.2	\$219.0	\$32.2	(\$236.0)	\$487.2
Total Operating Expenses	\$4,532.9	\$4,275.3	\$257.6	\$3,256.6	\$1,276.3

Net Operating Income

Net Operating Income is approximately \$1,249,750 for the nine months ended March 31, 2016 which is an improvement of \$905,000 compared to net operating income budgeted for the nine months. Net Operating Income for the nine months ending March 31, 2016 increased approximately \$282,500 compared to the net operating income from the nine months ended March 31, 2015.

New Accounting Treatment – Pensions

The Governmental Accounting Standards Board (GASB) issued Statement No. 68, “Accounting and Financial Reporting for Pensions” effective for fiscal years beginning after June 15, 2014. Iowa Title Guaranty employees participate in the Iowa Public Employees Retirement System, IPERS. IPERS is a multiple employer, cost sharing pension plan and, under the new accounting guidance, employers participating in a cost sharing plan are required to recognize a liability for their proportionate share of the pension plan’s total net pension liability. Iowa Title Guaranty adopted GASB 68 for its fiscal year beginning July 1, 2015 and its proportionate share of IPERS’ total net pension liability is \$724,910 at June 30, 2015. GASB 68 adjustments for fiscal year 2016 are not reflected in the results through March 31, 2016 but will be reported when made available by IPERS.

Field Issuer Fees

(000's)	Actual	Budget	Variance from		
			Budget - \$	Last Year	
Field Issuer Incentives	\$2,304.1	\$1,810.4	\$493.7	\$1,477.8	\$826.3
Premium Fee Income - Res.	\$5,024.1	\$4,058.3	\$965.8	\$3,673.3	\$1,350.8
Percent of Income	45.9%	44.6%	1.3%	40.2%	5.6%

Field Issuer Incentives vary proportionally with changes in Residential Premiums. When premiums are up, Field Issuer Incentives are up, and vice versa. Field Issuer Incentives increased compared to budget by \$493,700 and \$826,300 compared to prior year. Field Issuer Incentives are 45.9% of year to date Residential Premiums through March 31, 2016 compared to 44.6% budgeted. Field Issuer Incentives were 40.2% of year to date Residential Premiums through March 31, 2015. ITG increased its Field Issuer incentive rates to \$60.00 for all certificates issued on mortgages recorded on or after July 1, 2015. Prior to this change, incentive compensation was \$50.00 for purchase transactions and \$40.00 for refinance transactions.

Claims Expense

Total claims activity expense is \$251,300 for the nine months ended of March 31, 2016, an increase of \$32,300 compared to budgeted expense and an increase of \$487,300 compared to expense during the nine months ended March 31, 2015. Statutory reserve expense increased \$92,300 compared to FY 2016 Budget and \$95,100 compared to last year. A percentage of monthly premium fee income is recognized as statutory reserve expense each month and the increase in statutory reserve expense is due to increased fee income in FY 2016. Premium fee income during the nine months ended March 31, 2016 is \$1,059,000 greater than budget and \$1,363,900 greater than prior year. During the nine months ended March 31, 2016 known claims expense is \$74,700 less than budget and \$423,400 greater than prior year. During FY 2015, a loss reserve on one known claim was taken down when the claim was dismissed in District Court.

(000's)	Actual	Budget	Variance from		
			Budget - \$	Last Year	
Statutory Reserve Expense	\$311.3	\$219.0	\$92.3	\$216.2	\$95.1
Known Claim Expense	(\$74.7)	\$0.0	(\$74.7)	(\$498.1)	\$423.4
Claims Paid	\$14.6	\$0.0	\$14.6	\$37.3	(\$22.7)
Fees and Expenses	\$0.1	\$0.0	\$0.1	\$8.6	(\$8.5)
Total Claims Expense	\$251.3	\$219.0	\$32.3	(\$236.0)	\$487.3

Total Claim Reserves

Total Claim loss reserves are approximately \$539,700 at March 31, 2016, a decrease of \$4,246,600 compared to March 31, 2015 reserves. ITG engaged an independent actuarial firm to review its claim reserves at June 30, 2015 and provide an opinion on the ultimate claim liability. As a result of the actuarial study, ITG and its outside auditors, KPMG, determined an adjustment is required to bring ITG's reported claim reserves into compliance with General Accepted Accounting Standards. Statutory Claim Reserves and Closing Protection Letter Reserves are reduced by \$4,519,700 to record the GAAP adjustment. Additionally, claim loss reserves for known claims decreased approximately \$102,400 compared to the known reserves at March 31, 2015. The decrease from the statutory adjustment and from known claim reserves is partially offset by a reserve increase of \$375,500 for estimated claims requirements on new guarantees issued.

(000's)	3/31/2016	3/31/2015	Change
Statutory Claim Reserves	\$4,043.9	\$3,668.4	\$375.5
Known Claim Reserves	\$15.5	\$117.9	(\$102.4)
Closing Protection Letter Reserve	\$1,000.0	\$1,000.0	\$0.0
GAAP Adjustment	(\$4,519.7)	-	(\$4,519.7)
Total Reserves	\$539.7	\$4,786.3	(\$4,246.6)
Outstanding claims - count	29	25	4

Transfer to Iowa Housing Assistance Program

Iowa Title Guaranty generated net operating income of \$1,249,800 during the nine months ended March 31, 2016. Net operating income exceeds budget by approximately \$905,000 during the first nine months of fiscal year 2016. Based on current year operating results, Iowa Title Guaranty transferred \$350,000 to the Iowa Housing Assistance Fund in the month of December 2015 and \$350,000 in the March 2016.

Additionally, ITG earned \$19,822 in interest during the nine months ended March 31, 2016 on its funds held with the Treasurer of the State. As prescribed by section 16.91.1, interest earned on ITG's funds with the Treasurer of the State are also transferred to the Iowa Housing Assistance Fund. As a result, ITG's total contribution to the Iowa Housing Assistance Program is \$700,822 for the nine months ended March 31, 2016. ITG's contribution to the Iowa Housing Assistance Fund was \$512,000 during the nine months ended March 31, 2015.

Performance Targets:

	6/30/2012	6/30/2013	6/30/2014	6/30/2015	Budget 6/30/2016
Revenue	6,027,953	8,347,435	6,582,561	5,537,782	6,090,733
Transfer to Iowa Housing Assistance Program	2,302,679	2,517,000	1,169,000	1,012,000	350,000

Summary Financial Information:

Title Guaranty	Current Month -March				Fiscal Year to Date 3/31/2016			
	Actual	Budget	Var	%	Actual	Budget	Var	%
Revenue	547,665	503,784	43,881	8.7%	5,782,644	4,620,053	1,162,591	25.2%
Net Operating Income	43,179	25,689	17,490	68.1%	1,249,750	344,787	904,963	262.5%

IOWA TITLE GUARANTY
800- COMBINED
INCOME STATEMENT
MARCH 31, 2016

	Mar-2016			Mar-2015		YTD as of Mar-2016			YTD as of Mar-2015	
	Actuals	Bud FY16	ACT - BUD	Actuals	CMA - PMA	Actuals	Bud FY16	ACT - BUD	Actuals	CYA - PYA
Operating Income										
5400-000 FEE INC - TG PREMIUM	431,432	421,344	10,088	407,048	24,384	4,936,853	3,880,007	1,056,846	3,902,067	1,034,786
5400-001 FEE INC - TG ENDORSEMENTS	19,205	24,231	(5,026)	15,370	3,835	285,810	217,252	68,558	195,383	90,427
5400-004 FEE INC - TG CPL	37,725	43,016	(5,291)	37,725	37,725	304,600	371,231	(66,631)	304,600	304,600
5400-005 FEE INC - TG MORTGAGE RELEASE	1,300	1,319	(19)	1,200	100	12,700	12,466	234	13,030	(330)
5400-006 FEE INC - TG APPLICATION										
5400-007 FEE INC - TG ANNUAL PARTICIPANT FEES	4,500	3,213	1,288	2,675	1,825	41,850	28,913	12,938	30,400	11,450
5400-010 FEE INC - TG REINSURANCE	(7,938)	(5,010)	(2,928)	(11,495)	3,556	(53,848)	(53,323)	(525)	(97,119)	43,271
5400-015 FEE INC - TG ESCROW SERVICES	14,589	11,175	3,414	15,650	(1,061)	130,563	105,656	24,907	104,844	25,720
5400-020 FEE INC - TG REGISTRATION	1,550		1,550	7,450	(5,900)	18,375	10,000	8,375	18,325	50
5500-000 OTHER INCOME	43,692	4,496	39,197	16,880	26,812	85,919	47,851	38,068	56,997	28,922
5000-050 INT INC - PROGRAM ACCT	1,610		1,610		1,610	19,822		19,822		19,822
	547,665	503,784	43,881	454,778	92,887	5,782,644	4,620,053	1,162,591	4,223,926	1,558,717
Employee Expenses										
7100-009 IFA TRANSFERRED COMPENSATION		9,047	(9,047)				77,493	(77,493)		
7100-010 SALARIES & BENEFITS TOTAL	153,759	180,482	(26,724)	179,715	(25,956)	1,248,380	1,525,455	(277,075)	1,423,819	(175,439)
7100-011 TEMPORARY EMPLOYMENT SERVICES		5,850	(5,850)	11,874	(11,874)	31,799	52,715	(20,916)	52,900	(21,101)
7100-013 EMP EXP - GASB 68 PENSION ADJUSTMENT										
7100-021 TRAVEL	1,373	2,333	(960)	4,176	(2,804)	11,463	21,001	(9,538)	10,458	1,005
7100-022 DO NOT USE (formerly travel)									12,967	(12,967)
7100-025 EDUCATION AND TRAINING	1,480	1,250	230	3,907	(2,427)	7,432	8,430	(998)	11,759	(4,327)
	156,611	198,963	(42,351)	199,672	(43,061)	1,299,073	1,685,094	(386,021)	1,511,901	(212,828)
7100-030 OFFICE SUPPLIES EXPENSE	482	1,018	(536)		482	8,023	9,166	(1,143)	7,635	389
7100-031 POSTAGE	803	487	316	528	275	5,124	4,384	740	4,081	1,042
7100-032 SUBSCRIPTIONS AND BOOKS	(77)	350	(427)		(77)	6,703	1,650	5,053	1,265	5,438
7100-033 DO NOT USE (formerly stationary)									366	(366)
7100-050 TELEPHONE & DATA EXPENSE	4,420	2,524	1,896	2,632	1,788	24,134	22,716	1,418	19,743	4,391
7100-055 UTILITIES EXPENSE	900	1,107	(207)	939	(39)	9,715	9,963	(248)	8,470	1,245
7100-058 INSURANCE EXPENSE		66	(66)	74	(74)	930	598	332	642	288
7100-059 BUILDING MAINTENANCE EXPENSE	2,391	2,723	(332)	1,369	1,022	24,139	24,509	(370)	21,241	2,898
7100-060 RENT EXPENSE		55	(55)				498	(498)		
7100-065 SOFTWARE & SOFTWARE MAINT EXP						553		553	212	341
7100-070 OFFICE EQUIP MAINT AGREEMENT EXPENSE	555	1,439	(884)	1,547	(992)	8,775	12,952	(4,177)	12,142	(3,368)
7100-075 DO NOT USE (formerly equipment expense)										
7100-077 DEPRECIATION - FIXED ASSETS	5,390	7,293	(1,903)	5,405	(15)	48,129	58,128	(9,999)	46,779	1,351
7100-085 STATE INDIRECT COST ALLOCATION	780	1,755	(975)	1,478	(698)	16,808	15,793	1,014	13,235	3,573
7100-300 MISCELLANEOUS EXPENSES	44,327	4,579	39,748	11,720	32,606	95,123	48,598	46,525	59,431	35,692
	59,971	23,397	36,574	25,692	34,279	248,155	208,955	39,200	195,243	52,913
Sales & Marketing Expenses										
7100-026 MEETING EXPENSES		255	(255)	546	(546)	1,007	2,295	(1,288)	2,401	(1,394)
7100-035 DUES & MEMBERSHIPS	1,893	1,675	218		1,893	13,348	15,825	(2,478)	17,397	(4,050)
7100-036 LICENSE FEE EXPENSE							30,000	(30,000)	29,795	(29,795)
7100-041 ADVERTISING & PUBLICITY EXPENSE	208	1,792	(1,584)	1,119	(911)	12,060	16,122	(4,062)	19,469	(7,409)
7100-042 CONFERENCE HOSTING EXPENSE	597		597	1,446	(850)	16,348	20,000	(3,652)	23,412	(7,065)
7100-045 MARKETING	2,750	584	2,166	668	2,082	14,104	5,251	8,853	26,695	(12,591)
	5,447	4,306	1,141	3,779	1,668	56,866	89,493	(32,627)	119,170	(62,303)
Professional Services Expense										
7100-066 SOFTWARE CITRIX FILE SHARE		50	(50)				450	(450)	711	(711)
7100-101 PROF SERV - FINANCIAL AUDIT FEES	1,500		1,500		1,500	3,000		3,000	3,000	
7100-103 PROF SERV - LEGAL	2,085	2,083	2	4,296	(2,211)	16,743	18,747	(2,004)	20,739	(3,996)
7100-104 PROF SERV - COMPLIANCE						1,591		1,591	1,188	403
7100-106 PROF SERV - THOMSON REUTERS		600	(600)	591	(591)		5,400	(5,400)	4,708	(4,708)
7100-108 PROF SERV - ACCOUNTING CONSULTANTS	23,000		23,000	22,375	625	186,188		186,188	117,145	69,043
7100-120 PROF SERV - BANKING	2,490	4,200	(1,710)	1,526	964	14,020	37,800	(23,780)	11,624	2,395
7100-130 PROF SERV - FIELD ISSUER INCENTIVE	211,730	205,426	6,304	140,460	71,270	2,304,070	1,810,357	493,713	1,477,750	826,320
7100-150 PROF SERV - INFORMATION TECHNOLOGY	16,575		16,575		16,575	131,375		131,375	26,200	105,175
7100-160 PROF SERV - CONSULTANTS		15,640	(15,640)			20,000	199,960	(179,960)	2,794	17,206
7100-190 PROF SERV - MISCELLANEOUS				129	(129)	606		606	470	137
	257,380	227,999	29,381	169,377	88,003	2,677,592	2,072,714	604,878	1,666,329	1,011,263
Claims Expense										
7100-105 PROF SERV - CLAIMS DEFENSE									7,667	(7,667)
7130-010 TG STATUTORY RESERVE EXPENSE	17,905	23,430	(5,526)	21,167	(3,262)	311,261	219,009	92,251	216,246	95,015
7130-020 TG KNOWN CLAIM RESERVE EXPENSE	1,059		1,059	(25,600)	26,659	(74,714)		(74,714)	(498,100)	423,386
7130-040 TG ACTUAL CLAIMS PAID EXPENSE	6,113		6,113	25,585	(19,472)	14,588		14,588	37,326	(22,738)
7130-050 TG OTHER CLAIMS EXPENSE						73		73	850	(777)
	25,077	23,430	1,647	21,151	3,926	251,207	219,009	32,198	(236,011)	487,218
TOTAL DIRECT OPERATING EXPENSES	504,486	478,094	26,391	419,672	84,814	4,532,894	4,275,266	257,628	3,256,631	1,276,263
NET OPERATING INCOME (LOSS)	43,179	25,689	17,490	35,107	8,072	1,249,750	344,787	904,962	967,295	282,455
7210-500 TRANSFERS TO HOUSING ASSISTANCE	351,610		351,610		351,610	719,822		719,822	512,000	207,822
CHANGE IN NET POSITION	(308,431)	25,689	(334,120)	35,107	(343,538)	529,928	344,787	185,141	455,295	74,633

IOWA TITLE GUARANTY
020 - RESIDENTIAL
INCOME STATEMENT
MARCH 31, 2016

	Mar-2016			Mar-2015		YTD as of Mar-2016			YTD as of Mar-2015	
	Actuals	Bud FY16	ACT - BUD	Actuals	CMA - PMA	Actuals	Bud FY16	ACT - BUD	Actuals	CYA - PYA
Operating Revenues										
5400-000 FEE INC - TG PREMIUM	387,423	387,680	(257)	368,439	18,984	4,572,937	3,605,209	967,728	3,588,946	983,991
5400-001 FEE INC - TG ENDORSEMENTS	12,405	7,652	4,753	9,090	3,315	146,695	81,906	64,789	84,369	62,326
5400-004 FEE INC - TG CPL	37,725	43,016	(5,291)		37,725	304,475	371,231	(66,756)		304,475
5400-005 FEE INC - TG MORTGAGE RELEASE	1,300	1,319	(19)	1,200	100	12,700	12,466	234	13,030	(330)
5400-006 FEE INC - TG APPLICATION										
5400-007 FEE INC - TG ANNUAL PARTICIPANT FEES	4,500	3,213	1,288	2,675	1,825	41,850	28,913	12,938	30,400	11,450
5400-010 FEE INC - TG REINSURANCE									(1,129)	1,129
5400-020 FEE INC - TG REGISTRATION	1,550		1,550	7,450	(5,900)	18,375	10,000	8,375	18,325	50
5500-000 OTHER INCOME						1		1	25	(24)
5000-050 INT INC - PROGRAM ACCT	1,610		1,610		1,610	19,822		19,822		19,822
	446,513	442,879	3,634	388,854	57,659	5,116,855	4,109,725	1,007,130	3,733,966	1,382,889
Employee Expenses										
7100-009 IFA TRANSFERRED COMPENSATION		7,427	(7,427)				63,610	(63,610)		
7100-010 SALARIES & BENEFITS TOTAL	121,344	141,148	(19,804)	150,931	(29,588)	1,008,581	1,200,701	(192,120)	1,174,237	(165,655)
7100-011 TEMPORARY EMPLOYMENT SERVICES TOTAL		4,600	(4,600)	11,462	(11,462)	26,025	41,465	(15,440)	33,053	(7,028)
7100-013 EMP EXP - GASB 68 PENSION ADJUSTMENT										
7100-021 TRAVEL	1,331	1,500	(169)	2,604	(1,273)	10,899	13,500	(2,601)	7,729	3,170
7100-022 DO NOT USE (formerly travel)									9,175	(9,175)
7100-025 EDUCATION AND TRAINING	1,480	750	730	2,200	(720)	6,143	6,930	(787)	8,777	(2,634)
	124,154	155,425	(31,270)	167,197	(43,043)	1,051,648	1,326,206	(274,558)	1,232,971	34,129
Operating Expenses										
7100-030 OFFICE SUPPLIES EXPENSE	409	824	(415)	409		6,906	7,419	(512)	6,899	7
7100-031 POSTAGE	679	394	285	242	437	3,437	3,548	(111)	2,607	830
7100-032 SUBSCRIPTIONS AND BOOKS	(77)	350	(427)		(77)	6,127	1,650	4,477	1,265	4,862
7100-033 DO NOT USE (formerly stationary)									247	(247)
7100-050 TELEPHONE & DATA EXPENSE	3,577	2,043	1,534	2,106	1,472	19,298	18,386	912	15,735	3,563
7100-055 UTILITIES EXPENSE	729	896	(167)	751	(23)	7,864	8,064	(200)	6,775	1,089
7100-058 INSURANCE EXPENSE		54	(54)	59	(59)	753	484	269	513	239
7100-059 BUILDING MAINTENANCE EXPENSE	1,935	2,204	(269)	1,095	840	19,954	19,837	117	17,287	2,667
7100-060 RENT EXPENSE		45	(45)				403	(403)		
7100-065 SOFTWARE & SOFTWARE MAINT EXP						494		494		494
7100-070 OFFICE EQUIP MAINT AGREEMENT EXPENSE	449	1,165	(715)	1,238	(788)	7,152	10,483	(3,331)	10,207	(3,054)
7100-075 DO NOT USE (formerly equipment expense)										
7100-077 DEPRECIATION - FIXED ASSETS	4,368	5,903	(1,535)	4,324	44	39,004	47,049	(8,045)	37,423	1,580
7100-085 STATE INDIRECT COST ALLOCATION	632	1,420	(789)	1,182	(551)	13,596	12,783	813	10,611	2,985
7100-300 MISCELLANEOUS EXPENSES	480		480	231	249	4,506		4,506	1,879	2,627
	13,181	15,298	(2,117)	11,228	1,953	129,092	130,106	(1,015)	111,448	17,643
Sales & Marketing Expenses										
7100-026 MEETING EXPENSES		255	(255)	546	(546)	1,007	2,295	(1,288)	2,401	(1,394)
7100-035 DUES & MEMBERSHIPS	1,893	1,675	218		1,893	13,028	15,075	(2,048)	16,447	(3,420)
7100-036 LICENSE FEE EXPENSE							30,000	(30,000)	29,795	(29,795)
7100-041 ADVERTISING & PUBLICITY EXPENSE	208	1,375	(1,167)	1,119	(911)	8,695	12,375	(3,680)	9,335	(640)
7100-042 CONFERENCE HOSTING EXPENSE	597		597	1,446	(850)	16,348	20,000	(3,652)	23,162	(6,815)
7100-045 MARKETING	2,750	2,750		568	2,182	13,281	13,281		22,369	(9,088)
	5,447	3,305	2,142	3,679	1,768	52,358	79,745	(27,387)	103,509	(51,151)
Professional Services Expense										
7100-066 SOFTWARE CITRIX FILE SHARE									711	(711)
7100-101 PROF SERV - FINANCIAL AUDIT FEES	1,500		1,500		1,500	3,000		3,000	3,000	
7100-103 PROF SERV - LEGAL	2,085	2,083	2	4,296	(2,211)	16,743	18,747	(2,004)	20,739	(3,996)
7100-104 PROF SERV - COMPLIANCE						1,591		1,591	1,188	403
7100-106 PROF SERV - THOMSON REUTERS		600	(600)	591	(591)		5,400	(5,400)	4,708	(4,708)
7100-108 PROF SERV - ACCOUNTING CONSULTANTS	23,000		23,000	22,375	625	186,188		186,188	117,145	69,043
7100-120 PROF SERV - BANKING	1,660	3,500	(1,840)	580	1,080	7,822	31,500	(23,678)	5,099	2,723
7100-130 PROF SERV - FIELD ISSUER INCENTIVE	211,730	205,426	6,304	140,460	71,270	2,304,070	1,810,357	493,713	1,477,750	826,320
7100-150 PROF SERV - INFORMATION TECHNOLOGY	16,575		16,575	16,575		131,375		131,375	26,200	105,175
7100-160 PROF SERV - CONSULTANTS		15,640	(15,640)			20,000	199,960	(179,960)	2,794	17,206
7100-190 PROF SERV - MISCELLANEOUS				129	(129)	486		486	370	116
	256,550	227,249	29,302	168,432	88,119	2,671,273	2,065,964	605,310	1,659,704	1,011,570
Claims Expense										
7100-105 PROF SERV - CLAIMS DEFENSE									7,664	(7,664)
7130-010 TG STATUTORY RESERVE EXPENSE	18,952	20,333	(1,382)	18,865	87	277,077	195,912	81,166	195,555	81,522
7130-020 TG KNOWN CLAIM RESERVE EXPENSE	1,059		1,059	(25,600)	26,659	(74,714)		(74,714)	(498,100)	423,386
7130-040 TG ACTUAL CLAIMS PAID EXPENSE	6,113		6,113	25,585	(19,472)	14,588		14,588	37,326	(22,738)
7130-050 TG OTHER CLAIMS EXPENSE						73		73	850	(777)
	26,124	20,333	5,791	18,849	7,274	217,024	195,912	21,112	(256,704)	473,728
TOTAL DIRECT OPERATING EXPENSES	425,457	421,609	3,847	369,385	56,072	4,121,395	3,797,933	323,462	2,850,928	1,270,467
NET OPERATING INCOME (LOSS)	21,056	21,270	(214)	19,469	1,587	995,460	311,792	683,668	883,038	112,422
7210-500 TRANSFERS TO HOUSING ASSISTANCE	351,610		351,610		351,610	719,822		719,822	512,000	207,822
CHANGE IN NET POSITION	(330,554)	21,270	(351,824)	19,469	(350,023)	275,638	311,792	(36,154)	371,038	(95,400)

IOWA TITLE GUARANTY
030- COMMERCIAL
INCOME STATEMENT
MARCH 31, 2016

	Mar-2016			Mar-2015		YTD as of Mar-2016			YTD as of Mar-2015	
	Actuals	Bud FY16	ACT - BUD	Actuals	CMA - PMA	Actuals	Bud FY16	ACT - BUD	Actuals	CYA - PYA
Operating Revenues										
5400-000 FEE INC - TG PREMIUM	44,009	33,664	10,345	38,609	5,400	363,916	274,798	89,118	313,121	50,795
5400-001 FEE INC - TG ENDORSEMENTS	6,800	16,579	(9,779)	6,280	520	139,115	135,346	3,769	111,014	28,101
5400-004 FEE INC - TG CPL						125		125		125
5400-005 FEE INC - TG MORTGAGE RELEASE										
5400-006 FEE INC - TG APPLICATION										
5400-010 FEE INC - TG REINSURANCE	(7,938)	(5,010)	(2,928)	(11,495)	3,556	(53,848)	(53,323)	(525)	(95,990)	42,142
5400-015 FEE INC - TG ESCROW SERVICES	14,589	11,175	3,414	15,650	(1,061)	130,563	105,656	24,907	104,844	25,720
5400-020 FEE INC - TG REGISTRATION										
5500-000 OTHER INCOME	43,692	4,496	39,197	16,880	26,812	85,918	47,851	38,067	56,972	28,946
5000-050 INT INC - PROGRAM ACCT										
	101,152	60,904	40,248	65,924	35,228	665,789	510,328	155,461	489,961	175,828
Employee Expenses										
7100-009 IFA TRANSFERRED COMPENSATION		1,621	(1,621)				13,883	(13,883)		
7100-010 SALARIES & BENEFITS TOTAL	32,415	39,334	(6,919)	28,784	3,631	239,799	324,754	(84,956)	249,582	(9,784)
7100-011 TEMPORARY EMPLOYMENT SERVICES TOTAL		1,250	(1,250)	412	(412)	5,774	11,250	(5,476)	19,846	(14,072)
7100-013 EMP EXP - GASB 68 PENSION ADJUSTMENT										
7100-021 TRAVEL	42	833	(791)	1,572	(1,530)	564	7,501	(6,937)	2,728	(2,165)
7100-022 DO NOT USE (formerly travel)									3,792	(3,792)
7100-025 EDUCATION AND TRAINING		500	(500)	1,707	(1,707)	1,289	1,500	(211)	2,982	(1,693)
	32,457	43,538	(11,081)	32,475	(18)	247,425	358,888	(111,463)	278,930	(31,505)
Operating Expenses										
7100-030 OFFICE SUPPLIES EXPENSE	73	194	(121)		73	1,117	1,747	(630)	735	382
7100-031 POSTAGE	124	93	31	286	(162)	1,686	836	851	1,474	212
7100-032 SUBSCRIPTIONS AND BOOKS						576		576		576
7100-033 DO NOT USE (formerly stationary)									119	(119)
7100-050 TELEPHONE & DATA EXPENSE	842	481	361	526	316	4,836	4,330	506	4,009	828
7100-055 UTILITIES EXPENSE	172	211	(39)	188	(16)	1,852	1,899	(47)	1,696	156
7100-058 INSURANCE EXPENSE		13	(13)	15	(15)	177	114	63	128	49
7100-059 BUILDING MAINTENANCE EXPENSE	456	519	(63)	274	182	4,184	4,672	(487)	3,954	230
7100-060 RENT EXPENSE		11	(11)				95	(95)		
7100-065 SOFTWARE & SOFTWARE MAINT EXP						59		59	212	(153)
7100-070 OFFICE EQUIP MAINT AGREEMENT EXPENSE	106	274	(168)	309	(204)	1,623	2,469	(846)	1,936	(313)
7100-075 DO NOT USE (formerly equipment expense)										
7100-077 DEPRECIATION - FIXED ASSETS	1,022	1,390	(368)	1,081	(59)	9,126	11,080	(1,954)	9,356	(230)
7100-085 STATE INDIRECT COST ALLOCATION	149	334	(186)	296	(147)	3,211	3,010	201	2,624	587
7100-300 MISCELLANEOUS EXPENSES	43,847	4,579	39,268	11,489	32,357	90,617	48,598	42,019	57,552	33,065
	46,790	8,099	38,691	14,464	32,326	119,064	78,849	40,215	83,794	35,269
Sales & Marketing Expenses										
7100-026 MEETING EXPENSES										
7100-035 DUES & MEMBERSHIPS						320	750	(430)	950	(630)
7100-036 LICENSE FEE EXPENSE										
7100-041 ADVERTISING & PUBLICITY EXPENSE		417	(417)			3,365	3,747	(382)	10,134	(6,769)
7100-042 CONFERENCE HOSTING EXPENSE									250	(250)
7100-045 MARKETING		584	(584)	100	(100)	823	5,251	(4,428)	4,326	(3,503)
		1,001	(1,001)	100	(100)	4,508	9,748	(5,240)	15,660	(11,152)
Professional Services Expense										
7100-066 SOFTWARE CITRIX FILE SHARE		50	(50)				450	(450)		
7100-101 PROF SERV - FINANCIAL AUDIT FEES										
7100-103 PROF SERV - LEGAL										
7100-104 PROF SERV - COMPLIANCE										
7100-106 PROF SERV - THOMSON REUTERS										
7100-108 PROF SERV - ACCOUNTING CONSULTANTS										
7100-120 PROF SERV - BANKING	829	700	129	945	(116)	6,198	6,300	(102)	6,525	(327)
7100-130 PROF SERV - FIELD ISSUER INCENTIVE										
7100-150 PROF SERV - INFORMATION TECHNOLOGY										
7100-160 PROF SERV - CONSULTANTS										
7100-190 PROF SERV - MISCELLANEOUS						120		120	100	20
	829	750	79	945	(116)	6,319	6,750	(431)	6,625	(307)
Claims Expense										
7100-105 PROF SERV - CLAIMS DEFENSE									2	(2)
7130-010 TG STATUTORY RESERVE EXPENSE	(1,047)	3,097	(4,144)	2,302	(3,349)	34,184	23,098	11,086	20,691	13,493
7130-020 TG KNOWN CLAIM RESERVE EXPENSE										
7130-040 TG ACTUAL CLAIMS PAID EXPENSE										
7130-050 TG OTHER CLAIMS EXPENSE										
	(1,047)	3,097	(4,144)	2,302	(3,349)	34,184	23,098	11,086	20,693	13,490
TOTAL DIRECT OPERATING EXPENSES	79,029	56,485	22,544	50,287	28,743	411,499	477,333	(65,834)	405,703	5,796
NET OPERATING INCOME (LOSS)	22,123	4,419	17,704	15,638	6,485	254,290	32,995	221,294	84,257	170,032
7210-500 TRANSFERS TO HOUSING ASSISTANCE										
CHANGE IN NET POSITION	22,123	4,419	17,704	15,638	6,485	254,290	32,995	221,294	84,257	170,032

IOWA TITLE GUARANTY
BALANCE SHEET
MARCH 31, 2016

March 31, 2016 - Balance Sheet - TG Combined								
	Variance from				Same Period Last Year	Variance from		
	Actual	Prior Month	Variance from Prior Month - \$	Prior Month - %		Same Period Last Year - \$	Variance from Same Period Last Year - %	
ASSETS								
Current Assets:								
Cash and Cash Equivalents:								
1002-002	Cash - TG Dep/Great Western Bank	\$998,880	\$1,592,623	(\$593,743)	-37%	\$0	\$998,880	**
1002-005	Cash - TG Escrow	\$4,302,660	\$2,816,033	\$1,486,627	53%	\$2,784,235	\$1,518,425	55%
1002-010	Cash - TG Dep / Wells Fargo	\$0	\$0	\$0	**	\$1,457,808	(\$1,457,808)	-100%
1002-030	Cash - State Treasurer	\$6,635,298	\$6,394,484	\$240,814	4%	\$5,741,816	\$893,482	16%
	Other Cash & Cash Equivalents	\$0	\$0	\$0	**	\$0	\$0	**
	Total Cash and Cash Equivalents	\$11,936,838	\$10,803,140	\$1,133,698	10%	\$9,983,859	\$1,952,979	20%
Accounts Receivable:								
1240-001	Accounts Receivable - Trade	\$136,927	\$206,329	(\$69,402)	-34%	\$140,953	(\$4,026)	-3%
1240-000	Misc Receivables	\$0	\$680	(\$680)	-100%	\$6,291	(\$6,291)	-100%
1240-009	Less Reserve for Doubtful Accounts	(\$7,576)	(\$7,576)	\$0	0%	\$0	(\$7,576)	**
	Accounts Receivable - Net	\$129,351	\$199,433	(\$70,082)	-35%	\$147,244	(\$17,893)	-12%
1400-019	Prepaid Expenses	\$19,216	\$15,275	\$3,941	26%	\$0	\$19,216	**
1250-000	Due From AP	\$0	\$0	\$0	**	\$0	\$0	**
1260-001	Due From General Fund	\$0	\$0	\$0	**	\$0	\$0	**
1260-800	Due From - Title Guaranty	\$0	\$0	\$0	**	\$0	\$0	**
	Other Current Assets	\$0	\$0	\$0	**	\$0	\$0	**
	Total Current Assets	\$12,085,405	\$11,017,848	\$1,067,557	10%	\$10,131,103	\$1,954,302	19%
Fixed Assets:								
1310-000	Building & Leasehold Impr	\$0	\$0	\$0	**	\$0	\$0	**
1320-000	Capital Assets in Progress	\$0	\$0	\$0	**	\$0	\$0	**
1310-010	Equipment & Other Fixed Assets	\$81,914	\$81,914	\$0	0%	\$78,574	\$3,340	4%
	Total Fixed Assets	\$81,914	\$81,914	\$0	0%	\$78,574	\$3,340	4%
1300-011	Less Accumulated Depreciation	(\$78,852)	(\$78,824)	(\$28)	0%	(\$78,574)	(\$278)	0%
	Fixed Assets - Net	\$3,062	\$3,090	(\$28)	-1%	\$0	\$3,062	**
1520-002	Deferred Outflows - Pension	\$219,725	\$219,725	\$0	0%	\$0	\$219,725	**
	Other Assets	\$0	\$0	\$0	**	\$0	\$0	**
	Total Assets	\$12,308,192	\$11,240,663	\$1,067,529	9%	\$10,131,103	\$2,177,089	21%
LIABILITIES AND CAPITAL								
Current Liabilities:								
2510-000	Escrow Deposits	\$4,302,660	\$2,816,033	\$1,486,627	53%	\$2,524,035	\$1,778,625	70%
2400-001	Accounts Payable - State	\$0	\$0	\$0	**	\$0	\$0	**
1250-000	Due To AP	\$0	\$0	\$0	**	\$0	\$0	**
1260-001	Due To General Fund	\$87,671	\$38,384	\$49,287	128%	\$348,985	(\$261,314)	-75%
1260-800	Due To Title Guaranty	\$0	\$0	\$0	**	\$0	\$0	**
	Claims Reserves:			\$0	**	\$0	\$0	**
2310-005	Claims Reserve - TG GAAP Adjustment	(\$4,519,674)	(\$4,519,674)	\$0	0%		(\$4,519,674)	**
2310-010	Claims Reserve - TG Residential Statutory	\$3,804,641	\$3,785,690	\$18,951	1%	\$3,471,891	\$332,750	10%
2310-015	Claims Reserve - TG Commercial Statutory	\$239,293	\$240,340	(\$1,047)	0%	\$196,508	\$42,785	22%
2310-020	Claims Reserve - TG Known	\$15,500	\$14,441	\$1,059	7%	\$117,900	(\$102,400)	-87%
2310-030	Claims Reserve - TG Closing Letter	\$1,000,000	\$1,000,000	\$0	0%	\$1,000,000	\$0	0%
	Total Claims Reserves	\$539,760	\$520,797	\$18,963	4%	\$4,786,299	(\$4,246,539)	-89%
2400-015	Accrued Liabilities - TG Commitments	\$244,096	\$276,426	(\$32,330)	-12%	\$249,148	(\$5,052)	-2%
2610-000	Deferred Commitment Fees	\$0	\$0	\$0	**	\$0	\$0	**
2400-020	Accrued Payroll Expenses	\$213,748	\$270,718	(\$56,970)	-21%	\$248,138	(\$34,390)	-14%
2400-010	Misc Accrued Expenses	\$343,952	\$433,570	(\$89,618)	-21%	\$207,807	\$136,145	66%
	Current Portion of LTD	\$0	\$0	\$0	**	\$0	\$0	**
	Total Current Liabilities	\$5,731,887	\$4,355,928	\$1,375,959	32%	\$8,364,412	(\$2,632,525)	-31%
2700-003	Net Pension Liability	\$724,910	\$724,910	\$0	0%	\$0	\$724,910	**
2900-000	Deferred Inflows - Pension	\$276,460	\$276,460	\$0	0%	\$0	\$276,460	**
	Long-Term Debt:	\$0	\$0	\$0	**	\$0	\$0	**
	Total Liabilities	\$6,733,257	\$5,357,298	\$1,375,959	26%	\$8,364,412	(\$1,631,155)	-20%
Capital:								
4000-100	Restricted Fund balance	\$5,866,935	\$5,866,935	\$0	0%	\$1,311,396	\$4,555,539	347%
4000-104	Effect of GASB 68 Accounting Change	(\$821,928)	(\$821,928)	\$0	0%	\$0	(\$821,928)	**
7210-500	I-A Grant to Housing Assistance program	(\$719,822)	(\$368,212)	(\$351,610)	95%	(\$512,000)	(\$207,822)	41%
	Current Period Income	\$1,249,750	\$1,206,570	\$43,180	4%	\$967,295	\$282,455	29%
	Total Capital	\$5,574,935	\$5,883,365	(\$308,430)	-5%	\$1,766,691	\$3,808,244	216%
	Total Liabilities and Capital	\$12,308,192	\$11,240,663	\$1,067,529	9%	\$10,131,103	\$2,177,089	21%

To: IFA Board Members
 From: Michelle Thomas
 Date: April 18, 2016
 Re: State Revolving Fund – March 2016 Financial Results

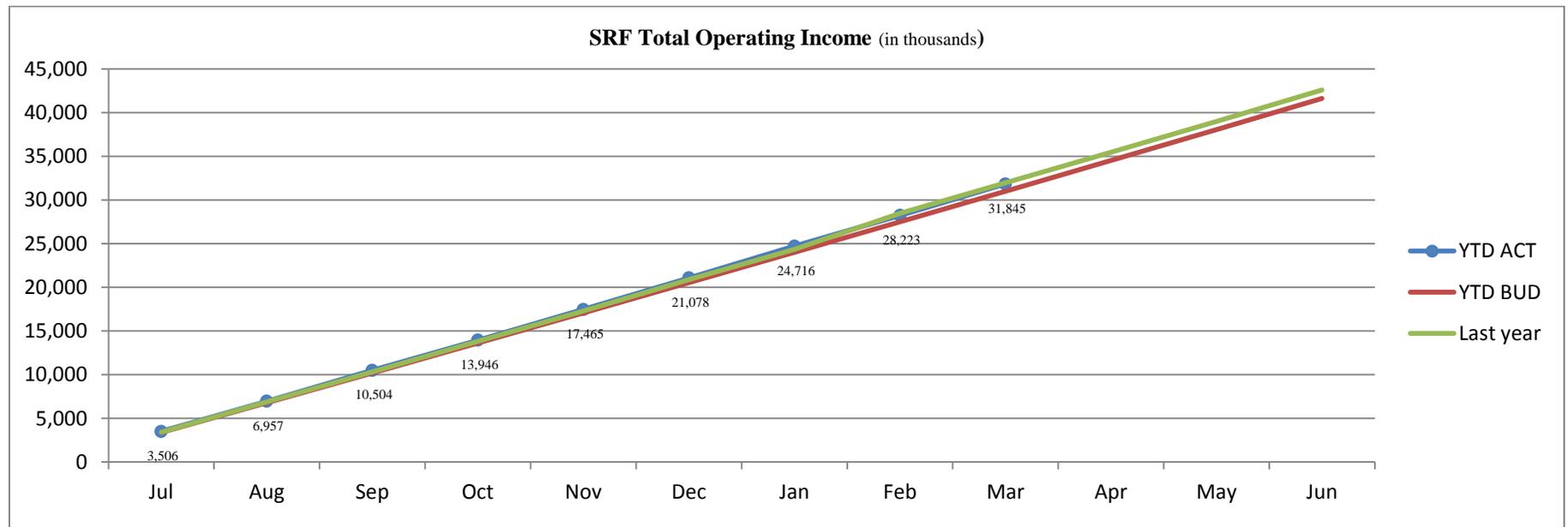


March 2016 State Revolving Fund Highlights

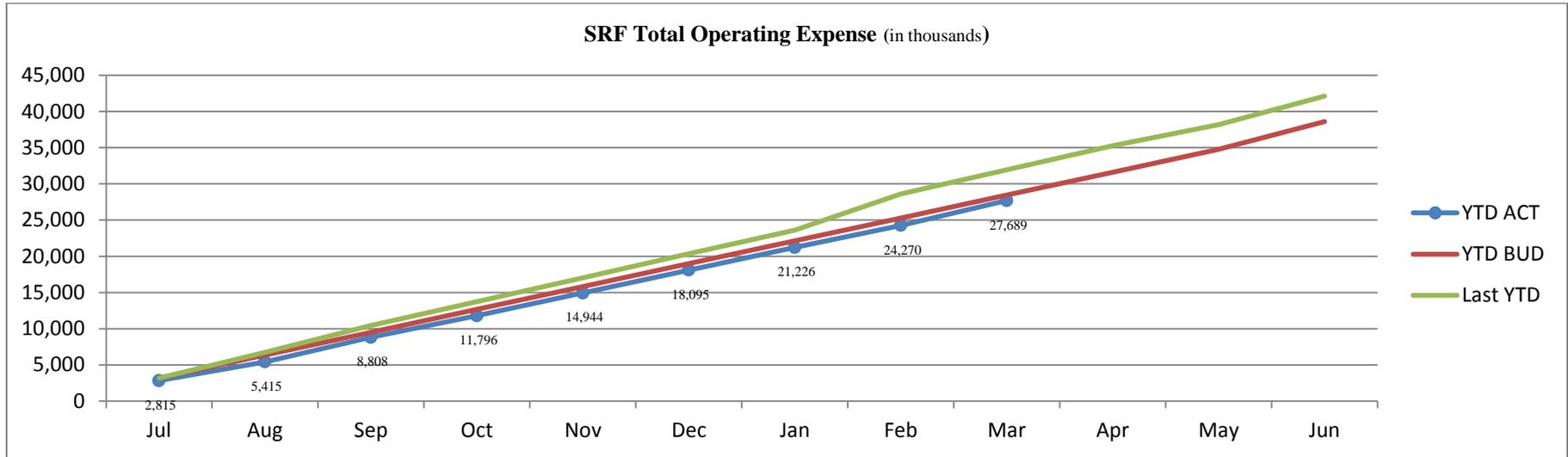
Strategic Goal: Provide low cost financing for water quality through State Revolving Fund.

Performance Target: Close \$100 million construction loans in FY 2016 (\$60 million CW loans and \$40 million DW loans).

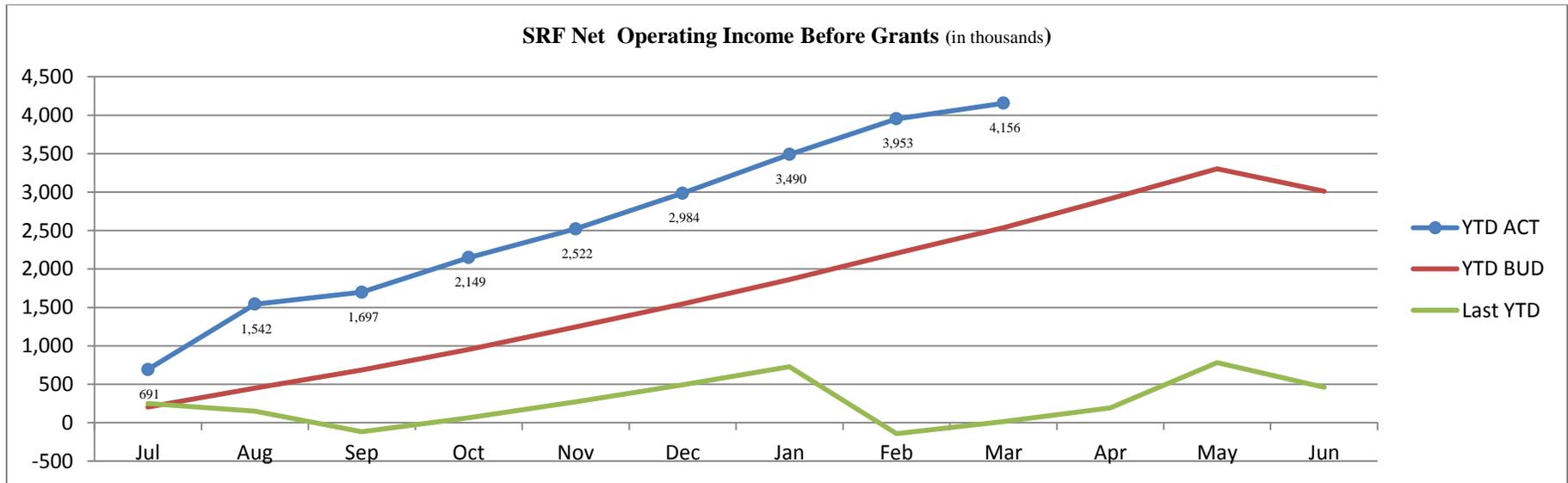
- SRF has funds available of \$145.6 million for loan disbursements, \$0.03 million of cap grants for loan draws, and \$202.8 million in loan commitments.
- There have been disbursements of \$125.4 million of which \$40.5 million was received in the form of cap grant draws.
- Grant income is \$9.4 million above budget as 2015 cap grants have been drawn at a faster pace.



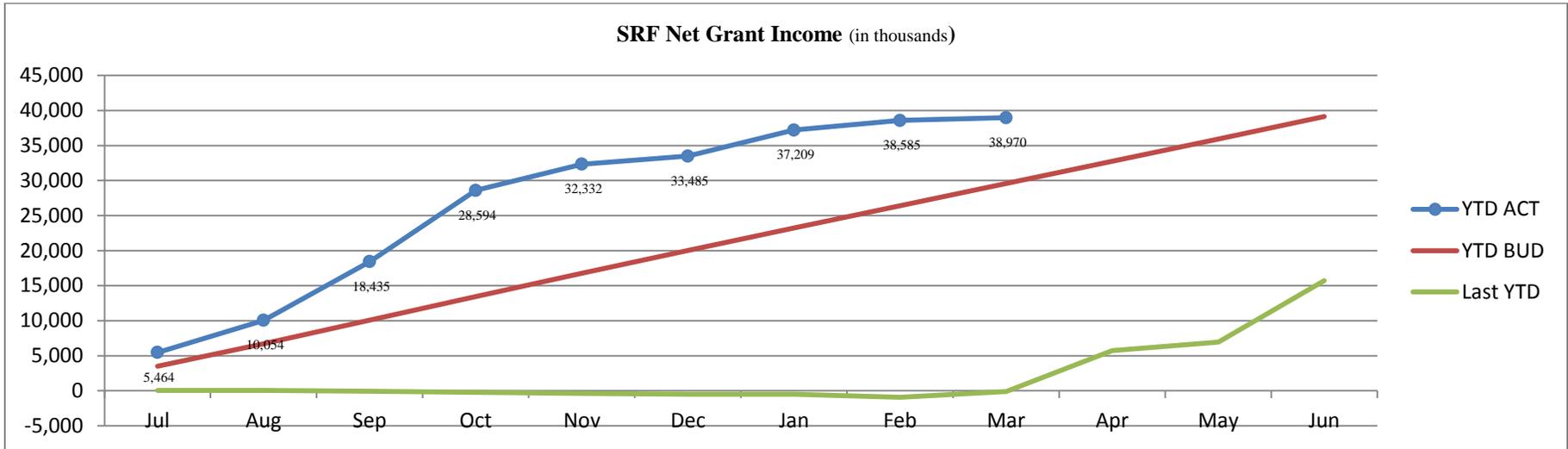
Total Operating Income of \$31,844,582 was \$837,790 or 2.7% above budget and \$116,851 below last year.



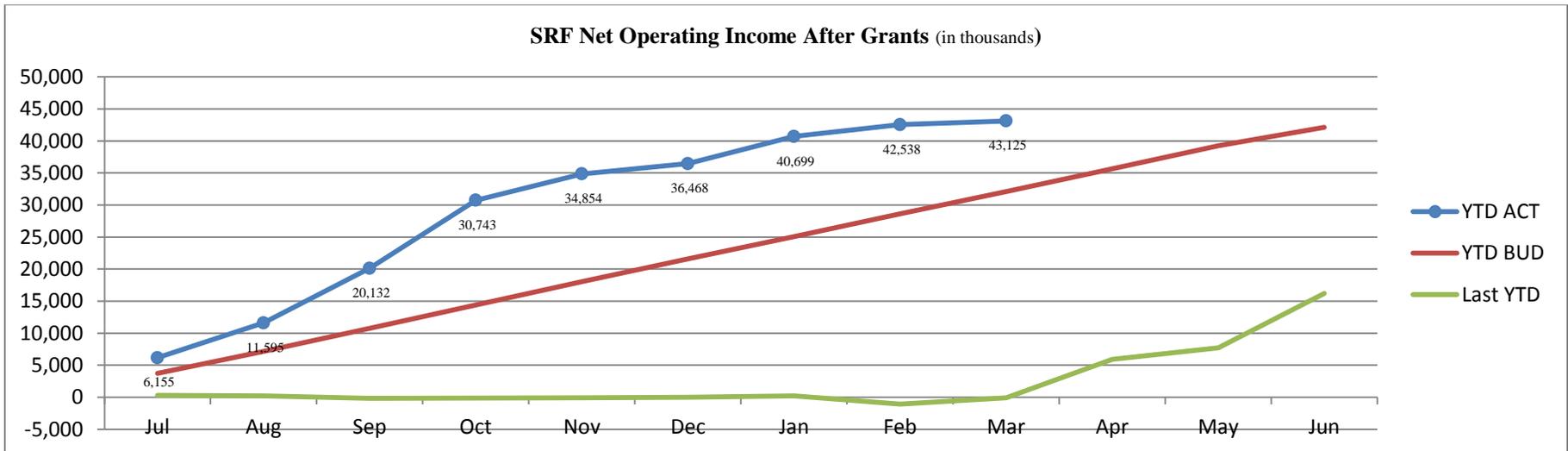
Total Operating Expense of \$27,688,999 was \$780,051 or 2.7% below budget and \$4,256,604 below last year



Net Operating Income Before Grants of \$4,155,582 was \$1,617,841 or 63.8% above budget and \$4,139,753 above last year



Net Grant Income of \$38,969,783 was \$9,386,917 or 31.7% above budget and \$39,073,811 above last year



Net Operating Income After Grants of \$43,125,365 was \$11,004,758 or 34.3% above budget and \$43,213,564 above last year

Cash Position

- There is \$145.6 million of funds available for SRF construction projects funded through the Equity Fund. Also, \$0.03 million of federal cap grants are available for loan draws.
- SRF has \$31.9 million of funds available for planning & design, CW general nonpoint source, and DW source water protection loans funded through the Program Fund.
- There is \$20.2 million of funds available for SRF administrative expenses funded through the Administration Fund. Also, \$3.9 million of federal cap grants are available for set-asides.

Equity/Program/Admin Fund Balances				
<u>Program</u>	<u>Account</u>	<u>Balance at 6/30/2015</u>	<u>Net Cash Inflows (Outflows)</u>	<u>Balance at 3/31/2016</u>
Equity Fund				
Clean Water	12069250/1	128,063,088	(42,659,427)	85,403,661
Drinking Water	12069253/4	<u>65,724,609</u>	<u>(5,507,086)</u>	<u>60,217,523</u>
		193,787,697	(48,166,513)	145,621,184
Program Fund				
Clean Water	22546000	19,961,974	(219,552)	19,742,422
Drinking Water	22546001	<u>12,810,451</u>	<u>(614,823)</u>	<u>12,195,628</u>
		32,772,425	(834,375)	31,938,050
Administration Fund				
Clean Water	22546002	10,832,972	(1,309,370)	9,523,602
Drinking Water	22546003	<u>10,981,458</u>	<u>(278,443)</u>	<u>10,703,015</u>
		21,814,430	(1,587,813)	20,226,617

Federal Capitalization Grants						
As of 3/31/2016						
<u>Grant Award Year</u>	<u>Clean Water</u>		<u>Drinking Water</u>		<u>Total SRF</u>	
	<u>EPA Awards</u>	<u>Remaining</u>	<u>EPA Awards</u>	<u>Remaining</u>	<u>EPA Awards</u>	<u>Remaining</u>
Prior Years	461,199,459	-	228,686,500	-	689,885,959	-
2012	19,128,000	-	15,322,000	-	34,450,000	-
2013	18,069,000	-	14,375,000	1,051,576	32,444,000	1,051,576
2014	18,976,000	-	13,229,000	841,221	32,205,000	841,221
2015	<u>18,879,000</u>	-	<u>13,142,000</u>	<u>1,997,646</u>	<u>32,021,000</u>	<u>1,997,646</u>
	536,251,459	-	284,754,500	3,890,443	821,005,959	3,890,443
	Total federal capitalization grants received to date:					\$ 817,115,516
<u>Available for Loan Draws</u>	<u>Clean Water</u>	<u>Drinking Water</u>	<u>Total</u>	<u>Available for Setasides</u>		
2014	-	-	-	Clean Water	-	
2015	-	<u>26,346</u>	<u>26,346</u>	Drinking Water	<u>3,864,097</u>	
	-	26,346	26,346		3,864,097	

Income Statement	State Revolving Fund (Rollup)													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	3,206,715	3,164,236	42,479	1.3	3,195,201	11,514	0.4	28,515,367	27,957,608	557,758	2.0	28,806,446	(291,080)	-1.0
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	414,451	344,935	69,517	20.2	296,946	117,505	39.6	3,329,215	3,049,183	280,032	9.2	3,154,986	174,229	5.5
Other Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	0	(0)	-100.0
Total Operating Income	3,621,167	3,509,171	111,996	3.2	3,492,148	129,019	3.7	31,844,582	31,006,792	837,790	2.7	31,961,433	(116,851)	-0.4
Operating Expense														
Interest Expense	2,438,331	2,446,095	(7,765)	-0.3	2,465,514	(27,184)	-1.1	21,749,271	22,034,295	(285,024)	-1.3	25,733,779	(3,984,508)	-15.5
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	58,353	60,863	(2,511)	-4.1	55,930	2,423	4.3	497,895	519,121	(21,226)	-4.1	481,486	16,409	3.4
Operating Expenses	4,117	4,799	(682)	-14.2	6,613	(2,496)	-37.7	69,461	70,345	(885)	-1.3	62,201	7,260	11.7
Marketing Expense	378	2,200	(1,822)	-82.8	506	(128)	-25.3	6,636	19,800	(13,164)	-66.5	16,402	(9,767)	-59.5
Professional Services	21,283	41,733	(20,450)	-49.0	21,596	(313)	-1.4	257,482	240,402	17,080	7.1	271,358	(13,876)	-5.1
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	(10,000)	10,000	-100.0	(5,000)	5,000	-100.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	890,282	615,000	275,282	44.8	777,818	112,464	14.5	5,045,230	5,535,000	(489,770)	-8.8	5,328,651	(283,421)	-5.3
Overhead Allocation	6,132	7,050	(919)	-13.0	5,860	272	4.6	63,026	60,087	2,938	4.9	56,727	6,299	11.1
Total Operating Expense	3,418,874	3,177,740	241,134	7.6	3,333,837	85,038	2.6	27,688,999	28,469,050	(780,051)	-2.7	31,945,603	(4,256,604)	-13.3
Net Operating Income (Loss) Before Grants	202,292	331,430	(129,138)	-39.0	158,311	43,982	27.8	4,155,582	2,537,741	1,617,841	63.8	15,829	4,139,753	26152.6
Net Grant (Income) Expense														
Grant Income	(668,529)	(3,680,000)	3,011,471	-81.8	(1,010,254)	341,725	-33.8	(45,362,489)	(34,082,866)	(11,279,622)	33.1	(4,417,912)	(40,944,577)	926.8
Grant Expense	283,403	500,000	(216,597)	-43.3	171,184	112,219	65.6	6,392,706	4,500,000	1,892,706	42.1	4,521,939	1,870,766	41.4
Total Net Grant (Income) Expense	(385,126)	(3,180,000)	2,794,874	-87.9	(839,070)	453,944	-54.1	(38,969,783)	(29,582,866)	(9,386,917)	31.7	104,028	(39,073,811)	-37560.9
Net Operating Income (Loss) After Grants	587,419	3,511,430	(2,924,012)	-83.3	997,381	(409,962)	-41.1	43,125,365	32,120,607	11,004,758	34.3	(88,199)	43,213,564	-48995.8
Non-Operating (Income) Expense	(57,514)	-	(57,514)	0.0	(134,917)	77,402	-57.4	(418,786)	-	(418,786)	0.0	(206,585)	(212,201)	102.7
Net Income (Loss)	644,933	3,511,430	(2,866,497)	-81.6	1,132,298	(487,365)	-43.0	43,544,151	32,120,607	11,423,544	35.6	118,387	43,425,764	36681.3
IFA Home Dept Staff Count	4	4	-	0.0	4	-	0.0	4	4	-	0.0	4	-	0.0
FTE Staff Count	5	6	(1)	-15.9	5	(1)	-9.9	5	6	(1)	-14.3	5	(0)	-9.0

Balance Sheet	State Revolving Fund (Rollup)						
	Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	177,449,027	186,359,386	(8,910,359)	-4.8	209,853,939	(32,404,912)	-15.4
Investments	78,890,288	92,504,143	(13,613,855)	-14.7	113,221,093	(34,330,805)	-30.3
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	1,525,901,233	1,487,099,331	38,801,902	2.6	1,455,275,151	70,626,082	4.9
Capital Assets (net of accumulated depreciation)	(0)	-	(0)	0.0	36,805	(36,806)	-100.0
Other Assets	15,442,547	16,532,537	(1,089,990)	-6.6	15,501,019	(58,472)	-0.4
Deferred Outflows	23,688,442	23,631,536	56,906	0.2	27,781,072	(4,092,630)	-14.7
Total Assets and Deferred Outflows	1,821,371,537	1,806,126,933	15,244,605	0.8	1,821,669,080	(297,543)	0.0
Liabilities, Deferred Inflows, and Equity							
Liabilities and Deferred Inflows							
Debt	945,596,610	945,596,610	-	0.0	1,006,214,056	(60,617,446)	-6.0
Interest Payable	6,201,125	6,203,642	(2,517)	0.0	5,485,977	715,148	13.0
Unearned Income	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	1,000,699	660,424	340,275	51.5	1,075,935	(75,236)	-7.0
Other liabilities	269,655	-	269,655	0.0	-	269,655	0.0
Deferred Inflows	102,838	-	102,838	0.0	-	102,838	0.0
Total Liabilities and Deferred Inflows	953,170,926	952,460,676	710,250	0.1	1,012,775,968	(59,605,042)	-5.9
Equity							
YTD Earnings(Loss)	43,544,151	32,120,607	11,423,544	35.6	118,387	43,425,764	36681.3
Prior Years Earnings	824,656,460	821,545,650	3,110,811	0.4	808,774,726	15,881,734	2.0
Transfers	0	-	0		-	0	
Total Equity	868,200,611	853,666,257	14,534,354	1.7	808,893,112	59,307,499	7.3
Total Liabilities, Deferred Inflows, and Equity	1,821,371,537	1,806,126,933	15,244,605	0.8	1,821,669,080	(297,543)	0.0

Income Statement	Clean Water Programs (Rollup)													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	2,296,187	2,274,555	21,632	1.0	2,285,342	10,845	0.5	20,448,510	20,132,734	315,776	1.6	20,735,811	(287,302)	-1.4
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	325,710	241,437	84,274	34.9	213,533	112,178	52.5	2,446,103	2,137,402	308,700	14.4	2,145,869	300,233	14.0
Other Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	0	(0)	-100.0
Total Operating Income	2,621,898	2,515,992	105,906	4.2	2,498,875	123,023	4.9	22,894,612	22,270,136	624,476	2.8	22,881,681	12,932	0.1
Operating Expense														
Interest Expense	1,804,604	1,807,485	(2,881)	-0.2	1,832,592	(27,988)	-1.5	16,046,519	16,292,474	(245,954)	-1.5	18,659,526	(2,613,007)	-14.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	39,991	39,960	31	0.1	36,890	3,101	8.4	342,871	340,836	2,035	0.6	323,164	19,707	6.1
Operating Expenses	2,793	3,248	(455)	-14.0	4,695	(1,902)	-40.5	48,496	47,177	1,320	2.8	44,152	4,344	9.8
Marketing Expense	325	2,000	(1,675)	-83.8	359	(35)	-9.6	5,216	18,000	(12,784)	-71.0	13,819	(8,602)	-62.3
Professional Services	15,653	28,413	(12,760)	-44.9	16,050	(397)	-2.5	189,934	174,950	14,985	8.6	196,956	(7,022)	-3.6
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	471,265	260,000	211,265	81.3	369,608	101,657	27.5	2,358,304	2,340,000	18,304	0.8	2,568,815	(210,510)	-8.2
Overhead Allocation	4,210	4,621	(410)	-8.9	3,864	347	9.0	43,184	39,377	3,807	9.7	37,976	5,208	13.7
Total Operating Expense	2,338,841	2,145,727	193,114	9.0	2,264,058	74,783	3.3	19,034,526	19,252,813	(218,287)	-1.1	21,844,408	(2,809,882)	-12.9
Net Operating Income (Loss) Before Grants	283,057	370,265	(87,208)	-23.6	234,817	48,240	20.5	3,860,087	3,017,323	842,764	27.9	1,037,273	2,822,814	272.1
Net Grant (Income) Expense														
Grant Income	-	(2,000,000)	2,000,000	-100.0	(91,023)	91,023	-100.0	(22,814,082)	(18,702,866)	(4,111,216)	22.0	(91,023)	(22,723,059)	24964.1
Grant Expense	-	100,000	(100,000)	-100.0	70,406	(70,406)	-100.0	2,881,388	900,000	1,981,388	220.2	906,278	1,975,110	217.9
Total Net Grant (Income) Expense	-	(1,900,000)	1,900,000	-100.0	(20,617)	20,617	-100.0	(19,932,694)	(17,802,866)	(2,129,828)	12.0	815,255	(20,747,949)	-2545.0
Net Operating Income (Loss) After Grants	283,057	2,270,265	(1,987,208)	-87.5	255,434	27,623	10.8	23,792,780	20,820,189	2,972,591	14.3	222,018	23,570,763	10616.6
Non-Operating (Income) Expense	(32,351)	-	(32,351)	0.0	(76,418)	44,067	-57.7	(251,378)	-	(251,378)	0.0	(67,335)	(184,042)	273.3
Net Income (Loss)	315,408	2,270,265	(1,954,857)	-86.1	331,851	(16,443)	-5.0	24,044,158	20,820,189	3,223,969	15.5	289,353	23,754,805	8209.6
IFA Home Dept Staff Count	4	4	-	0.0	4	-	0.0	4	4	-	0.0	4	-	0.0
FTE Staff Count	4	4	(0)	-10.4	4	(0)	-7.7	4	4	(0)	-6.2	4	(0)	-5.5

Balance Sheet	Clean Water Programs (Rollup)						
	Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	127,630,690	132,527,467	(4,896,777)	-3.7	154,952,376	(27,321,686)	-17.6
Investments	44,893,259	66,185,438	(21,292,179)	-32.2	73,352,070	(28,458,812)	-38.8
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	1,108,266,678	1,072,106,146	36,160,532	3.4	1,053,577,768	54,688,910	5.2
Capital Assets (net of accumulated depreciation)	(1,399)	-	(1,399)	0.0	24,733	(26,132)	-105.7
Other Assets	10,900,095	11,939,514	(1,039,419)	-8.7	10,988,883	(88,788)	-0.8
Deferred Outflows	15,341,681	15,314,636	27,045	0.2	17,843,360	(2,501,679)	-14.0
Total Assets and Deferred Outflows	1,307,031,004	1,298,073,200	8,957,804	0.7	1,310,739,190	(3,708,186)	-0.3
Liabilities, Deferred Inflows, and Equity							
Liabilities and Deferred Inflows							
Debt	708,702,763	708,702,763	-	0.0	751,704,331	(43,001,568)	-5.7
Interest Payable	4,631,114	4,633,066	(1,952)	0.0	4,106,371	524,743	12.8
Unearned Income	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	549,175	292,410	256,765	87.8	583,539	(34,365)	-5.9
Other liabilities	179,201	-	179,201	0.0	-	179,201	0.0
Deferred Inflows	68,342	-	68,342	0.0	-	68,342	0.0
Total Liabilities and Deferred Inflows	714,130,594	713,628,238	502,356	0.1	756,394,240	(42,263,646)	-5.6
Equity							
YTD Earnings(Loss)	24,044,158	20,820,189	3,223,969	15.5	289,353	23,754,805	8209.6
Prior Years Earnings	568,792,354	563,624,773	5,167,581	0.9	554,055,597	14,736,757	2.7
Transfers	63,898	-	63,898	-	-	63,898	-
Total Equity	592,900,410	584,444,962	8,455,448	1.4	554,344,950	38,555,460	7.0
Total Liabilities, Deferred Inflows, and Equity	1,307,031,004	1,298,073,200	8,957,804	0.7	1,310,739,190	(3,708,186)	-0.3

Income Statement	Drinking Water Programs (Rollup)													
	Mar-2016							YTD as of Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	910,528	889,681	20,847	2.3	909,859	669	0.1	8,066,857	7,824,875	241,982	3.1	8,070,635	(3,778)	0.0
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	88,741	103,498	(14,757)	-14.3	83,414	5,327	6.4	883,112	911,781	(28,669)	-3.1	1,009,117	(126,005)	-12.5
Other Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Income	999,269	993,179	6,090	0.6	993,273	5,996	0.6	8,949,969	8,736,656	213,314	2.4	9,079,752	(129,783)	-1.4
Operating Expense														
Interest Expense	633,726	638,610	(4,884)	-0.8	632,922	804	0.1	5,702,752	5,741,822	(39,070)	-0.7	7,074,252	(1,371,501)	-19.4
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	18,361	20,903	(2,542)	-12.2	19,040	(678)	-3.6	155,024	178,284	(23,261)	-13.0	158,322	(3,298)	-2.1
Operating Expenses	1,324	1,551	(227)	-14.6	1,918	(594)	-31.0	20,965	23,169	(2,204)	-9.5	18,049	2,916	16.2
Marketing Expense	53	200	(147)	-73.3	147	(93)	-63.7	1,419	1,800	(381)	-21.1	2,584	(1,165)	-45.1
Professional Services	5,630	13,319	(7,690)	-57.7	5,546	84	1.5	67,547	65,452	2,095	3.2	74,402	(6,854)	-9.2
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	(10,000)	10,000	-100.0	(5,000)	5,000	-100.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	419,017	355,000	64,017	18.0	408,210	10,807	2.6	2,686,925	3,195,000	(508,075)	-15.9	2,759,836	(72,911)	-2.6
Overhead Allocation	1,922	2,430	(508)	-20.9	1,996	(75)	-3.8	19,841	20,710	(869)	-4.2	18,750	1,091	5.8
Total Operating Expense	1,080,034	1,032,014	48,020	4.7	1,069,779	10,255	1.0	8,654,474	9,216,237	(561,764)	-6.1	10,101,195	(1,446,722)	-14.3
Net Operating Income (Loss) Before Grants	(80,765)	(38,835)	(41,930)	108.0	(76,506)	(4,259)	5.6	295,496	(479,582)	775,077	-161.6	(1,021,443)	1,316,939	-128.9
Net Grant (Income) Expense														
Grant Income	(668,529)	(1,680,000)	1,011,471	-60.2	(919,231)	250,702	-27.3	(22,548,407)	(15,380,000)	(7,168,407)	46.6	(4,326,889)	(18,221,518)	421.1
Grant Expense	283,403	400,000	(116,597)	-29.1	100,777	182,625	181.2	3,511,318	3,600,000	(88,682)	-2.5	3,615,661	(104,344)	-2.9
Total Net Grant (Income) Expense	(385,126)	(1,280,000)	894,874	-69.9	(818,453)	433,327	-52.9	(19,037,089)	(11,780,000)	(7,257,089)	61.6	(711,227)	(18,325,862)	2576.7
Net Operating Income (Loss) After Grants	304,362	1,241,165	(936,804)	-75.5	741,947	(437,586)	-59.0	19,332,585	11,300,418	8,032,167	71.1	(310,216)	19,642,801	-6332.0
Non-Operating (Income) Expense	(25,163)	-	(25,163)	0.0	(58,499)	33,336	-57.0	(167,408)	-	(167,408)	0.0	(139,250)	(28,158)	20.2
Net Income (Loss)	329,525	1,241,165	(911,640)	-73.5	800,447	(470,922)	-58.8	19,499,993	11,300,418	8,199,575	72.6	(170,966)	19,670,959	-11505.8
IFA Home Dept Staff Count	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
FTE Staff Count	1	2	(1)	-27.6	2	(0)	-15.1	1	2	(1)	-31.4	2	(0)	-17.8

Balance Sheet	Drinking Water Programs (Rollup)						
	Mar-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	49,818,337	53,831,919	(4,013,582)	-7.5	54,901,563	(5,083,226)	-9.3
Investments	33,997,029	26,318,705	7,678,324	29.2	39,869,023	(5,871,993)	-14.7
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	417,634,555	414,993,185	2,641,370	0.6	401,697,383	15,937,172	4.0
Capital Assets (net of accumulated depreciation)	1,399	-	1,399	0.0	12,072	(10,674)	-88.4
Other Assets	4,542,452	4,593,023	(50,571)	-1.1	4,512,137	30,315	0.7
Deferred Outflows	8,346,761	8,316,900	29,861	0.4	9,937,712	(1,590,951)	-16.0
Total Assets and Deferred Outflows	514,340,533	508,053,733	6,286,801	1.2	510,929,890	3,410,644	0.7
Liabilities, Deferred Inflows, and Equity							
Liabilities and Deferred Inflows							
Debt	236,893,846	236,893,846	-	0.0	254,509,725	(17,615,878)	-6.9
Interest Payable	1,570,011	1,570,577	(565)	0.0	1,379,606	190,405	13.8
Unearned Income	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	451,524	368,014	83,510	22.7	492,396	(40,872)	-8.3
Other liabilities	90,454	-	90,454	0.0	-	90,454	0.0
Deferred Inflows	34,496	-	34,496	0.0	-	34,496	0.0
Total Liabilities and Deferred Inflows	239,040,332	238,832,437	207,895	0.1	256,381,727	(17,341,395)	-6.8
Equity							
YTD Earnings(Loss)	19,499,993	11,300,418	8,199,575	72.6	(170,966)	19,670,959	-11505.8
Prior Years Earnings	255,864,107	257,920,877	(2,056,770)	-0.8	254,719,129	1,144,978	0.4
Transfers	(63,898)	-	(63,898)		-	(63,898)	
Total Equity	275,300,202	269,221,295	6,078,906	2.3	254,548,163	20,752,039	8.2
Total Liabilities, Deferred Inflows, and Equity	514,340,533	508,053,733	6,286,801	1.2	510,929,890	3,410,644	0.7



To: Iowa Finance Authority Board
From: Cindy Harris, CFO and Lori Beary, Chief Community Development Officer
Date: April 28, 2016
Re: Reimbursement Resolution for State Revolving Fund (“SRF”)

The financing team for the Authority’s State Revolving Fund Program recommends that the Board approve the attached Resolution authorizing reimbursement of \$100 million of loan disbursements from future SRF bond issues. The following is a summary of the key points concerning this Resolution:

- The Board has approved prior SRF Reimbursement Resolutions. The past three were:
 - November, 2011 – up to \$100 million
 - February, 2013 – up to \$100 million
 - October, 2014 – up to \$100 million
- The Authority issued \$321.5 million in SRF bonds on February 25, 2015 with about \$60 million in premium. The bonds were used for reimbursing the SRF program for disbursements made to loans in the amount of about \$137 million and refunding existing debt in the amount of \$243 million.
- Disbursements for SRF loans average about \$16 million a month (\$11.5 million for Clean Water loans and \$4.5 million for Drinking Water loans).
- Committed SRF Loans yet to be disbursed exceed \$196 million.

**RESOLUTION
FIN 16-05**

**RESOLUTION PROVIDING FOR REIMBURSEMENT OF
CERTAIN COSTS FOR THE IOWA WATER POLLUTION
CONTROL WORKS FINANCING PROGRAM AND THE
IOWA DRINKING WATER FACILITIES FINANCING
PROGRAM**

WHEREAS, in accordance with the federal Water Quality Act of 1987, 33 U.S.C. Section 1381 *et seq.*, and the federal Safe Drinking Water Act, 42 U.S.C. Section 300f *et seq.*, the Iowa Finance Authority (the “Authority”) has heretofore approved the development and implementation of the Iowa Water Pollution Control Works Financing Program (the “Clean Water Program”) and the Iowa Drinking Water Facilities Financing Program (the “Drinking Water Program”) (the Clean Water Program and the Drinking Water Program are sometimes hereinafter collectively referred to as the “SRF Program”) and has issued its bonds to finance projects pursuant to the Clean Water Program and the Drinking Water Program, said bonds being payable from the revenues and receipts derived by the Authority in connection with such projects; and

WHEREAS, the Authority from time to time issues its SRF Program bonds under a Second Amended and Restated Master Trust Agreement dated as of December 1, 2010, between the Authority and Wells Fargo Bank, National Association, as master trustee (collectively, as amended from time to time, the “Master Trust Agreement”), all as authorized pursuant to Sections 16.131, 16.131A, 16.132, 16.133A and Part 5 of Division III of Chapter 455B (Sections 455B.291 through 455B.299, inclusive) of the Code of Iowa, 2015, as amended (together, the “Act”); and

WHEREAS, the Authority now desires to fund additional projects in an aggregate principal amount of not to exceed \$100,000,000 pursuant to the Clean Water Program and the Drinking Water Program and, at a later date as determined in the discretion of the Executive Director or Chief Financial Officer, and in compliance with Section 1.150-2 of the Income Tax Regulations (the “Regulations”) promulgated under the Internal Revenue Code of 1986, as amended, reimburse the Clean Water Program and the Drinking Water Program from the proceeds of subsequent bonds issued pursuant to the Master Trust Agreement;

NOW THEREFORE, BE IT RESOLVED BY THE IOWA FINANCE AUTHORITY AND THE BOARD THEREOF, AS FOLLOWS:

Section 1. Definitions. All terms capitalized herein and not otherwise defined shall have the meanings ascribed to them in the Master Trust Agreement.

Section 2. Purpose and Expectations. The Authority declares: (a) it intends to undertake the making of Loans pursuant to the Clean Water Program and the Drinking Water Program; (b) that other than (i) expenditures to be paid or reimbursed from sources other than bonds, or (ii) expenditures made not earlier than 60 days prior to the date of this Resolution, or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the proceeds of the bonds, or (iv)

expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the Loans to be reimbursed hereunder have heretofore been made by the Authority and no expenditures to be reimbursed will be made by the Authority until after the date of this Resolution; and (c) that the Authority reasonably expects to reimburse the expenditures made for costs of the Loans out of the proceeds of the bonds. This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. Reimbursement of Loans. The Authority is authorized to reimburse the SRF Program from the proceeds of bonds issued under the Master Trust Agreement, for payments made from the Clean Water Program for purchases of Loans, including but not limited to payments made and costs incurred for administration and other costs incurred with respect to the Clean Water Program. The Board authorizes the Executive Director or Chief Financial Officer to determine the timing of such reimbursement and from which subsequent bond issues under the Master Trust Agreement such reimbursement shall be made.

Section 4. Reimbursement of Loans. The Authority is authorized to reimburse the SRF Program from the proceeds of bonds issued under the Master Trust Agreement, for payments made from the Drinking Water Program for purchases of Loans, including but not limited to payments made and costs incurred for administration and other costs incurred with respect to the Drinking Water Program. The Board authorizes the Executive Director or Chief Financial Officer to determine the timing of such reimbursement and from which subsequent bond issues under the Master Trust Agreement such reimbursement shall be made.

Section 5. Timing and Amount of Reimbursement. Reimbursement allocations made under the provisions of this resolution shall be made within the timeframes required under the Regulations and shall not exceed \$100,000,000 in aggregate principal amount. The Executive Director or Chief Financial Officer shall be responsible for making the “reimbursement allocations” described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the reimbursement bonds to reimburse the source of temporary financing used by the Authority to make prior payment of the authorized expenditures. Each allocation shall be evidenced by an entry on the official books and records of the Authority maintained with respect to the bonds and shall specifically identify the actual prior authorized expenditures being reimbursed.

Section 6. Implementation. The Executive Director and Authority staff are authorized to implement this Resolution in the manner deemed necessary and appropriate by the Executive Director, upon advice from Authority staff and Bond Counsel.

Section 7. Prior Resolutions. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary



To: Iowa Finance Authority Board
From: Ashley Jared
Date: April 29, 2016
Re: May Communications Report

**IOWA TITLE GUARANTY
2016 Spring Settlement Conference**

The Iowa Title Guaranty Spring Conference was held April 26 and had a record attendance of 223 real estate professionals, surpassing the previous record of 213 set in 2015.

2016 HousingIowa Conference

The HousingIowa Conference, also known as the *Fun House*, where minds will be challenged and perceptions will be altered will be held Sept. 7-8 at the Des Moines Marriott Downtown. Keynote speakers include Steve Eisman, as portrayed in *The Big Short* and Elizabeth Smart in addition to three full tracks of professional development trainings. More information will be available soon.



Single-Family Summer Campaign

We are in the planning stages of a summer marketing campaign to increase awareness of our homeownership programs amongst Iowa home buyers. The Iowa Association of REALTORS® and Iowa Mortgage Association will be co-sponsoring the campaign, which will include cable television, radio, digital and media relations components. More information will be available soon.

UPCOMING EVENTS

May

- 16: Accountants Liason Meeting, West Des Moines Marriott
- 17: Ligutti Tower Ribbon Cutting, 555 5th Ave., Des Moines
- 23: Media announcement: Campaign kick-off, Governor's Office, Des Moines

June

- 1: Media/partner meetings for homeownership campaign, Cedar Rapids
- 2: Media/partner meetings for homeownership campaign, Davenport
- 3: Media/partner meetings for homeownership campaign, Mason City
- 9-10: IFA/IADD/ITG Board Workshop, Mason City
- 13-15: Iowa State Bar Association's Annual Meeting, Des Moines
- 13-15: COSCDA Midwest Regional Conference, Embassy Suites, Des Moines
- 14: COSCDA Midwest Regional Conference – Bus tour of projects, Des Moines
- 16: IADD Beginning Farmer Webinar
- 17: Affordable Housing Conference, Coralville
- 22: IADD Regional Board Meeting, Washington County Fairgrounds, Washington

MUNICIPAL DERIVATIVES SETTLEMENT
PO BOX 2500
FARIBAULT MN 55021-9500

03-28 '16 9:09:50

PRESORTED
FIRST-CLASS
U.S. POSTAGE PAID
PALATINE P&DC, IL
PERMIT #417

IMPORTANT LEGAL MATERIALS



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IOWA FINANCE AUTHORITY

2015 GRAND AVE

DES MOINES, IA 50312-4901

March 24, 2016

Dear Sir/Madam:

You are receiving this letter because your organization has been identified as having been (or may have been) involved in the purchase of municipal derivatives. There is a proposed Settlement in a class action lawsuit regarding the sale of municipal derivatives by George K. Baum & Company (“GKB”), National Westminster Bank PLC (“NatWest”), Natixis Funding Corp., Piper Jaffray & Co., Societe Generale SA, and UBS AG (“UBS”).

The Settlement includes all state, local and municipal government entities, independent government agencies and private entities that purchased municipal derivatives any time from January 1, 1992 through August 18, 2011. The Settlement affects only the claims against George K. Baum & Company (“GKB”), National Westminster Bank PLC (“NatWest”), Natixis Funding Corp., Piper Jaffray & Co., Societe Generale SA, and UBS AG (“UBS”).

Please read the enclosed detailed notice, which provides additional information about the lawsuit, as well as the enclosed distribution plan and Claim Form, which provides information about how you can submit a claim for proceeds from the Settlement. If you are not the appropriate contact, can you please assist us in our efforts by forwarding this notice packet to the appropriate person/office in your organization that handles the purchase of municipal derivatives?

If you have any questions, please visit the website at www.MunicipalDerivativesSettlement.com or call 1-877-310-0512.

Sincerely,

Settlement Administrator

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

**If You Purchased Municipal Derivative Transactions
from January 1, 1992, to August 18, 2011**

**You Could Get a Payment from a Class Action Settlement with
UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co.,
National Westminster Bank Plc, and George K. Baum & Co.**

A Federal Court authorized this notice. It is not a solicitation from a lawyer.

- A class action lawsuit called *In re Municipal Derivatives Antitrust Litigation* is pending in the United States District Court for the Southern District of New York. The lawsuit alleges price-fixing in the sale of municipal derivative transactions by UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, George K. Baum & Co., and other companies (which together are called the “Defendants”). Each Defendant has denied and continues to deny (1) each and all of the claims and allegations of wrongdoing made by Class Plaintiffs in the Action and maintains that it has meritorious defenses; (2) all charges of wrongdoing or liability against it arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action, and contends that the factual allegations made in the Action relating to it are materially inaccurate; and (3) that Class Plaintiffs or any Class Member were harmed by any conduct of Defendant alleged in the Action or otherwise. Each Defendant agreed to enter into this Agreement solely to avoid further the expense, inconvenience, and the distraction of burdensome and protracted litigation.
- Proposed settlements of that class action lawsuit (“Settlements”) have been reached with UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co. (“Settling Defendants”), Defendants in the above litigation. To resolve the claims against them, the Settling Defendants have entered into separate Settlements, and have agreed to pay settlement amounts in the aggregate over \$100 million (the “Settlement Amounts”), as detailed within this notice, subject to the terms and conditions of the Settlement Agreements for the benefit of the Class (defined below), and, in some instances, to provide reasonable cooperation, including discovery cooperation, to Class Plaintiffs’ Counsel for the benefit of the Class. Co-Lead Counsel, jointly with Certain State Attorneys General, reached the settlements with Societe Generale SA and Natixis Funding Corporation that are addressed within this Notice.
- The Settlement must be approved by the Court to become final. The Court will hold a hearing on **July 8, 2016, at 2:00 p.m.** to consider whether the Settlements should be approved as fair, reasonable, and adequate to the Class (“Fairness Hearing”).

YOUR LEGAL RIGHTS AND OPTIONS FOR THE SETTLEMENT:

YOU MAY EITHER:		DUE DATE:
STAY IN THE CLASS	This is the only way to be eligible to get a payment from the Settlement Amount from the settlements with Defendants. This payment will be made at a later time.	No action required
OR:		
EXCLUDE YOURSELF FROM THE CLASS	You will get no payment from the Settlement Amount. Excluding yourself from the Class is the only way to keep the right to sue Defendants, at your own expense, or be part of any other lawsuit against Defendants, for the same legal claims alleged in this lawsuit. <i>See Question 16.</i>	May 17, 2016
IF YOU STAY IN THE CLASS, YOU MAY:		
DO NOTHING/FILE A CLAIM FORM or	Take no position on the Settlements. You are automatically a member of the Class if you fit within the definition of the Class. <i>See Question 8.</i> You will need to file a claim form to receive any payment. <i>See Question 13.</i>	July 28, 2016 (claim deadline)
OBJECT and/or	Write to the Court about why you don’t like the Settlements. <i>See Question 22.</i>	June 20, 2016
GO TO A HEARING	Ask to speak to the Court, on your own or through a lawyer at your expense. <i>See Questions 22 and 26.</i>	July 8, 2016, at 2:00 p.m.

PLEASE READ THIS ENTIRE NOTICE CAREFULLY.

**IT EXPLAINS YOUR RIGHTS AND OPTIONS REGARDING THE SETTLEMENT
AND STATES THE DEADLINES FOR EXERCISING THEM.**

WHAT THIS NOTICE CONTAINS

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3. Who are the Class Representatives in this lawsuit?
4. Who are the Defendants and Co-Conspirators?
5. What claims are the Class Representatives making on my behalf?
6. Why is there a Settlement?
7. Are All Defendants other than Bank of America settling?

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11. What does the Settlement provide?
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13. How can I get a payment?
14. When would I get a payment?
15. What am I giving up to stay in the Class?

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16. How do I get out of the Class?
17. If I don't exclude myself from the Class, can I sue Settling Defendants later?
18. If I exclude myself from the Class, can I get money as a result of the Settlements?
19. What if I participated in the State AG Settlements?

THE LAWYERS REPRESENTING YOU..... Page 8

20. Do I have a lawyer in this case?
21. How will the lawyers be paid?

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22. If I disagree with the Settlement, how do I tell the Court?
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24. When and where will the Court decide whether to approve the Settlement?
25. Do I have to come to the hearing?
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GETTING MORE INFORMATION..... Page 9

28. Are there more details about the Settlement?
29. How do I get more information?
30. How can I update my address?

BASIC INFORMATION

1. Why did I get this notice?

This class action, *In re Municipal Derivatives Antitrust Litigation*, is about the sale of municipal derivative transactions (described below) in the United States and its territories from January 1, 1992, to August 18, 2011. You have been identified as an entity that may have purchased one or more municipal derivative transactions that were sold during that time frame. If you purchased a municipal derivative transaction from one or more of the Defendants or Alleged Co-Conspirators (Alleged Co-Conspirators are identified in **Question 4** below) or that was brokered by one or more of the Defendants or Alleged Co-Conspirators, then you may be a member of the class conditionally certified by the Court for the purposes of these Settlements (the "Class").

If you are eligible for benefits from these Settlements, you have a right to know about it and about all of your options before the Court decides whether to approve the Settlements. This notice describes the lawsuit, the Settlements, your legal rights, what benefits are available, who is eligible for those benefits, and how to get them. In particular, you may be eligible to receive a cash payment.

2. What is a class action?

A class action is a lawsuit brought by one or more representative parties, called "Plaintiffs" or "Class Representatives," on behalf of themselves and other similarly situated entities or persons. (The Plaintiffs here are defined in **Question 3**, below.) The members of this group are known collectively as a class. The parties being sued are called the defendants. The court appoints attorneys, called "Class Counsel," to represent the Plaintiffs and other members of the class. (Class Counsel are defined in **Question 20**, below.) Together, the Class Representatives, Class Counsel, and the Court share the responsibility to ensure that the interests of all class members are adequately represented. The Court resolves the claims of all class members except those who exclude themselves from the class. U.S. District Judge Victor Marrero of the U.S. District Court for the Southern District of New York is in charge of supervising this class action.

When the Plaintiffs enter into a proposed settlement with a defendant, such as those with UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., in this case, the Court must approve the settlement before it becomes final. Before the Court decides whether to grant approval, the class members are first given notice of the settlement and an opportunity to be heard about whether they want the settlement to become final. The Court then conducts a hearing, called a fairness hearing, to consider whether the proposed settlement is fair, reasonable and adequate to the class.

Members of the class are not individually responsible to pay attorneys' fees or litigation expenses of Class Counsel. Instead, attorneys' fees and litigation expenses are paid from a settlement (or a judgment if there has been a trial), and only after being approved by the Court.

3. Who are the Class Representatives in this lawsuit?

The Plaintiffs, or Class Representatives, in this class action are the Mayor and City Council of Baltimore and the Central Bucks School District. They allege that they purchased one or more municipal derivative transactions from January 1, 1992, to August 18, 2011, from or through one or more of the Defendants.

4. Who are the Defendants and Alleged Co-Conspirators?

The Defendants and Alleged Co-Conspirators in this class action fall into two groups: (1) "Alleged Provider Defendants" and "Alleged Provider Co-Conspirators," which are financial institutions that sold the municipal derivative transactions to members of the Class, and (2) "Alleged Broker Defendants" and "Alleged Broker Co-Conspirators," which are companies that brokered the sales of municipal derivative transactions to members of the Class.

For purposes of determining who is a member of the Class, Defendants and Alleged Co-Conspirators include those named or that could have been named in *In re Municipal Derivatives Antitrust Litigation*, MDL No. 1950, Master Docket No. 08-02516 (VM) (GWG), which is currently pending in the U.S. District Court for the Southern District of New York, and all of the actions filed in or transferred to the U.S. District Court for the Southern District of New York for coordination or consolidation with MDL No. 1950 (a complete list is available at www.MunicipalDerivativesSettlement.com). In addition to UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., the following entities are Defendants or Alleged Co-Conspirators in the lawsuit:

Alleged Provider Defendants

- | | |
|--|---|
| <ul style="list-style-type: none">• Bank of America, N.A.*** | <ul style="list-style-type: none">• GE Funding Capital Market Services, Inc., Trinity Funding Co., LLC and Trinity Plus Funding Co., LLC*** |
|--|---|

Provider Alleged Co-Conspirators

- | | |
|---|--|
| <ul style="list-style-type: none">• AIG Financial Products Corp.• Financial Security Assurance Holdings, Ltd.• Financial Security Assurance, Inc.• JP Morgan Chase & Co., J.P. Morgan Securities, Inc. (n/k/a J.P. Morgan Securities LLC) and Bear Stearns & Co., Inc. (n/k/a/ J.P. Morgan Securities LLC)**• Morgan Stanley* | <ul style="list-style-type: none">• Lehman Brothers• SunAmerica Life Assurance Co.• MG Financial Products Corp.• Wachovia Bank, N.A. (n/k/a Wells Fargo Bank, N.A.)**• XL Asset Funding Co. I, LLC• XL Capital Ltd.• XL Life Insurance & Annuity, Inc. |
|---|--|

Alleged Broker Defendants

- | | |
|---|--|
| <ul style="list-style-type: none">• CDR Financial Products• Investment Management Advisory Group, Inc. | <ul style="list-style-type: none">• Sound Capital Management, Inc.• Winters & Co. Advisors, LLC |
|---|--|

Broker Alleged Co-Conspirators

- | | |
|---|---|
| <ul style="list-style-type: none">• Feld Winters Financial LLC• First Southwest Company• Kinsell Newcomb & De Dios Inc. | <ul style="list-style-type: none">• Mesirov Financial• Morgan Keegan & Co., Inc.• PackerKiss Securities, Inc. |
|---|---|

* On November 23, 2011, the Court approved the Plaintiffs' settlement with Morgan Stanley.

** On December 14, 2012, the Court approved the Plaintiffs' settlement with Wells Fargo/Wachovia and JPMorgan.

*** On June 6, 2014, the Court approved the Plaintiffs' settlement with Bank of America and GE Funding Capital Market Services.

5. What claims are the Class Representatives making on my behalf?

The Class Representatives claim that the Defendants violated federal antitrust laws by conspiring to fix, maintain or stabilize the price of municipal derivative transactions and by rigging bids and allocating customers and markets for municipal derivative transactions in the United States. Municipal derivative transactions are defined as financial products used by issuers of tax-exempt municipal bonds (such as states, cities, counties, or their agencies, and tax-exempt, non-profit private entities) to invest the money received from such bond offerings while they are waiting to spend it or to hedge or manage the interest rate risk associated with such bond offerings. Municipal derivative transactions come in many varieties. Some of the more common types are:

- | | |
|---|--|
| <ul style="list-style-type: none">• Guaranteed investment contracts• Interest-rate swaps• Options | <ul style="list-style-type: none">• "Swaptions" (a combination of a swap and an option)• Interest-rate floors• Collars |
|---|--|

By this lawsuit, the Class Representatives are seeking compensation from the Defendants for these claimed violations, alleging that the Defendants' conduct restrained, suppressed or eliminated price competition for municipal derivative transactions, causing the members of the Class to receive lower returns on municipal derivative transactions than they would have received absent Defendants' alleged conduct.

Each Defendant has denied and continues to deny (1) each and all of the claims and allegations of wrongdoing made by Class Plaintiffs in the Action and maintains that it has meritorious defenses; (2) all charges of wrongdoing or liability against it arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action, and contends that the factual allegations made in the Action relating to it are materially inaccurate; and (3) that Class Plaintiffs or any Class Member were harmed by any conduct of Defendant alleged in the Action or otherwise. Each Defendant agreed to enter into this Agreement solely to avoid further the expense, inconvenience, and the distraction of burdensome and protracted litigation.

6. Why is there a Settlement?

The Settlements, if approved, will resolve the remaining claims in the Class litigation. The Court has not decided in favor of either the Plaintiffs or UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, or George K. Baum & Co. Instead, all sides have agreed to the Settlements, which are separate agreements between the Class Representatives and, respectively, UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co. That way, all sides avoid the cost and risk of continuing the case.

The Class Representatives and their attorneys, appointed by the Court to serve as Class Counsel, believe that the Settlements are best for all members of the Class. If the Settlements are approved by the Court and the Court's approval order becomes final, the Settlement Amounts will be paid into the settlement fund in exchange for dismissal and resolution of the claims against them.

7. Are All Defendants other than the Settling Defendants settling?

These Defendants are the last remaining Defendants in the case. However, if any one of these Settlements with a particular Defendant is not approved, the litigation will proceed against that Defendant. If you participate in these Settlements, you will keep your rights to participate or exclude yourself from any other class that may be certified by the Court in this lawsuit as a result of Plaintiffs' motion for certification of such a class or as a result of a settlement with one or more of the other Defendants.

WHO IS AFFECTED BY THE SETTLEMENT?

To see if you are affected by the Settlements, you first have to determine if you are a member of the Class.

8. How do I know if I am a member of the Class?

Included in the Class are state, local and municipal government entities, independent government agencies, quasi-government, and private entities that purchased municipal derivative transactions through negotiation, competitive bidding, or auction:

- From any Alleged Provider Defendant or Alleged Co-Conspirator or brokered by any Alleged Broker Defendant or Alleged Co-Conspirator described in Question 4 (a complete list is available at www.MunicipalDerivativesSettlement.com);
- At any time from January 1, 1992, through August 18, 2011; and
- In the United States and its territories or for delivery in the United States and its territories.

9. Are there exceptions to being included in the Class?

Excluded from the Class are:

- UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, George K. Baum & Co., and their affiliates, and any of their officers, directors or employees.
- Any judge, justice or judicial officer presiding over this matter and the members of their immediate families and judicial staffs.
- Any Alleged Provider or Broker Defendant or Alleged Co-Conspirator.

10. What if I'm still not sure if I'm included in the Class?

If you are not sure whether you are a member of the Class, you may visit the Municipal Derivatives Settlement website at www.MunicipalDerivativesSettlement.com, call toll-free 1-877-310-0512, or write to Municipal Derivatives Settlement, c/o Rust Consulting, P.O. Box 2500, Faribault, MN 55021-9500.

You may also want to call your broker(s) to see if you purchased municipal derivative transactions from January 1, 1992, to August 18, 2011.

THE SETTLEMENT BENEFITS

11. What does the Settlement provide?

Under the Settlement, the Settlement Amounts are as follows:

- | | |
|---------------------------------|--------------------|
| • UBS AG | \$ 32 million |
| • Natixis Funding Corp. | \$ 28.4525 million |
| • Société Générale S.A. | \$ 25.4125 million |
| • Piper Jaffray & Co. | \$ 9.75 million |
| • National Westminster Bank Plc | \$ 3.5 million |
| • George K. Baum & Co. | \$ 1.4 million |

UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., and George K. Baum & Co., will also provide reasonable cooperation to Class Plaintiffs' Counsel (to the extent necessary if any of the settlements are not finally approved), as described in the Settlement Agreements. In addition, UBS AG, Société Générale S.A., Natixis Funding Corp., Piper

Jaffray & Co., and National Westminster Bank Plc. have the option to terminate the Settlement if more than a certain percentage of Class members exclude themselves from the Classes, as explained in the Settlement Agreements.

This is only a summary of the Settlements. The Settlement Agreements are on file with the Clerk of the Court at the address indicated in this notice and are available at the official Municipal Derivatives Settlement website at www.MunicipalDerivativesSettlement.com.

12. How much will my payment be?

The Settlement Amount will be distributed pursuant to a plan of allocation that has been preliminarily approved by the Court and will be submitted to the Court for final approval at the final approval hearing (*see* Question 13). That plan of allocation is attached to this notice and Class members can comment on it before the Court approves it. Payments will also depend, in part, on the number of valid claim forms thus far and subsequently received.

13. How can I get a payment?

A Claim Form is attached. To be considered for payment, your Claim must be submitted online (at www.MunicipalDerivativesSettlement.com), **OR** mail it by **July 28, 2016**. If you previously submitted a Claim Form, and you do not have any changes to make to it, you do not need to do anything—your previous Claim Form will be used for these settlements.

If you are a member of the Class and do not exclude yourself from the Class, you are eligible to file a claim for a payment from the Settlement Amount. At the Fairness Hearing, the Court will be asked to finally approve a plan, called a “Plan of Allocation,” explaining how the Settlement Amount will be divided among eligible Class members. That plan of allocation is attached. *See* Question 12.

You will need to properly complete and submit the Claim Form in order to receive a payment. The Claim Form includes instructions for completing and returning it. You may be asked to submit documentation of your purchases of municipal derivative transactions along with your claim form, so you should keep all of your records.

Claim forms will also be available at the Municipal Derivatives Settlement website or by writing the Settlement Administrator.

14. When would I get a payment?

You should be aware that it will take a significant amount of time to process fully all of the Claim Forms and to administer the Settlements. This work will be completed as promptly as time permits, given the need to investigate and tabulate each Claim Form. Please be patient. Check the Municipal Derivatives Settlement website for updates.

15. What am I giving up to stay in the Class?

Unless you exclude yourself from the Class (*see* Question 16), you will remain in the Class and your interests will be represented by the Class Representatives and Class Counsel at no cost to you. However, you may have your own attorney represent you at your expense if you choose to do so.

If you remain in the Class, you will be bound by all of the Court’s decisions with respect to the Settlements. Also, you will lose the right to sue or continue to sue UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., in this case or any other lawsuit about the issues and claims in this case. However, you will not give up certain potential claims unrelated to municipal derivatives transactions that you might have against UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co. The Settlement Agreements, which are available at www.MunicipalDerivativesSettlement.com, describe in more detail the legal claims that you give up if you stay in the Class, and they contain the full release provisions. We are only providing a brief summary herein.

In addition, because the Settlements involve only UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., and do not affect the rights of the Class members against any of the other Defendants, you will not give up any claims against them in this or any other lawsuit.

EXCLUDING YOURSELF FROM THE CLASS

If you don’t want a payment from the Settlement Amount and you want to keep the right to sue UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and/or George K. Baum & Co. about the claims or issues in this case, then you must take steps to get out of the Class. This is called excluding yourself—sometimes referred to as “opting out” of the class.

16. How do I get out of the Class?

You have the right to exclude yourself from the Class. You can choose to exclude yourself from some but not all Settlements. If you ask to be excluded, however, you will not get any payment as a result of the Settlements from which you exclude yourself, and you cannot object to those Settlements. You will not be bound by the Settlements from which you exclude yourself and will have the right to sue or continue to sue the Defendants involved in the Settlements from which you exclude yourself.

To exclude yourself from the Class, you must send a written request by first-class mail, *postmarked no later than May 17, 2016*, to:

Municipal Derivatives Settlement
c/o Rust Consulting, Inc.
P.O. Box 2500
Faribault, MN 55021-9500

If you wish to exclude yourself, you must exclude yourself in a separate writing for each Settlement from which you would like to be excluded (i.e., the Settlements with UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co.). Your exclusion request(s) must clearly state the following:

- (a) Your name, address, and telephone number;
- (b) All trade names or business names and addresses that you have used, as well as any subsidiaries, divisions, groups, affiliates, or other entities that you used to enter transactions on your behalf, that have purchased by negotiation, competitive bidding or auction municipal derivatives directly from an Alleged Provider Defendant or Alleged Co-Conspirator, or through an Alleged Broker Defendant or Alleged Co-Conspirator, at any time from January 1, 1992, through August 18, 2011, in the United States and its territories or for delivery in the United States and its territories that are also requesting exclusion;
- (c) A description of the municipal derivative transactions you purchased that fall within the Class definition (including the identity of the provider and broker, the date of the transaction, the type of transaction, any transaction identification numbers and the notional amount of the transactions), to the extent such information is available;
- (d) The name of the class action you wish to exclude yourself from:
 - a. *In re Municipal Derivatives Antitrust Litigation – UBS AG Settlement*, MDL No. 1950, Master Docket No. 08-02516 (S.D.N.Y.); or
 - b. *In re Municipal Derivatives Antitrust Litigation – Société Générale S.A. Settlement*; or
 - c. *In re Municipal Derivatives Antitrust Litigation – Natixis Funding Corp. Settlement*; or
 - d. *In re Municipal Derivatives Antitrust Litigation – Piper Jaffray & Co. Settlement*; or
 - e. *In re Municipal Derivatives Antitrust Litigation – National Westminster Bank Plc Settlement*; or
 - f. *In re Municipal Derivatives Antitrust Litigation – George K. Baum & Co. Settlement*; and
- (e) A signed statement that you request to be excluded from the Class.

Please note that you may have previously received similar notices regarding settlements with other Defendants (i.e., Morgan Stanley, JP Morgan Chase & Co., J.P. Morgan Securities, Inc., Wachovia Bank, N.A. (n/k/a Wells Fargo Bank, N.A.), Bank of America, N.A., GE Funding Capital Market Services, Inc., Trinity Funding Co., LLC and Trinity Plus Funding Co., LLC). These were separate settlements, and if you wish to exclude yourself from the UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and/or George K. Baum & Co. settlements, you **must** send a separate and specific notice containing the information noted above with regard to each of the Settling Defendant settlements.

Information about excluding yourself is also available on the Municipal Derivatives Settlement website at www.MunicipalDerivativesSettlement.com.

17. If I don't exclude myself from the Class, can I sue the Settling Defendants, later?

No, not about the issues in this case. Unless you exclude yourself, you give up any right to sue UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and/or George K. Baum & Co., for the claims or issues resolved by these Settlements. If you have a pending lawsuit against UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, or George K. Baum & Co., involving the claims or issues in this class action, speak to your lawyer in that case immediately. (You must exclude yourself from *the relevant* Class in order to continue participation in any other lawsuit against UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., involving the claims or issues in this class action.)

18. If I exclude myself from the Class, can I get money as a result of the Settlements?

No. If you exclude yourself from the Class, you will not be able to get any money as a result of the Settlements, and you cannot object to the Settlements; however, you may be able to UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and/or George K. Baum & Co. on your own in the future, and you will not be bound by any decisions relating to these Settlements.

19. What if I participated in the State AG Settlements?

If you entered into municipal derivative transactions with certain entities—including Bank of America, GE, JP Morgan, UBS, and Wachovia—you may have been eligible to participate in the State AG Settlements relating to those entities. To the extent that you were eligible to participate in the State AG Settlement, you should have received a separate notice concerning the State AG Settlements. Class members who participated in the State AG settlements must indicate that on the Claim Form. The plan of allocation explains how those with claims eligible for participation in the State AG settlements are treated here.

THE LAWYERS REPRESENTING YOU

20. Do I have a lawyer in this case?

Yes. The Court has appointed the law firms of Hausfeld LLP; Boies, Schiller & Flexner LLP; and Susman Godfrey L.L.P. to serve as interim lead Class Counsel to represent your claims. If you want to be represented by your own lawyer, you may hire one at your own expense.

21. How will the lawyers be paid?

You are not personally responsible for payment of attorneys' fees or expenses for Class Counsel. Instead, as compensation for their time and the risk in litigating the case on a contingent basis, Class Counsel will ask the Court to approve from the Settlement Amount an interim payment of attorneys' fees, as well as an interim reimbursement for their expenses actually incurred in the prosecution of the litigation. Class Counsel will make a request for fees (equaling up to 1/3 of the total Settlement Amounts) and expenses at or before the date for objections on June 20, 2016 (*see* Question 24), and this request will be made available at the Municipal Derivatives Settlement website. Now or at some point in the future, Class Counsel may also ask the Court to approve compensation for the work of the Class Representatives as well, for up to \$20,000 each for each settlement.

If you wish to object to the request for attorneys' fee and expenses, you must file your objection by June 20, 2016 as described in Question 22 below.

OBJECTING TO THE SETTLEMENT OR THE REQUEST FOR ATTORNEYS' FEES AND EXPENSES

You can tell the Court that you don't agree with all or part of the Settlements or Class Counsel's request for attorneys' fees and expenses.

22. If I disagree with the Settlements, how do I tell the Court?

If you don't exclude yourself from the Class, you can object to the Settlements or any part of it with which you do not agree. The Court will consider your views. To object you must mail or deliver copies of your objection (and all supporting documentation) **no later than** June 20, 2016 to the following addresses:

Settlement Administrator	Clerk of the Court
Rust Consulting, Inc. P.O. Box 2500 Faribault, MN 55021-9500	Clerk of the Court United States Courthouse 500 Pearl Street New York, N.Y. 10007

Your letter must:

- (a) Explain the basis for your objection; and
- (b) Include proof of your membership in the Class (such as documents showing that you purchased municipal derivative transactions from or through one or more of the Defendants or Alleged Co-Conspirators from January 1, 1992, to August 18, 2011).

23. What's the difference between objecting to the Settlement and excluding myself from the Class?

Objecting is simply telling the Court that you don't agree with something about the Settlements. You can object to the Settlements only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the Settlements no longer affect you.

THE COURT'S FAIRNESS HEARING

24. When and where will the Court decide whether to approve the Settlements?

The Court has scheduled a Fairness Hearing on **July 8, 2016, at 2:00 p.m.** at the United States District Court for the Southern District of New York, 500 Pearl Street, New York, NY 10007. At the Fairness Hearing, Judge Marrero will consider whether the Settlements and plan of allocation are fair, reasonable and adequate. The Court will consider any objections and whether to approve Class Counsel's request for reimbursement of litigation fees and expenses. The Court may change the time and date of the Fairness Hearing. If so, notice of any change will be posted at the courthouse or on the Court's website. The change will also be posted at www.MunicipalDerivativesSettlement.com. You should confirm the time and location of the Fairness Hearing if you plan to attend.

25. Do I have to come to the hearing?

No. At the Fairness Hearing, Class Counsel will represent all the Class. However, you or your attorney may attend at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed a written objection meeting the requirements set forth in Question 22, the Court will consider it.

26. May I speak at the hearing?

Yes. If you don't exclude yourself from the Class, you may ask the Court for permission for you or your attorney to speak at the Fairness Hearing at your expense. To do so, however, **no later than June 20, 2016** you must:

- (1) File a written notice of your intention to appear, along with any other papers or briefs supporting your objection, with the Clerk of Court at the address listed in Question 22;

and

- (2) Mail or deliver copies of the notice and any supporting papers or briefs to the addressees listed in Question 22.

The notice must be accompanied by:

- (a) A signed statement indicating your position on the Settlement(s); and
- (b) Proof of your membership in the Class (such as documents showing that you purchased municipal derivative transactions from or through one or more of the Defendants or Alleged Co-Conspirators from January 1, 1992, to August 18, 2011).

IF YOU DO NOTHING

27. What happens if I do nothing at all?

You do not need to do anything to remain in the Class. You are automatically a Class member if you fit the definition in Question 8. You will be bound by all Court orders, good or bad, and you give up your right to sue UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., about the issues in this case if you do not exclude yourself.

As explained in Question 13, to be considered for payment, your Claim must be submitted online (at www.MunicipalDerivativesSettlement.com), **OR** mail it by **July 28, 2016**. If you previously submitted a Claim Form, and you do not have any changes to make to it, you do not need to do anything—your previous Claim Form will be used for these settlements.

GETTING MORE INFORMATION

28. Are there more details about the Settlement?

This notice only summarizes the Settlements. More details and the full controlling terms are in the Settlement Agreements between the Plaintiffs and Defendants. You can get a copy of each of the Settlement Agreements by visiting www.MunicipalDerivativesSettlement.com.

29. How do I get more information?

If you have questions or want more information, you can visit www.MunicipalDerivativesSettlement.com. If the answer to your question cannot be located on the website, you may contact the Settlement Administrator by email at info@MunicipalDerivativesSettlement.com. You may also call the Settlement Administrator toll-free at 1-877-310-0512, or send mail to the Settlement Administrator at: Municipal Derivatives Settlement, c/o Rust Consulting, Inc., P.O. Box 2500, Faribault, MN 55021-9500.

You may also write to any of Class Counsel at the following addresses:

Michael D. Hausfeld
1700 K Street, NW
Suite 650
Washington, DC 20006

William A. Isaacson
Boies, Schiller & Flexner LLP
5301 Wisconsin Avenue, NW
Washington, D.C. 20015

William C. Carmody
Susman Godfrey L.L.P.
560 Lexington Avenue, 15th Floor
New York, N.Y. 10022

Do NOT contact Judge Marrero or the Clerk of Court for information about the Settlements.

30. How can I update my address?

If your address changes, please send your current information to the Settlement Administrator at:

Municipal Derivatives Settlement
c/o Rust Consulting, Inc.
P.O. Box 2500
Faribault, MN 55021-9500

Dated: March 11, 2016

BY ORDER OF THE COURT
Clerk of Court, United States District Court
Southern District of New York
United States Courthouse
500 Pearl Street
New York, NY 10007

**DISTRIBUTION PLAN
FOR THE FOLLOWING MUNICIPAL DERIVATIVE SETTLEMENTS:**

UBS AG (“UBS”)

SOCIÉTÉ GÉNÉRALE, S.A. (“SOC GEN”)

**NATIXIS FUNDING CORP., F/K/A IXIS FUNDING CORP., AND BEFORE THAT, F/K/A CDC FUNDING
CORP. (“NATIXIS”)**

PIPER JAFFRAY & CO. (“PIPER”)

NATIONAL WESTMINSTER BANK PLC (“NATWEST”)

GEORGE K. BAUM & COMPANY (“GK BAUM”)

1. **Allocation Funds.** The Allocation Funds shall be: \$32,000,000 for the UBS Settlement (“UBS Fund”); \$28,452,500 for the Natixis Settlement (“Natixis Fund”); \$25,412,500 for the Soc Gen Settlement (“Soc Gen Fund”); \$9,750,000 for the Piper Settlement (“Piper Fund”); \$3,500,000 for the NatWest Settlement (“NatWest Fund”); and \$1,400,000 for the GK Baum Settlement (“GK Baum Fund”). The Settlement Agreements describing these settlements can be found at www.MunicipalDerivativesSettlement.com
2. **Net Allocation Funds.** The Allocation Funds, less all taxes, expenses of the Notice and administration of the Settlement, court-approved costs, attorneys’ fees, class representative enhancement awards, and expenses (the “Net Allocation Funds,” and individually the “Net UBS Fund,” the “Net Natixis Fund,” the “Net Soc Gen Fund,” the “Net Piper Fund,” the “Net NatWest Fund,” and the “Net GK Baum Fund”) shall be distributed to members of the Class who timely submit valid Proofs of Claim (“Authorized Claimants”) as described below and in the attached Proof of Claim form. In the opinion of Lead Counsel, this represents the most appropriate way of allocating the Net Allocation Funds under the circumstances of this case.
3. **State AG Settlements.** The State AG Settlements refer, collectively, to the following settlements involving municipal transactions: an out-of-court settlement, dated December 23, 2011, between GE Funding Capital Market Services, Inc. and 28 States Attorneys General (“State AG Settlement with GE”); an out-of-court settlement dated December 7, 2010 between Bank of America Corporation and 28 States Attorneys General (“State AG Settlement with Bank of America”); an out-of-court settlement dated December 8, 2011 between Wachovia Bank, N.A. and 26 State Attorneys General (“State AG Settlement with Wachovia”); an out-of-court settlement dated May 4, 2011 between UBS AG and 25 State Attorneys General (“State AG Settlement with UBS”); an out-of-court settlement dated July 7, 2011 between JP Morgan Chase & Co. and 25 States Attorneys General (“State AG Settlement with JPMorgan”). These settlements, and related information, can be found at www.ag.ny.gov/antitrust/legal-documents/municipal-bond-derivatives-investigation
4. **Qualifying Municipal Transactions.** For purposes of this Distribution Plan, a “qualifying Municipal Transaction” is a Municipal Derivative Transaction that qualifies its holder to be a member of at least one of the Settlement Classes, subject to the parameters and exclusions set forth in the definitions of a Class and of a Municipal Derivatives Transaction in the various Settlement Agreements.¹ A notable exception applies to transactions for which claimants accepted payments from the State AG Settlements: if a transaction is between an Authorized Claimant and provider Defendant Bank of America, JPMorgan, GE, UBS or Wachovia, and the claimant accepted a State AG payment for that transaction from the corresponding State AG Settlement with Bank of America, JPMorgan, GE, UBS or Wachovia, respectively, then that transaction is not a qualifying Municipal Transaction.
5. **Proof of Claim.** In order to qualify a transaction as a qualifying Municipal Transaction, and to earn benefits from the Allocation Funds, a Class Member must submit a timely Proof of Claim that is accepted in whole or in part by the Settlement Administrator. Counsel for Class Plaintiffs have attempted to collect transactional data from Defendants showing which qualifying Municipal Transactions exist. While some transactional data has been collected, some is missing, and claimants should submit their own information to the extent available. The Settlement Administrator may in its discretion request documentation during auditing to confirm transactions submitted by Authorized Claimants. The Settlement Administrator will try to assist potential claimants to the best of its ability.

¹ See UBS Settlement Agreement ¶A(1)(i) (defining Class) & ¶A(1)(y) (defining Municipal Derivatives Transaction); Natixis Settlement Agreement ¶A(1)(i) (defining Class) & ¶A(1)(x) (defining Municipal Derivatives Transaction); Soc Gen Agreement ¶A(1)(i) (defining Class) & ¶A(1)(x) (defining Municipal Derivatives Transaction); Piper Agreement ¶A(1)(i) (defining Class) & ¶A(1)(y) (defining Municipal Derivatives Transaction); Nat West Settlement Agreement ¶A(1)(i) (defining Class) & ¶A(1)(x) (defining Municipal Derivatives); and GK Baum Settlement Agreement ¶A(1)(i) (defining Class) & ¶A(1)(x) (defining Municipal Derivatives).

6. **Pro Rata Claim.** The *Pro Rata* Claim of each Authorized Claimant will be determined by calculating each Authorized Claimant's *pro rata* share of the Net Allocation Funds. This will be calculated in the following three steps:
- a. First, each Authorized Claimant's "notional stake" is calculated. An Authorized Claimant's notional stake equals the sum of the notional stakes for each of its qualifying Municipal Transactions. The notional stake of a qualifying Municipal Transaction equals the notional amount of the transaction² at issuance multiplied by the term of the transaction in years. For example, if an Authorized Claimant had a qualifying transaction with \$1 million notional amount, which was executed on February 1, 2010 with a maturity date of August 1, 2020, then the notional stake of that transaction would be: (notional amount = \$1 million) * (term = 10.5 years) = \$ 10.5 million. If a transaction gives rise to an Offered Claim (as defined below), however, the notional stake for that transaction is zero.
 - b. Second, each Authorized Claimant's "notional share" is calculated. This is calculated by dividing each Authorized Claimant's notional stake by the sum of the notional stakes of all Authorized Claimants. For example, if an Authorized Claimant has a notional stake of \$10.5 million, and the total notional stake of all claimants combined is \$1050 million, then that Authorized Claimant's notional share is .01.
 - c. Third, the *Pro Rata* Claim for each Authorized Claimant is calculated by multiplying the aggregate amount in the Net Allocation Funds by that Claimant's notional share.
7. **Offered Claim.** An Offered Claim is a claim for a qualifying Municipal Transaction for which the State AGs offered the Authorized Claimant a payment under any of the State AG Settlements with GE, Wachovia, JPMorgan, Bank of America or UBS but the claimant did not accept the offer. The amount of an Offered Claim equals the amount offered by the State AGs for that transaction (but declined). However, if a Class Member has already received the full amount of an Offered Claim for a Transaction from a prior distribution of Class Settlement funds in this litigation, then the qualifying Municipal Transaction will not be treated as an Offered Claim but instead will be treated in the same manner as other qualifying Municipal Transactions (see paragraph 6 above).
8. **Recognized Claim.** A Recognized Claim is calculated by adding each claimant's *Pro Rata* Claim to its Offered Claim(s).
9. **Allocation.** The Net Allocation Fund shall be distributed to the Authorized Claimants, as follows and in the following order:
- a. The Net UBS shall be distributed in the following manner:
 - i. No Authorized Claimant who accepted a State AG offer from the State AG Settlement with UBS shall receive any distribution from the UBS Fund for any portion of its *Pro Rata* Claim that is based on a transaction with UBS between January 1, 2001 and December 31, 2006.
 - ii. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their Offered Claim(s), to the extent funds are available.
 - iii. The remaining portion of the UBS Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available
 - b. The Net Natixis Fund shall be distributed in the following manner:
 - i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their Offered Claim(s), to the extent funds are available.
 - ii. The remaining portion of the Net Natixis Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.
 - c. The Net Soc Gen Fund shall be distributed in the following manner:
 - i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their remaining Offered Claim(s), to the extent funds are available.

² The notional amount of a transaction can be recorded in different ways. Depending on the information available, the following notional amount will be used, in order of preference: the notional amount recorded in the provider's transactional data; the average notional amount; the starting notional amount; and the maximum notional amount.

- ii. The remaining portion of the Net Soc Gen Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.
 - d. The Net Piper Fund shall be distributed in the following manner:
 - i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their remaining Offered Claim(s), to the extent funds are available.
 - ii. The remaining portion of the Net Piper Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.
 - e. The Net NatWest Fund shall be distributed in the following manner:
 - i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their remaining Offered Claim(s), to the extent funds are available.
 - ii. The remaining portion of the Net NatWest Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.
 - f. The Net GK Baum Fund shall be distributed in the following manner:
 - i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their remaining Offered Claim(s), to the extent funds are available.
 - ii. The remaining portion of the Net GK Baum Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.
 - g. The Settlement Administrator has the discretion to adjudicate any dispute about the scope of an individual claimant's release and, as a result, to make any necessary adjustments to which Authorized Claimants are excluded from participating in any of the Net Settlement Funds set forth in (a)-(e) above.
10. **De Minimus Amount.** In order to avoid paying claims in situations where the cost of processing the claim exceeds the payment made, no claim will be paid to any claimant if the total payment to that claimant would be \$10 or less; in such an event, the payment amount will revert back the relevant Allocation Fund.
11. **Rounding.** The distribution to each Authorized Claimant from the Net Allocation Funds will be rounded off to the nearest dollar. The Distribution Plan may be modified upon further order of the Court. Any updates will be published on the website www.MunicipalDerivativesSettlement.com.

**MUST BE POSTMARKED
ON OR BEFORE
JULY 28, 2016**

FOR OFFICIAL USE ONLY

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Page 1 of 4

CLAIM FORM

MUNICIPAL DERIVATIVES SETTLEMENTS

To be considered, your Claim must be submitted online (at www.MunicipalDerivativesSettlement.com), **OR** mail it by **July 28, 2016**.
See Part 6 for General Instructions.

PART I: CLAIMANT IDENTIFICATION - Please type or print. Use blue or black ink only.

Entity Name/Borrower/Doing Business As

Name of Representative submitting the Claim Form

Title/Capacity

Number and Street or P.O. Box

City

State

Zip Code

Telephone Number (Day)

Telephone Number (Evening)

Email Address

Account Number

Employer Identification No.



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PART 3: PREVIOUS DISTRIBUTIONS FROM THE STATE AG SETTLEMENTS

If you received an Offer from one or more of the State AG Settlements listed below relating to Municipal Derivatives Transactions, list the total amount of the State AG Offer in the appropriate box, and state whether the Offer was accepted. If you do not, your claim may be rejected. You *DO NOT* need to include documentation; however, if you have documentation establishing the following, please attach it. **The Settlement Administrator may request documentation during auditing.**

STATE AG SETTLEMENT	OFFER AMOUNT	YES OR NO: WAS OFFER ACCEPTED IN STATE AG SETTLEMENT
Bank of America Corporation State AG Settlement		
GE Funding Capital Market Services, Inc. State AG Settlement		
JPMorgan Chase & Co. State AG Settlement		
Wachovia Bank N.A. State AG Settlement		
UBS AG State AG Settlement		

PART 4: SIGN AND DATE YOUR CLAIM FORM

Enter EIN.

- Please enter the Employer Identification Number ("EIN").

Employer Identification Number

- If you are exempt from backup withholding, enter your current EIN above and write "exempt" on the following line:

UNDER THE PENALTY OF PERJURY, I (WE) CERTIFY THAT:

1. The number shown on this form is the entity's/entities' current EIN; and
2. We declare that we are a Class Member as defined in the Notices, that we are not one of the "Released Parties" as defined below, and that we believe we are eligible to receive a distribution from the Net Allocation Funds under the terms and conditions of the Distribution Plan.
3. We have included information about all of our transactions in Municipal Derivatives which occurred between January 1, 1992, and August 18, 2011.
4. We understand and intend that the signature below regarding certain information for the Internal Revenue Service concerning backup withholding also serves as the signature verifying the information and representation in this Claim Form.
5. We have not assigned or transferred or intended to assign or transfer, voluntarily or involuntarily, any matter released by filing a claim here.
6. We certify that we are NOT subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the Internal Revenue Code because: (a) we are exempt from backup withholding; or (b) we have not been notified by the Internal Revenue Service that we are subject to backup withholding as a result of a failure to report all interest or dividends; or (c) the Internal Revenue Service has notified us that we are no longer subject to backup withholding.

NOTE: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above. The Internal Revenue Service does not require your consent to any provision other than the certification required to avoid backup withholding.



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We declare under penalty of perjury under the laws of the United States of America that all of the foregoing information supplied on this Proof of Claim is true and correct.

Executed this _____ day of _____, 20____ in _____ (City) _____ (State/Country)

[Signature box]

Signature of person signing on behalf of Entity/Borrower

[Name box]

(Type or print name of person signing on behalf of Entity/Borrower)

[Capacity box]

Capacity of person signing on behalf of Claimant

PART 5: MAIL YOUR CLAIM FORM

Complete and sign the enclosed Claim Form and mail it by **July 28, 2016** to:

Municipal Derivatives Settlement
c/o Rust Consulting, Inc.
P.O. Box 2500
Faribault, MN 55021-9500

For information on submitting your claim electronically, go to www.MunicipalDerivativesSettlement.com.

PART 6: GENERAL INSTRUCTIONS

- NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All Claimants MUST submit a manually signed paper Claim Form whether or not they also submit electronic copies. If you wish to submit your claim electronically, you must call the Settlement Administrator toll-free at 1-877-310-0512, send an e-mail to info@MunicipalDerivativesSettlement.com, or visit www.MunicipalDerivativesSettlement.com to obtain the required file layout.
- You should be aware that it will take a significant amount of time to process fully all of the Claim Forms and to administer the Settlements. This work will be completed as promptly as time permits, given the need to investigate and tabulate each Claim Form. Please be patient.
- Please notify the Settlement Administrator of any change of address.

CLAIMANT IDENTIFICATION

- If the entity you represent purchased or otherwise acquired Municipal Derivatives, the entity is the borrower as well as the record purchaser. However, if the entity you represent purchased the Municipal Derivative transactions that were registered in the name of a third party, such as a nominee or brokerage firm, the third party is the purchaser.
- Use Part 1 of this form to identify the purchaser of record (the "borrower"), if different from the beneficial purchaser of Municipal Derivative transactions which form the basis of this claim.

NOTE: A single Claim Form should be submitted per legal entity and should include all transactions made by that entity, no matter how many separate accounts that entity has.

DEFINITIONS

Capitalized terms not defined in this Claim Form have the same meaning as defined in the following Settlement Agreements: UBS AG Settlement Agreement, Société Générale, S.A. Settlement Agreement, Natixis Funding Corp., f/k/a IXIS Funding Corp., and before that, f/k/a CDC Funding Corp. Settlement Agreement, Piper Jaffray & Co. Settlement Agreement, National Westminster Bank plc Settlement Agreement, and George K. Baum & Company Settlement Agreement. (The Settlement Agreements, in their entirety, are available at www.MunicipalDerivativesSettlement.com.)

MUNICIPAL DERIVATIVES SETTLEMENT
PO BOX 2500
FARIBAULT MN 55021-9500

03-28 7:15 AM 09:50

PRESORTED
FIRST-CLASS
U.S. POSTAGE PAID
PALATINE P&DC, IL
PERMIT #417

IMPORTANT LEGAL MATERIALS



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IOWA HEALTH FACILITIES AUTHORITY

2015 GRAND AVE

DES MOINES, IA 50312-4901

March 24, 2016

Dear Sir/Madam:

You are receiving this letter because your organization has been identified as having been (or may have been) involved in the purchase of municipal derivatives. There is a proposed Settlement in a class action lawsuit regarding the sale of municipal derivatives by George K. Baum & Company (“GKB”), National Westminster Bank PLC (“NatWest”), Natixis Funding Corp., Piper Jaffray & Co., Societe Generale SA, and UBS AG (“UBS”).

The Settlement includes all state, local and municipal government entities, independent government agencies and private entities that purchased municipal derivatives any time from January 1, 1992 through August 18, 2011. The Settlement affects only the claims against George K. Baum & Company (“GKB”), National Westminster Bank PLC (“NatWest”), Natixis Funding Corp., Piper Jaffray & Co., Societe Generale SA, and UBS AG (“UBS”).

Please read the enclosed detailed notice, which provides additional information about the lawsuit, as well as the enclosed distribution plan and Claim Form, which provides information about how you can submit a claim for proceeds from the Settlement. If you are not the appropriate contact, can you please assist us in our efforts by forwarding this notice packet to the appropriate person/office in your organization that handles the purchase of municipal derivatives?

If you have any questions, please visit the website at www.MunicipalDerivativesSettlement.com or call 1-877-310-0512.

Sincerely,

Settlement Administrator

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

**If You Purchased Municipal Derivative Transactions
from January 1, 1992, to August 18, 2011**

**You Could Get a Payment from a Class Action Settlement with
UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co.,
National Westminster Bank Plc, and George K. Baum & Co.**

A Federal Court authorized this notice. It is not a solicitation from a lawyer.

- A class action lawsuit called *In re Municipal Derivatives Antitrust Litigation* is pending in the United States District Court for the Southern District of New York. The lawsuit alleges price-fixing in the sale of municipal derivative transactions by UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, George K. Baum & Co., and other companies (which together are called the “Defendants”). Each Defendant has denied and continues to deny (1) each and all of the claims and allegations of wrongdoing made by Class Plaintiffs in the Action and maintains that it has meritorious defenses; (2) all charges of wrongdoing or liability against it arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action, and contends that the factual allegations made in the Action relating to it are materially inaccurate; and (3) that Class Plaintiffs or any Class Member were harmed by any conduct of Defendant alleged in the Action or otherwise. Each Defendant agreed to enter into this Agreement solely to avoid further the expense, inconvenience, and the distraction of burdensome and protracted litigation.
- Proposed settlements of that class action lawsuit (“Settlements”) have been reached with UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co. (“Settling Defendants”), Defendants in the above litigation. To resolve the claims against them, the Settling Defendants have entered into separate Settlements, and have agreed to pay settlement amounts in the aggregate over \$100 million (the “Settlement Amounts”), as detailed within this notice, subject to the terms and conditions of the Settlement Agreements for the benefit of the Class (defined below), and, in some instances, to provide reasonable cooperation, including discovery cooperation, to Class Plaintiffs’ Counsel for the benefit of the Class. Co-Lead Counsel, jointly with Certain State Attorneys General, reached the settlements with Societe Generale SA and Natixis Funding Corporation that are addressed within this Notice.
- The Settlement must be approved by the Court to become final. The Court will hold a hearing on **July 8, 2016, at 2:00 p.m.** to consider whether the Settlements should be approved as fair, reasonable, and adequate to the Class (“Fairness Hearing”).

YOUR LEGAL RIGHTS AND OPTIONS FOR THE SETTLEMENT:

YOU MAY EITHER:		DUE DATE:
STAY IN THE CLASS	This is the only way to be eligible to get a payment from the Settlement Amount from the settlements with Defendants. This payment will be made at a later time.	No action required
OR:		
EXCLUDE YOURSELF FROM THE CLASS	You will get no payment from the Settlement Amount. Excluding yourself from the Class is the only way to keep the right to sue Defendants, at your own expense, or be part of any other lawsuit against Defendants, for the same legal claims alleged in this lawsuit. <i>See Question 16.</i>	May 17, 2016
IF YOU STAY IN THE CLASS, YOU MAY:		
DO NOTHING/FILE A CLAIM FORM or	Take no position on the Settlements. You are automatically a member of the Class if you fit within the definition of the Class. <i>See Question 8.</i> You will need to file a claim form to receive any payment. <i>See Question 13.</i>	July 28, 2016 (claim deadline)
OBJECT and/or	Write to the Court about why you don’t like the Settlements. <i>See Question 22.</i>	June 20, 2016
GO TO A HEARING	Ask to speak to the Court, on your own or through a lawyer at your expense. <i>See Questions 22 and 26.</i>	July 8, 2016, at 2:00 p.m.

PLEASE READ THIS ENTIRE NOTICE CAREFULLY.

**IT EXPLAINS YOUR RIGHTS AND OPTIONS REGARDING THE SETTLEMENT
AND STATES THE DEADLINES FOR EXERCISING THEM.**

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BASIC INFORMATION

1. Why did I get this notice?

This class action, *In re Municipal Derivatives Antitrust Litigation*, is about the sale of municipal derivative transactions (described below) in the United States and its territories from January 1, 1992, to August 18, 2011. You have been identified as an entity that may have purchased one or more municipal derivative transactions that were sold during that time frame. If you purchased a municipal derivative transaction from one or more of the Defendants or Alleged Co-Conspirators (Alleged Co-Conspirators are identified in **Question 4** below) or that was brokered by one or more of the Defendants or Alleged Co-Conspirators, then you may be a member of the class conditionally certified by the Court for the purposes of these Settlements (the "Class").

If you are eligible for benefits from these Settlements, you have a right to know about it and about all of your options before the Court decides whether to approve the Settlements. This notice describes the lawsuit, the Settlements, your legal rights, what benefits are available, who is eligible for those benefits, and how to get them. In particular, you may be eligible to receive a cash payment.

2. What is a class action?

A class action is a lawsuit brought by one or more representative parties, called "Plaintiffs" or "Class Representatives," on behalf of themselves and other similarly situated entities or persons. (The Plaintiffs here are defined in **Question 3**, below.) The members of this group are known collectively as a class. The parties being sued are called the defendants. The court appoints attorneys, called "Class Counsel," to represent the Plaintiffs and other members of the class. (Class Counsel are defined in **Question 20**, below.) Together, the Class Representatives, Class Counsel, and the Court share the responsibility to ensure that the interests of all class members are adequately represented. The Court resolves the claims of all class members except those who exclude themselves from the class. U.S. District Judge Victor Marrero of the U.S. District Court for the Southern District of New York is in charge of supervising this class action.

When the Plaintiffs enter into a proposed settlement with a defendant, such as those with UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., in this case, the Court must approve the settlement before it becomes final. Before the Court decides whether to grant approval, the class members are first given notice of the settlement and an opportunity to be heard about whether they want the settlement to become final. The Court then conducts a hearing, called a fairness hearing, to consider whether the proposed settlement is fair, reasonable and adequate to the class.

Members of the class are not individually responsible to pay attorneys' fees or litigation expenses of Class Counsel. Instead, attorneys' fees and litigation expenses are paid from a settlement (or a judgment if there has been a trial), and only after being approved by the Court.

3. Who are the Class Representatives in this lawsuit?

The Plaintiffs, or Class Representatives, in this class action are the Mayor and City Council of Baltimore and the Central Bucks School District. They allege that they purchased one or more municipal derivative transactions from January 1, 1992, to August 18, 2011, from or through one or more of the Defendants.

4. Who are the Defendants and Alleged Co-Conspirators?

The Defendants and Alleged Co-Conspirators in this class action fall into two groups: (1) "Alleged Provider Defendants" and "Alleged Provider Co-Conspirators," which are financial institutions that sold the municipal derivative transactions to members of the Class, and (2) "Alleged Broker Defendants" and "Alleged Broker Co-Conspirators," which are companies that brokered the sales of municipal derivative transactions to members of the Class.

For purposes of determining who is a member of the Class, Defendants and Alleged Co-Conspirators include those named or that could have been named in *In re Municipal Derivatives Antitrust Litigation*, MDL No. 1950, Master Docket No. 08-02516 (VM) (GWG), which is currently pending in the U.S. District Court for the Southern District of New York, and all of the actions filed in or transferred to the U.S. District Court for the Southern District of New York for coordination or consolidation with MDL No. 1950 (a complete list is available at www.MunicipalDerivativesSettlement.com). In addition to UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., the following entities are Defendants or Alleged Co-Conspirators in the lawsuit:

Alleged Provider Defendants

- Bank of America, N.A.***
- GE Funding Capital Market Services, Inc., Trinity Funding Co., LLC and Trinity Plus Funding Co., LLC***

Provider Alleged Co-Conspirators

- AIG Financial Products Corp.
- Financial Security Assurance Holdings, Ltd.
- Financial Security Assurance, Inc.
- JP Morgan Chase & Co., J.P. Morgan Securities, Inc. (n/k/a J.P. Morgan Securities LLC) and Bear Stearns & Co., Inc. (n/k/a/ J.P. Morgan Securities LLC)**
- Morgan Stanley*
- Lehman Brothers
- SunAmerica Life Assurance Co.
- MG Financial Products Corp.
- Wachovia Bank, N.A. (n/k/a Wells Fargo Bank, N.A.)**
- XL Asset Funding Co. I, LLC
- XL Capital Ltd.
- XL Life Insurance & Annuity, Inc.

Alleged Broker Defendants

- CDR Financial Products
- Investment Management Advisory Group, Inc.
- Sound Capital Management, Inc.
- Winters & Co. Advisors, LLC

Broker Alleged Co-Conspirators

- Feld Winters Financial LLC
- First Southwest Company
- Kinsell Newcomb & De Dios Inc.
- Mesirov Financial
- Morgan Keegan & Co., Inc.
- PackerKiss Securities, Inc.

* On November 23, 2011, the Court approved the Plaintiffs' settlement with Morgan Stanley.

** On December 14, 2012, the Court approved the Plaintiffs' settlement with Wells Fargo/Wachovia and JPMorgan.

*** On June 6, 2014, the Court approved the Plaintiffs' settlement with Bank of America and GE Funding Capital Market Services.

5. What claims are the Class Representatives making on my behalf?

The Class Representatives claim that the Defendants violated federal antitrust laws by conspiring to fix, maintain or stabilize the price of municipal derivative transactions and by rigging bids and allocating customers and markets for municipal derivative transactions in the United States. Municipal derivative transactions are defined as financial products used by issuers of tax-exempt municipal bonds (such as states, cities, counties, or their agencies, and tax-exempt, non-profit private entities) to invest the money received from such bond offerings while they are waiting to spend it or to hedge or manage the interest rate risk associated with such bond offerings. Municipal derivative transactions come in many varieties. Some of the more common types are:

- Guaranteed investment contracts
- Interest-rate swaps
- Options
- "Swaptions" (a combination of a swap and an option)
- Interest-rate floors
- Collars

By this lawsuit, the Class Representatives are seeking compensation from the Defendants for these claimed violations, alleging that the Defendants' conduct restrained, suppressed or eliminated price competition for municipal derivative transactions, causing the members of the Class to receive lower returns on municipal derivative transactions than they would have received absent Defendants' alleged conduct.

Each Defendant has denied and continues to deny (1) each and all of the claims and allegations of wrongdoing made by Class Plaintiffs in the Action and maintains that it has meritorious defenses; (2) all charges of wrongdoing or liability against it arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action, and contends that the factual allegations made in the Action relating to it are materially inaccurate; and (3) that Class Plaintiffs or any Class Member were harmed by any conduct of Defendant alleged in the Action or otherwise. Each Defendant agreed to enter into this Agreement solely to avoid further the expense, inconvenience, and the distraction of burdensome and protracted litigation.

6. Why is there a Settlement?

The Settlements, if approved, will resolve the remaining claims in the Class litigation. The Court has not decided in favor of either the Plaintiffs or UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, or George K. Baum & Co. Instead, all sides have agreed to the Settlements, which are separate agreements between the Class Representatives and, respectively, UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co. That way, all sides avoid the cost and risk of continuing the case.

The Class Representatives and their attorneys, appointed by the Court to serve as Class Counsel, believe that the Settlements are best for all members of the Class. If the Settlements are approved by the Court and the Court's approval order becomes final, the Settlement Amounts will be paid into the settlement fund in exchange for dismissal and resolution of the claims against them.

7. Are All Defendants other than the Settling Defendants settling?

These Defendants are the last remaining Defendants in the case. However, if any one of these Settlements with a particular Defendant is not approved, the litigation will proceed against that Defendant. If you participate in these Settlements, you will keep your rights to participate or exclude yourself from any other class that may be certified by the Court in this lawsuit as a result of Plaintiffs' motion for certification of such a class or as a result of a settlement with one or more of the other Defendants.

WHO IS AFFECTED BY THE SETTLEMENT?

To see if you are affected by the Settlements, you first have to determine if you are a member of the Class.

8. How do I know if I am a member of the Class?

Included in the Class are state, local and municipal government entities, independent government agencies, quasi-government, and private entities that purchased municipal derivative transactions through negotiation, competitive bidding, or auction:

- From any Alleged Provider Defendant or Alleged Co-Conspirator or brokered by any Alleged Broker Defendant or Alleged Co-Conspirator described in Question 4 (a complete list is available at www.MunicipalDerivativesSettlement.com);
- At any time from January 1, 1992, through August 18, 2011; and
- In the United States and its territories or for delivery in the United States and its territories.

9. Are there exceptions to being included in the Class?

Excluded from the Class are:

- UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, George K. Baum & Co., and their affiliates, and any of their officers, directors or employees.
- Any judge, justice or judicial officer presiding over this matter and the members of their immediate families and judicial staffs.
- Any Alleged Provider or Broker Defendant or Alleged Co-Conspirator.

10. What if I'm still not sure if I'm included in the Class?

If you are not sure whether you are a member of the Class, you may visit the Municipal Derivatives Settlement website at www.MunicipalDerivativesSettlement.com, call toll-free 1-877-310-0512, or write to Municipal Derivatives Settlement, c/o Rust Consulting, P.O. Box 2500, Faribault, MN 55021-9500.

You may also want to call your broker(s) to see if you purchased municipal derivative transactions from January 1, 1992, to August 18, 2011.

THE SETTLEMENT BENEFITS

11. What does the Settlement provide?

Under the Settlement, the Settlement Amounts are as follows:

- | | |
|---------------------------------|--------------------|
| • UBS AG | \$ 32 million |
| • Natixis Funding Corp. | \$ 28.4525 million |
| • Société Générale S.A. | \$ 25.4125 million |
| • Piper Jaffray & Co. | \$ 9.75 million |
| • National Westminster Bank Plc | \$ 3.5 million |
| • George K. Baum & Co. | \$ 1.4 million |

UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., and George K. Baum & Co., will also provide reasonable cooperation to Class Plaintiffs' Counsel (to the extent necessary if any of the settlements are not finally approved), as described in the Settlement Agreements. In addition, UBS AG, Société Générale S.A., Natixis Funding Corp., Piper

Jaffray & Co., and National Westminster Bank Plc. have the option to terminate the Settlement if more than a certain percentage of Class members exclude themselves from the Classes, as explained in the Settlement Agreements.

This is only a summary of the Settlements. The Settlement Agreements are on file with the Clerk of the Court at the address indicated in this notice and are available at the official Municipal Derivatives Settlement website at www.MunicipalDerivativesSettlement.com.

12. How much will my payment be?

The Settlement Amount will be distributed pursuant to a plan of allocation that has been preliminarily approved by the Court and will be submitted to the Court for final approval at the final approval hearing (*see* Question 13). That plan of allocation is attached to this notice and Class members can comment on it before the Court approves it. Payments will also depend, in part, on the number of valid claim forms thus far and subsequently received.

13. How can I get a payment?

A Claim Form is attached. To be considered for payment, your Claim must be submitted online (at www.MunicipalDerivativesSettlement.com), *OR* mail it by **July 28, 2016**. If you previously submitted a Claim Form, and you do not have any changes to make to it, you do not need to do anything—your previous Claim Form will be used for these settlements.

If you are a member of the Class and do not exclude yourself from the Class, you are eligible to file a claim for a payment from the Settlement Amount. At the Fairness Hearing, the Court will be asked to finally approve a plan, called a “Plan of Allocation,” explaining how the Settlement Amount will be divided among eligible Class members. That plan of allocation is attached. *See* Question 12.

You will need to properly complete and submit the Claim Form in order to receive a payment. The Claim Form includes instructions for completing and returning it. You may be asked to submit documentation of your purchases of municipal derivative transactions along with your claim form, so you should keep all of your records.

Claim forms will also be available at the Municipal Derivatives Settlement website or by writing the Settlement Administrator.

14. When would I get a payment?

You should be aware that it will take a significant amount of time to process fully all of the Claim Forms and to administer the Settlements. This work will be completed as promptly as time permits, given the need to investigate and tabulate each Claim Form. Please be patient. Check the Municipal Derivatives Settlement website for updates.

15. What am I giving up to stay in the Class?

Unless you exclude yourself from the Class (*see* Question 16), you will remain in the Class and your interests will be represented by the Class Representatives and Class Counsel at no cost to you. However, you may have your own attorney represent you at your expense if you choose to do so.

If you remain in the Class, you will be bound by all of the Court’s decisions with respect to the Settlements. Also, you will lose the right to sue or continue to sue UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., in this case or any other lawsuit about the issues and claims in this case. However, you will not give up certain potential claims unrelated to municipal derivatives transactions that you might have against UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co. The Settlement Agreements, which are available at www.MunicipalDerivativesSettlement.com, describe in more detail the legal claims that you give up if you stay in the Class, and they contain the full release provisions. We are only providing a brief summary herein.

In addition, because the Settlements involve only UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., and do not affect the rights of the Class members against any of the other Defendants, you will not give up any claims against them in this or any other lawsuit.

EXCLUDING YOURSELF FROM THE CLASS

If you don’t want a payment from the Settlement Amount and you want to keep the right to sue UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and/or George K. Baum & Co. about the claims or issues in this case, then you must take steps to get out of the Class. This is called excluding yourself—sometimes referred to as “opting out” of the class.

16. How do I get out of the Class?

You have the right to exclude yourself from the Class. You can choose to exclude yourself from some but not all Settlements. If you ask to be excluded, however, you will not get any payment as a result of the Settlements from which you exclude yourself, and you cannot object to those Settlements. You will not be bound by the Settlements from which you exclude yourself and will have the right to sue or continue to sue the Defendants involved in the Settlements from which you exclude yourself.

To exclude yourself from the Class, you must send a written request by first-class mail, *postmarked no later than May 17, 2016*, to:

Municipal Derivatives Settlement
c/o Rust Consulting, Inc.
P.O. Box 2500
Faribault, MN 55021-9500

If you wish to exclude yourself, you must exclude yourself in a separate writing for each Settlement from which you would like to be excluded (i.e., the Settlements with UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co.). Your exclusion request(s) must clearly state the following:

- (a) Your name, address, and telephone number;
- (b) All trade names or business names and addresses that you have used, as well as any subsidiaries, divisions, groups, affiliates, or other entities that you used to enter transactions on your behalf, that have purchased by negotiation, competitive bidding or auction municipal derivatives directly from an Alleged Provider Defendant or Alleged Co-Conspirator, or through an Alleged Broker Defendant or Alleged Co-Conspirator, at any time from January 1, 1992, through August 18, 2011, in the United States and its territories or for delivery in the United States and its territories that are also requesting exclusion;
- (c) A description of the municipal derivative transactions you purchased that fall within the Class definition (including the identity of the provider and broker, the date of the transaction, the type of transaction, any transaction identification numbers and the notional amount of the transactions), to the extent such information is available;
- (d) The name of the class action you wish to exclude yourself from:
 - a. *In re Municipal Derivatives Antitrust Litigation – UBS AG Settlement*, MDL No. 1950, Master Docket No. 08-02516 (S.D.N.Y.); or
 - b. *In re Municipal Derivatives Antitrust Litigation – Société Générale S.A. Settlement*; or
 - c. *In re Municipal Derivatives Antitrust Litigation – Natixis Funding Corp. Settlement*; or
 - d. *In re Municipal Derivatives Antitrust Litigation – Piper Jaffray & Co. Settlement*; or
 - e. *In re Municipal Derivatives Antitrust Litigation – National Westminster Bank Plc Settlement*; or
 - f. *In re Municipal Derivatives Antitrust Litigation – George K. Baum & Co. Settlement*; and
- (e) A signed statement that you request to be excluded from the Class.

Please note that you may have previously received similar notices regarding settlements with other Defendants (i.e., Morgan Stanley, JP Morgan Chase & Co., J.P. Morgan Securities, Inc., Wachovia Bank, N.A. (n/k/a Wells Fargo Bank, N.A.), Bank of America, N.A., GE Funding Capital Market Services, Inc., Trinity Funding Co., LLC and Trinity Plus Funding Co., LLC). These were separate settlements, and if you wish to exclude yourself from the UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and/or George K. Baum & Co. settlements, you **must** send a separate and specific notice containing the information noted above with regard to each of the Settling Defendant settlements.

Information about excluding yourself is also available on the Municipal Derivatives Settlement website at www.MunicipalDerivativesSettlement.com.

17. If I don't exclude myself from the Class, can I sue the Settling Defendants, later?

No, not about the issues in this case. Unless you exclude yourself, you give up any right to sue UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and/or George K. Baum & Co., for the claims or issues resolved by these Settlements. If you have a pending lawsuit against UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, or George K. Baum & Co., involving the claims or issues in this class action, speak to your lawyer in that case immediately. (You must exclude yourself from *the relevant* Class in order to continue participation in any other lawsuit against UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., involving the claims or issues in this class action.)

18. If I exclude myself from the Class, can I get money as a result of the Settlements?

No. If you exclude yourself from the Class, you will not be able to get any money as a result of the Settlements, and you cannot object to the Settlements; however, you may be able to UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and/or George K. Baum & Co. on your own in the future, and you will not be bound by any decisions relating to these Settlements.

19. What if I participated in the State AG Settlements?

If you entered into municipal derivative transactions with certain entities—including Bank of America, GE, JP Morgan, UBS, and Wachovia—you may have been eligible to participate in the State AG Settlements relating to those entities. To the extent that you were eligible to participate in the State AG Settlement, you should have received a separate notice concerning the State AG Settlements. Class members who participated in the State AG settlements must indicate that on the Claim Form. The plan of allocation explains how those with claims eligible for participation in the State AG settlements are treated here.

THE LAWYERS REPRESENTING YOU

20. Do I have a lawyer in this case?

Yes. The Court has appointed the law firms of Hausfeld LLP; Boies, Schiller & Flexner LLP; and Susman Godfrey L.L.P. to serve as interim lead Class Counsel to represent your claims. If you want to be represented by your own lawyer, you may hire one at your own expense.

21. How will the lawyers be paid?

You are not personally responsible for payment of attorneys' fees or expenses for Class Counsel. Instead, as compensation for their time and the risk in litigating the case on a contingent basis, Class Counsel will ask the Court to approve from the Settlement Amount an interim payment of attorneys' fees, as well as an interim reimbursement for their expenses actually incurred in the prosecution of the litigation. Class Counsel will make a request for fees (equaling up to 1/3 of the total Settlement Amounts) and expenses at or before the date for objections on June 20, 2016 (*see* Question 24), and this request will be made available at the Municipal Derivatives Settlement website. Now or at some point in the future, Class Counsel may also ask the Court to approve compensation for the work of the Class Representatives as well, for up to \$20,000 each for each settlement.

If you wish to object to the request for attorneys' fee and expenses, you must file your objection by June 20, 2016 as described in Question 22 below.

OBJECTING TO THE SETTLEMENT OR THE REQUEST FOR ATTORNEYS' FEES AND EXPENSES

You can tell the Court that you don't agree with all or part of the Settlements or Class Counsel's request for attorneys' fees and expenses.

22. If I disagree with the Settlements, how do I tell the Court?

If you don't exclude yourself from the Class, you can object to the Settlements or any part of it with which you do not agree. The Court will consider your views. To object you must mail or deliver copies of your objection (and all supporting documentation) **no later than** June 20, 2016 to the following addresses:

Settlement Administrator	Clerk of the Court
Rust Consulting, Inc. P.O. Box 2500 Faribault, MN 55021-9500	Clerk of the Court United States Courthouse 500 Pearl Street New York, N.Y. 10007

Your letter must:

- (a) Explain the basis for your objection; and
- (b) Include proof of your membership in the Class (such as documents showing that you purchased municipal derivative transactions from or through one or more of the Defendants or Alleged Co-Conspirators from January 1, 1992, to August 18, 2011).

23. What's the difference between objecting to the Settlement and excluding myself from the Class?

Objecting is simply telling the Court that you don't agree with something about the Settlements. You can object to the Settlements only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the Settlements no longer affect you.

THE COURT'S FAIRNESS HEARING

24. When and where will the Court decide whether to approve the Settlements?

The Court has scheduled a Fairness Hearing on **July 8, 2016, at 2:00 p.m.** at the United States District Court for the Southern District of New York, 500 Pearl Street, New York, NY 10007. At the Fairness Hearing, Judge Marrero will consider whether the Settlements and plan of allocation are fair, reasonable and adequate. The Court will consider any objections and whether to approve Class Counsel's request for reimbursement of litigation fees and expenses. The Court may change the time and date of the Fairness Hearing. If so, notice of any change will be posted at the courthouse or on the Court's website. The change will also be posted at www.MunicipalDerivativesSettlement.com. You should confirm the time and location of the Fairness Hearing if you plan to attend.

25. Do I have to come to the hearing?

No. At the Fairness Hearing, Class Counsel will represent all the Class. However, you or your attorney may attend at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed a written objection meeting the requirements set forth in Question 22, the Court will consider it.

26. May I speak at the hearing?

Yes. If you don't exclude yourself from the Class, you may ask the Court for permission for you or your attorney to speak at the Fairness Hearing at your expense. To do so, however, **no later than June 20, 2016** you must:

- (1) File a written notice of your intention to appear, along with any other papers or briefs supporting your objection, with the Clerk of Court at the address listed in Question 22;

and

- (2) Mail or deliver copies of the notice and any supporting papers or briefs to the addressees listed in Question 22.

The notice must be accompanied by:

- (a) A signed statement indicating your position on the Settlement(s); and
- (b) Proof of your membership in the Class (such as documents showing that you purchased municipal derivative transactions from or through one or more of the Defendants or Alleged Co-Conspirators from January 1, 1992, to August 18, 2011).

IF YOU DO NOTHING

27. What happens if I do nothing at all?

You do not need to do anything to remain in the Class. You are automatically a Class member if you fit the definition in Question 8. You will be bound by all Court orders, good or bad, and you give up your right to sue UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., about the issues in this case if you do not exclude yourself.

As explained in Question 13, to be considered for payment, your Claim must be submitted online (at www.MunicipalDerivativesSettlement.com), **OR** mail it by **July 28, 2016**. If you previously submitted a Claim Form, and you do not have any changes to make to it, you do not need to do anything—your previous Claim Form will be used for these settlements.

GETTING MORE INFORMATION

28. Are there more details about the Settlement?

This notice only summarizes the Settlements. More details and the full controlling terms are in the Settlement Agreements between the Plaintiffs and Defendants. You can get a copy of each of the Settlement Agreements by visiting www.MunicipalDerivativesSettlement.com.

29. How do I get more information?

If you have questions or want more information, you can visit www.MunicipalDerivativesSettlement.com. If the answer to your question cannot be located on the website, you may contact the Settlement Administrator by email at info@MunicipalDerivativesSettlement.com. You may also call the Settlement Administrator toll-free at 1-877-310-0512, or send mail to the Settlement Administrator at: Municipal Derivatives Settlement, c/o Rust Consulting, Inc., P.O. Box 2500, Faribault, MN 55021-9500.

You may also write to any of Class Counsel at the following addresses:

Michael D. Hausfeld
1700 K Street, NW
Suite 650
Washington, DC 20006

William A. Isaacson
Boies, Schiller & Flexner LLP
5301 Wisconsin Avenue, NW
Washington, D.C. 20015

William C. Carmody
Susman Godfrey L.L.P.
560 Lexington Avenue, 15th Floor
New York, N.Y. 10022

Do NOT contact Judge Marrero or the Clerk of Court for information about the Settlements.

30. How can I update my address?

If your address changes, please send your current information to the Settlement Administrator at:

Municipal Derivatives Settlement
c/o Rust Consulting, Inc.
P.O. Box 2500
Faribault, MN 55021-9500

Dated: March 11, 2016

BY ORDER OF THE COURT
Clerk of Court, United States District Court
Southern District of New York
United States Courthouse
500 Pearl Street
New York, NY 10007

**DISTRIBUTION PLAN
FOR THE FOLLOWING MUNICIPAL DERIVATIVE SETTLEMENTS:**

UBS AG (“UBS”)

SOCIÉTÉ GÉNÉRALE, S.A. (“SOC GEN”)

**NATIXIS FUNDING CORP., F/K/A IXIS FUNDING CORP., AND BEFORE THAT, F/K/A CDC FUNDING
CORP. (“NATIXIS”)**

PIPER JAFFRAY & CO. (“PIPER”)

NATIONAL WESTMINSTER BANK PLC (“NATWEST”)

GEORGE K. BAUM & COMPANY (“GK BAUM”)

1. **Allocation Funds.** The Allocation Funds shall be: \$32,000,000 for the UBS Settlement (“UBS Fund”); \$28,452,500 for the Natixis Settlement (“Natixis Fund”); \$25,412,500 for the Soc Gen Settlement (“Soc Gen Fund”); \$9,750,000 for the Piper Settlement (“Piper Fund”); \$3,500,000 for the NatWest Settlement (“NatWest Fund”); and \$1,400,000 for the GK Baum Settlement (“GK Baum Fund”). The Settlement Agreements describing these settlements can be found at www.MunicipalDerivativesSettlement.com

2. **Net Allocation Funds.** The Allocation Funds, less all taxes, expenses of the Notice and administration of the Settlement, court-approved costs, attorneys’ fees, class representative enhancement awards, and expenses (the “Net Allocation Funds,” and individually the “Net UBS Fund,” the “Net Natixis Fund,” the “Net Soc Gen Fund,” the “Net Piper Fund,” the “Net NatWest Fund,” and the “Net GK Baum Fund”) shall be distributed to members of the Class who timely submit valid Proofs of Claim (“Authorized Claimants”) as described below and in the attached Proof of Claim form. In the opinion of Lead Counsel, this represents the most appropriate way of allocating the Net Allocation Funds under the circumstances of this case.

3. **State AG Settlements.** The State AG Settlements refer, collectively, to the following settlements involving municipal transactions: an out-of-court settlement, dated December 23, 2011, between GE Funding Capital Market Services, Inc. and 28 States Attorneys General (“State AG Settlement with GE”); an out-of-court settlement dated December 7, 2010 between Bank of America Corporation and 28 States Attorneys General (“State AG Settlement with Bank of America”); an out-of-court settlement dated December 8, 2011 between Wachovia Bank, N.A. and 26 State Attorneys General (“State AG Settlement with Wachovia”); an out-of-court settlement dated May 4, 2011 between UBS AG and 25 State Attorneys General (“State AG Settlement with UBS”); an out-of-court settlement dated July 7, 2011 between JP Morgan Chase & Co. and 25 States Attorneys General (“State AG Settlement with JPMorgan”). These settlements, and related information, can be found at www.ag.ny.gov/antitrust/legal-documents/municipal-bond-derivatives-investigation

4. **Qualifying Municipal Transactions.** For purposes of this Distribution Plan, a “qualifying Municipal Transaction” is a Municipal Derivative Transaction that qualifies its holder to be a member of at least one of the Settlement Classes, subject to the parameters and exclusions set forth in the definitions of a Class and of a Municipal Derivatives Transaction in the various Settlement Agreements.¹ A notable exception applies to transactions for which claimants accepted payments from the State AG Settlements: if a transaction is between an Authorized Claimant and provider Defendant Bank of America, JPMorgan, GE, UBS or Wachovia, and the claimant accepted a State AG payment for that transaction from the corresponding State AG Settlement with Bank of America, JPMorgan, GE, UBS or Wachovia, respectively, then that transaction is not a qualifying Municipal Transaction.

5. **Proof of Claim.** In order to qualify a transaction as a qualifying Municipal Transaction, and to earn benefits from the Allocation Funds, a Class Member must submit a timely Proof of Claim that is accepted in whole or in part by the Settlement Administrator. Counsel for Class Plaintiffs have attempted to collect transactional data from Defendants showing which qualifying Municipal Transactions exist. While some transactional data has been collected, some is missing, and claimants should submit their own information to the extent available. The Settlement Administrator may in its discretion request documentation during auditing to confirm transactions submitted by Authorized Claimants. The Settlement Administrator will try to assist potential claimants to the best of its ability.

¹ See UBS Settlement Agreement ¶A(1)(i) (defining Class) & ¶A(1)(y) (defining Municipal Derivatives Transaction); Natixis Settlement Agreement ¶A(1)(i) (defining Class) & ¶A(1)(x) (defining Municipal Derivatives Transaction); Soc Gen Agreement ¶A(1)(i) (defining Class) & ¶A(1)(x) (defining Municipal Derivatives Transaction); Piper Agreement ¶A(1)(i) (defining Class) & ¶A(1)(y) (defining Municipal Derivatives Transaction); Nat West Settlement Agreement ¶A(1)(i) (defining Class) & ¶A(1)(x) (defining Municipal Derivatives); and GK Baum Settlement Agreement ¶A(1)(i) (defining Class) & ¶A(1)(x) (defining Municipal Derivatives).

6. **Pro Rata Claim.** The *Pro Rata* Claim of each Authorized Claimant will be determined by calculating each Authorized Claimant's *pro rata* share of the Net Allocation Funds. This will be calculated in the following three steps:

a. First, each Authorized Claimant's "notional stake" is calculated. An Authorized Claimant's notional stake equals the sum of the notional stakes for each of its qualifying Municipal Transactions. The notional stake of a qualifying Municipal Transaction equals the notional amount of the transaction² at issuance multiplied by the term of the transaction in years. For example, if an Authorized Claimant had a qualifying transaction with \$1 million notional amount, which was executed on February 1, 2010 with a maturity date of August 1, 2020, then the notional stake of that transaction would be: (notional amount = \$1 million) * (term = 10.5 years) = \$ 10.5 million. If a transaction gives rise to an Offered Claim (as defined below), however, the notional stake for that transaction is zero.

b. Second, each Authorized Claimant's "notional share" is calculated. This is calculated by dividing each Authorized Claimant's notional stake by the sum of the notional stakes of all Authorized Claimants. For example, if an Authorized Claimant has a notional stake of \$10.5 million, and the total notional stake of all claimants combined is \$1050 million, then that Authorized Claimant's notional share is .01.

c. Third, the *Pro Rata* Claim for each Authorized Claimant is calculated by multiplying the aggregate amount in the Net Allocation Funds by that Claimant's notional share.

7. **Offered Claim.** An Offered Claim is a claim for a qualifying Municipal Transaction for which the State AGs offered the Authorized Claimant a payment under any of the State AG Settlements with GE, Wachovia, JPMorgan, Bank of America or UBS but the claimant did not accept the offer. The amount of an Offered Claim equals the amount offered by the State AGs for that transaction (but declined). However, if a Class Member has already received the full amount of an Offered Claim for a Transaction from a prior distribution of Class Settlement funds in this litigation, then the qualifying Municipal Transaction will not be treated as an Offered Claim but instead will be treated in the same manner as other qualifying Municipal Transactions (see paragraph 6 above).

8. **Recognized Claim.** A Recognized Claim is calculated by adding each claimant's *Pro Rata* Claim to its Offered Claim(s).

9. **Allocation.** The Net Allocation Fund shall be distributed to the Authorized Claimants, as follows and in the following order:

a. The Net UBS shall be distributed in the following manner:

i. No Authorized Claimant who accepted a State AG offer from the State AG Settlement with UBS shall receive any distribution from the UBS Fund for any portion of its *Pro Rata* Claim that is based on a transaction with UBS between January 1, 2001 and December 31, 2006.

ii. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their Offered Claim(s), to the extent funds are available.

iii. The remaining portion of the UBS Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available

b. The Net Natixis Fund shall be distributed in the following manner:

i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their Offered Claim(s), to the extent funds are available.

ii. The remaining portion of the Net Natixis Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.

c. The Net Soc Gen Fund shall be distributed in the following manner:

i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their remaining Offered Claim(s), to the extent funds are available.

²The notional amount of a transaction can be recorded in different ways. Depending on the information available, the following notional amount will be used, in order of preference: the notional amount recorded in the provider's transactional data; the average notional amount; the starting notional amount; and the maximum notional amount.

- ii. The remaining portion of the Net Soc Gen Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.
 - d. The Net Piper Fund shall be distributed in the following manner:
 - i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their remaining Offered Claim(s), to the extent funds are available.
 - ii. The remaining portion of the Net Piper Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.
 - e. The Net NatWest Fund shall be distributed in the following manner:
 - i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their remaining Offered Claim(s), to the extent funds are available.
 - ii. The remaining portion of the Net NatWest Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.
 - f. The Net GK Baum Fund shall be distributed in the following manner:
 - i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their remaining Offered Claim(s), to the extent funds are available.
 - ii. The remaining portion of the Net GK Baum Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.
 - g. The Settlement Administrator has the discretion to adjudicate any dispute about the scope of an individual claimant's release and, as a result, to make any necessary adjustments to which Authorized Claimants are excluded from participating in any of the Net Settlement Funds set forth in (a)-(e) above.
10. **De Minimus Amount.** In order to avoid paying claims in situations where the cost of processing the claim exceeds the payment made, no claim will be paid to any claimant if the total payment to that claimant would be \$10 or less; in such an event, the payment amount will revert back the relevant Allocation Fund.
11. **Rounding.** The distribution to each Authorized Claimant from the Net Allocation Funds will be rounded off to the nearest dollar. The Distribution Plan may be modified upon further order of the Court. Any updates will be published on the website www.MunicipalDerivativesSettlement.com.

**MUST BE POSTMARKED
ON OR BEFORE
JULY 28, 2016**

FOR OFFICIAL USE ONLY

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Page 1 of 4

CLAIM FORM
MUNICIPAL DERIVATIVES SETTLEMENTS

To be considered, your Claim must be submitted online (at www.MunicipalDerivativesSettlement.com), **OR** mail it by **July 28, 2016**.
See Part 6 for General Instructions.

PART I: CLAIMANT IDENTIFICATION - Please type or print. Use blue or black ink only.

Entity Name/Borrower/Doing Business As

Name of Representative submitting the Claim Form

Title/Capacity

Number and Street or P.O. Box

City

State

Zip Code

Telephone Number (Day)

Telephone Number (Evening)

Email Address

Account Number

Employer Identification No.



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PART 3: PREVIOUS DISTRIBUTIONS FROM THE STATE AG SETTLEMENTS

If you received an Offer from one or more of the State AG Settlements listed below relating to Municipal Derivatives Transactions, list the total amount of the State AG Offer in the appropriate box, and state whether the Offer was accepted. If you do not, your claim may be rejected. You *DO NOT* need to include documentation; however, if you have documentation establishing the following, please attach it. **The Settlement Administrator may request documentation during auditing.**

STATE AG SETTLEMENT	OFFER AMOUNT	YES OR NO: WAS OFFER ACCEPTED IN STATE AG SETTLEMENT
Bank of America Corporation State AG Settlement		
GE Funding Capital Market Services, Inc. State AG Settlement		
JPMorgan Chase & Co. State AG Settlement		
Wachovia Bank N.A. State AG Settlement		
UBS AG State AG Settlement		

PART 4: SIGN AND DATE YOUR CLAIM FORM

Enter EIN.

- Please enter the Employer Identification Number ("EIN").

Employer Identification Number

- If you are exempt from backup withholding, enter your current EIN above and write "exempt" on the following line:

UNDER THE PENALTY OF PERJURY, I (WE) CERTIFY THAT:

1. The number shown on this form is the entity's/entities' current EIN; and
2. We declare that we are a Class Member as defined in the Notices, that we are not one of the "Released Parties" as defined below, and that we believe we are eligible to receive a distribution from the Net Allocation Funds under the terms and conditions of the Distribution Plan.
3. We have included information about all of our transactions in Municipal Derivatives which occurred between January 1, 1992, and August 18, 2011.
4. We understand and intend that the signature below regarding certain information for the Internal Revenue Service concerning backup withholding also serves as the signature verifying the information and representation in this Claim Form.
5. We have not assigned or transferred or intended to assign or transfer, voluntarily or involuntarily, any matter released by filing a claim here.
6. We certify that we are NOT subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the Internal Revenue Code because: (a) we are exempt from backup withholding; or (b) we have not been notified by the Internal Revenue Service that we are subject to backup withholding as a result of a failure to report all interest or dividends; or (c) the Internal Revenue Service has notified us that we are no longer subject to backup withholding.

NOTE: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above. The Internal Revenue Service does not require your consent to any provision other than the certification required to avoid backup withholding.



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We declare under penalty of perjury under the laws of the United States of America that all of the foregoing information supplied on this Proof of Claim is true and correct.

Executed this _____ day of _____, 20____ in _____ (City) _____ (State/Country)

[Signature box]

Signature of person signing on behalf of Entity/Borrower

[Name box]

(Type or print name of person signing on behalf of Entity/Borrower)

[Capacity box]

Capacity of person signing on behalf of Claimant

PART 5: MAIL YOUR CLAIM FORM

Complete and sign the enclosed Claim Form and mail it by **July 28, 2016** to:

Municipal Derivatives Settlement
c/o Rust Consulting, Inc.
P.O. Box 2500
Faribault, MN 55021-9500

For information on submitting your claim electronically, go to www.MunicipalDerivativesSettlement.com.

PART 6: GENERAL INSTRUCTIONS

- NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All Claimants MUST submit a manually signed paper Claim Form whether or not they also submit electronic copies. If you wish to submit your claim electronically, you must call the Settlement Administrator toll-free at 1-877-310-0512, send an e-mail to info@MunicipalDerivativesSettlement.com, or visit www.MunicipalDerivativesSettlement.com to obtain the required file layout.
- You should be aware that it will take a significant amount of time to process fully all of the Claim Forms and to administer the Settlements. This work will be completed as promptly as time permits, given the need to investigate and tabulate each Claim Form. Please be patient.
- Please notify the Settlement Administrator of any change of address.

CLAIMANT IDENTIFICATION

- If the entity you represent purchased or otherwise acquired Municipal Derivatives, the entity is the borrower as well as the record purchaser. However, if the entity you represent purchased the Municipal Derivative transactions that were registered in the name of a third party, such as a nominee or brokerage firm, the third party is the purchaser.
- Use Part 1 of this form to identify the purchaser of record (the "borrower"), if different from the beneficial purchaser of Municipal Derivative transactions which form the basis of this claim.

NOTE: A single Claim Form should be submitted per legal entity and should include all transactions made by that entity, no matter how many separate accounts that entity has.

DEFINITIONS

Capitalized terms not defined in this Claim Form have the same meaning as defined in the following Settlement Agreements: UBS AG Settlement Agreement, Société Générale, S.A. Settlement Agreement, Natixis Funding Corp., f/k/a IXIS Funding Corp., and before that, f/k/a CDC Funding Corp. Settlement Agreement, Piper Jaffray & Co. Settlement Agreement, National Westminster Bank plc Settlement Agreement, and George K. Baum & Company Settlement Agreement. (The Settlement Agreements, in their entirety, are available at www.MunicipalDerivativesSettlement.com.)

MUNICIPAL DERIVATIVES SETTLEMENT
PO BOX 2500
FARIBAULT MN 55021-9500

PRESORTED
FIRST-CLASS
U.S. POSTAGE PAID
PALATINE P&DC, IL
PERMIT #417

IMPORTANT LEGAL MATERIALS



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IOWA FINANCE AUTHORITY

2015 GRAND AVE STE 200

DES MOINES, IA 50312-4903

March 24, 2016

Dear Sir/Madam:

You are receiving this letter because your organization has been identified as having been (or may have been) involved in the purchase of municipal derivatives. There is a proposed Settlement in a class action lawsuit regarding the sale of municipal derivatives by George K. Baum & Company ("GKB"), National Westminster Bank PLC ("NatWest"), Natixis Funding Corp., Piper Jaffray & Co., Societe Generale SA, and UBS AG ("UBS").

The Settlement includes all state, local and municipal government entities, independent government agencies and private entities that purchased municipal derivatives any time from January 1, 1992 through August 18, 2011. The Settlement affects only the claims against George K. Baum & Company ("GKB"), National Westminster Bank PLC ("NatWest"), Natixis Funding Corp., Piper Jaffray & Co., Societe Generale SA, and UBS AG ("UBS").

Please read the enclosed detailed notice, which provides additional information about the lawsuit, as well as the enclosed distribution plan and Claim Form, which provides information about how you can submit a claim for proceeds from the Settlement. If you are not the appropriate contact, can you please assist us in our efforts by forwarding this notice packet to the appropriate person/office in your organization that handles the purchase of municipal derivatives?

If you have any questions, please visit the website at www.MunicipalDerivativesSettlement.com or call 1-877-310-0512.

Sincerely,

Settlement Administrator

**If You Purchased Municipal Derivative Transactions
from January 1, 1992, to August 18, 2011**

**You Could Get a Payment from a Class Action Settlement with
UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co.,
National Westminster Bank Plc, and George K. Baum & Co.**

A Federal Court authorized this notice. It is not a solicitation from a lawyer.

- A class action lawsuit called *In re Municipal Derivatives Antitrust Litigation* is pending in the United States District Court for the Southern District of New York. The lawsuit alleges price-fixing in the sale of municipal derivative transactions by UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, George K. Baum & Co., and other companies (which together are called the “Defendants”). Each Defendant has denied and continues to deny (1) each and all of the claims and allegations of wrongdoing made by Class Plaintiffs in the Action and maintains that it has meritorious defenses; (2) all charges of wrongdoing or liability against it arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action, and contends that the factual allegations made in the Action relating to it are materially inaccurate; and (3) that Class Plaintiffs or any Class Member were harmed by any conduct of Defendant alleged in the Action or otherwise. Each Defendant agreed to enter into this Agreement solely to avoid further the expense, inconvenience, and the distraction of burdensome and protracted litigation.
- Proposed settlements of that class action lawsuit (“Settlements”) have been reached with UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co. (“Settling Defendants”), Defendants in the above litigation. To resolve the claims against them, the Settling Defendants have entered into separate Settlements, and have agreed to pay settlement amounts in the aggregate over \$100 million (the “Settlement Amounts”), as detailed within this notice, subject to the terms and conditions of the Settlement Agreements for the benefit of the Class (defined below), and, in some instances, to provide reasonable cooperation, including discovery cooperation, to Class Plaintiffs’ Counsel for the benefit of the Class. Co-Lead Counsel, jointly with Certain State Attorneys General, reached the settlements with Societe Generale SA and Natixis Funding Corporation that are addressed within this Notice.
- The Settlement must be approved by the Court to become final. The Court will hold a hearing on **July 8, 2016, at 2:00 p.m.** to consider whether the Settlements should be approved as fair, reasonable, and adequate to the Class (“Fairness Hearing”).

YOUR LEGAL RIGHTS AND OPTIONS FOR THE SETTLEMENT:

YOU MAY EITHER:		DUE DATE:
STAY IN THE CLASS	This is the only way to be eligible to get a payment from the Settlement Amount from the settlements with Defendants. This payment will be made at a later time.	No action required
OR:		
EXCLUDE YOURSELF FROM THE CLASS	You will get no payment from the Settlement Amount. Excluding yourself from the Class is the only way to keep the right to sue Defendants, at your own expense, or be part of any other lawsuit against Defendants, for the same legal claims alleged in this lawsuit. <i>See Question 16.</i>	May 17, 2016
IF YOU STAY IN THE CLASS, YOU MAY:		
DO NOTHING/FILE A CLAIM FORM or	Take no position on the Settlements. You are automatically a member of the Class if you fit within the definition of the Class. <i>See Question 8.</i> You will need to file a claim form to receive any payment. <i>See Question 13.</i>	July 28, 2016 (claim deadline)
OBJECT and/or	Write to the Court about why you don’t like the Settlements. <i>See Question 22.</i>	June 20, 2016
GO TO A HEARING	Ask to speak to the Court, on your own or through a lawyer at your expense. <i>See Questions 22 and 26.</i>	July 8, 2016, at 2:00 p.m.

PLEASE READ THIS ENTIRE NOTICE CAREFULLY.

**IT EXPLAINS YOUR RIGHTS AND OPTIONS REGARDING THE SETTLEMENT
AND STATES THE DEADLINES FOR EXERCISING THEM.**

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BASIC INFORMATION

1. Why did I get this notice?

This class action, *In re Municipal Derivatives Antitrust Litigation*, is about the sale of municipal derivative transactions (described below) in the United States and its territories from January 1, 1992, to August 18, 2011. You have been identified as an entity that may have purchased one or more municipal derivative transactions that were sold during that time frame. If you purchased a municipal derivative transaction from one or more of the Defendants or Alleged Co-Conspirators (Alleged Co-Conspirators are identified in **Question 4** below) or that was brokered by one or more of the Defendants or Alleged Co-Conspirators, then you may be a member of the class conditionally certified by the Court for the purposes of these Settlements (the "Class").

If you are eligible for benefits from these Settlements, you have a right to know about it and about all of your options before the Court decides whether to approve the Settlements. This notice describes the lawsuit, the Settlements, your legal rights, what benefits are available, who is eligible for those benefits, and how to get them. In particular, you may be eligible to receive a cash payment.

2. What is a class action?

A class action is a lawsuit brought by one or more representative parties, called "Plaintiffs" or "Class Representatives," on behalf of themselves and other similarly situated entities or persons. (The Plaintiffs here are defined in **Question 3**, below.) The members of this group are known collectively as a class. The parties being sued are called the defendants. The court appoints attorneys, called "Class Counsel," to represent the Plaintiffs and other members of the class. (Class Counsel are defined in **Question 20**, below.) Together, the Class Representatives, Class Counsel, and the Court share the responsibility to ensure that the interests of all class members are adequately represented. The Court resolves the claims of all class members except those who exclude themselves from the class. U.S. District Judge Victor Marrero of the U.S. District Court for the Southern District of New York is in charge of supervising this class action.

When the Plaintiffs enter into a proposed settlement with a defendant, such as those with UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., in this case, the Court must approve the settlement before it becomes final. Before the Court decides whether to grant approval, the class members are first given notice of the settlement and an opportunity to be heard about whether they want the settlement to become final. The Court then conducts a hearing, called a fairness hearing, to consider whether the proposed settlement is fair, reasonable and adequate to the class.

Members of the class are not individually responsible to pay attorneys' fees or litigation expenses of Class Counsel. Instead, attorneys' fees and litigation expenses are paid from a settlement (or a judgment if there has been a trial), and only after being approved by the Court.

3. Who are the Class Representatives in this lawsuit?

The Plaintiffs, or Class Representatives, in this class action are the Mayor and City Council of Baltimore and the Central Bucks School District. They allege that they purchased one or more municipal derivative transactions from January 1, 1992, to August 18, 2011, from or through one or more of the Defendants.

4. Who are the Defendants and Alleged Co-Conspirators?

The Defendants and Alleged Co-Conspirators in this class action fall into two groups: (1) "Alleged Provider Defendants" and "Alleged Provider Co-Conspirators," which are financial institutions that sold the municipal derivative transactions to members of the Class, and (2) "Alleged Broker Defendants" and "Alleged Broker Co-Conspirators," which are companies that brokered the sales of municipal derivative transactions to members of the Class.

For purposes of determining who is a member of the Class, Defendants and Alleged Co-Conspirators include those named or that could have been named in *In re Municipal Derivatives Antitrust Litigation*, MDL No. 1950, Master Docket No. 08-02516 (VM) (GWG), which is currently pending in the U.S. District Court for the Southern District of New York, and all of the actions filed in or transferred to the U.S. District Court for the Southern District of New York for coordination or consolidation with MDL No. 1950 (a complete list is available at www.MunicipalDerivativesSettlement.com). In addition to UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., the following entities are Defendants or Alleged Co-Conspirators in the lawsuit:

Alleged Provider Defendants

- Bank of America, N.A.***
- GE Funding Capital Market Services, Inc., Trinity Funding Co., LLC and Trinity Plus Funding Co., LLC***

Provider Alleged Co-Conspirators

- AIG Financial Products Corp.
- Financial Security Assurance Holdings, Ltd.
- Financial Security Assurance, Inc.
- JP Morgan Chase & Co., J.P. Morgan Securities, Inc. (n/k/a J.P. Morgan Securities LLC) and Bear Stearns & Co., Inc. (n/k/a/ J.P. Morgan Securities LLC)**
- Morgan Stanley*
- Lehman Brothers
- SunAmerica Life Assurance Co.
- MG Financial Products Corp.
- Wachovia Bank, N.A. (n/k/a Wells Fargo Bank, N.A.)**
- XL Asset Funding Co. I, LLC
- XL Capital Ltd.
- XL Life Insurance & Annuity, Inc.

Alleged Broker Defendants

- CDR Financial Products
- Investment Management Advisory Group, Inc.
- Sound Capital Management, Inc.
- Winters & Co. Advisors, LLC

Broker Alleged Co-Conspirators

- Feld Winters Financial LLC
- First Southwest Company
- Kinsell Newcomb & De Dios Inc.
- Mesirov Financial
- Morgan Keegan & Co., Inc.
- PackerKiss Securities, Inc.

* On November 23, 2011, the Court approved the Plaintiffs' settlement with Morgan Stanley.

** On December 14, 2012, the Court approved the Plaintiffs' settlement with Wells Fargo/Wachovia and JPMorgan.

*** On June 6, 2014, the Court approved the Plaintiffs' settlement with Bank of America and GE Funding Capital Market Services.

5. What claims are the Class Representatives making on my behalf?

The Class Representatives claim that the Defendants violated federal antitrust laws by conspiring to fix, maintain or stabilize the price of municipal derivative transactions and by rigging bids and allocating customers and markets for municipal derivative transactions in the United States. Municipal derivative transactions are defined as financial products used by issuers of tax-exempt municipal bonds (such as states, cities, counties, or their agencies, and tax-exempt, non-profit private entities) to invest the money received from such bond offerings while they are waiting to spend it or to hedge or manage the interest rate risk associated with such bond offerings. Municipal derivative transactions come in many varieties. Some of the more common types are:

- Guaranteed investment contracts
- Interest-rate swaps
- Options
- "Swaptions" (a combination of a swap and an option)
- Interest-rate floors
- Collars

By this lawsuit, the Class Representatives are seeking compensation from the Defendants for these claimed violations, alleging that the Defendants' conduct restrained, suppressed or eliminated price competition for municipal derivative transactions, causing the members of the Class to receive lower returns on municipal derivative transactions than they would have received absent Defendants' alleged conduct.

Each Defendant has denied and continues to deny (1) each and all of the claims and allegations of wrongdoing made by Class Plaintiffs in the Action and maintains that it has meritorious defenses; (2) all charges of wrongdoing or liability against it arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action, and contends that the factual allegations made in the Action relating to it are materially inaccurate; and (3) that Class Plaintiffs or any Class Member were harmed by any conduct of Defendant alleged in the Action or otherwise. Each Defendant agreed to enter into this Agreement solely to avoid further the expense, inconvenience, and the distraction of burdensome and protracted litigation.

6. Why is there a Settlement?

The Settlements, if approved, will resolve the remaining claims in the Class litigation. The Court has not decided in favor of either the Plaintiffs or UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, or George K. Baum & Co. Instead, all sides have agreed to the Settlements, which are separate agreements between the Class Representatives and, respectively, UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co. That way, all sides avoid the cost and risk of continuing the case.

The Class Representatives and their attorneys, appointed by the Court to serve as Class Counsel, believe that the Settlements are best for all members of the Class. If the Settlements are approved by the Court and the Court's approval order becomes final, the Settlement Amounts will be paid into the settlement fund in exchange for dismissal and resolution of the claims against them.

7. Are All Defendants other than the Settling Defendants settling?

These Defendants are the last remaining Defendants in the case. However, if any one of these Settlements with a particular Defendant is not approved, the litigation will proceed against that Defendant. If you participate in these Settlements, you will keep your rights to participate or exclude yourself from any other class that may be certified by the Court in this lawsuit as a result of Plaintiffs' motion for certification of such a class or as a result of a settlement with one or more of the other Defendants.

WHO IS AFFECTED BY THE SETTLEMENT?

To see if you are affected by the Settlements, you first have to determine if you are a member of the Class.

8. How do I know if I am a member of the Class?

Included in the Class are state, local and municipal government entities, independent government agencies, quasi-government, and private entities that purchased municipal derivative transactions through negotiation, competitive bidding, or auction:

- From any Alleged Provider Defendant or Alleged Co-Conspirator or brokered by any Alleged Broker Defendant or Alleged Co-Conspirator described in Question 4 (a complete list is available at www.MunicipalDerivativesSettlement.com);
- At any time from January 1, 1992, through August 18, 2011; and
- In the United States and its territories or for delivery in the United States and its territories.

9. Are there exceptions to being included in the Class?

Excluded from the Class are:

- UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, George K. Baum & Co., and their affiliates, and any of their officers, directors or employees.
- Any judge, justice or judicial officer presiding over this matter and the members of their immediate families and judicial staffs.
- Any Alleged Provider or Broker Defendant or Alleged Co-Conspirator.

10. What if I'm still not sure if I'm included in the Class?

If you are not sure whether you are a member of the Class, you may visit the Municipal Derivatives Settlement website at www.MunicipalDerivativesSettlement.com, call toll-free 1-877-310-0512, or write to Municipal Derivatives Settlement, c/o Rust Consulting, P.O. Box 2500, Faribault, MN 55021-9500.

You may also want to call your broker(s) to see if you purchased municipal derivative transactions from January 1, 1992, to August 18, 2011.

THE SETTLEMENT BENEFITS

11. What does the Settlement provide?

Under the Settlement, the Settlement Amounts are as follows:

- | | |
|---------------------------------|--------------------|
| • UBS AG | \$ 32 million |
| • Natixis Funding Corp. | \$ 28.4525 million |
| • Société Générale S.A. | \$ 25.4125 million |
| • Piper Jaffray & Co. | \$ 9.75 million |
| • National Westminster Bank Plc | \$ 3.5 million |
| • George K. Baum & Co. | \$ 1.4 million |

UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., and George K. Baum & Co., will also provide reasonable cooperation to Class Plaintiffs' Counsel (to the extent necessary if any of the settlements are not finally approved), as described in the Settlement Agreements. In addition, UBS AG, Société Générale S.A., Natixis Funding Corp., Piper

Jaffray & Co., and National Westminster Bank Plc. have the option to terminate the Settlement if more than a certain percentage of Class members exclude themselves from the Classes, as explained in the Settlement Agreements.

This is only a summary of the Settlements. The Settlement Agreements are on file with the Clerk of the Court at the address indicated in this notice and are available at the official Municipal Derivatives Settlement website at www.MunicipalDerivativesSettlement.com.

12. How much will my payment be?

The Settlement Amount will be distributed pursuant to a plan of allocation that has been preliminarily approved by the Court and will be submitted to the Court for final approval at the final approval hearing (*see* Question 13). That plan of allocation is attached to this notice and Class members can comment on it before the Court approves it. Payments will also depend, in part, on the number of valid claim forms thus far and subsequently received.

13. How can I get a payment?

A Claim Form is attached. To be considered for payment, your Claim must be submitted online (at www.MunicipalDerivativesSettlement.com), **OR** mail it by **July 28, 2016**. If you previously submitted a Claim Form, and you do not have any changes to make to it, you do not need to do anything—your previous Claim Form will be used for these settlements.

If you are a member of the Class and do not exclude yourself from the Class, you are eligible to file a claim for a payment from the Settlement Amount. At the Fairness Hearing, the Court will be asked to finally approve a plan, called a “Plan of Allocation,” explaining how the Settlement Amount will be divided among eligible Class members. That plan of allocation is attached. *See* Question 12.

You will need to properly complete and submit the Claim Form in order to receive a payment. The Claim Form includes instructions for completing and returning it. You may be asked to submit documentation of your purchases of municipal derivative transactions along with your claim form, so you should keep all of your records.

Claim forms will also be available at the Municipal Derivatives Settlement website or by writing the Settlement Administrator.

14. When would I get a payment?

You should be aware that it will take a significant amount of time to process fully all of the Claim Forms and to administer the Settlements. This work will be completed as promptly as time permits, given the need to investigate and tabulate each Claim Form. Please be patient. Check the Municipal Derivatives Settlement website for updates.

15. What am I giving up to stay in the Class?

Unless you exclude yourself from the Class (*see* Question 16), you will remain in the Class and your interests will be represented by the Class Representatives and Class Counsel at no cost to you. However, you may have your own attorney represent you at your expense if you choose to do so.

If you remain in the Class, you will be bound by all of the Court’s decisions with respect to the Settlements. Also, you will lose the right to sue or continue to sue UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., in this case or any other lawsuit about the issues and claims in this case. However, you will not give up certain potential claims unrelated to municipal derivatives transactions that you might have against UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co. The Settlement Agreements, which are available at www.MunicipalDerivativesSettlement.com, describe in more detail the legal claims that you give up if you stay in the Class, and they contain the full release provisions. We are only providing a brief summary herein.

In addition, because the Settlements involve only UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., and do not affect the rights of the Class members against any of the other Defendants, you will not give up any claims against them in this or any other lawsuit.

EXCLUDING YOURSELF FROM THE CLASS

If you don’t want a payment from the Settlement Amount and you want to keep the right to sue UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and/or George K. Baum & Co. about the claims or issues in this case, then you must take steps to get out of the Class. This is called excluding yourself—sometimes referred to as “opting out” of the class.

16. How do I get out of the Class?

You have the right to exclude yourself from the Class. You can choose to exclude yourself from some but not all Settlements. If you ask to be excluded, however, you will not get any payment as a result of the Settlements from which you exclude yourself, and you cannot object to those Settlements. You will not be bound by the Settlements from which you exclude yourself and will have the right to sue or continue to sue the Defendants involved in the Settlements from which you exclude yourself.

To exclude yourself from the Class, you must send a written request by first-class mail, *postmarked no later than May 17, 2016*, to:

Municipal Derivatives Settlement
c/o Rust Consulting, Inc.
P.O. Box 2500
Faribault, MN 55021-9500

If you wish to exclude yourself, you must exclude yourself in a separate writing for each Settlement from which you would like to be excluded (i.e., the Settlements with UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co.). Your exclusion request(s) must clearly state the following:

- (a) Your name, address, and telephone number;
- (b) All trade names or business names and addresses that you have used, as well as any subsidiaries, divisions, groups, affiliates, or other entities that you used to enter transactions on your behalf, that have purchased by negotiation, competitive bidding or auction municipal derivatives directly from an Alleged Provider Defendant or Alleged Co-Conspirator, or through an Alleged Broker Defendant or Alleged Co-Conspirator, at any time from January 1, 1992, through August 18, 2011, in the United States and its territories or for delivery in the United States and its territories that are also requesting exclusion;
- (c) A description of the municipal derivative transactions you purchased that fall within the Class definition (including the identity of the provider and broker, the date of the transaction, the type of transaction, any transaction identification numbers and the notional amount of the transactions), to the extent such information is available;
- (d) The name of the class action you wish to exclude yourself from:
 - a. *In re Municipal Derivatives Antitrust Litigation – UBS AG Settlement*, MDL No. 1950, Master Docket No. 08-02516 (S.D.N.Y.); or
 - b. *In re Municipal Derivatives Antitrust Litigation – Société Générale S.A. Settlement*; or
 - c. *In re Municipal Derivatives Antitrust Litigation – Natixis Funding Corp. Settlement*; or
 - d. *In re Municipal Derivatives Antitrust Litigation – Piper Jaffray & Co. Settlement*; or
 - e. *In re Municipal Derivatives Antitrust Litigation – National Westminster Bank Plc Settlement*; or
 - f. *In re Municipal Derivatives Antitrust Litigation – George K. Baum & Co. Settlement*; and
- (e) A signed statement that you request to be excluded from the Class.

Please note that you may have previously received similar notices regarding settlements with other Defendants (i.e., Morgan Stanley, JP Morgan Chase & Co., J.P. Morgan Securities, Inc., Wachovia Bank, N.A. (n/k/a Wells Fargo Bank, N.A.), Bank of America, N.A., GE Funding Capital Market Services, Inc., Trinity Funding Co., LLC and Trinity Plus Funding Co., LLC). These were separate settlements, and if you wish to exclude yourself from the UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and/or George K. Baum & Co. settlements, you **must** send a separate and specific notice containing the information noted above with regard to each of the Settling Defendant settlements.

Information about excluding yourself is also available on the Municipal Derivatives Settlement website at www.MunicipalDerivativesSettlement.com.

17. If I don't exclude myself from the Class, can I sue the Settling Defendants, later?

No, not about the issues in this case. Unless you exclude yourself, you give up any right to sue UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and/or George K. Baum & Co., for the claims or issues resolved by these Settlements. If you have a pending lawsuit against UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, or George K. Baum & Co., involving the claims or issues in this class action, speak to your lawyer in that case immediately. (You must exclude yourself from *the relevant* Class in order to continue participation in any other lawsuit against UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., involving the claims or issues in this class action.)

18. If I exclude myself from the Class, can I get money as a result of the Settlements?

No. If you exclude yourself from the Class, you will not be able to get any money as a result of the Settlements, and you cannot object to the Settlements; however, you may be able to UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and/or George K. Baum & Co. on your own in the future, and you will not be bound by any decisions relating to these Settlements.

19. What if I participated in the State AG Settlements?

If you entered into municipal derivative transactions with certain entities—including Bank of America, GE, JP Morgan, UBS, and Wachovia—you may have been eligible to participate in the State AG Settlements relating to those entities. To the extent that you were eligible to participate in the State AG Settlement, you should have received a separate notice concerning the State AG Settlements. Class members who participated in the State AG settlements must indicate that on the Claim Form. The plan of allocation explains how those with claims eligible for participation in the State AG settlements are treated here.

THE LAWYERS REPRESENTING YOU

20. Do I have a lawyer in this case?

Yes. The Court has appointed the law firms of Hausfeld LLP; Boies, Schiller & Flexner LLP; and Susman Godfrey L.L.P. to serve as interim lead Class Counsel to represent your claims. If you want to be represented by your own lawyer, you may hire one at your own expense.

21. How will the lawyers be paid?

You are not personally responsible for payment of attorneys' fees or expenses for Class Counsel. Instead, as compensation for their time and the risk in litigating the case on a contingent basis, Class Counsel will ask the Court to approve from the Settlement Amount an interim payment of attorneys' fees, as well as an interim reimbursement for their expenses actually incurred in the prosecution of the litigation. Class Counsel will make a request for fees (equaling up to 1/3 of the total Settlement Amounts) and expenses at or before the date for objections on June 20, 2016 (*see* Question 24), and this request will be made available at the Municipal Derivatives Settlement website. Now or at some point in the future, Class Counsel may also ask the Court to approve compensation for the work of the Class Representatives as well, for up to \$20,000 each for each settlement.

If you wish to object to the request for attorneys' fee and expenses, you must file your objection by June 20, 2016 as described in Question 22 below.

OBJECTING TO THE SETTLEMENT OR THE REQUEST FOR ATTORNEYS' FEES AND EXPENSES

You can tell the Court that you don't agree with all or part of the Settlements or Class Counsel's request for attorneys' fees and expenses.

22. If I disagree with the Settlements, how do I tell the Court?

If you don't exclude yourself from the Class, you can object to the Settlements or any part of it with which you do not agree. The Court will consider your views. To object you must mail or deliver copies of your objection (and all supporting documentation) **no later than** June 20, 2016 to the following addresses:

Settlement Administrator	Clerk of the Court
Rust Consulting, Inc. P.O. Box 2500 Faribault, MN 55021-9500	Clerk of the Court United States Courthouse 500 Pearl Street New York, N.Y. 10007

Your letter must:

- (a) Explain the basis for your objection; and
- (b) Include proof of your membership in the Class (such as documents showing that you purchased municipal derivative transactions from or through one or more of the Defendants or Alleged Co-Conspirators from January 1, 1992, to August 18, 2011).

23. What's the difference between objecting to the Settlement and excluding myself from the Class?

Objecting is simply telling the Court that you don't agree with something about the Settlements. You can object to the Settlements only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the Settlements no longer affect you.

THE COURT'S FAIRNESS HEARING

24. When and where will the Court decide whether to approve the Settlements?

The Court has scheduled a Fairness Hearing on **July 8, 2016, at 2:00 p.m.** at the United States District Court for the Southern District of New York, 500 Pearl Street, New York, NY 10007. At the Fairness Hearing, Judge Marrero will consider whether the Settlements and plan of allocation are fair, reasonable and adequate. The Court will consider any objections and whether to approve Class Counsel's request for reimbursement of litigation fees and expenses. The Court may change the time and date of the Fairness Hearing. If so, notice of any change will be posted at the courthouse or on the Court's website. The change will also be posted at www.MunicipalDerivativesSettlement.com. You should confirm the time and location of the Fairness Hearing if you plan to attend.

25. Do I have to come to the hearing?

No. At the Fairness Hearing, Class Counsel will represent all the Class. However, you or your attorney may attend at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed a written objection meeting the requirements set forth in Question 22, the Court will consider it.

26. May I speak at the hearing?

Yes. If you don't exclude yourself from the Class, you may ask the Court for permission for you or your attorney to speak at the Fairness Hearing at your expense. To do so, however, **no later than June 20, 2016** you must:

- (1) File a written notice of your intention to appear, along with any other papers or briefs supporting your objection, with the Clerk of Court at the address listed in Question 22;

and

- (2) Mail or deliver copies of the notice and any supporting papers or briefs to the addressees listed in Question 22.

The notice must be accompanied by:

- (a) A signed statement indicating your position on the Settlement(s); and
- (b) Proof of your membership in the Class (such as documents showing that you purchased municipal derivative transactions from or through one or more of the Defendants or Alleged Co-Conspirators from January 1, 1992, to August 18, 2011).

IF YOU DO NOTHING

27. What happens if I do nothing at all?

You do not need to do anything to remain in the Class. You are automatically a Class member if you fit the definition in Question 8. You will be bound by all Court orders, good or bad, and you give up your right to sue UBS AG, Société Générale S.A., Natixis Funding Corp., Piper Jaffray & Co., National Westminster Bank Plc, and George K. Baum & Co., about the issues in this case if you do not exclude yourself.

As explained in Question 13, to be considered for payment, your Claim must be submitted online (at www.MunicipalDerivativesSettlement.com), **OR** mail it by **July 28, 2016**. If you previously submitted a Claim Form, and you do not have any changes to make to it, you do not need to do anything—your previous Claim Form will be used for these settlements.

GETTING MORE INFORMATION

28. Are there more details about the Settlement?

This notice only summarizes the Settlements. More details and the full controlling terms are in the Settlement Agreements between the Plaintiffs and Defendants. You can get a copy of each of the Settlement Agreements by visiting www.MunicipalDerivativesSettlement.com.

29. How do I get more information?

If you have questions or want more information, you can visit www.MunicipalDerivativesSettlement.com. If the answer to your question cannot be located on the website, you may contact the Settlement Administrator by email at info@MunicipalDerivativesSettlement.com. You may also call the Settlement Administrator toll-free at 1-877-310-0512, or send mail to the Settlement Administrator at: Municipal Derivatives Settlement, c/o Rust Consulting, Inc., P.O. Box 2500, Faribault, MN 55021-9500.

You may also write to any of Class Counsel at the following addresses:

Michael D. Hausfeld
1700 K Street, NW
Suite 650
Washington, DC 20006

William A. Isaacson
Boies, Schiller & Flexner LLP
5301 Wisconsin Avenue, NW
Washington, D.C. 20015

William C. Carmody
Susman Godfrey L.L.P.
560 Lexington Avenue, 15th Floor
New York, N.Y. 10022

Do NOT contact Judge Marrero or the Clerk of Court for information about the Settlements.

30. How can I update my address?

If your address changes, please send your current information to the Settlement Administrator at:

Municipal Derivatives Settlement
c/o Rust Consulting, Inc.
P.O. Box 2500
Faribault, MN 55021-9500

Dated: March 11, 2016

BY ORDER OF THE COURT
Clerk of Court, United States District Court
Southern District of New York
United States Courthouse
500 Pearl Street
New York, NY 10007

**DISTRIBUTION PLAN
FOR THE FOLLOWING MUNICIPAL DERIVATIVE SETTLEMENTS:**

UBS AG (“UBS”)

SOCIÉTÉ GÉNÉRALE, S.A. (“SOC GEN”)

**NATIXIS FUNDING CORP., F/K/A IXIS FUNDING CORP., AND BEFORE THAT, F/K/A CDC FUNDING
CORP. (“NATIXIS”)**

PIPER JAFFRAY & CO. (“PIPER”)

NATIONAL WESTMINSTER BANK PLC (“NATWEST”)

GEORGE K. BAUM & COMPANY (“GK BAUM”)

1. **Allocation Funds.** The Allocation Funds shall be: \$32,000,000 for the UBS Settlement (“UBS Fund”); \$28,452,500 for the Natixis Settlement (“Natixis Fund”); \$25,412,500 for the Soc Gen Settlement (“Soc Gen Fund”); \$9,750,000 for the Piper Settlement (“Piper Fund”); \$3,500,000 for the NatWest Settlement (“NatWest Fund”); and \$1,400,000 for the GK Baum Settlement (“GK Baum Fund”). The Settlement Agreements describing these settlements can be found at www.MunicipalDerivativesSettlement.com

2. **Net Allocation Funds.** The Allocation Funds, less all taxes, expenses of the Notice and administration of the Settlement, court-approved costs, attorneys’ fees, class representative enhancement awards, and expenses (the “Net Allocation Funds,” and individually the “Net UBS Fund,” the “Net Natixis Fund,” the “Net Soc Gen Fund,” the “Net Piper Fund,” the “Net NatWest Fund,” and the “Net GK Baum Fund”) shall be distributed to members of the Class who timely submit valid Proofs of Claim (“Authorized Claimants”) as described below and in the attached Proof of Claim form. In the opinion of Lead Counsel, this represents the most appropriate way of allocating the Net Allocation Funds under the circumstances of this case.

3. **State AG Settlements.** The State AG Settlements refer, collectively, to the following settlements involving municipal transactions: an out-of-court settlement, dated December 23, 2011, between GE Funding Capital Market Services, Inc. and 28 States Attorneys General (“State AG Settlement with GE”); an out-of-court settlement dated December 7, 2010 between Bank of America Corporation and 28 States Attorneys General (“State AG Settlement with Bank of America”); an out-of-court settlement dated December 8, 2011 between Wachovia Bank, N.A. and 26 State Attorneys General (“State AG Settlement with Wachovia”); an out-of-court settlement dated May 4, 2011 between UBS AG and 25 State Attorneys General (“State AG Settlement with UBS”); an out-of-court settlement dated July 7, 2011 between JP Morgan Chase & Co. and 25 States Attorneys General (“State AG Settlement with JPMorgan”). These settlements, and related information, can be found at www.ag.ny.gov/antitrust/legal-documents/municipal-bond-derivatives-investigation

4. **Qualifying Municipal Transactions.** For purposes of this Distribution Plan, a “qualifying Municipal Transaction” is a Municipal Derivative Transaction that qualifies its holder to be a member of at least one of the Settlement Classes, subject to the parameters and exclusions set forth in the definitions of a Class and of a Municipal Derivatives Transaction in the various Settlement Agreements.¹ A notable exception applies to transactions for which claimants accepted payments from the State AG Settlements: if a transaction is between an Authorized Claimant and provider Defendant Bank of America, JPMorgan, GE, UBS or Wachovia, and the claimant accepted a State AG payment for that transaction from the corresponding State AG Settlement with Bank of America, JPMorgan, GE, UBS or Wachovia, respectively, then that transaction is not a qualifying Municipal Transaction.

5. **Proof of Claim.** In order to qualify a transaction as a qualifying Municipal Transaction, and to earn benefits from the Allocation Funds, a Class Member must submit a timely Proof of Claim that is accepted in whole or in part by the Settlement Administrator. Counsel for Class Plaintiffs have attempted to collect transactional data from Defendants showing which qualifying Municipal Transactions exist. While some transactional data has been collected, some is missing, and claimants should submit their own information to the extent available. The Settlement Administrator may in its discretion request documentation during auditing to confirm transactions submitted by Authorized Claimants. The Settlement Administrator will try to assist potential claimants to the best of its ability.

¹ See UBS Settlement Agreement ¶A(1)(i) (defining Class) & ¶A(1)(y) (defining Municipal Derivatives Transaction); Natixis Settlement Agreement ¶A(1)(i) (defining Class) & ¶A(1)(x) (defining Municipal Derivatives Transaction); Soc Gen Agreement ¶A(1)(i) (defining Class) & ¶A(1)(x) (defining Municipal Derivatives Transaction); Piper Agreement ¶A(1)(i) (defining Class) & ¶A(1)(y) (defining Municipal Derivatives Transaction); Nat West Settlement Agreement ¶A(1)(i) (defining Class) & ¶A(1)(x) (defining Municipal Derivatives); and GK Baum Settlement Agreement ¶A(1)(i) (defining Class) & ¶A(1)(x) (defining Municipal Derivatives).

6. **Pro Rata Claim.** The *Pro Rata* Claim of each Authorized Claimant will be determined by calculating each Authorized Claimant's *pro rata* share of the Net Allocation Funds. This will be calculated in the following three steps:

a. First, each Authorized Claimant's "notional stake" is calculated. An Authorized Claimant's notional stake equals the sum of the notional stakes for each of its qualifying Municipal Transactions. The notional stake of a qualifying Municipal Transaction equals the notional amount of the transaction² at issuance multiplied by the term of the transaction in years. For example, if an Authorized Claimant had a qualifying transaction with \$1 million notional amount, which was executed on February 1, 2010 with a maturity date of August 1, 2020, then the notional stake of that transaction would be: (notional amount = \$1 million) * (term = 10.5 years) = \$ 10.5 million. If a transaction gives rise to an Offered Claim (as defined below), however, the notional stake for that transaction is zero.

b. Second, each Authorized Claimant's "notional share" is calculated. This is calculated by dividing each Authorized Claimant's notional stake by the sum of the notional stakes of all Authorized Claimants. For example, if an Authorized Claimant has a notional stake of \$10.5 million, and the total notional stake of all claimants combined is \$1050 million, then that Authorized Claimant's notional share is .01.

c. Third, the *Pro Rata* Claim for each Authorized Claimant is calculated by multiplying the aggregate amount in the Net Allocation Funds by that Claimant's notional share.

7. **Offered Claim.** An Offered Claim is a claim for a qualifying Municipal Transaction for which the State AGs offered the Authorized Claimant a payment under any of the State AG Settlements with GE, Wachovia, JPMorgan, Bank of America or UBS but the claimant did not accept the offer. The amount of an Offered Claim equals the amount offered by the State AGs for that transaction (but declined). However, if a Class Member has already received the full amount of an Offered Claim for a Transaction from a prior distribution of Class Settlement funds in this litigation, then the qualifying Municipal Transaction will not be treated as an Offered Claim but instead will be treated in the same manner as other qualifying Municipal Transactions (see paragraph 6 above).

8. **Recognized Claim.** A Recognized Claim is calculated by adding each claimant's *Pro Rata* Claim to its Offered Claim(s).

9. **Allocation.** The Net Allocation Fund shall be distributed to the Authorized Claimants, as follows and in the following order:

a. The Net UBS shall be distributed in the following manner:

i. No Authorized Claimant who accepted a State AG offer from the State AG Settlement with UBS shall receive any distribution from the UBS Fund for any portion of its *Pro Rata* Claim that is based on a transaction with UBS between January 1, 2001 and December 31, 2006.

ii. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their Offered Claim(s), to the extent funds are available.

iii. The remaining portion of the UBS Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available

b. The Net Natixis Fund shall be distributed in the following manner:

i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their Offered Claim(s), to the extent funds are available.

ii. The remaining portion of the Net Natixis Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.

c. The Net Soc Gen Fund shall be distributed in the following manner:

i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their remaining Offered Claim(s), to the extent funds are available.

² The notional amount of a transaction can be recorded in different ways. Depending on the information available, the following notional amount will be used, in order of preference: the notional amount recorded in the provider's transactional data; the average notional amount; the starting notional amount; and the maximum notional amount.

ii. The remaining portion of the Net Soc Gen Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.

d. The Net Piper Fund shall be distributed in the following manner:

i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their remaining Offered Claim(s), to the extent funds are available.

ii. The remaining portion of the Net Piper Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.

e. The Net NatWest Fund shall be distributed in the following manner:

i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their remaining Offered Claim(s), to the extent funds are available.

ii. The remaining portion of the Net NatWest Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.

f. The Net GK Baum Fund shall be distributed in the following manner:

i. Authorized Claimants shall first be paid, on a *pro rata* basis, the portion of their Recognized Claim that equals the amount of their remaining Offered Claim(s), to the extent funds are available.

ii. The remaining portion of the Net GK Baum Fund shall be distributed, on a *pro rata* basis, to the Authorized Claimants in an amount based on their remaining *Pro Rata* Claims, to the extent funds are available.

g. The Settlement Administrator has the discretion to adjudicate any dispute about the scope of an individual claimant's release and, as a result, to make any necessary adjustments to which Authorized Claimants are excluded from participating in any of the Net Settlement Funds set forth in (a)-(e) above.

10. **De Minimus Amount.** In order to avoid paying claims in situations where the cost of processing the claim exceeds the payment made, no claim will be paid to any claimant if the total payment to that claimant would be \$10 or less; in such an event, the payment amount will revert back the relevant Allocation Fund.

11. **Rounding.** The distribution to each Authorized Claimant from the Net Allocation Funds will be rounded off to the nearest dollar. The Distribution Plan may be modified upon further order of the Court. Any updates will be published on the website www.MunicipalDerivativesSettlement.com.

**MUST BE POSTMARKED
ON OR BEFORE
JULY 28, 2016**

FOR OFFICIAL USE ONLY

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Page 1 of 4

CLAIM FORM

MUNICIPAL DERIVATIVES SETTLEMENTS

To be considered, your Claim must be submitted online (at www.MunicipalDerivativesSettlement.com), **OR** mail it by **July 28, 2016**.
See Part 6 for General Instructions.

PART I: CLAIMANT IDENTIFICATION - Please type or print. Use blue or black ink only.

Entity Name/Borrower/Doing Business As	
<input type="text"/>	
Name of Representative submitting the Claim Form	Title/Capacity
<input type="text"/>	<input type="text"/>

Number and Street or P.O. Box		
<input type="text"/>		
City	State	Zip Code
<input type="text"/>	<input type="text"/>	<input type="text"/>
Telephone Number (Day)	Telephone Number (Evening)	
<input type="text"/>	<input type="text"/>	
Email Address	Account Number	
<input type="text"/>	<input type="text"/>	
Employer Identification No.		
<input type="text"/>		



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PART 3: PREVIOUS DISTRIBUTIONS FROM THE STATE AG SETTLEMENTS

If you received an Offer from one or more of the State AG Settlements listed below relating to Municipal Derivatives Transactions, list the total amount of the State AG Offer in the appropriate box, and state whether the Offer was accepted. If you do not, your claim may be rejected. You **DO NOT** need to include documentation; however, if you have documentation establishing the following, please attach it. **The Settlement Administrator may request documentation during auditing.**

STATE AG SETTLEMENT	OFFER AMOUNT	YES OR NO: WAS OFFER ACCEPTED IN STATE AG SETTLEMENT
Bank of America Corporation State AG Settlement		
GE Funding Capital Market Services, Inc. State AG Settlement		
JPMorgan Chase & Co. State AG Settlement		
Wachovia Bank N.A. State AG Settlement		
UBS AG State AG Settlement		

PART 4: SIGN AND DATE YOUR CLAIM FORM

Enter EIN.

- Please enter the Employer Identification Number ("EIN").

Employer Identification Number

- If you are exempt from backup withholding, enter your current EIN above and write "exempt" on the following line:

UNDER THE PENALTY OF PERJURY, I (WE) CERTIFY THAT:

1. The number shown on this form is the entity's/entities' current EIN; and
2. We declare that we are a Class Member as defined in the Notices, that we are not one of the "Released Parties" as defined below, and that we believe we are eligible to receive a distribution from the Net Allocation Funds under the terms and conditions of the Distribution Plan.
3. We have included information about all of our transactions in Municipal Derivatives which occurred between January 1, 1992, and August 18, 2011.
4. We understand and intend that the signature below regarding certain information for the Internal Revenue Service concerning backup withholding also serves as the signature verifying the information and representation in this Claim Form.
5. We have not assigned or transferred or intended to assign or transfer, voluntarily or involuntarily, any matter released by filing a claim here.
6. We certify that we are NOT subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the Internal Revenue Code because: (a) we are exempt from backup withholding; or (b) we have not been notified by the Internal Revenue Service that we are subject to backup withholding as a result of a failure to report all interest or dividends; or (c) the Internal Revenue Service has notified us that we are no longer subject to backup withholding.

NOTE: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above. The Internal Revenue Service does not require your consent to any provision other than the certification required to avoid backup withholding.



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We declare under penalty of perjury under the laws of the United States of America that all of the foregoing information supplied on this Proof of Claim is true and correct.

Executed this _____ day of _____, 20____ in _____, _____
(City) (State/Country)

[Signature box]

Signature of person signing on behalf of Entity/Borrower

[Name box]

(Type or print name of person signing on behalf of Entity/Borrower)

[Capacity box]

Capacity of person signing on behalf of Claimant

PART 5: MAIL YOUR CLAIM FORM

Complete and sign the enclosed Claim Form and mail it by **July 28, 2016** to:

Municipal Derivatives Settlement
c/o Rust Consulting, Inc.
P.O. Box 2500
Faribault, MN 55021-9500

For information on submitting your claim electronically, go to www.MunicipalDerivativesSettlement.com.

PART 6: GENERAL INSTRUCTIONS

- **NOTICE REGARDING ELECTRONIC FILES:** Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All Claimants **MUST** submit a manually signed paper Claim Form whether or not they also submit electronic copies. If you wish to submit your claim electronically, you must call the Settlement Administrator toll-free at 1-877-310-0512, send an e-mail to info@MunicipalDerivativesSettlement.com, or visit www.MunicipalDerivativesSettlement.com to obtain the required file layout.
- You should be aware that it will take a significant amount of time to process fully all of the Claim Forms and to administer the Settlements. This work will be completed as promptly as time permits, given the need to investigate and tabulate each Claim Form. Please be patient.
- Please notify the Settlement Administrator of any change of address.

CLAIMANT IDENTIFICATION

- If the entity you represent purchased or otherwise acquired Municipal Derivatives, the entity is the borrower as well as the record purchaser. However, if the entity you represent purchased the Municipal Derivative transactions that were registered in the name of a third party, such as a nominee or brokerage firm, the third party is the purchaser.
- Use Part 1 of this form to identify the purchaser of record (the "borrower"), if different from the beneficial purchaser of Municipal Derivative transactions which form the basis of this claim.

NOTE: A single Claim Form should be submitted per legal entity and should include all transactions made by that entity, no matter how many separate accounts that entity has.

DEFINITIONS

Capitalized terms not defined in this Claim Form have the same meaning as defined in the following Settlement Agreements: UBS AG Settlement Agreement, Société Générale, S.A. Settlement Agreement, Natixis Funding Corp., f/k/a IXIS Funding Corp., and before that, f/k/a CDC Funding Corp. Settlement Agreement, Piper Jaffray & Co. Settlement Agreement, National Westminster Bank plc Settlement Agreement, and George K. Baum & Company Settlement Agreement. (The Settlement Agreements, in their entirety, are available at www.MunicipalDerivativesSettlement.com.)



IOWA FINANCE AUTHORITY

To: Iowa Finance Authority Board of Directors
From: Wes Peterson, Director of Government Relations
Date: 5/3/16
Re: 86th General Assembly Session Two Legislative Activity

Legislators were able to bring the session to a close at 6 PM on Friday April 29, ten days after the end of per diems, and adopt the Sine Die resolution. This is the earliest the legislature has finished its work in 6 years. The Governor now has 30 days to sign or veto the bills sent down to his desk. IFA had a pretty clear view of what we were dealing with a few days before Sine Die. We had a rather active session compared to some previous years. There are many bills that are proposed each year we get involved with; for, against, and indifferent. I'll go over our main efforts below after first touching on one proposal of note which we resisted early in session but discussed and watched with interested parties throughout the session. We were concerned about language that would have caused onerous restrictions on Title Guaranty's ability to contract with abstractors in the state. We had worked on a compromise proposal we could live with but it never received consensus. We are moving forward on rules right now that this language would have had an impact on and will know more next week on how those will now be received.

WATER QUALITY

After much discussion and debate, the Governor's water quality improvement bill made it through Ag committee and a modified bill passed the House with bi-partisan support. However this bill was never taken up in the Senate and the Senate did not pass a proposal of their own to the surprise of many. Water Quality will again be one of the hottest topics of the session next year.

UST FUND

IFA in partnership with the DNR and IDOT collaborated on the wind down of the Underground Storage Tank Fund program. This was another priority of the Governor's office and we were able to be successful in this effort. IFA did not end up in the final version of the compromise which leaves the diminution fee (equivalent to a one cent gas tax) in place for six additional months, to end January 1, 2017. The passed proposal also leaves the UST Board in place to wind down the program in the next 5 years instead of IFA. While not the solution we offered, and not ideal, it is an adequate compromise that we support.

BUDGET BILLS

Though proposed at the end of the day there ended up being no surprises on the IFA budget. As requested in the Governor's budget we received \$2.5 million for MHOAP. We received the \$3 million standing appropriation for Housing Trust Fund. \$658,000 for HCBS Rent Subsidy which we did have additional language added to move currently eligible and institutionalized individuals to be eligible to be moved to the front of the waiting list. While not in the Governor's budget, the Council on Homelessness has been appropriated from the legislature \$50,000 for operations again this year as has happened for several sessions now.

IFA POLICY BILLS

The IFA departmental bill passed relatively early in session and has been signed by the Governor. To refresh, IFA issues bonds for a variety of non-profit entities. Often, these entities have facilities both in Iowa and in other states. This is especially true of hospitals and non-profits in communities near Iowa's borders. IFA can only issue bonds for facilities located in Iowa. We will now be able to issue bonds for

which proceeds can be used in other states as of July 1. As session went on we came to an agreement with the Insurance Division that we are very excited we were able to get done this year. Not without struggles down to the last weeks of session we were able to remove language which required the Insurance Division to set the Title Guaranty reserves. This usurped the power of the ITG Board as well as IFA Board. The Insurance Division was very supportive of this effort. I worked very closely with IID to get this language placed into their departmental bill and it was ultimately adopted.



IOWA FINANCE
AUTHORITY

To: IFA Board of Directors
From: Tammy Nebola, Iowa Ag Program Specialist
Lori Beary, Community Development Director
Date: April 29, 2016
Re: Iowa Agricultural Division Beginning Farmer Loan Program

Agenda

Iowa Agricultural Development Division

Authorizing Resolutions

AG 16-018 Daren P. Winkowitsch

This is a resolution authorizing the issuance of \$253,000 for Daren P. Winkowitsch. The bond will be used: To purchase approximately 67.61 acres of agricultural land in Lyon County. The lender is Ashton State Bank in Ashton.

- **Need Board action on Resolution AG 16-018B**

AG 16-019 Chase and Jessica Weller

This is a resolution authorizing the issuance of \$520,000 for Chase and Jessica Weller. The bond will be used: To purchase approximately 196 acres of agricultural land in Taylor County. The lender is Okey Vernon First National Bank in Corning.

- **Need Board action on Resolution AG 16-019B**

AG 16-020 Dalton J. and Rachel J. Van Zanten

This is a resolution authorizing the issuance of \$250,000 for Dalton J. and Rachel J. Van Zanten. The bond will be used: To construct a 2,400 Hd Hog Finishing Building in Osceola County. The lender is Premier Bank in Rock Valley.

- **Need Board action on Resolution AG 16-020B**

AG 16-021 Andrew and Meghan Bergan

This is a resolution authorizing the issuance of \$418,000 for Andrew and Meghan Bergan. The bond will be used: To purchase approximately 181 acres of agricultural land, house and out-buildings in Clayton County. The lender is Luana Savings Bank in Luana.

- **Need Board action on Resolution AG 16-021B**

AG 16-022 Brandon D. Reinberg

This is a resolution authorizing the issuance of \$250,000 for Brandon D. Reinberg. The bond will be used: To construct a 1,200 Hd Hog Finishing Building in Benton County. The lender is Green Belt Bank & Trust in Grundy Center.

- **Need Board action on Resolution AG 16-022B**

AG 16-023 Nathan G. Nieuwendorp

This is a resolution authorizing the issuance of \$250,000 for Nathan G. Nieuwendorp. The bond will be used: To construct a 2,400 Hd Hog Barn in Lyon County. The lender is Northwestern Bank in Orange City.

- **Need Board action on Resolution AG 16-023B**

AG 16-024 Joseph G. and Hannah A. Gent

This is a resolution authorizing the issuance of \$110,500 for Joseph G. and Hannah A. Gent. The bond will be used: To construct an undivided 1/2 interest in a 1,241 Hd Hog Finishing Building in Washington County. The lender is Libertyville Savings Bank in Keota.

- **Need Board action on Resolution AG 16-024B**

AG 16-025 Patrick D. and Sarah M. O'Rourke

This is a resolution authorizing the issuance of \$110,500 for Patrick D. and Sarah M. O'Rourke. The bond will be used: To construct an undivided 1/2 interest in a 1,241 Hd Hog Finishing Building in Washington County. The lender is Libertyville Savings Bank in Keota.

- **Need Board action on Resolution AG 16-025B**

AG 16-026 Joshua J. and Amy Reis

This is a resolution authorizing the issuance of \$340,000 for Joshua J. and Amy Reis. The bond will be used: To purchase approximately 80 acres of agricultural land in Howard County. The lender is C US Bank in Cresco.

- **Need Board action on Resolution AG 16-026B**

**RESOLUTION
AG 16-018B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested

by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 16-018
- 2. Beginning Farmer:** Daren P. Winkowitsch
2046 Kingbird Ave
George, IA 51237-7641
- 3. Bond Purchaser:** Ashton State Bank
317 3rd St, PO Box 278
Ashton, IA 51232-0278
- 4. Principal Amount:** \$253,000
- 5. Initial Approval Date:** 3/23/2016
- 6. Public Hearing Date:** 4/27/2016
- 7. Bond Resolution Date:** 5/10/2016
- 8. Project:** To purchase approximately 67.61 acres of agricultural land

**RESOLUTION
AG 16-019B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 16-019
- 2. Beginning Farmer:** Chase and Jessica Weller
2309 200th St
Bedford, IA 50833-8235
- 3. Bond Purchaser:** Okey Vernon First National Bank
701 Davis Ave, PO Box 109
Corning, IA 50841-0109
- 4. Principal Amount:** \$520,000
- 5. Initial Approval Date:** 5/10/2016
- 6. Public Hearing Date:** 4/27/2016
- 7. Bond Resolution Date:** 5/10/2016
- 8. Project:** To purchase approximately 196 acres of agricultural land

**RESOLUTION
AG 16-020B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number: AG 16-020**
- 2. Beginning Farmer: Dalton J. and Rachel J. Van Zanten
1437 11th St
Rock Valley, IA 51247-1319**
- 3. Bond Purchaser: Premier Bank
1004 21st Ave, PO Box 177
Rock Valley, IA 51247-0177**
- 4. Principal Amount: \$250,000**
- 5. Initial Approval Date: 5/10/2016**
- 6. Public Hearing Date: 4/27/2016**
- 7. Bond Resolution Date: 5/10/2016**
- 8. Project: To construct a 2,400 Hd Hog Finishing Building**

**RESOLUTION
AG 16-021B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 16-021
- 2. Beginning Farmer:** Andrew and Meghan Bergan
17015 290th St
Elkader, IA 52043-8224
- 3. Bond Purchaser:** Luana Savings Bank
100 Harvest Dr, PO Box 68
Luana, IA 52156-0068
- 4. Principal Amount:** \$418,000
- 5. Initial Approval Date:** 5/10/2016
- 6. Public Hearing Date:** 4/27/2016
- 7. Bond Resolution Date:** 5/10/2016
- 8. Project:** To purchase approximately 181 acres of agricultural land, house and out-buildings

**RESOLUTION
AG 16-022B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 16-022
- 2. Beginning Farmer:** Brandon D. Reinberg
1993 B Ave
Gladbrook, IA 50635-9615
- 3. Bond Purchaser:** Green Belt Bank & Trust
508 G Ave, PO Box 8
Grundy Center, IA 50638-0130
- 4. Principal Amount:** \$250,000
- 5. Initial Approval Date:** 5/10/2016
- 6. Public Hearing Date:** 4/27/2016
- 7. Bond Resolution Date:** 5/10/2016
- 8. Project:** To construct a 1,200 Hd Hog Finishing Building

**RESOLUTION
AG 16-023B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number: AG 16-023**
- 2. Beginning Farmer: Nathan G. Nieuwendorp
505 Zuider Zee Dr SE, PO Box 372
Orange City, IA 51041-1765**
- 3. Bond Purchaser: Northwestern Bank
122 Central Ave NW, PO Box 260
Orange City, IA 51041-0260**
- 4. Principal Amount: \$250,000**
- 5. Initial Approval Date: 5/10/2016**
- 6. Public Hearing Date: 4/27/2016**
- 7. Bond Resolution Date: 5/10/2016**
- 8. Project: To construct a 2,400 Hd Hog Barn**

RESOLUTION
AG 16-024B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 16-024
- 2. Beginning Farmer:** Joseph G. and Hannah A. Gent
1075 120th St
Wellman, IA 52356-9620
- 3. Bond Purchaser:** Libertyville Savings Bank
225 E Broadway, PO Box 68
Keota, IA 52248-0068
- 4. Principal Amount:** \$110,500
- 5. Initial Approval Date:** 5/10/2016
- 6. Public Hearing Date:** 4/27/2016
- 7. Bond Resolution Date:** 5/10/2016
- 8. Project:** To construct an undivided 1/2 interest in a 1,241 Hd Hog Finishing Building

**RESOLUTION
AG 16-025B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 16-025
- 2. Beginning Farmer:** Patrick D. and Sarah M. O'Rourke
28629 110th St
South English, IA 52335-8581
- 3. Bond Purchaser:** Libertyville Savings Bank
225 E Broadway, PO Box 68
Keota, IA 52248-0068
- 4. Principal Amount:** \$110,500
- 5. Initial Approval Date:** 5/10/2016
- 6. Public Hearing Date:** 4/27/2016
- 7. Bond Resolution Date:** 5/10/2016
- 8. Project:** To construct an undivided 1/2 interest in a 1,241 Hd Hog Finishing Building

RESOLUTION
AG 16-026B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 10th day of May, 2016.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 16-026
- 2. Beginning Farmer:** Joshua J. and Amy Reis
11486 Valley Ave
Cresco, IA 52136-8204
- 3. Bond Purchaser:** C US Bank
111 N Elm St, PO Box 57
Cresco, IA 52136-0057
- 4. Principal Amount:** \$340,000
- 5. Initial Approval Date:** 5/10/2016
- 6. Public Hearing Date:** 4/27/2016
- 7. Bond Resolution Date:** 5/10/2016
- 8. Project:** To purchase approximately 80 acres of agricultural land



To: IFA Board of Directors
From: Lori Beary, Community Development Director
Date: 4/29/16
Re: Economic Development and Water Quality

Economic Development Bond Program

ED Loan #16-03, Care Initiatives Project

This is a resolution authorizing the issuance of an amount not to exceed \$55,000,000 of Iowa Finance Authority Health Facilities Development Revenue and Refunding Notes for the Care Initiative Project. The bonds will be used to refund 2006 bonds. Care Initiatives is a 501 c(3) non-profit corporation. The inducement resolution was adopted on March 9, 2016. Because this transaction is a refunding that does not extend the maturity of the bonds, no public hearing is needed.

- **Need Board action on Resolution ED 16-03B**

RESOLUTION
ED 16-03B

Authorizing the Issuance of not to exceed \$55,000,000
Health Facilities Development Revenue Refunding Notes
(Care Initiatives Project) in one or more series

Resolution authorizing the issuance of not to exceed \$55,000,000 Health Facilities Development Revenue and Refunding Notes (Care Initiatives Project) in one or more series for the purpose of making a loan to assist the borrower in refunding certain existing bonds of the Authority; authorizing the execution and delivery of certain financing documents pertaining to the refunding; authorizing an assignment of certain financing documents for further securing the payment of the notes; authorizing the sale of the notes; and related matters.

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Authority") is authorized and empowered by Chapter 16 of the Code of Iowa (the "Act") to issue revenue bonds or notes to be used to pay the cost of defraying the cost of acquiring, constructing, improving and equipping certain projects described in the Act including facilities for an organization described in Section 501(c)(3) of the Internal Revenue Code (the "Code") which is exempt from federal income tax under section 501(a) of the Code; and to pay the cost of refunding any bonds or notes, including the payment of any redemption premiums thereon and any interest accrued or to accrue to the date of redemption of the outstanding bonds or notes; and

WHEREAS, the Authority has been requested by Care Initiatives (the "Borrower") to issue Health Facilities Development Revenue Refunding Notes (Care Initiative Project), in one or more series (the "Notes"), for the purpose of loaning the proceeds thereof to the Borrower for the purpose of (a) refunding the outstanding principal amount of the Authority's Health Facilities Development Revenue Refunding Bonds (Care Initiatives Project), Series 2006A (the "Prior Bonds"), the proceeds of which were used to refund the Authority's Health Facilities Development Revenue Bonds (Mercy Health Initiatives Project), Series 1989, which were issued to finance the costs of acquisition and renovation of nursing centers located at 2200 Oakdale Road, Coralville, Johnson County, Iowa and 2401 Crestview Drive, Oskaloosa, Mahaska County, Iowa and capital improvements at other facilities owned by Care Initiatives (the "Project") located at 1300 East 19th Street, Atlantic, Cass County, Iowa; 610 E. York Rd, Avoca, Pottawattamie County, Iowa; 1005 Pearl Street, Bedford, Taylor County, Iowa; 1011 N. Roosevelt, Cherokee, Cherokee County, Iowa; 1614 Northgate Drive, Corning, Adams County, Iowa ; 1116 E. Hwy 20, Correctionville, Woodbury County, Iowa; 1001 Cottonwood, Creston, Union County, Iowa; 1403 Harrison Road, Dunlap, Harrison County, Iowa; 607 Queen St., Fonda, Pocahontas County, Iowa; 1800 Indian Hills Drive, Sioux City, Woodbury County, Iowa; 305 W. 3rd Street, Kingsley, Plymouth County, Iowa; 215 South Oak, Lamoni, Decatur County, Iowa; 1010 South Union, Rock Rapids, Lyon County, Iowa; 801 S. Des Moines, Odebolt, Sac County, Iowa; 700 Ninth Avenue North, Sibley, Osceola County, Iowa; 4201 Fieldcrest Drive, Sioux City, Woodbury County, Iowa; 601 2nd Street, Bayard, Guthrie County, Iowa; 1505 Sunset

Drive, Belle Plaine, Benton County, Iowa; 1510 22nd Street, Eldora, Hardin County, Iowa; 200 Clive Drive SW, Cedar Rapids, Linn County, Iowa; Hwy 218 North, La Porte City, Black Hawk County, Iowa; 601 East South St., Manly, Worth County, Iowa; 805 E. Main Street, Panora, Guthrie County, Iowa; 4755 Parkridge Avenue, Pleasant Hill, Polk County, Iowa; 310 Upland Drive, Waterloo, Blackhawk County, Iowa; 2651 St. Francis Drive, Waterloo, Blackhawk County, Iowa; 309 W. Merle Hibbs Blvd., Marshalltown, Marshall County, Iowa; 702 3rd Street NW, State Center, Marshall County, Iowa; 1200 Hwy 175E, Stratford, Webster County, Iowa; 2313 15th Avenue, Eldora, Hardin County, Iowa; 1904 W. Howard St., Knoxville, Marion County, Iowa; 2305 Crescent Drive, Cedar Falls, Black Hawk County, Iowa; 1208 E. Cross St., Centerville, Appanoose County, Iowa; 1214 N. 7th Street, Chariton, Lucas County, Iowa; 745 E. South St., Corydon, Wayne County, Iowa; 451 W. Orange Street, West Branch, Cedar County, Iowa; 2935 Kaufman, Dubuque, Dubuque County, Iowa; 915 North 20th Avenue, Coralville, Linn County, Iowa; 104 East 4th Street, Mechanicsville, Cedar County, Iowa; 316 Meadow Lane Dr., Montezuma, Poweshiek County, Iowa; 100 Care Center Cr., New London, Henry County, Iowa; 206 S. Park St., New Sharon, Mahaska County, Iowa; 200 16th Avenue East, Albia, Monroe County, Iowa; 2315 North Main Street, Osceola, Clarke County, Iowa; 1977 Albia Road, Ottumwa, Wapello County, Iowa; 601 Hwy 61 S., Wapello, Louisa County, Iowa; 301-308 Park Street, Kingsley, Plymouth County, Iowa; 1616 Northgate Dr., Corning, Adams County, Iowa; 1001 Cottonwood, Creston, Union County, Iowa; 1302 Illinois Ave., Bedford, Taylor County, Iowa; 612 York Road, Avoca, Pottawattamie County, Iowa; 2302 Rick Collins Way, Eldora, Hardin County, Iowa; 1118 East Highway 20, Correctionville, Woodbury County, Iowa (collectively, the “Refunding”); and (b) paying for costs associated with the issuance of the Notes; and

WHEREAS, the Authority on the 9th day of March, 2016, has heretofore approved an application, attached hereto as Exhibit A (the “Application”), of the Borrower requesting the approval of the Refunding; and

WHEREAS, this Board has deemed it to be in the best interests of the Authority that the Notes be issued as proposed; and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of Notes in the aggregate principal amount of not to exceed \$55,000,000 as authorized and permitted by the Act to finance the Refunding and the costs incurred in connection with the foregoing; and

WHEREAS, the Authority will issue the Notes and loan the proceeds of the Notes to the Borrower pursuant to the provisions of one or more Loan Agreements (each, a “Loan Agreement” and, collectively, the “Loan Agreements”) between the Authority and the Borrower; and

WHEREAS, the Authority will assign certain of its rights in the applicable Loan Agreement to Great Western Bank and Compass Mortgage Corporation (or an affiliate thereof) (each, a “Purchaser” and, collectively, the “Purchasers”) pursuant to the provisions of one or more Assignment and Pledge Agreements (each, a “Pledge Agreement” and, collectively, the “Pledge Agreements”) each between the Authority and a Purchaser; and

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Qualified Project. It is hereby determined that the financing of the Refunding and the payment of costs related thereto, all as described in the initial approved application, Exhibit A, qualifies under the Act for financing with the proceeds of the Notes and will promote those public purposes outlined in the Act.

Section 2. Costs. The Authority shall proceed with the sale and issuance of the Notes and the Authority shall defray all or a portion of the cost of the Refunding and the payment of costs associated with the issuance of the Notes by issuing the Notes and loaning the proceeds of the sale of the Notes to the Borrower.

Section 3. Notes Authorized. In order to finance the Refunding and pay costs associated with the issuance of the Notes, the Notes shall be and the same are hereby authorized and ordered to be issued by the Authority pursuant to the Loan Agreements in substantially the forms as have been presented to and considered at this meeting and containing substantially the terms and provisions set forth therein, the Notes actually issued to be in an aggregate principal amount not exceeding \$55,000,000 and to bear interest at rates as determined by the Borrower and the applicable Purchasers which rates shall result in an initial yield of not to exceed 6% per annum on or prior to the date of issuance and delivery of such Notes, and the execution and delivery thereof by the Chairperson and Secretary shall constitute approval thereof by the Authority. The Chairperson and Secretary are hereby authorized and directed to approve such principal amount and interest rates for the Notes, within the foregoing limits, by and on behalf of the Authority, and to execute, seal and authenticate the Notes.

Section 4. Loan Agreements. The Authority shall loan the proceeds of the Notes to the Borrower pursuant to the Loan Agreements and the form and content of the Loan Agreements, the provisions of which are incorporated herein by reference, are authorized, approved and confirmed. The Executive Director is authorized and directed to execute, seal and deliver the Loan Agreements, but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority and that from and after the execution and delivery of the applicable Loan Agreements, the Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Agreements as executed.

Section 5. Pledge Agreements. The assignment of certain provisions of each of the Loan Agreements and amounts payable thereunder to the applicable Purchaser pursuant to the related Pledge Agreement and the form and content of the Pledge Agreements, the provisions of which are incorporated herein by reference, are authorized, approved and confirmed. The Executive Director is authorized and directed to execute, seal and deliver the Pledge Agreements, but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority and that from and after the execution and delivery of the applicable Pledge Agreement, the Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Pledge Agreements as executed.

Section 7. Execution of Documents. The Executive Director and the Chairperson are authorized to execute and deliver for and on behalf of the Authority any and all additional certificates, documents, opinions or other papers and perform all other acts (including without limitation any tax certificates and agreements, the filing of any financing statements or any other documents to create and maintain a security interest on the properties and revenues pledged or assigned under the Loan Agreements, and the execution of all closing documents as may be required by Bond Counsel and approved by Program Counsel, and the acceptance of any documentation evidencing indemnification of the Authority by Borrower in connection with the transactions contemplated hereby) as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 8. Payments Under the Loan Agreements. The Loan Agreements require the Borrower in each year to pay amounts as loan payments sufficient to pay the principal of, premium, if any, and interest on the Notes when and as due, and the payment of such amounts by the Borrower to the Purchaser pursuant to the Loan Agreements is hereby authorized, approved and confirmed.

Section 11. Limited Obligations. The Notes shall be limited obligations of the Authority, payable solely out of the loan payments required to be paid by the Borrower pursuant to and in accordance with provisions of the Loan Agreements, and are secured pursuant to and in accordance with provisions of the Loan Agreements. The Notes and interest thereon shall never constitute an indebtedness of the Authority, within the meaning of any state constitutional provision or statutory limitation, and shall not give rise to a pecuniary liability of, or claim against, the Authority or a charge against its general credit or general fund.

Section 12. Severability. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

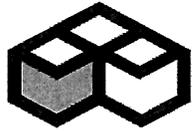
Section 13. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Passed and approved this 10th day of May, 2016.

David D. Jamison, Secretary

(Seal)

Exhibit A



IOWA FINANCE AUTHORITY

David D. Jamison, Executive Director
2015 Grand Avenue
Des Moines, Iowa 50312
(515) 725-4900 - (800) 432-7230

FOR IFA USE ONLY

Project No. ED16-03

Application Received 2/19/16

Application Fee Received? Yes No

Volume Cap? Yes No

Amount of Request \$ 55,000,000

Application forms can be obtained from the Authority's website at www.IowaFinanceAuthority.gov

ECONOMIC DEVELOPMENT BOND APPLICATION

Part A - Borrower Information

1. Project Name: Health Care Facility Revenue Refunding Bonds (Care Initiatives Project) Series 2016
2. Contact Person/Title: Stephen V. Marlow, Vice President and Chief Financial Officer
Company: Care Initiatives
Address: 1611 West Lakes Parkway
City, State, Zip: West Des Moines, IA 50266-8212
Telephone: (515) 224-7234 E-mail: smarlow@careinitiatives.org
5. Principals: (If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff.) Attach separate list if necessary.

Please see attached Exhibit A for list of Officers and Directors

6. If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose: Please see Exhibit B
7. Is the Borrower currently qualified to transact business within the State of Iowa? Yes No
8. If project is a Nursing Facility, is state certificate of need required: Yes No
If yes, attach copy.
9. Total current FTE's of Borrower: 2,316

Number of permanent FTE's created by the project: None

Part B - Project Information

1. This Project qualifies for financing pursuant to the Economic Development Loan Program as land, buildings or improvements suitable for use as one of the following facilities (Check one):

501 c (3) entity:

Private college or university

Housing facility for elderly or disabled persons

Museum or library facility

Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135c.1 (6) of the Iowa Code. Specify: 501c3 nursing home

Other 501c (3) entity (please specify) _____

Manufacturing facility

Agricultural processing facility

Multi-family housing

Solid Waste facility

3. Amount of Loan Request: Up to \$55,000,000

Amount to be used for refunding: \$55,000,000 (Series 2006A Bonds issued by the Authority)

4. Address/Location of Project

Care Initiatives operates facilities throughout Iowa. Please see attached Exhibit C. Improvements to certain of those facilities will be refinanced with the proposed Series 2016 Bonds.

5. General Project Description:

Care Initiatives desires to use the proceeds of the proposed Series 2016 Bonds to refinance its Series 2006A Bonds

Part B - Project Information continued

6. Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?

No

Yes (There are IRS limitations on eligible reimbursable costs.)

7. Parties related to the Project:

a. Principal User will be: Care Initiatives

b. Seller (if any) of the Project: Not Applicable

Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ E-mail: _____

4. Counsel to the Underwriter:

Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ E-mail: _____

5. Trustee: (if needed)

Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ E-mail: _____

PART D - Fees and Charges

1. **A non-refundable application fee must accompany this form at the time of submission to the Authority. For applications up to \$10 million, the application fee is \$1,000. For applications over \$10 million, the application fee is \$2,500. The application fee is subtracted from the Issuer's fee at closing.**

Applications will expire if the bonds are not issued within 18 months.

Submit application to the Authority at the following address:

Lori Beary
Community Development Director
Iowa Finance Authority
2015 Grand Avenue
Des Moines, IA 50312

2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Lori Beary at 515-725-4965 or lori.beary@iowa.gov for more information.
3. Borrower is required to pay the fees and expenses of Dorsey & Whitney, who serve as Issuer's Counsel. Bond documents should be sent to David Claypool (claypool.david@dorsey.com) or David Grossklaus (Grossklaus.David@dorsey.com) at Dorsey & Whitney and the Authority's Community Development Director (lori.beary@iowa.gov).

Dated this 18 day of FEBRUARY, 2016

Borrower: Care Initiatives

By: Stephen V. Macht
Title: VP/CEO

Exhibit A

Care Initiatives Officers and Directors

A. Directors

- Miles King
- Robert Conlon
- Ron Northup
- Ron Harmond
- Michael Byrnes
- John K. Smith
- Hulon Walker
- Kent Kaplan

B. Officers

- Miles B. King, *President and CEO*
- Charleen A. Schlepp, *Vice President, Director of Operations*
- Stephen V. Marlow, *Vice President, CFO and Treasurer*
- William P. Havekost, *Vice President, Marketing and Care Initiatives Hospice*
- Jeramy Kuhn, *Corporate Compliance Officer*

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
1100 COMMERCE STREET
DALLAS, TX 75242-0000

EXHIBIT B

DEPARTMENT OF THE TREASURY

Date: JUL 18 1986

CARE INITIATIVES, INC.
C/O MICHAEL MCDANIEL
8915 VISTA
W DES MOINES, IA 50266

Employer Identification Number:
76-0262402
Case Number:
756199000
Contact Person:
ANNETTE SMITH
Contact Telephone Number:
(214) 767-6023
Our Letter Dated:
March 3, 1989
Addendum Applies:
No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(2).

- Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(2) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(2) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,



Bobby E. Scott
District Director



Care Initiatives

Devoted care for older Iowans

FACILITIES LIST

<i>Facility</i>	<i>City</i>	<i># of Beds</i>	<i>Originally Constructed</i>	<i>Map Position</i>
Atlantic Nursing & Rehab Center	Atlantic	90	2004	1
Avoca Lodge Assisted Living	Avoca	20	2002	2
Avoca Nursing & Rehab Center	Avoca	46	2001	3
Bedford Nursing & Rehab Center	Bedford	49	1967	4
Belle Plaine Nursing & Rehab Center	Belle Plaine	66	1962	5
Centerville Nursing & Rehab Center	Centerville	67	1976	6
Chariton Nursing & Rehab Center	Chariton	111	1966	7
Cherokee Villa Nursing & Rehab Center	Cherokee	62	1972	8
Colonial Estates Independent Living	Kingsley	8	1999	9
Corning Nursing & Rehab Center	Corning	54	1964	10
Correctionville Nursing & Rehab Center	Correctionville	39	1964	11
Corydon Nursing & Rehab Center	Corydon	71	1972	12
Cottonwood Estates Independent Living	Corning	6	1999	13
Creston Nursing & Rehab Center	Creston	74	1972	14
Crestview Nursing & Rehab Center	West Branch	65	2000	15
Dubuque Nursing & Rehab Center	Dubuque	98	1973	16
Dunlap Nursing & Rehab Center	Dunlap	57	1977	17
Dunlap Assisted Living	Dunlap	10	2007	18
Eldora Nursing & Rehab Center	Eldora	49	1978	19

<i>Facility</i>	<i>City</i>	<i># of Beds</i>	<i>Originally Constructed</i>	<i>Map Position</i>
Estabrook Lodge Assisted Living	Eldora	8	2002	20
Fonda Nursing & Rehab Center	Fonda	46	1966	21
Heritage Nursing & Rehab Center (Leased)	Cedar Rapids	201	1971	22
Kingsley Nursing & Rehab Center	Kingsley	43	1965	23
Lamoni Nursing & Rehab Center	Lamoni	43	1973	24
Lamoni Assisted Living	Lamoni	8	2007	25
Lantern Park Nursing & Rehab Center	Coralville	90	2007	26
LaPorte City Nursing & Rehab Center	LaPorte City	46	2004	27
Lyon Manor Nursing & Rehab Center	Rock Rapids	49	1976	28
Manly Nursing & Rehab Center	Manly	50	1976	29
Circle Terrace Lodge	Manly	8	2006	30
Mechanicsville Nursing & Rehab Center	Mechanicsville	67	1976	31
Montezuma Nursing & Rehab Center	Montezuma	49	Prior to 1970	32
New London Nursing & Rehab Center	New London	49	Prior to 1970	33
North Mahaska Nursing & Rehab Center	New Sharon	63	2007	34
Oakwood Nursing & Rehab Center	Albia	87	1968	35
Odebolt Nursing & Rehab Center	Odebolt	46	1965	36
Odebolt Assisted Living	Odebolt	10	2007	37
Panora Nursing & Rehab Center	Panora	91	1974	38
Panora Assisted Living	Panora	11	2007	39
Parkridge Specialty Care	Pleasant Hill	90	2012	40

<i>Facility</i>	<i>City</i>	<i># of Beds</i>	<i>Originally Constructed</i>	<i>Map Position</i>
NorthCrest Specialty Care	Waterloo	94	2013	41
Ravenwood Nursing & Rehab Center	Waterloo	196	1967	42
Ridgewood Nursing & Rehab Center	Ottumwa	70	1979	43
Sibley Nursing & Rehab Center	Sibley	51	1976	44
Silver Hills Independent Living	Bedford	6	1999	45
Southern Hills Nursing & Rehab Center	Osceola	90	2009	46
Southridge Nursing & Rehab Center	Marshalltown	82	2001	47
State Center Nursing & Rehab Center	State Center	48	Prior to 1970	48
Stratford Nursing & Rehab Center	Stratford	66	1977	49
Valley Lodge Assisted Living	Correctionville	9	2002	50
Valley View Nursing & Rehab Center	Eldora	72	1967	51
Wapello Nursing & Rehab Center	Wapello	49	Prior to 1970	52
West Ridge Nursing & Rehab Center	Knoxville	78	2003	53
Westwood Nursing & Rehab Center	Sioux City	85	2005	54
Windsor Nursing & Rehab Center	Cedar Falls	100	1969	55
Care Initiatives Hospices	Albia	N/A	N/A	56
	Cedar Rapids			57
	Des Moines			58
	Greenfield			59
	Sioux City			60
	Waterloo			61



Care Initiatives

Devoted care for older Iowans

Up To \$55,000,000
IOWA FINANCE AUTHORITY
Health Care Facility Revenue Refunding Bonds
(Care Initiatives Project), Series 2016

Distribution List

ISSUER

Iowa Finance Authority
2015 Grand Avenue
Des Moines, IA 50312

Lori Beary, Community Development Director

Telephone: **515-725-4965**
FAX: 515-725-4901
Email: Lori.beary@iowa.gov

BOND/ISSUER'S COUNSEL

Dorsey & Whitney LLP
801 Grand Avenue
Suite 4100
Des Moines, IA 50309
Fax: 515-283-1060

David Claypool, Esq.

Telephone: **515-699-3265**
Email: claypool.david@dorseylaw.com

Cristina Kuhn, Esq.

Telephone: **515-699-3273**
Email: kuhn.cristina@dorsey.com

Darla Giese, Esq.

Telephone: **515-699-3293**
Email: giese.darla@dorsey.com

BORROWER

Care Initiatives
1611 West Lakes Parkway
West Des Moines, IA 50266

Stephen V. Marlow, VP & CFO

Telephone: **515-224-4442, ext. 1215**
Cell: **515-491-6727**
FAX: 515-224-0389
Email: smarlow@careinitiatives.org

Dave Dixon, Director of Finance

Telephone: **(515) 224-7234, ext. 1223**
Fax: (515) 224-0389
Email: ddixon@careinitiatives.org

BORROWER'S COUNSEL

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215 10th Street, Ste. 1300
Des Moines, IA 50309

David B. VanSickel, Esq

Telephone: **515-246-7808**
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Email: dbv@davisbrownlaw.com

BORROWER'S FINANCIAL ADVISOR

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522 Chesapeake Avenue, 2nd Floor
Annapolis, MD 21403
Fax: 410-267-8235

Kevin G. Quinn

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William H. Bass III

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Email: wbass@wyeriver.com

LENDER

To be Determined

LENDER'S COUNSEL

To be Determined

TRUSTEE

Wells Fargo Bank, N.A.
Corporate Trust Department
MAC N9311-115
625 Marquette Avenue, 11th Floor
Minneapolis, MN 55479

Jeff Carlson

Telephone: **612-667-4802**
Fax: 612-667-2160
Email: jeffrey.k.carlson@wellsfargo.com

Mark Birkholz

Telephone: **612-667-4562**
Fax: 612-667-2160
Email: mark.v.birkholz@wellsfargo.com



To: Iowa Finance Authority Board of Directors
From: Brian Sullivan, Director, Section 8
Date: May 2, 2016
Re: Section 8 Summary FY 2016 Quarter 3

IFA holds a performance-based contract with HUD to provide oversight of select Section 8 Housing Assistance Payments (HAP) contracts in Iowa. Our current ACC covers 221 HAP contracts that provide housing assistance to 11,942 individuals and families in 71 counties. This does not represent a change from the previous report.

This month's board package contains a report covering all work performed by Section 8 Contract Administration for the Quarter ending March 31, 2016. In FY 2016 Q3, there were 51 Management and Occupancy Reviews (MORs) conducted; 46 requests for contract rent adjustments processed; 660 HAP vouchers reviewed, approved, and paid; 5 full HAP contract renewals completed; and 0 Opt-Outs processed.

It is anticipated that staff will perform 51 on-site MOR's, will process 63 requests for HAP contract renewals and contract rent adjustments, and review and approve 663 HAP voucher requests during the next quarter ending June 30, 2016.

One Congressional Inquiry was resolved during FY 2016 Q3:

Hawthorne Hills Apartments, Cedar Rapids

A Congressional Inquiry was received from U.S. Senator Charles Grassley, on February 16, 2016. A community member claimed the property was guilty of filing a false police report and that the staff displayed intense racism, sexism, and discrimination. Follow-up with the Management Agent indicated the person was removed from the property by six (6) police officers and arrested for a previously issued "No Trespass" notice that barred him from the property. The agent further stated that the complainant is not a resident, visitor, or applicant of Hawthorne Hills Apartments. A satisfactory resolution was reported to the Des Moines Multifamily HUD office on February 24, 2016.

Two properties experienced unusual activity during FY2016 Q3:

Ecumenical Towers, Iowa City

On Sunday, January 10, 2016 at approximately 2:15 pm, a heater motor burnt out causing a four (4) inch fire sprinkler head to burst in the mechanical room. The leak wasn't noticed immediately and caused considerable water damage on the first floor. The mechanical room, apartment 1E, the community room, both offices, the men's and women's restrooms, library, lobby, one of two elevators, and the Senior Center adjacent to the apartment building sustained water damage.

Maintenance employees turned off the water supply to the sprinkler system, called Service Master, and began clean up that afternoon. Apartment 1E was deemed uninhabitable and the affected resident stayed with friends until the unit repairs were complete on February 19, 2016.



Mt. Carmel Elderly/Handicapped Assoc., Waterloo

The property experienced a fire at approximately 11:38 PM on February 12, 2016. The resident of the unit suffered from serious burns and later died. No cause of the fire has been determined, but the investigators believe the fire started in the living room where the victim was sleeping.

No other residents were injured in the fire; however, the unit affected by the fire is a total loss. Management said they expect to get contractors on-site soon, and get the unit rehabilitated as quickly as possible. Management hopes to have the unit ready for occupancy within a month.

Noteworthy Meetings

Section 8 Director Brian Sullivan, Contract Renewal Manager Cynthia Thompson, and Quality Control Coordinator Mike Sharp attended Section 8 modules of the NCSHA 2016 HFA Institute Conference in Washington, D.C. from January 13 through January 15, 2016. HUD's Multifamily for Tomorrow transformation, process streamlining and HUD's plans and timelines for the upcoming PBCA procurement was discussed. A plan for PBCA's operating under the FY2000 ACC to begin conducting Management and Occupancy Reviews for the remainder of fiscal year 2016 was also discussed, pending HUD funding.

Section 8 Director Brian Sullivan attended the HUD PBCA Industry Day Conference in Washington, D.C. on February 26, 2016. HUD's PBCA Industry Day provided background on the PBCA program and HUD's procurement plans. The day also provided an opportunity for industry partners to provide input and recommendations to assist HUD in the design of the procurement process.

Section 8 Project Based HAP Administration

**Quarter Ending
March 31, 2016**

	# Events Completed		Basic Fee Earned		Incentive Fees Earned		Disincentives	FYTD		FYTD	FYTD
PBT Requirements-(New ACC Effective 10/11/2011)	Current Qrt.	FYTD	Current Qrt.	FYTD	Current Qrt.	FYTD					
01. Management and Occupancy Reviews	51	158	\$114,922.92	\$339,627.95	\$5,746.14	\$16,981.40	\$0.00	\$356,609.35			
02. Adjust Contract Rents	46	168	\$57,461.46	\$169,813.97	\$5,746.14	\$16,981.40	\$0.00	\$186,795.37			
03. Review and Pay Monthly Vouchers	660	1990	\$114,922.92	\$339,627.95	\$5,746.14	\$16,981.40	\$0.00	\$356,609.35			
04. Renew HPA Contracts and Process Terminations	5	43	\$114,922.92	\$339,627.95	\$5,746.14	\$16,981.40	\$0.00	\$356,609.35			
05. Tenant Health, Safety & Maintenance Issues	7	20	\$57,461.46	\$169,813.97	\$5,746.14	\$16,981.40	\$0.00	\$186,795.37			
06. Administration - Monthly and Quarterly Reports	7	21	\$57,461.46	\$169,813.97	\$0.00	\$0.00	\$0.00	\$169,813.97			
07. Administration-ACC Year End Reports & Certifications	0	4	\$45,969.18	\$135,851.21	\$0.00	\$0.00	\$0.00	\$135,851.21			
08. Annual Financial Reports - PHA FYE	0	3	\$11,492.28	\$33,962.77	\$0.00	\$0.00	\$0.00	\$33,962.77			
PBTs #1-8-(New ACC Eff. 10/1/2011)	776	2407	\$574,614.60	\$1,698,139.74	\$28,730.70	\$84,907.00	\$0.00	\$1,783,046.74			
Customer Service - Annual Incentive Fee	N/A	N/A	N/A	N/A	\$28,730.70	\$84,907.00	N/A	\$84,907.00			
TOTAL:	776	2407	574,614.60	1,698,139.74	57,461.40	169,814.00	0.00	\$1,867,953.74	*	\$1,833,773	\$34,181

Contracts 221
Units 11,942
Counties 71