



**Board Meeting  
Tentative Agenda  
June 9, 2016, 11:30 a.m.**

**Historic Park Inn  
15 W State Street  
Mason City, Iowa**

**I. Consent Agenda**

- Approval of Minutes of the May 10, 2016, IFA Board Meeting
- Approval of Minutes of the May 25, 2016, IFA Board Meeting
- April 2016 Financial Statement
- AG 16-027A, Michelle Euken and Steven L. Myers
- AG 16-028A, Michael Van Beek
- AG 16-029A, Kyle D. and Jamay L Patten
- 04722M, Ryan F. Langel
- AG-LP 16-06, Loan Participation Program
- AG-TC 16-06, Beginning Farmer Tax Credit Program
- ED 16-07, Simple Essentials Project
- WQ 16-10, SRF Construction Loans
- WQ 16-11, Loan for INHF, Strope Property

**II. Administration**

- FY17 Budget

**III. HousingIowa**

- HI 16-08, Low-Income Housing Tax Credit – Housing for the Homeless Demonstration Set-Aside Award
- HI 16-09, SHTF Project-Based Housing Program Award

**IV. Community Development**

- **Iowa Agriculture Development Division**
  - ◆ AG 16-027A, Michelle Euken and Steven L. Myers
  - ◆ AG 16-028A, Michael Van Beek
  - ◆ AG 16-029A, Kyle D. and Jamay L Patten
- **Economic Development**
  - ◆ ED 16-05B, Coe College Project
  - ◆ ED 11-12B-2, GMT Corporation Project

**V. Iowa Title Guaranty**

- Transfer of Funds

**VI. Miscellaneous Items**

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

**VII. Adjournment**

*Items on the consent agenda may be removed from the consent agenda for separate consideration at the request of any Board member. Agenda items may be taken out of order at the discretion of the Board Chair.*



## **BOARD MEETING MINUTES**

**Iowa Finance Authority  
2015 Grand Ave  
Des Moines, Iowa  
May 10, 2016**

### **Board Members Present**

Ruth Randleman, Chair  
Darlys Baum  
David Greenspon  
Jeff Heil

Joan Johnson  
Michel Nelson, Treasurer  
Eric Peterson

### **Board Members Absent**

Jane Bell  
Shaner Magalhães

### **Staff Members Present**

David Jamison, Executive Director  
Jess Flaherty, Executive Assistant/  
Recording Secretary  
Mark Fairley, Finance & Investment Manager  
Cindy Harris, Chief Financial Officer  
Steve Harvey, Accounting Director  
Ashley Jared, Communications Director

Carolann Jensen, Chief Programs Officer  
Rhonda Kimble, Business Relationship Manager  
Terri Rosonke, HousingIowa Development  
Specialist  
Brian Sullivan, Section 8 Director

### **Others Present**

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

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### **Call to Order**

Chair Randleman called to order the May 10, 2016, regular monthly meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:00 a.m. Roll call was taken, and a quorum was established with the following Board members present: Randleman, Baum, Heil, Greenspon, Johnson, Peterson, and Nelson.

## **Consent Agenda**

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

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

- 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

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

## **Administration**

### **EXECUTIVE DIRECTOR'S REPORT**

Director Jamison informed the Board of building improvements made to the front walk at the entrance and bringing the handicap ramp up to compliance. Director Jamison reported attending the Mountain Plains Housing Summit earlier this month and his interest in starting a Midwest regional NCSHA group. He reported a successful Title Guarantee Spring Conference and shared part of the legislative report included in the Board packet.

### **ACCOUNTING AND FINANCE**

#### **March Financial Statement**

Mr. Harvey presented the March 2016 financial results. He said that as a housing agency, year-to-date net operating income before grants of \$8.9 million is favorable to budget by \$3 million.

The State Revolving Fund year-to-date net operating income after grants of \$43.1 million is favorable to budget by \$11 million.

**MOTION:** On a motion by Mr. Heil and a second by Mr. Greenspon, the Board unanimously approved the March Financial Statement.

**FIN 16-05, SRF Reimbursement Resolution**

Ms. Harris introduced the resolution authorizing the reimbursement of \$100 million of loan disbursements from future SRF bond issues. Ms. Harris requested board action on FIN 16-05.

**MOTION:** On a motion by Mr. Nelson and a second by Ms. Baum, the Board unanimously approved FIN 16-05.

**COMMUNICATIONS**

Ms. Jared updated the Board on the success of the Iowa Title Guarantee Spring Settlement Conference with record attendance and the upcoming fall conference in November in Cedar Rapids. The registration is open for the HousingIowa Conference in September. The Single-Family summer campaign kicked off their #2500Bucks campaign for Homeownership month during June.

**LEGAL**

**Municipal Derivatives Transactions Class Action**

Mr. Jamison introduced three class action lawsuit settlements arising out of municipal derivative transactions in which IFA has been identified as a possible victim of malfeasance by various financial institutions and brokers. The Attorney General’s office has been involved with these actions and recommends that IFA participate in the settlements. IFA has participated in a number of similar settlements over the last several years and has received some substantial amounts. To participate in the action, IFA does not need to do anything right now, but if it wishes to opt out, it needs to take action by May 17.

**MOTION:** There was no motion for action by the Board.

**HousingIowa**

**HI 16-06, SHTF Project-Based Award**

Ms. Rosonke introduced the resolution to grant \$50,000 for Habitat for Humanity of Central Iowa to assist in the construction of a new home in Huxley in Story County. Story County is not currently served a by Local Housing Trust Fund and therefore is seeking Project-Based Housing assistance.

**MOTION:** On a motion by Mr. Peterson and a second by Mr. Heil, the Board unanimously approved HI 16-06.

**HI 16-07, Floyd County Housing Trust Fund: Decertification & Merger**

Ms. Rosonke introduced the resolution stating that Floyd County Housing Trust Fund submitted a request for decertification in order to merge into NIACOG Housing Trust Fund. Authority Staff recommended that the Floyd County 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.

**MOTION:** On a motion by Mr. Peterson and a second by Ms. Baum, the Board unanimously approved HI 16-07.

**Community Development**

**IOWA AGRICULTURAL DEVELOPMENT DIVISION (IADD)**

- 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

**MOTION:** On a motion by Mr. Greenspon and a second by Mr. Nelson, the Board unanimously approved the IADD resolutions.

**ED 16-03B, Health Facilities Development**

Ms. Harris introduced this resolution authorizing the issuance of an amount not to exceed \$55 million of Iowa Finance Authority Health Facilities Development Revenue and Refunding Notes for the Care Initiatives 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. Ms. Harris requested board action on ED 16-03B.

**MOTION:** On a motion by Mr. Heil and a second by Mr. Peterson, the Board unanimously approved resolution ED 16-03B.

**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.

**Adjournment**

On a motion by Mr. Peterson and a second by Mr. Greenspon, the May 10, 2016, regular monthly meeting of the IFA Board of Directors adjourned at 11:24 a.m.

Dated this 9<sup>th</sup> day of June 2016.

Respectfully submitted:

Approved as to form:

David D. Jamison  
Executive Director/Board Secretary

Ruth Randleman, Chair  
Iowa Finance Authority

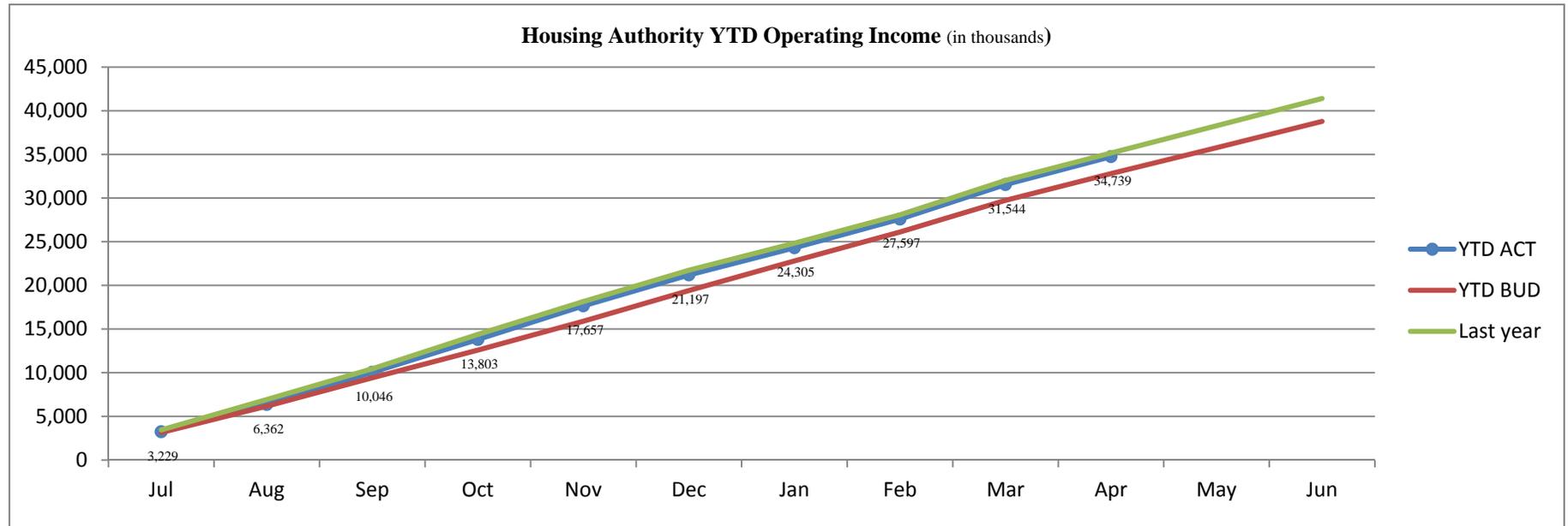
To: David D Jamison  
 From: Steven E Harvey  
 Date: May 17, 2016  
 Re: April 2016 Financial Results



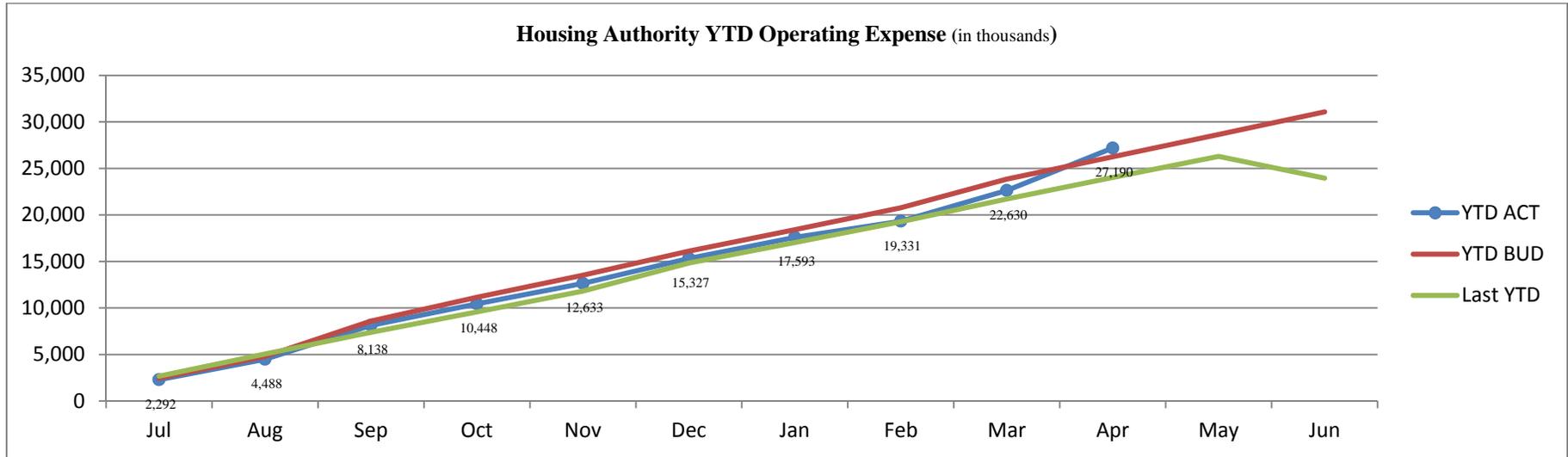
## Housing Authority Highlights

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

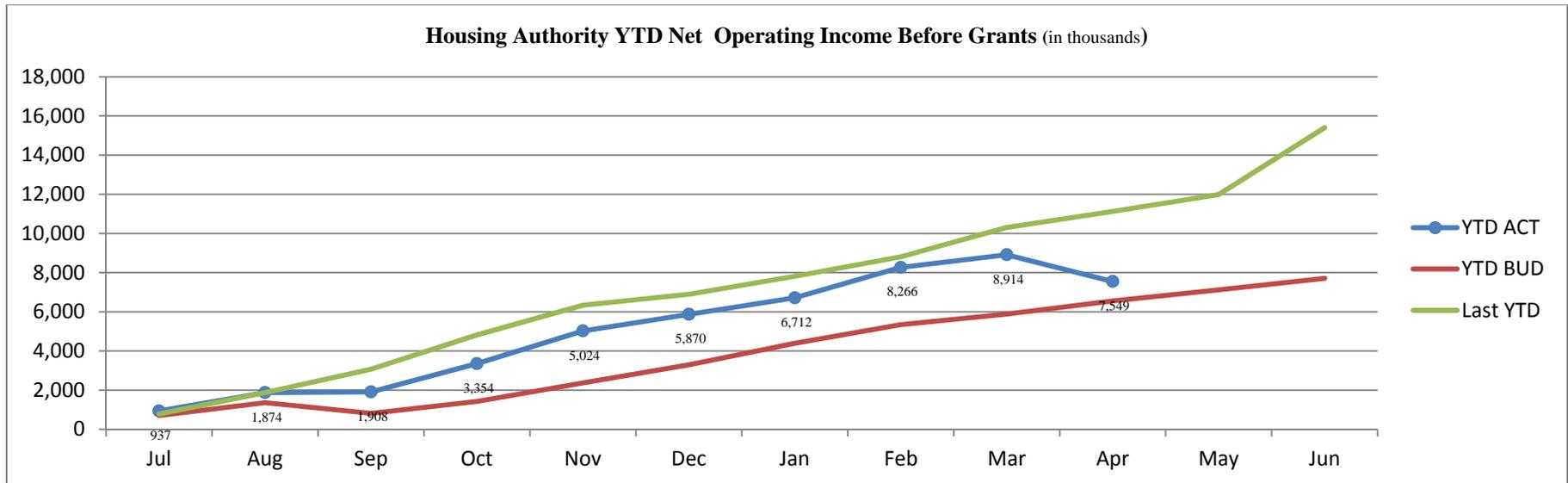
- ITG continues to exceed Operating Income budget by \$1,175,130 or 22.9%.
- LIHTC Fees exceed budget by \$268,457 or 18.9%
- Ag Division fees exceed budget by \$191,546 or 63.9%
- Aggressive debt reduction continues to reduce interest expense, which was \$1,691,709 or 14.5% below budget.
- Staffing was below budget by 8 FTE's resulting in employee expenses being \$641,184 or 7.3% below budget.
- Provisions for Loan Losses increased dramatically in April due to a management decision to increase loan reserves by \$2.3 million.
- Marketing expense was \$89,846 or 17.4% below budget but should catch-up to budget by the end of the year.
- Professional services expense was \$636,092 or 16.6% above budget due mainly to ITG incentive payments to field issuers.
- Net Grant Expense of \$215,029 was \$333,595 or 60.8% below budget.



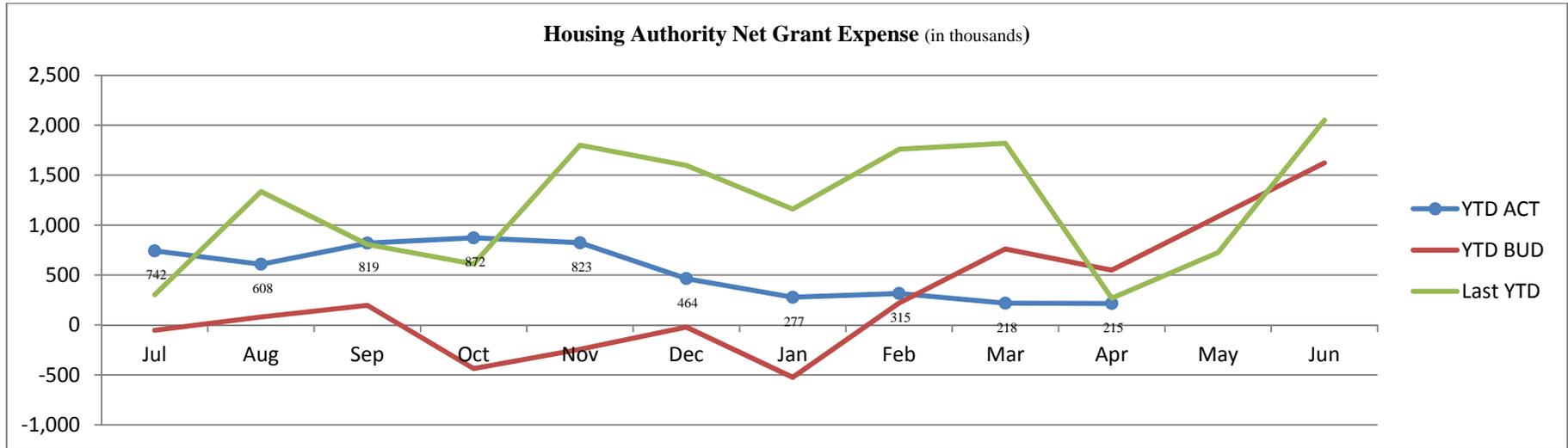
YTD Operating Income of \$34,739,019 was \$1,945,359 or 5.9% above budget but \$415,562 or 1.2% below last year.



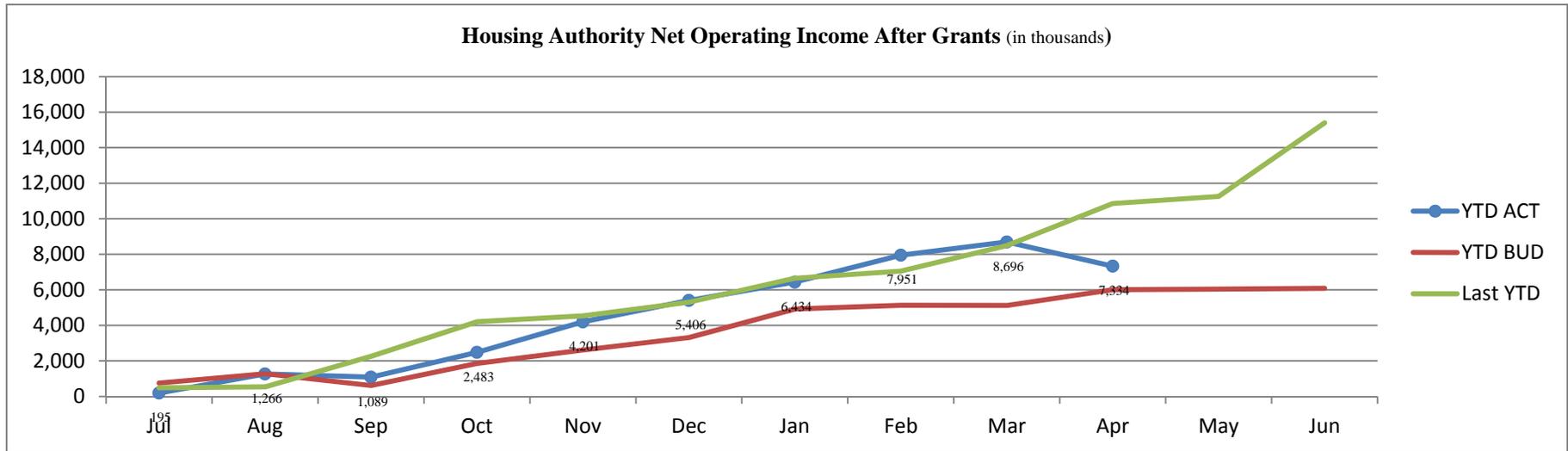
YTD Operating Expense of \$27,190,313 was \$948,714 or 3.6% above budget and \$3,162,457 or 13.2% above last year.



YTD Net Operating Income before Grants of \$7,548,706 was \$996,644 or 15.2% above budget but \$3,578,019 or 32.2% below last year.

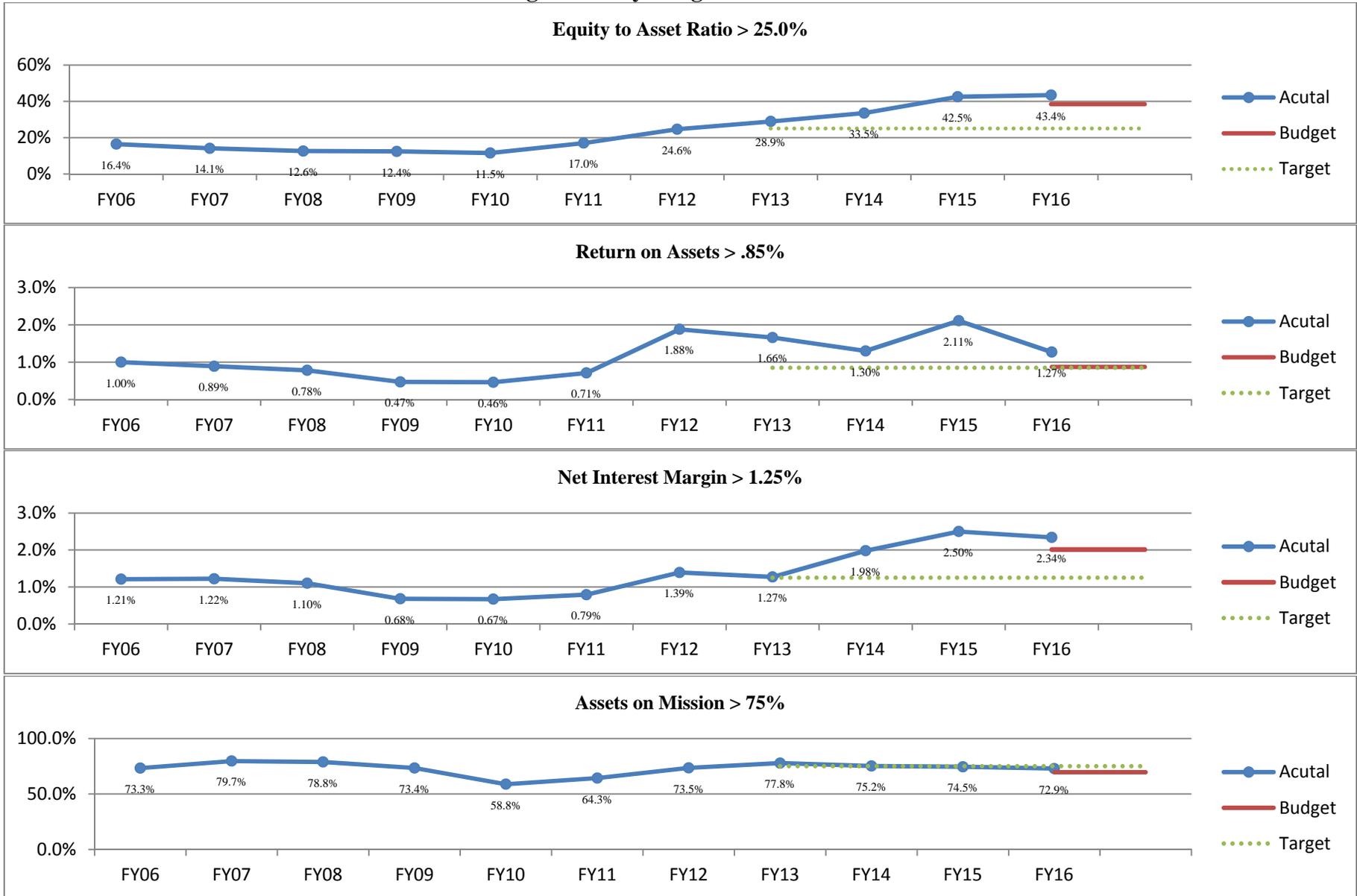


YTD Net Grant Expense of \$215,029 was \$333,595 or 60.8% below budget and \$52,905 or 19.7% below last year



YTD Net Operating Income after Grants of \$7,333,677 was \$1,330,239 or 22.2% above budget yet \$3,525,114 or 32.5% below last year.

## Housing Authority Long-Term Measures



Income Statement	Housing Authority (Rollup)													
	Apr-2016							YTD as of Apr-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
<b>Operating Income</b>														
Interest Income	2,236,263	2,220,160	16,102	0.7	2,305,604	(69,341)	-3.0	23,245,927	23,185,791	60,136	0.3	26,179,897	(2,933,970)	-11.2
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	949,161	833,422	115,739	13.9	824,560	124,602	15.1	11,250,733	9,405,520	1,845,213	19.6	8,739,404	2,511,329	28.7
Other Income	9,234	4,498	4,736	105.3	4,320	4,914	113.7	242,359	202,349	40,010	19.8	235,280	7,079	3.0
<b>Total Operating Income</b>	<b>3,194,658</b>	<b>3,058,081</b>	<b>136,577</b>	<b>4.5</b>	<b>3,134,484</b>	<b>60,174</b>	<b>1.9</b>	<b>34,739,019</b>	<b>32,793,661</b>	<b>1,945,359</b>	<b>5.9</b>	<b>35,154,581</b>	<b>(415,562)</b>	<b>-1.2</b>
<b>Operating Expense</b>														
Interest Expense	906,670	1,039,728	(133,058)	-12.8	1,019,671	(113,001)	-11.1	9,988,128	11,679,837	(1,691,709)	-14.5	11,055,676	(1,067,547)	-9.7
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	731,673	853,717	(122,044)	-14.3	792,558	(60,885)	-7.7	8,111,231	8,752,415	(641,184)	-7.3	8,107,941	3,290	0.0
Operating Expenses	119,900	105,903	13,997	13.2	107,450	12,450	11.6	1,051,597	1,062,889	(11,292)	-1.1	1,047,984	3,614	0.3
Marketing Expense	26,562	10,348	16,214	156.7	46,248	(19,686)	-42.6	426,961	516,807	(89,846)	-17.4	421,797	5,164	1.2
Professional Services	372,657	339,061	33,596	9.9	346,158	26,499	7.7	4,465,589	3,829,498	636,092	16.6	3,197,926	1,267,663	39.6
Claim and Loss Expenses	2,358,747	28,324	2,330,422	8227.6	(3,786)	2,362,533		2,991,381	304,315	2,687,066	883.0	168,181	2,823,200	1678.7
Service Release Premium	42,195	13,147	29,048	220.9	5,468	36,728	671.7	121,764	108,972	12,792	11.7	26,394	95,370	361.3
Miscellaneous Operating Expense	6,895	4,606	2,289	49.7	3,297	3,598	109.1	102,113	53,429	48,684	91.1	64,407	37,706	58.5
Overhead Allocation	(5,426)	(6,476)	1,050	-16.2	(5,722)	296	-5.2	(68,452)	(66,563)	(1,889)	2.8	(62,449)	(6,003)	9.6
<b>Total Operating Expense</b>	<b>4,559,872</b>	<b>2,388,359</b>	<b>2,171,513</b>	<b>90.9</b>	<b>2,311,341</b>	<b>2,248,531</b>	<b>97.3</b>	<b>27,190,313</b>	<b>26,241,599</b>	<b>948,714</b>	<b>3.6</b>	<b>24,027,856</b>	<b>3,162,457</b>	<b>13.2</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>(1,365,215)</b>	<b>669,722</b>	<b>(2,034,936)</b>	<b>-303.8</b>	<b>823,143</b>	<b>(2,188,357)</b>	<b>-265.9</b>	<b>7,548,706</b>	<b>6,552,062</b>	<b>996,644</b>	<b>15.2</b>	<b>11,126,725</b>	<b>(3,578,019)</b>	<b>-32.2</b>
<b>Net Grant (Income) Expense</b>														
Grant Income	(2,216,599)	(2,131,692)	(84,906)	4.0	(4,143,723)	1,927,125	-46.5	(23,009,033)	(19,791,602)	(3,217,431)	16.3	(25,844,050)	2,835,018	-11.0
Grant Expense	2,213,515	1,918,263	295,252	15.4	2,593,610	(380,095)	-14.7	23,224,061	20,340,225	2,883,836	14.2	26,111,984	(2,887,922)	-11.1
<b>Total Net Grant (Income) Expense</b>	<b>(3,083)</b>	<b>(213,429)</b>	<b>210,346</b>	<b>-98.6</b>	<b>(1,550,113)</b>	<b>1,547,030</b>	<b>-99.8</b>	<b>215,029</b>	<b>548,624</b>	<b>(333,595)</b>	<b>-60.8</b>	<b>267,933</b>	<b>(52,905)</b>	<b>-19.7</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(1,362,131)</b>	<b>883,151</b>	<b>(2,245,282)</b>	<b>-254.2</b>	<b>2,373,256</b>	<b>(3,735,388)</b>	<b>-157.4</b>	<b>7,333,677</b>	<b>6,003,438</b>	<b>1,330,239</b>	<b>22.2</b>	<b>10,858,792</b>	<b>(3,525,114)</b>	<b>-32.5</b>
<b>Non-Operating (Income) Expense</b>														
Non-Operating (Income) Expense	603,299	-	603,299	0.0	(92,945)	696,243	-749.1	2,515,407	-	2,515,407	0.0	(1,467,478)	3,982,885	-271.4
<b>Net Income (Loss)</b>	<b>(1,965,430)</b>	<b>883,151</b>	<b>(2,848,581)</b>	<b>-322.5</b>	<b>2,466,201</b>	<b>(4,431,631)</b>	<b>-179.7</b>	<b>4,818,270</b>	<b>6,003,438</b>	<b>(1,185,168)</b>	<b>-19.7</b>	<b>12,326,270</b>	<b>(7,508,000)</b>	<b>-60.9</b>
IFA Home Dept Staff Count	82	93	(11)	-11.8	85	(3)	-3.5	83	92	(10)	-10.4	87	(4)	-4.4
FTE Staff Count	83	93	(10)	-10.5	85	(1)	-1.8	84	93	(8)	-8.9	88	(3)	-3.9

Balance Sheet	Housing Authority (Rollup)						
	Apr-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	161,688,432	178,417,440	(16,729,009)	-9.4	143,852,405	17,836,027	12.4
Investments	23,550,032	23,111,855	438,177	1.9	22,485,819	1,064,213	4.7
Mortgage Backed Securities	398,636,038	404,399,398	(5,763,359)	-1.4	413,820,560	(15,184,522)	-3.7
Loans - net of reserve for losses	136,844,204	136,522,191	322,013	0.2	150,967,073	(14,122,870)	-9.4
Capital Assets (net of accumulated depreciation)	2,678,601	2,938,720	(260,119)	-8.9	2,823,609	(145,008)	-5.1
Other Assets	13,076,742	39,124,351	(26,047,610)	-66.6	38,933,850	(25,857,108)	-66.4
Deferred Outflows	4,543,310	7,079,606	(2,536,296)	-35.8	6,281,616	(1,738,306)	-27.7
<b>Total Assets and Deferred Outflows</b>	<b>741,017,358</b>	<b>791,593,561</b>	<b>(50,576,203)</b>	<b>-6.4</b>	<b>779,164,932</b>	<b>(38,147,574)</b>	<b>-4.9</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
<b>Liabilities and Deferred Inflows</b>							
Debt	374,920,060	391,190,343	(16,270,283)	-4.2	365,602,467	9,317,594	2.5
Interest Payable	2,833,158	4,013,593	(1,180,435)	-29.4	3,053,199	(220,041)	-7.2
Unearned Income	3,808,490	3,938,301	(129,810)	-3.3	4,055,052	(246,561)	-6.1
Escrow Deposits	10,969,891	7,196,146	3,773,745	52.4	10,166,718	803,173	7.9
Reserves for Claims	1,019,164	5,550,045	(4,530,880)	-81.6	5,246,296	(4,227,131)	-80.6
Accounts Payable & Accrued Liabilities	3,032,064	3,841,488	(809,423)	-21.1	20,466,937	(17,434,873)	-85.2
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
<b>Total Liabilities and Deferred Inflows</b>	<b>408,838,787</b>	<b>452,970,969</b>	<b>(44,132,181)</b>	<b>-9.7</b>	<b>445,831,722</b>	<b>(36,992,935)</b>	<b>-8.3</b>
<b>Equity</b>							
YTD Earnings(Loss)	4,818,270	6,003,438	(1,185,168)	-19.7	12,326,270	(7,508,000)	-60.9
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)		(0)	(0)	
<b>Total Equity</b>	<b>332,178,571</b>	<b>338,622,592</b>	<b>(6,444,022)</b>	<b>-1.9</b>	<b>333,333,210</b>	<b>(1,154,639)</b>	<b>-0.3</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>741,017,358</b>	<b>791,593,561</b>	<b>(50,576,203)</b>	<b>-6.4</b>	<b>779,164,932</b>	<b>(38,147,574)</b>	<b>-4.9</b>

To: IFA Board Members  
 From: Michelle Thomas  
 Date: May 13, 2016  
 Re: State Revolving Fund – April 2016 Financial Results

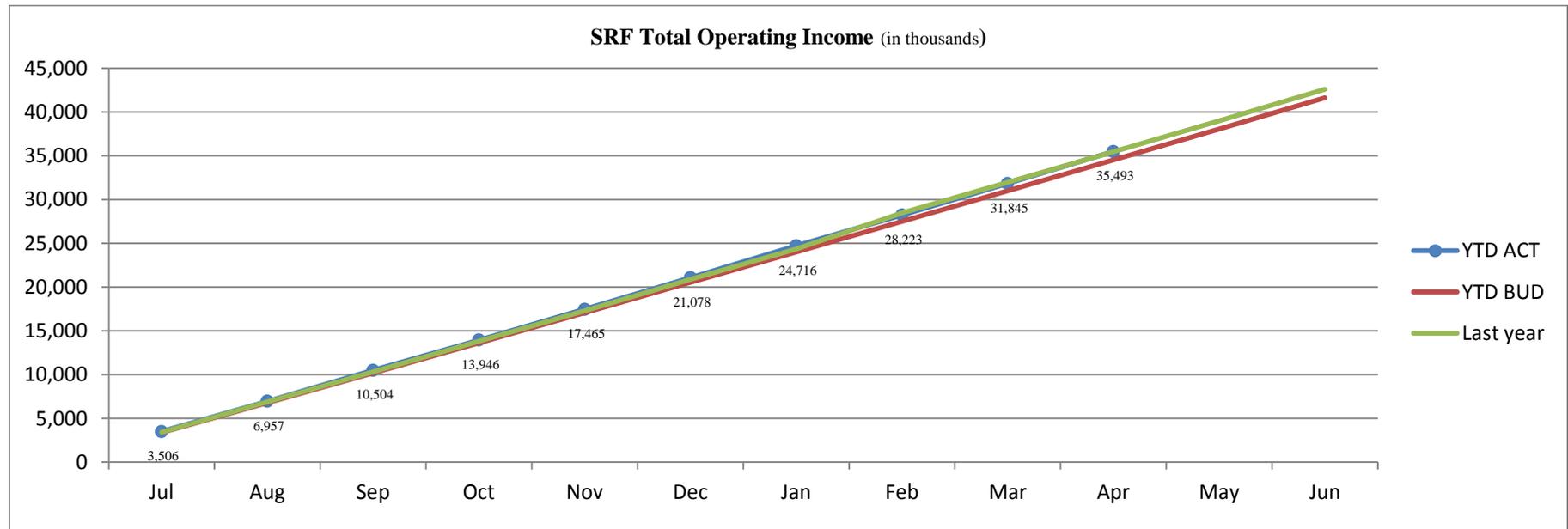


## April 2016 State Revolving Fund Highlights

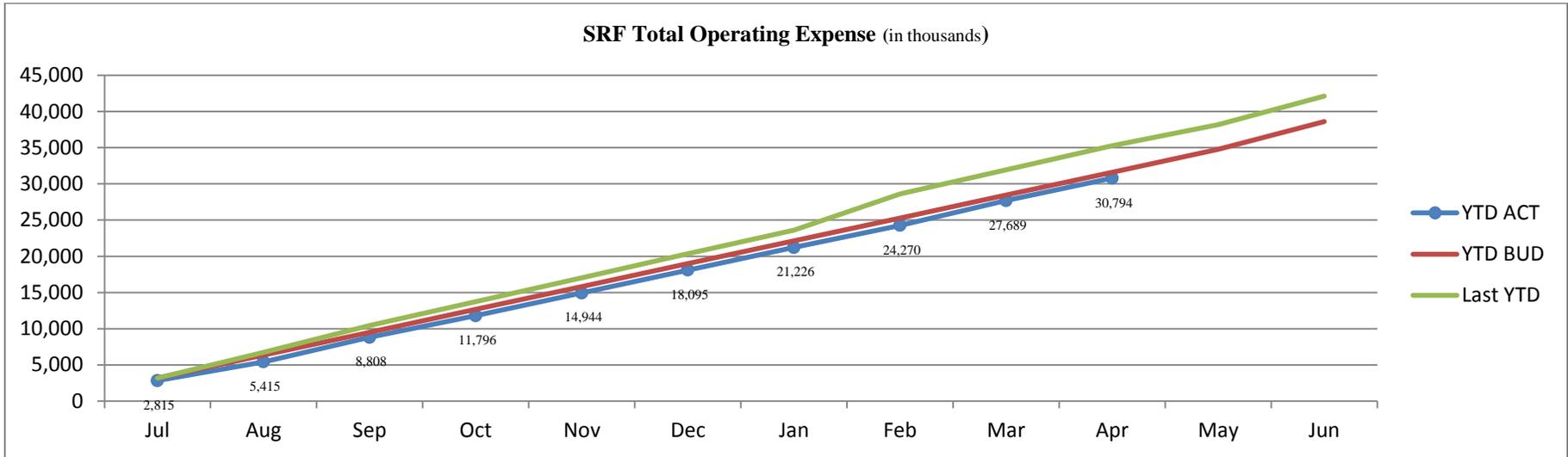
**Strategic Goal:** Provide low cost financing for water quality through State Revolving Fund.

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

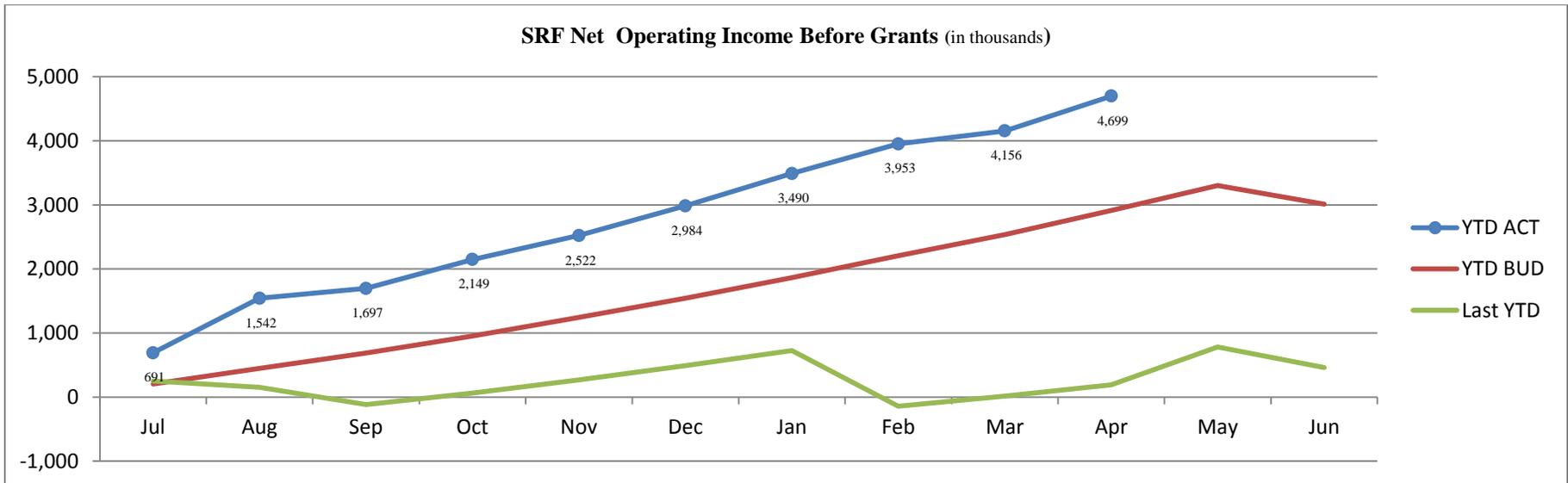
- SRF has funds available of \$127.8 million for loan disbursements, no cap grant funds for loan draws, and \$196.6 million in loan commitments.
- There have been disbursements of \$146.3 million of which \$40.5 million was received in the form of cap grant draws.
- Grant income is \$7.8 million above budget as 2015 cap grants have been drawn at a faster pace.



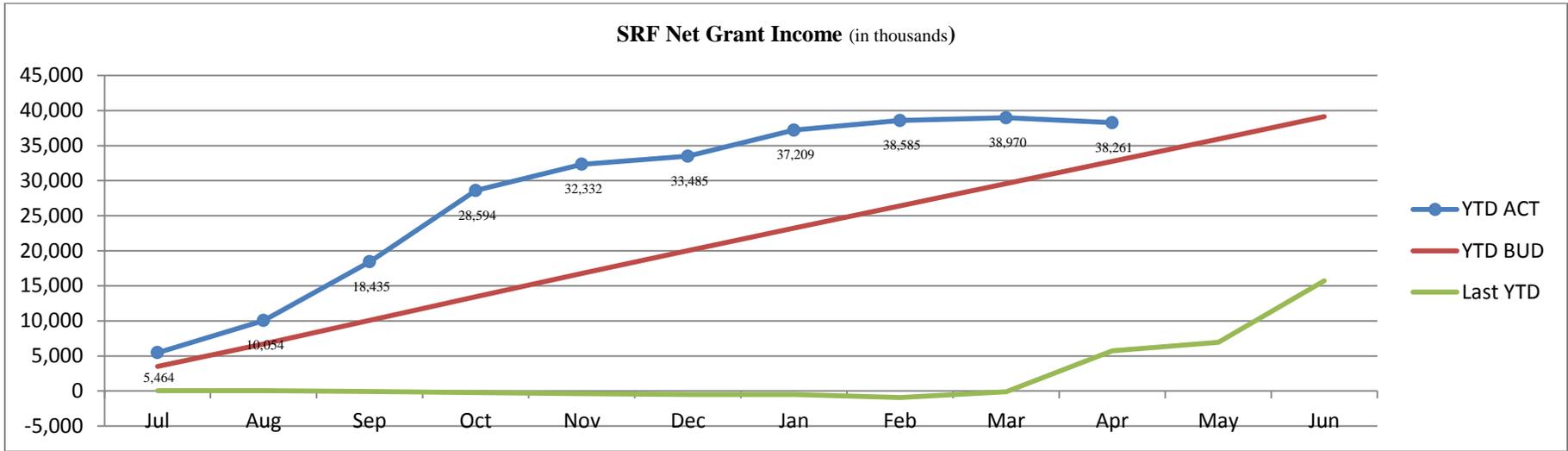
Total Operating Income of \$35,493,387 was \$959,489 or 2.8% above budget and \$27,483 above last year.



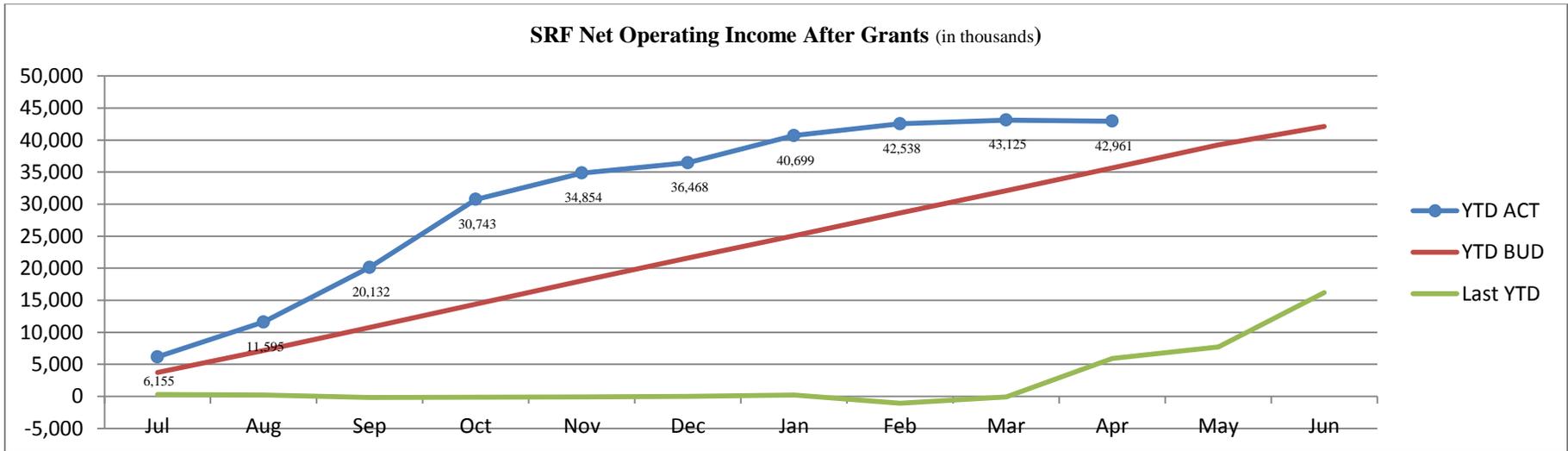
Total Operating Expense of \$30,794,092 was \$826,258 or 2.6% below budget and \$4,479,906 below last year



Net Operating Income Before Grants of \$4,699,295 was \$1,785,747 or 61.3% above budget and \$4,507,389 above last year



Net Grant Income of \$38,261,216 was \$5,498,350 or 16.8% above budget and \$32,518,739 above last year



Net Operating Income After Grants of \$42,960,511 was \$7,284,097 or 20.4% above budget and \$37,026,128 above last year

**Cash Position**

- There is \$127.8 million of funds available for SRF construction projects funded through the Equity Fund. Currently there are no federal cap grant funds available for loan draws.
- SRF has \$29.4 million of funds available for planning & design, CW general nonpoint source, and DW source water protection loans funded through the Program Fund.
- There is \$19.7 million of funds available for SRF administrative expenses funded through the Administration Fund. Also, \$3.5 million of federal cap grants are available for set-asides.

<b>Equity/Program/Admin Fund Balances</b>				
<u>Program</u>	<u>Account</u>	<u>Balance at 6/30/2015</u>	<u>Net Cash Inflows (Outflows)</u>	<u>Balance at 4/30/2016</u>
<b>Equity Fund</b>				
Clean Water	12069250/1	128,063,088	(55,654,312)	72,408,776
Drinking Water	12069253/4	<u>65,724,609</u>	<u>(10,381,470)</u>	<u>55,343,139</u>
		193,787,697	(66,035,782)	127,751,915
<b>Program Fund</b>				
Clean Water	22546000	19,961,974	(2,205,653)	17,756,321
Drinking Water	22546001	<u>12,810,451</u>	<u>(1,128,511)</u>	<u>11,681,939</u>
		32,772,425	(3,334,164)	29,438,261
<b>Administration Fund</b>				
Clean Water	22546002	10,832,972	(1,771,239)	9,061,733
Drinking Water	22546003	<u>10,981,458</u>	<u>(361,420)</u>	<u>10,620,037</u>
		21,814,430	(2,132,659)	19,681,770

<b>Federal Capitalization Grants</b>						
As of 4/30/2016						
<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	970,897	32,444,000	970,897
2014	18,976,000	-	13,229,000	586,060	32,205,000	586,060
2015	<u>18,879,000</u>	-	<u>13,142,000</u>	<u>1,971,300</u>	<u>32,021,000</u>	<u>1,971,300</u>
	536,251,459	-	284,754,500	3,528,257	821,005,959	3,528,257
					Total federal capitalization grants received to date:	<b>\$ 817,477,702</b>
<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	-	-	-	Drinking Water		<u>3,528,257</u>
	-	-	-			3,528,257

Income Statement	State Revolving Fund (Rollup)													
	Apr-2016							YTD as of Apr-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	3,268,613	3,180,505	88,108	2.8	3,195,442	73,171	2.3	31,783,980	31,138,113	645,866	2.1	32,001,888	(217,909)	-0.7
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	380,192	346,601	33,591	9.7	309,029	71,163	23.0	3,709,407	3,395,785	313,623	9.2	3,464,015	245,392	7.1
Other Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	0	(0)	-100.0
<b>Total Operating Income</b>	<b>3,648,805</b>	<b>3,527,106</b>	<b>121,699</b>	<b>3.5</b>	<b>3,504,471</b>	<b>144,334</b>	<b>4.1</b>	<b>35,493,387</b>	<b>34,533,898</b>	<b>959,489</b>	<b>2.8</b>	<b>35,465,904</b>	<b>27,483</b>	<b>0.1</b>
Operating Expense														
Interest Expense	2,438,331	2,446,095	(7,765)	-0.3	2,465,514	(27,184)	-1.1	24,187,602	24,480,391	(292,789)	-1.2	28,199,293	(4,011,692)	-14.2
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	51,905	55,976	(4,071)	-7.3	52,857	(952)	-1.8	549,800	575,097	(25,297)	-4.4	534,343	15,457	2.9
Operating Expenses	4,108	4,820	(712)	-14.8	6,745	(2,637)	-39.1	73,569	75,165	(1,597)	-2.1	68,946	4,623	6.7
Marketing Expense	691	2,200	(1,509)	-68.6	4,022	(3,331)	-82.8	7,327	22,000	(14,673)	-66.7	20,424	(13,097)	-64.1
Professional Services	28,851	20,733	8,119	39.2	31,051	(2,200)	-7.1	286,333	261,134	25,199	9.6	302,409	(16,076)	-5.3
Claim and Loss Expenses	(25,000)	-	(25,000)	0.0	-	(25,000)	0.0	(25,000)	(10,000)	(15,000)	150.0	(5,000)	(20,000)	400.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	600,780	615,000	(14,220)	-2.3	762,483	(161,703)	-21.2	5,646,010	6,150,000	(503,990)	-8.2	6,091,134	(445,124)	-7.3
Overhead Allocation	5,426	6,476	(1,050)	-16.2	5,722	(296)	-5.2	68,452	66,563	1,889	2.8	62,449	6,003	9.6
<b>Total Operating Expense</b>	<b>3,105,093</b>	<b>3,151,300</b>	<b>(46,207)</b>	<b>-1.5</b>	<b>3,328,395</b>	<b>(223,302)</b>	<b>-6.7</b>	<b>30,794,092</b>	<b>31,620,350</b>	<b>(826,258)</b>	<b>-2.6</b>	<b>35,273,998</b>	<b>(4,479,906)</b>	<b>-12.7</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>543,713</b>	<b>375,807</b>	<b>167,906</b>	<b>44.7</b>	<b>176,076</b>	<b>367,636</b>	<b>208.8</b>	<b>4,699,295</b>	<b>2,913,548</b>	<b>1,785,747</b>	<b>61.3</b>	<b>191,906</b>	<b>4,507,389</b>	<b>2348.8</b>
Net Grant (Income) Expense														
Grant Income	(194,112)	(3,680,000)	3,485,888	-94.7	(5,873,258)	5,679,145	-96.7	(45,556,601)	(37,762,866)	(7,793,735)	20.6	(10,291,169)	(35,265,432)	342.7
Grant Expense	902,679	500,000	402,679	80.5	26,753	875,927	3274.2	7,295,385	5,000,000	2,295,385	45.9	4,548,692	2,746,693	60.4
<b>Total Net Grant (Income) Expense</b>	<b>708,567</b>	<b>(3,180,000)</b>	<b>3,888,567</b>	<b>-122.3</b>	<b>(5,846,505)</b>	<b>6,555,072</b>	<b>-112.1</b>	<b>(38,261,216)</b>	<b>(32,762,866)</b>	<b>(5,498,350)</b>	<b>16.8</b>	<b>(5,742,477)</b>	<b>(32,518,739)</b>	<b>566.3</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(164,854)</b>	<b>3,555,807</b>	<b>(3,720,661)</b>	<b>-104.6</b>	<b>6,022,581</b>	<b>(6,187,435)</b>	<b>-102.7</b>	<b>42,960,511</b>	<b>35,676,414</b>	<b>7,284,097</b>	<b>20.4</b>	<b>5,934,383</b>	<b>37,026,128</b>	<b>623.9</b>
Non-Operating (Income) Expense	39,857	-	39,857	0.0	29,665	10,192	34.4	(378,929)	-	(378,929)	0.0	(176,920)	(202,009)	114.2
<b>Net Income (Loss)</b>	<b>(204,711)</b>	<b>3,555,807</b>	<b>(3,760,518)</b>	<b>-105.8</b>	<b>5,992,916</b>	<b>(6,197,627)</b>	<b>-103.4</b>	<b>43,339,440</b>	<b>35,676,414</b>	<b>7,663,026</b>	<b>21.5</b>	<b>6,111,303</b>	<b>37,228,137</b>	<b>609.2</b>
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)	-16.3	5	(0)	-7.5	5	6	(1)	-14.5	5	(0)	-8.9

Balance Sheet	State Revolving Fund (Rollup)						
	Apr-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	161,888,391	180,926,619	(19,038,228)	-10.5	201,769,721	(39,881,330)	-19.8
Investments	73,381,442	92,504,143	(19,122,701)	-20.7	118,819,443	(45,438,001)	-38.2
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	1,545,623,765	1,494,912,331	50,711,434	3.4	1,462,628,533	82,995,232	5.7
Capital Assets (net of accumulated depreciation)	(0)	-	(0)	0.0	33,125	(33,125)	-100.0
Other Assets	18,746,941	20,173,918	(1,426,977)	-7.1	19,054,254	(307,313)	-1.6
Deferred Outflows	23,355,937	23,292,525	63,412	0.3	27,421,728	(4,065,791)	-14.8
<b>Total Assets and Deferred Outflows</b>	<b>1,822,996,475</b>	<b>1,811,809,536</b>	<b>11,186,940</b>	<b>0.6</b>	<b>1,829,726,804</b>	<b>(6,730,329)</b>	<b>-0.4</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
<b>Liabilities and Deferred Inflows</b>							
Debt	944,601,873	944,601,873	-	0.0	1,005,062,917	(60,461,045)	-6.0
Interest Payable	9,301,687	9,305,463	(3,776)	0.0	8,743,286	558,401	6.4
Unearned Income	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	724,522	680,136	44,386	6.5	1,034,573	(310,050)	-30.0
Other liabilities	269,655	-	269,655	0.0	-	269,655	0.0
Deferred Inflows	102,838	-	102,838	0.0	-	102,838	0.0
<b>Total Liabilities and Deferred Inflows</b>	<b>955,000,575</b>	<b>954,587,472</b>	<b>413,103</b>	<b>0.0</b>	<b>1,014,840,776</b>	<b>(59,840,200)</b>	<b>-5.9</b>
<b>Equity</b>							
YTD Earnings(Loss)	43,339,440	35,676,414	7,663,026	21.5	6,111,303	37,228,137	609.2
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	(0)	
<b>Total Equity</b>	<b>867,995,900</b>	<b>857,222,064</b>	<b>10,773,837</b>	<b>1.3</b>	<b>814,886,029</b>	<b>53,109,871</b>	<b>6.5</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>1,822,996,475</b>	<b>1,811,809,536</b>	<b>11,186,940</b>	<b>0.6</b>	<b>1,829,726,804</b>	<b>(6,730,329)</b>	<b>-0.4</b>

Income Statement	Clean Water Programs (Rollup)													
	Apr-2016							YTD as of Apr-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	2,361,091	2,284,891	76,200	3.3	2,293,557	67,534	2.9	22,809,601	22,417,625	391,976	1.7	23,029,368	(219,767)	-1.0
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	284,387	242,479	41,908	17.3	221,352	63,035	28.5	2,730,489	2,379,881	350,608	14.7	2,367,221	363,268	15.3
Other Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	0	(0)	-100.0
<b>Total Operating Income</b>	<b>2,645,478</b>	<b>2,527,370</b>	<b>118,108</b>	<b>4.7</b>	<b>2,514,909</b>	<b>130,569</b>	<b>5.2</b>	<b>25,540,090</b>	<b>24,797,506</b>	<b>742,584</b>	<b>3.0</b>	<b>25,396,589</b>	<b>143,501</b>	<b>0.6</b>
Operating Expense														
Interest Expense	1,804,604	1,807,485	(2,881)	-0.2	1,832,592	(27,988)	-1.5	17,851,123	18,099,959	(248,835)	-1.4	20,492,118	(2,640,995)	-12.9
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	35,599	36,870	(1,271)	-3.4	35,225	374	1.1	378,470	377,707	763	0.2	358,389	20,081	5.6
Operating Expenses	2,780	3,262	(482)	-14.8	4,789	(2,009)	-41.9	51,276	50,439	838	1.7	48,941	2,336	4.8
Marketing Expense	550	2,000	(1,450)	-72.5	3,423	(2,873)	-83.9	5,767	20,000	(14,233)	-71.2	17,241	(11,475)	-66.6
Professional Services	23,369	15,413	7,956	51.6	20,746	2,623	12.6	213,304	190,363	22,941	12.1	217,702	(4,398)	-2.0
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	352,533	260,000	92,533	35.6	376,354	(23,820)	-6.3	2,710,838	2,600,000	110,838	4.3	2,945,168	(234,330)	-8.0
Overhead Allocation	3,689	4,258	(568)	-13.4	3,799	(110)	-2.9	46,873	43,634	3,239	7.4	41,775	5,098	12.2
<b>Total Operating Expense</b>	<b>2,223,125</b>	<b>2,129,289</b>	<b>93,837</b>	<b>4.4</b>	<b>2,276,927</b>	<b>(53,801)</b>	<b>-2.4</b>	<b>21,257,651</b>	<b>21,382,102</b>	<b>(124,450)</b>	<b>-0.6</b>	<b>24,121,335</b>	<b>(2,863,684)</b>	<b>-11.9</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>422,352</b>	<b>398,081</b>	<b>24,271</b>	<b>6.1</b>	<b>237,982</b>	<b>184,371</b>	<b>77.5</b>	<b>4,282,439</b>	<b>3,415,404</b>	<b>867,035</b>	<b>25.4</b>	<b>1,275,254</b>	<b>3,007,185</b>	<b>235.8</b>
Net Grant (Income) Expense														
Grant Income	-	(2,000,000)	2,000,000	-100.0	(5,560,778)	5,560,778	-100.0	(22,814,082)	(20,702,866)	(2,111,216)	10.2	(5,651,801)	(17,162,280)	303.7
Grant Expense	505,707	100,000	405,707	405.7	11,921	493,787	4142.3	3,387,095	1,000,000	2,387,095	238.7	918,199	2,468,896	268.9
<b>Total Net Grant (Income) Expense</b>	<b>505,707</b>	<b>(1,900,000)</b>	<b>2,405,707</b>	<b>-126.6</b>	<b>(5,548,858)</b>	<b>6,054,565</b>	<b>-109.1</b>	<b>(19,426,986)</b>	<b>(19,702,866)</b>	<b>275,880</b>	<b>-1.4</b>	<b>(4,733,602)</b>	<b>(14,693,384)</b>	<b>310.4</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(83,355)</b>	<b>2,298,081</b>	<b>(2,381,436)</b>	<b>-103.6</b>	<b>5,786,839</b>	<b>(5,870,194)</b>	<b>-101.4</b>	<b>23,709,425</b>	<b>23,118,270</b>	<b>591,155</b>	<b>2.6</b>	<b>6,008,857</b>	<b>17,700,569</b>	<b>294.6</b>
Non-Operating (Income) Expense	21,529	-	21,529	0.0	14,831	6,698	45.2	(229,848)	-	(229,848)	0.0	(52,504)	(177,344)	337.8
<b>Net Income (Loss)</b>	<b>(104,884)</b>	<b>2,298,081</b>	<b>(2,402,965)</b>	<b>-104.6</b>	<b>5,772,008</b>	<b>(5,876,892)</b>	<b>-101.8</b>	<b>23,939,274</b>	<b>23,118,270</b>	<b>821,004</b>	<b>3.6</b>	<b>6,061,361</b>	<b>17,877,913</b>	<b>294.9</b>
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)	-9.6	4	(0)	-4.3	4	4	(0)	-6.5	4	(0)	-5.4

Balance Sheet	Clean Water Programs (Rollup)						
	Apr-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	113,861,067	128,821,414	(14,960,347)	-11.6	148,768,183	(34,907,116)	-23.5
Investments	43,084,540	66,185,438	(23,100,897)	-34.9	78,017,818	(34,933,278)	-44.8
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	1,122,909,533	1,077,260,146	45,649,388	4.2	1,060,141,217	62,768,316	5.9
Capital Assets (net of accumulated depreciation)	(1,399)	-	(1,399)	0.0	22,120	(23,519)	-106.3
Other Assets	13,426,800	14,611,838	(1,185,039)	-8.1	13,609,241	(182,441)	-1.3
Deferred Outflows	15,137,586	15,108,636	28,950	0.2	17,623,179	(2,485,593)	-14.1
<b>Total Assets and Deferred Outflows</b>	<b>1,308,418,127</b>	<b>1,301,987,471</b>	<b>6,430,656</b>	<b>0.5</b>	<b>1,318,181,758</b>	<b>(9,763,631)</b>	<b>-0.7</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
<b>Liabilities and Deferred Inflows</b>							
Debt	707,987,716	707,987,716	-	0.0	750,879,034	(42,891,319)	-5.7
Interest Payable	6,946,670	6,949,598	(2,928)	0.0	6,544,078	402,592	6.2
Unearned Income	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	440,673	307,115	133,558	43.5	591,688	(151,015)	-25.5
Other liabilities	179,201	-	179,201	0.0	-	179,201	0.0
Deferred Inflows	68,342	-	68,342	0.0	-	68,342	0.0
<b>Total Liabilities and Deferred Inflows</b>	<b>715,622,602</b>	<b>715,244,428</b>	<b>378,173</b>	<b>0.1</b>	<b>758,014,800</b>	<b>(42,392,198)</b>	<b>-5.6</b>
<b>Equity</b>							
YTD Earnings(Loss)	23,939,274	23,118,270	821,004	3.6	6,061,361	17,877,913	294.9
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		50,000	13,898	
<b>Total Equity</b>	<b>592,795,526</b>	<b>586,743,043</b>	<b>6,052,483</b>	<b>1.0</b>	<b>560,166,958</b>	<b>32,628,567</b>	<b>5.8</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>1,308,418,127</b>	<b>1,301,987,471</b>	<b>6,430,656</b>	<b>0.5</b>	<b>1,318,181,758</b>	<b>(9,763,631)</b>	<b>-0.7</b>

Income Statement	Drinking Water Programs (Rollup)													
	Apr-2016							YTD as of Apr-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	907,522	895,614	11,908	1.3	901,885	5,636	0.6	8,974,379	8,720,489	253,890	2.9	8,972,520	1,859	0.0
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	95,806	104,123	(8,317)	-8.0	87,677	8,128	9.3	978,918	1,015,904	(36,986)	-3.6	1,096,794	(117,876)	-10.7
Other Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Operating Income</b>	<b>1,003,327</b>	<b>999,736</b>	<b>3,591</b>	<b>0.4</b>	<b>989,563</b>	<b>13,765</b>	<b>1.4</b>	<b>9,953,297</b>	<b>9,736,392</b>	<b>216,905</b>	<b>2.2</b>	<b>10,069,315</b>	<b>(116,018)</b>	<b>-1.2</b>
Operating Expense														
Interest Expense	633,726	638,610	(4,884)	-0.8	632,922	804	0.1	6,336,478	6,380,432	(43,954)	-0.7	7,707,175	(1,370,697)	-17.8
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	16,306	19,105	(2,799)	-14.7	17,632	(1,326)	-7.5	171,330	197,390	(26,060)	-13.2	175,954	(4,624)	-2.6
Operating Expenses	1,328	1,558	(230)	-14.8	1,956	(628)	-32.1	22,292	24,727	(2,434)	-9.8	20,005	2,287	11.4
Marketing Expense	141	200	(59)	-29.5	599	(458)	-76.5	1,560	2,000	(440)	-22.0	3,183	(1,623)	-51.0
Professional Services	5,482	5,319	163	3.1	10,305	(4,823)	-46.8	73,029	70,772	2,258	3.2	84,707	(11,677)	-13.8
Claim and Loss Expenses	(25,000)	-	(25,000)	0.0	-	(25,000)	0.0	(25,000)	(10,000)	(15,000)	150.0	(5,000)	(20,000)	400.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	248,247	355,000	(106,753)	-30.1	386,130	(137,883)	-35.7	2,935,172	3,550,000	(614,828)	-17.3	3,145,966	(210,794)	-6.7
Overhead Allocation	1,737	2,218	(481)	-21.7	1,924	(186)	-9.7	21,579	22,929	(1,350)	-5.9	20,674	905	4.4
<b>Total Operating Expense</b>	<b>881,967</b>	<b>1,022,011</b>	<b>(140,044)</b>	<b>-13.7</b>	<b>1,051,468</b>	<b>(169,501)</b>	<b>-16.1</b>	<b>9,536,441</b>	<b>10,238,249</b>	<b>(701,808)</b>	<b>-6.9</b>	<b>11,152,663</b>	<b>(1,616,222)</b>	<b>-14.5</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>121,360</b>	<b>(22,275)</b>	<b>143,635</b>	<b>-644.8</b>	<b>(61,905)</b>	<b>183,266</b>	<b>-296.0</b>	<b>416,856</b>	<b>(501,856)</b>	<b>918,712</b>	<b>-183.1</b>	<b>(1,083,349)</b>	<b>1,500,205</b>	<b>-138.5</b>
Net Grant (Income) Expense														
Grant Income	(194,112)	(1,680,000)	1,485,888	-88.4	(312,479)	118,367	-37.9	(22,742,519)	(17,060,000)	(5,682,519)	33.3	(4,639,368)	(18,103,151)	390.2
Grant Expense	396,972	400,000	(3,028)	-0.8	14,832	382,140	2576.4	3,908,290	4,000,000	(91,710)	-2.3	3,630,493	277,796	7.7
<b>Total Net Grant (Income) Expense</b>	<b>202,860</b>	<b>(1,280,000)</b>	<b>1,482,860</b>	<b>-115.8</b>	<b>(297,647)</b>	<b>500,507</b>	<b>-168.2</b>	<b>(18,834,229)</b>	<b>(13,060,000)</b>	<b>(5,774,229)</b>	<b>44.2</b>	<b>(1,008,874)</b>	<b>(17,825,355)</b>	<b>1766.9</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(81,500)</b>	<b>1,257,725</b>	<b>(1,339,225)</b>	<b>-106.5</b>	<b>235,742</b>	<b>(317,241)</b>	<b>-134.6</b>	<b>19,251,085</b>	<b>12,558,144</b>	<b>6,692,942</b>	<b>53.3</b>	<b>(74,474)</b>	<b>19,325,559</b>	<b>-25949.3</b>
Non-Operating (Income) Expense	18,328	-	18,328	0.0	14,834	3,494	23.6	(149,081)	-	(149,081)	0.0	(124,416)	(24,665)	19.8
<b>Net Income (Loss)</b>	<b>(99,827)</b>	<b>1,257,725</b>	<b>(1,357,553)</b>	<b>-107.9</b>	<b>220,908</b>	<b>(320,735)</b>	<b>-145.2</b>	<b>19,400,166</b>	<b>12,558,144</b>	<b>6,842,022</b>	<b>54.5</b>	<b>49,942</b>	<b>19,350,224</b>	<b>38745.6</b>
IFA Home Dept Staff Count	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
FTE Staff Count	1	2	(1)	-30.3	2	(0)	-15.0	1	2	(1)	-31.3	2	(0)	-17.5

Balance Sheet	Drinking Water Programs (Rollup)						
	Apr-2016						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	48,027,324	52,105,205	(4,077,881)	-7.8	53,001,538	(4,974,214)	-9.4
Investments	30,296,902	26,318,705	3,978,197	15.1	40,801,625	(10,504,724)	-25.7
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	422,714,232	417,652,185	5,062,046	1.2	402,487,315	20,226,916	5.0
Capital Assets (net of accumulated depreciation)	1,399	-	1,399	0.0	11,005	(9,606)	-87.3
Other Assets	5,320,141	5,562,080	(241,938)	-4.3	5,445,013	(124,872)	-2.3
Deferred Outflows	8,218,351	8,183,889	34,462	0.4	9,798,549	(1,580,198)	-16.1
<b>Total Assets and Deferred Outflows</b>	<b>514,578,348</b>	<b>509,822,064</b>	<b>4,756,284</b>	<b>0.9</b>	<b>511,545,046</b>	<b>3,033,302</b>	<b>0.6</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
<b>Liabilities and Deferred Inflows</b>							
Debt	236,614,157	236,614,157	-	0.0	254,183,883	(17,569,726)	-6.9
Interest Payable	2,355,017	2,355,865	(848)	0.0	2,199,207	155,809	7.1
Unearned Income	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	283,850	373,022	(89,172)	-23.9	442,885	(159,035)	-35.9
Other liabilities	90,454	-	90,454	0.0	-	90,454	0.0
Deferred Inflows	34,496	-	34,496	0.0	-	34,496	0.0
<b>Total Liabilities and Deferred Inflows</b>	<b>239,377,974</b>	<b>239,343,044</b>	<b>34,930</b>	<b>0.0</b>	<b>256,825,976</b>	<b>(17,448,002)</b>	<b>-6.8</b>
<b>Equity</b>							
YTD Earnings(Loss)	19,400,166	12,558,144	6,842,022	54.5	49,942	19,350,224	38745.6
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)		(50,000)	(13,898)	
<b>Total Equity</b>	<b>275,200,374</b>	<b>270,479,021</b>	<b>4,721,354</b>	<b>1.7</b>	<b>254,719,070</b>	<b>20,481,304</b>	<b>8.0</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>514,578,348</b>	<b>509,822,064</b>	<b>4,756,284</b>	<b>0.9</b>	<b>511,545,046</b>	<b>3,033,302</b>	<b>0.6</b>

To: IFA Board of Directors  
From: Tammy Nebola, Iowa Ag Program Specialist  
Lori Beary, Community Development Director  
Date: May 27, 2016  
Re: Iowa Agricultural Division Beginning Farmer Loan Program

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## **Consent Agenda**

### **Iowa Agricultural Development Division**

#### **Inducement Resolutions**

##### **AG 16-027 Michelle Euken and Steven L. Myers**

This is an application for \$442,000 of Agricultural Development Revenue Bonds for Michelle Euken and Steven L. Myers. The bond will be used: To purchase approximately 149.9 acres of agricultural land and improvements (tiling, terracing, fencing, waterways, pond, pasture) in Cass County. The lender is First Whitney Bank & Trust Co in Atlantic.

- **Need Board action on Resolution AG 16-027A**

##### **AG 16-028 Michael Van Beek**

This is an application for \$305,000 of Agricultural Development Revenue Bonds for Michael Van Beek. The bond will be used: To purchase approximately 40 acres of agricultural land in Sioux County. The lender is American State Bank in Sioux Center.

- **Need Board action on Resolution AG 16-028A**

##### **AG 16-029 Kyle D. and Jamay L. Patten**

This is an application for \$171,250 of Agricultural Development Revenue Bonds for Kyle D. and Jamay L. Patten. The bond will be used: To purchase approximately 40 acres of agricultural land in Clay County. The lender is U.S. Bank, N.A. in Boone.

- **Need Board action on Resolution AG 16-029A**

#### **Amending Resolutions**

##### **04722 Ryan F. Langel, Le Mars**

This is a resolution amending a \$250,000 Beginning Farmer Loan to Ryan F. Langel issued 9/1/2012 to lower the interest rate from 4.10% to 3.70% until June 1, 2021 at which time the rate will adjust to the original index of 3.25% above the announced prime rate of 5 year Treasury Constant Maturity and be adjustable every five years thereafter. Decrease the rate floor from 4.00% to 3.70%. All other loan terms will remain the same. The lender is American Bank in Le Mars.

- **Need Board action on Resolution 04722M**

## **Loan Participation Program**

### **AG-LP #16-06, 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 #16-06, 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 16-027A**

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 9<sup>th</sup> day of June, 2016.

(Seal)

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David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 16-027
- 2. Beginning Farmer:** Michelle Euken and Steven L. Myers  
609 E 17th St  
Atlantic, IA 50022-2663
- 3. Bond Purchaser:** First Whitney Bank & Trust Co  
223 Chestnut St, PO Box 271  
Atlantic, IA 50022-0271
- 4. Principal Amount:** \$442,000
- 5. Approval Date:** 6/9/2016
- 6. Project:** To purchase approximately 149.9 acres of agricultural land and improvements (tiling, terracing, fencing, waterways, pond, pasture)

**RESOLUTION**  
**AG 16-028A**

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 9<sup>th</sup> day of June, 2016.

(Seal)

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David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 16-028
- 2. Beginning Farmer:** Michael Van Beek  
2643 Cherry Ave  
Inwood, IA 51240-7523
- 3. Bond Purchaser:** American State Bank  
525 N Main Ave, PO Box 140  
Sioux Center, IA 51250-0140
- 4. Principal Amount:** \$305,000
- 5. Approval Date:** 6/9/2016
- 6. Project:** To purchase approximately 40 acres of agricultural land

**RESOLUTION**  
**AG 16-029A**

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 9<sup>th</sup> day of June, 2016.

(Seal)

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David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 16-029
- 2. Beginning Farmer:** Kyle D. and Jamay L. Patten  
PO Box 315  
Sioux Rapids, IA 50585-0315
- 3. Bond Purchaser:** U.S. Bank, N.A.  
724 Story St, PO Box 518  
Boone, IA 50036-0518
- 4. Principal Amount:** \$171,250
- 5. Approval Date:** 6/9/2016
- 6. Project:** To purchase approximately 40 acres of agricultural land

**RESOLUTION  
04722M**

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. 04722 (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 change 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 4.10% to 3.70% until June 1, 2021 at which time the rate will adjust to the original index of 3.25% above the announced prime rate of 5 year Treasury Constant Maturity and be adjustable every five years thereafter. Decrease the rate floor from 4.00% to 3.70%. All other loan terms will remain the same. Eff. 05/01/2016.

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 9<sup>th</sup> day of June, 2016.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

(Seal)



IOWA AGRICULTURAL  
DEVELOPMENT DIVISION

June 9, 2016

Andy Schmidt  
American Bank  
234 5th Ave SW, PO Box 310  
Le Mars, IA 51031-0310

**Re: Ryan F. Langel – Project No. 04722**

Dear Mr. Schmidt:

The Iowa Finance Authority (IFA) Board held its monthly meeting on June 9, 2016, and the above project was approved for the proposed loan changes. The changes approved were as follows:

**Lower the interest rate from 4.10% to 3.70% until June 1, 2021 at which time the rate will adjust to the original index of 3.25% above the announced prime rate of 5 year Treasury Constant Maturity and be adjustable every five years thereafter. Decrease the rate floor from 4.00% to 3.70%. All other loan terms will remain the same. Eff. 05/01/2016**

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: Ryan F. Langel

**RESOLUTION  
AG-LP 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 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 9<sup>th</sup> day of June, 2016.

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David D. Jamison, Secretary

(Seal)

**Exhibit A**  
**Loan Participation Program**

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Project No.	Beginning Farmer	Bank	Purpose	Loan Amt
P0222	Michael L. & Jennifer L. Bosma	First National Bank, Primghar	To construct a 1,200 Hd Hog Finishing Building	\$105,000.00
				\$105,000.00

**RESOLUTION  
AG-TC 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, 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 9th day of June, 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
2370	Wayne Davelaar	Sioux	Cody Davelaar	Cash Rent	5	\$ 1,050.00
2390	Hutchcroft, LC	Warren	Myles Thompson	Cash Rent	2	\$ 2,107.00
2397	Keith Arthur Helvig & Eileen A Helvig Rev Trust	Hardin	Colin Johnson	Cash Rent	2	\$ 1,369.00
2398	Keith Arthur & Mary Kathryn Helvig	Hardin	Colin Johnson	Cash Rent	2	\$ 3,551.40
2399	Mark R & Mary Currie	Sac	Nick R & Jared Currie	Cash Rent	5	\$ 7,000.00
2400	Dean Krohn	Shelby	Josh Krohn	Share Crop	2	\$ 6,525.47
2401	Rex & Shelly Hartwig	Calhoun	Tonya Reynolds	Share Crop	5	\$ 5,245.25
2402	Robert Friedrich	Humboldt	Chris Kirchhoff	Cash Rent	5	\$ 1,526.00
2403	Virgil & Betty Heidt Rev Trust	Humboldt	Chris Kirchhoff	Cash Rent	5	\$ 2,888.73
2407	Schaeffer Place LLC	Scott	Bart & Sarah VanDeWalle	Cash Rent	2	\$ 1,574.30
2409	Dale & Charlene Rolwes	Dubuque	Joseph Rolwes	Share Crop	3	\$ 6,632.18
2410	Bowser Family Trust	Washington	Nathan Tinnes	Cash Rent	5	\$ 1,693.58
2411	Ronald E Bowser	Washington	Nathan Tinnes	Cash Rent	5	\$ 3,984.75
2412	Derold R Harken	Butler	Jared A Nolte	Cash Rent	2	\$ 3,742.20
2413	Ramona Melendy	Butler	Jared A Nolte	Cash Rent	2	\$ 3,349.50
2414	Glenda Sieren	Keokuk	Josiah Sieren	Cash Rent	5	\$ 1,538.46
2417	Elaine Nichols	Wright	Dane Askelsen	Cash Rent	2	\$ 1,984.07
2421	Dorothy Hinkeldey	Buena Vista	Jordan Scott Hinkeldey	Share Crop	5	\$ 13,729.62
2422	Clinton & Derek Halverson	Buena Vista	Nicholas B Sennert	Cash Rent	2	\$ 623.28
2423	Alan Halverson	Buena Vista	Nicholas B Sennert	Cash Rent	2	\$ 6,765.36
2424	Halverson Family Trust	Buena Vista	Nicholas B Sennert	Cash Rent	2	\$ 5,844.72
2426	Lloyd E Dekkers	Sioux	Ryan Paul Dekkers	Hybrid	2	\$ 12,662.33
2427	Earl G Stribe Family Trust	Carroll	Dan Stribe	Cash Rent	4	\$ 3,990.00
2429	CLC Farms, LLC	Dallas	John Thomas Feldman II	Share Crop	3	\$ 7,199.06
2431	Darrell Eugene Schenk Irrevocable Trust	Henry	Kenton, Grant, & Jon Klopfenstein	Cash Rent	2	\$ 1,223.76
2432	Michelle Bentler	Henry	Kenton, Grant, & Jon Klopfenstein	Cash Rent	2	\$ 4,328.32
2434	Donovan Ray & Karla Lee Beenken	Kossuth	Trevor Beenken	Share Crop	5	\$ 1,739.07
2437	Elise Pick	Sac	Adam Pick	Share Crop	5	\$ 5,884.67
2441	Kelvin W Schenk	Louisa	Kenton, Grant, & Jon Klopfenstein	Cash Rent	2	\$ 1,292.19
						<u><u>\$ 121,044.27</u></u>

 Denotes Military Veteran



To: IFA Board of Directors  
From: Lori Beary, Community Development Director  
Date: 5/31/16  
Re: Economic Development and Water Quality

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## **Consent Agenda**

### **Economic Development**

#### **ED Loan #16-07 Simple Essentials Project**

This is an application for \$22,000,000 of Iowa Finance Authority Solid Waste Facility Revenue Bonds for the Simple Essentials Project in Charles City. The bonds will be used for the solid waste portions of a renovation and expansion of a chicken processing facility. This project will require an allocation of Private Activity Bond Cap.

### **State Revolving Fund**

#### **SRF Construction Loans - WQ 16-10**

This is a resolution to approve an SRF Construction Loans totaling of \$10,609,000 for the cities of Hartford, Northwood and Swea City. SRF loans have an interest rate of 1.75% for 20 years or 2.75% for 30 years.

#### **WQ 16-11 Loan for INHF – Strope Property – Dickinson County**

This is a resolution for IFA to purchase a participation of a loan not to exceed \$1,125,000 to the Iowa Natural Heritage Foundation. The loan will be originated by Decorah Bank and Trust for a term not to exceed 5 years for the purchase of 139 acres in Dickinson County.

The Strope tract is an addition to the Four Mile Lake Wildlife Management Area located in the Cheever Lake PPJV Priority Area. This property conserves 1,036 meters of lakeshore along the western end of Four Mile Lake. Existing land use on the tract is 100% row crop production. The tract includes 63.7 acres of hydric soils.

Acquisition of the Strope tract will allow for restoration of 7 prairie pothole wetlands. In addition, it includes 3 areas which were historically seasonal and wet meadow ones associated with Four Mile Lake that will be restored. In all, acquisition of the Strope tract will conserve 29 acres of wetland habitat and result in restoration of 90 acres of tallgrass prairie. The tract offers the opportunity to restore 29 acres of wetland habitat and more than 90 acres of tallgrass prairie.

The Iowa Natural Heritage Foundation (INHF) purchased the Strope tract at auction on December 16, 2015 for \$1,124,280. Funding for the public acquisition of 139 acres will be provided by the Iowa DNR using a combination of REAP Open Spaces, Marine Fuel Tax, and Wildlife Habitat Stamp funds. Additional funding assistance is being pursued from multiple federal funding sources.

RESOLUTION  
ED 16-07A

Approving an Application for \$22,000,000  
Iowa Finance Authority Solid Waste Facility Revenue Bonds  
(Simple Essentials, LLC Project), Series 2016  
For Simple Essentials, LLC (the "Borrower")

And Evidencing the Intent to Proceed with the Issuance of  
\$22,000,000 Solid Waste Facility Revenue 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 Solid Waste Facility Revenue Bonds in an amount not to exceed \$22,000,000 (the "Bonds") and loan the proceeds from the sale of the Bonds to the Borrower listed in the Application for the purposes 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;

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, (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 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 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 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. 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. 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 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 and the Project.

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 9th day of June, 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 16-07
Application Received 5/27/16
Application Fee Received? [ ]
Volume Cap? [X] Yes [ ] No
Amount of Request \$ 22,000,000

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: Simple Essentials, LLC
2. Contact Person/Title: Steve Peterson (Member)/ Dennis Krause (CEO/Member)/ Todd Henning (COO/Member)
Company: Simple Essentials, LLC
Address: 12980 Foster Street, Suite 220
City, State, Zip: Overland Park, KS 66211
Telephone: 913-909-0617 E-mail: speterson23kc@gmail.com/ dkrause@simply-essentials.com/ thenning@functiono.com
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.
Limited Liability Company - Members: Dennis Krause, Todd Henning, Steve Peterson; General Partner: NGP Agribusiness Follow-On Fund, L.P.; Managers: Cameron Dunn, Mark Zenuk, Dennis Krause
6. If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose: N/A
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:
Number of permanent FTE's created by the project: 254

**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: \_\_\_\_\_
  - Other 501c (3) entity (please specify) \_\_\_\_\_
- Manufacturing facility
- Agricultural processing facility
- Multi-family housing
- Solid Waste facility

3. Amount of Loan Request: \$22,000,000 \_\_\_\_\_  
Amount to be used for refunding: \$ 0.00 \_\_\_\_\_

4. Address/Location of Project  
Street/City/State 901 North Main Street, Charles City, IA 50616 \_\_\_\_\_  
County Floyd \_\_\_\_\_

5. General Project Description:  
Renovation and expansion of chicken processing facility located in Charles City, IA.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**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 \$7,600,000\_\_\_ (There are IRS limitations on eligible reimbursable costs.)

7. Parties related to the Project:  
 a. Principal User will be: Simple Essentials, LLC  
 b. Seller (if any) of the Project: \_\_\_\_\_  
 c. Purchaser (if any) or Owner or Lessee of the Project: Simple Essentials, LLC  
 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
Equity Injection/debt		\$25,892,106	Renovation & Equipment		\$25,982,106
_____		_____	_____		_____
_____		_____	_____		_____
_____		_____	_____		_____
_____		_____	_____		_____
_____		_____	_____		_____
	<b>Total</b>	\$ 25,892,106		<b>Total</b>	\$25,982,106

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

**2. Counsel to the Borrower:**

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

**3. Underwriter or Financial Institution purchasing the bonds:**

Name: \_\_\_\_\_  
Firm Name: Wells Fargo Bank, N.A. \_\_\_\_\_  
Address: 7500 College Blvd., 2<sup>nd</sup> Floor \_\_\_\_\_  
City/State/Zip Code: Overland Park, KS 66210 \_\_\_\_\_  
Telephone: 913-234-2905 \_\_\_\_\_ E-mail: Kathleen.gound@wellsfargo.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.

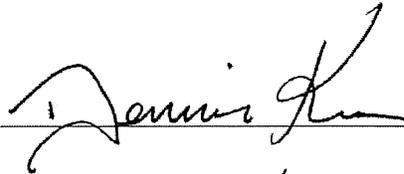
Submit application to the Authority at the following address:

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

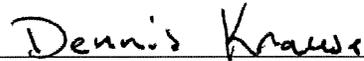
2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Lori Beary at 515-725-4965 or [lori.beary@iowa.gov](mailto:lori.beary@iowa.gov) for more information.
3. Borrower is required to pay the fees and expenses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

Dated this 27th day of May, 2016

Borrower:



By:



Title:

CEO

**RESOLUTION**  
**WQ 16-10**

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 9<sup>th</sup> day of June, 2016.

(Seal)

\_\_\_\_\_  
David D. Jamison, Secretary

**Exhibit A**

**SRF Construction Loans**

<b>Borrower</b>	<b>County</b>	<b>Population</b>	<b>Amount</b>	<b>CW/ DW</b>	<b>Description</b>
Hartford	Warren	771	\$415,000	CW	Collection Improvements
Northwood	Worth	1,989	\$9,393,000	CW	Treatment Improvements
Swea City	Kossuth	536	\$801,000	DW	New Well & Treatment Improvements

\$10,609,000

**RESOLUTION**  
**WQ 16-11**

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 Decorah Bank and Trust 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 \$1,125,000 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 \$1,125,000 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 9<sup>th</sup> day of June, 2016.

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David D. Jamison, Secretary

(Seal)

## EXHIBIT A

### Project: *STROPE TRACT ACQUISITION*

The Strope tract is an addition to the Four Mile Lake Wildlife Management Area located in the Cheever Lake PPJV Priority Area. The tract consists of 139 acres within the watershed of the Des Moines River in Dickinson County. The Strope tract conserves 1,036 meters of lakeshore along the western end of Four Mile Lake. Existing land use on the tract is 100% row crop production. The tract includes 63.7 acres of hydric soils.

Four Mile Lake is a shallow, 210 acre glacial lake with a maximum depth of less than 5 feet. Until 1940, IDNR owned only the marsh itself and no adjacent uplands. A series of acquisitions in the 1940's secured a narrow band of upland around the marsh increasing the size of the area in public ownership to 244 acres. In the late 1980s, the USFWS purchased two nearby tracts totaling 288 acres. IDNR purchased an additional 155 acres in 1989 bringing the total acreage for this wetland-grassland complex to 687 acres. The addition of the Strope tract will increase the size of this complex to 826 acres.

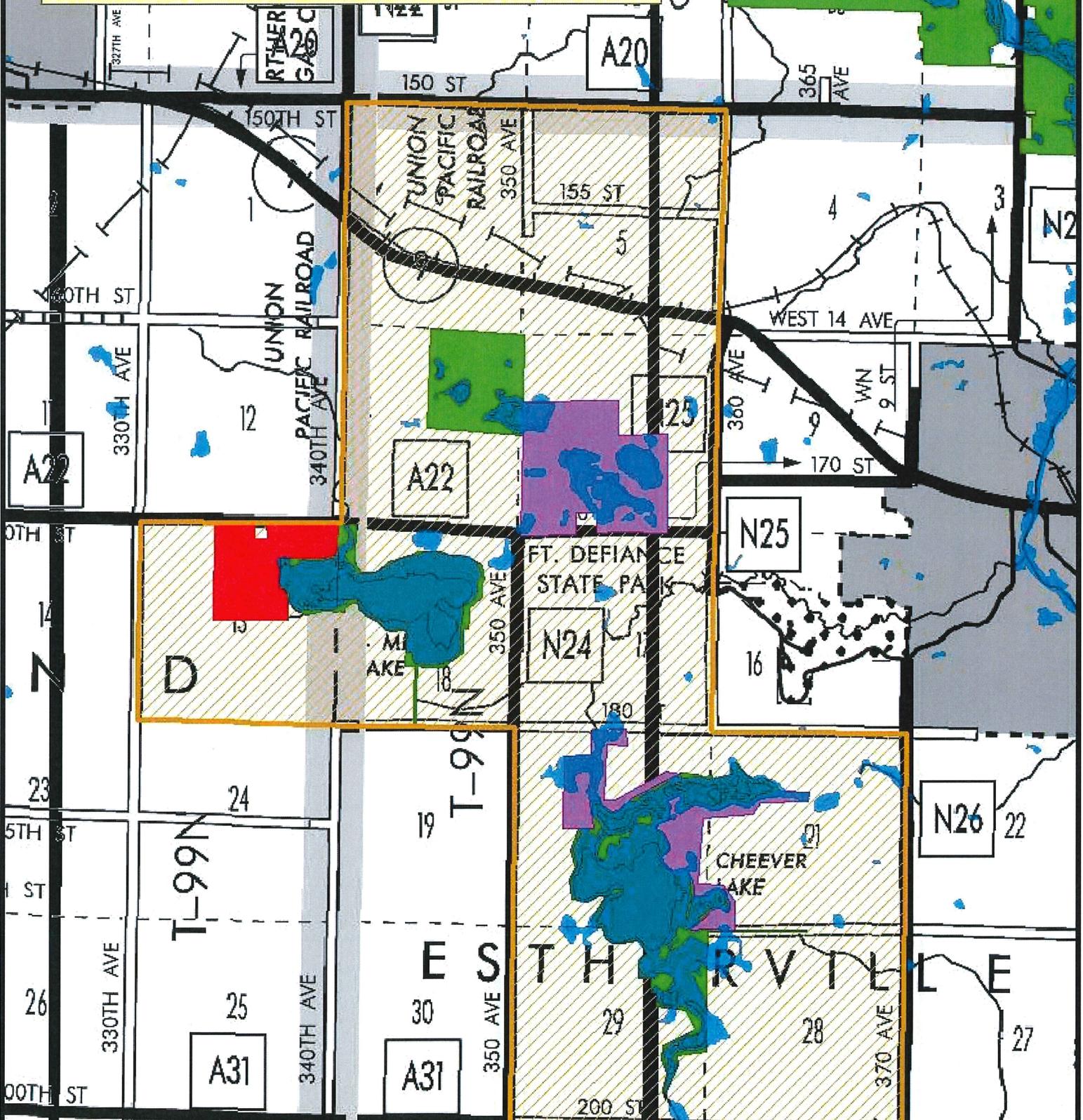
Four Mile Lake has historically been managed for migratory bird habitat, and due to its shallow depths has never supported a managed fishery. A concrete water control structure was constructed on the marsh's outlet in the 1940's to facilitate management of water levels and aquatic vegetation in the marsh. By the 1980's, sediment had accumulated in front of the outlet structure rendering it ineffective for managing water levels in the marsh. Over the next 20 years, the marsh experienced a drastic decline in bird use due to large populations of rough fish, increased water inputs, and decreased water quality. Four Mile Lake was renovated in 2009 as the third wetland enhancement project completed under the Living Lakes Initiative which is a partnership with Ducks Unlimited, U.S. Fish and Wildlife Service, and Iowa DNR Wildlife, Fisheries, and Lake Restoration Programs. The sediment accumulation in front of the outlet structure was removed, the existing concrete outlet structure was retrofitted to facilitate easier manipulation of water levels, and both primary and secondary fish barriers were installed. Since this project was completed, the marsh has been managed through periodic drawdowns as needed to eliminate carp and other undesirable fish populations and to promote emergent and submerged aquatic plant communities.

The Strope tract offers an opportunity to provide public access and improve habitat along a significant portion of the lake's shoreline as well as to filter both surface runoff and water from sub-surface drainage tiles from a 364 acre drainage area before entering Four Mile Lake.

Acquisition of the Strope tract will allow for restoration of 7 prairie pothole wetlands. In addition, the Strope tract includes 3 areas which were historically seasonal and wet meadow ones associated with Four Mile Lake that will be restored. In all, acquisition of the Strope tract will conserve 29 acres of wetland habitat and result in restoration of 90 acres of tallgrass prairie. The tract offers the opportunity to restore 29 acres of wetland habitat and more than 90 acres of tallgrass prairie.

The Iowa Natural Heritage Foundation (INHF) purchased the Strope tract at auction on December 16, 2015 for \$1,124,280. Funding for the public acquisition of 139 acres will be provided by the Iowa DNR using a combination of REAP Open Spaces, Marine Fuel Tax, and Wildlife Habitat Stamp funds. Additional funding assistance is being pursued from multiple federal funding sources.

# Cheever Lake PPJV Priority Area



**Map 3**

- Existing Wetlands
- Strobe Tract
- U.S. Fish & Wildlife Service Waterfowl Production Area
- DNR Wildlife Management Area
- Cheever Lake PPJV Priority Area

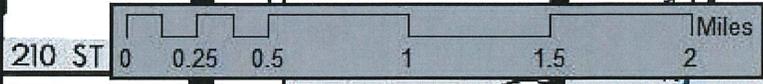


EXHIBIT B

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

<b>Project Name</b>	<b>Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>
Prairie Lakes Wetland Initiative	505 – 5 <sup>th</sup> Avenue, suite 444	Des Moines	IA	50309
<b>Phone Number</b>	<b>Email</b>	<b>Contact Name</b>		
515-288-1846	mackelson@inhf.org	Mark Ackelson		

**Legal Description**

*Priority landscapes within a 35 County region in north-central Iowa (see attached map)*

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.**

*This practice involves using SRF loans to build wetland complexes around the glacial deepwater recreational lakes, shallow wildlife lakes, and large marshes in north-central Iowa. Practices are tied to 100 priority areas identified by DNR and the U.S. Fish & Wildlife Service (USFWS) through a comprehensive planning process initiated in 1986 to identify the historical high density wetland landscapes that currently exhibit the greatest potential for restoration (See attached map). Since 1987, this highly successful program has resulted in the conservation of 54,310 acres of wetland and associated tallgrass prairie utilizing land acquisition and a multitude of federal, state, and local funding sources coordinated through the North American Wetlands Conservation Act (NAWCA) in partnership with the USFWS Waterfowl Production Area (WPA).*

*Through this proposal we are requesting \$10 million dollars over the next 10 years to help facilitate the continued success of this program. SRF loan funds will be used to acquire tracts of land within identified priority areas as they become available. Due to rising land prices, DNR and FWS do not have the liquidity of capital in a single fiscal year to acquire these tracts in a reasonable amount of time. Iowa DNR works with the Iowa Natural Heritage Foundation (INHF) on a regular basis to provide up-front capital and negotiating expertise to secure these tracts and hold them for a period of months while DNR arranges the financing with partner organizations. This process has proven effective, and it has become essential in order for DNR and other conservation partners to meet annual conservation goals for the NAWCA and WPA programs. SRF loans can greatly facilitate this effort by providing low or no interest capital in order to increase INHF's land holding capacity and reduce holding costs thereby allowing a greater percentage of state and federal funding to be used to accomplish wetland conservation objectives.*

*Due to unpredictability of acquiring land from willing sellers, it is important that this loan provide access to funds over a ten year period. This flexibility will improve our ability to budget state and federal funds and apply them to tracts with the greatest wetland conservation potential. We anticipate acquiring 8 to 10 tracts per year ranging in size from 40 to 200 acres using SRF loan funds. Most SRF loans used to acquire individual tracts will be repaid within 2 to 3 years. Additional information on the Prairie Lakes Wetland Initiative is provided with this application as Appendix 1.*

**Description of Water Quality Benefits of the Project**

*Wetland conservation activities in this proposal include restoration, enhancement, permanent protection, and long-term management of wetlands and associated tallgrass prairie uplands. Eligible tracts must be located in historic high density wetland landscapes that currently exhibit the greatest potential for restoration of ecological functions at a landscape scale. Eligible areas are defined by the 100 Prairie Pothole Joint Venture (PPJV) priority landscapes identified on the attached map.*

*PPJV Priority Areas include portions of the watershed of 29 of the 40 Significant Publicly Owned Lakes in the Prairie Pothole Region of Iowa; 13 of the 17 lakes on the 2004 list of impaired waters within the Prairie Pothole Region of Iowa; all 8 lakes designated as High Quality waters in the Prairie Pothole Region of Iowa; and 15 of the 16 lakes designated as High Quality Resource Waters in the Prairie Pothole Region of Iowa.*

Priority areas include portions of the watersheds of 18 of the 28 river segments on the 2004 list of impaired waters within the Prairie Pothole Region of Iowa; all eleven (11) river segments designated as High Quality Resource Waters that include portions of the Prairie Pothole Region; as well as the headwaters and upper reaches of several of Iowa's large rivers, including the Raccoon River, Des Moines River, Iowa River, Cedar River, Boone River, and Little Sioux River. Water Quality Improvement Plans (TMDLs) have been completed and approved for the Raccoon, Iowa, and Cedar Rivers.

Detailed information, including maps, on the benefits of the Prairie Lakes Wetland Initiative to water quality priorities identified in this application is provided as Appendix 2.

**Total Estimated Project Costs**

**Percentage of Project for Water Quality Protection/Improvement**

\$48,000,000

100%

**Estimated General Non-Point Source Program Loan**

\$10,000,000

## 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
Mark C. Ackelson President Iowa Natural Heritage Foundation		1/11/08

## 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		3/25/08

## EXHIBIT C

### LOAN REQUEST

<u>NOTE TYPE</u>	<u>ORIGINAL AMOUNT</u>	<u>RATE</u>	<u>TERM</u>	<u>PURPOSE</u>	<u>SECURITY</u>
Loan	\$1,124,280	Up to 3%	5 Years	Purchase 139 acres Dickinson County	REM/ INHF

Decorah Bank and Trust has agreed to be the direct lender on this loan with 100% participation with Iowa Finance Authority

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### Equity

	2014	2013	2012	2011
<b>Total Assets</b>	\$58,912,482	\$57,074,659	\$51,762,912	\$39,834,310
<b>Total Liabilities</b>	\$21,372,784	\$22,134,975	\$20,935,881	\$11,214,332
<b>Total Net Assets</b>	\$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: Iowa Finance Authority Board of Directors  
From: Steve Harvey & Cindy Harris  
Date: June 8, 2016  
Subject: **FY17 Budget**

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## General Information

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There are three reporting format changes for FY17.

- The first involves temporary employees and long-term contracted employees who are paid through a third party but receive day-to-day direction from an IFA supervisor or manager. Some of these employees allocate their time to multiple departments and we will incorporate them into our standard time reporting and management approval system for FY17. Therefore, there is a new line item at the bottom of the income statement labeled “Contractor Staff Count by Home Department” which reports the number of non-IFA staff. These full time contractors are added into the Full Time Equivalent (FTE) calculation, which is used to allocate shared expenses.
- The second change relates to the Single Family Service Acquisition Fee the Authority receives from its master servicer and the related Service Release Premium the Authority pays to its originating lenders for the right to service the Authority’s single family loans. Historically, these fees were presented as a component of grant income and grant expense. Going forward these items will be presented as a component of operating income and expense. This change is neutral to net operating income after grants.
- Finally, Authority Fee Income is currently recorded in Single Family Admin and Multifamily Admin which is rolled up under the Single Family and Multifamily reporting groups, respectively but will now be reported under the Overhead group. Authority Fees are calculated based on the mortgage backed securities (MBS) outstanding in the single family bond indentures and on the loans outstanding in the Multifamily Housing Bond Indenture. The bond indentures allow these ‘fees’ to be taken out in order to pay administrative expenses of the Authority. While the Authority Fee Income will be reported under the Overhead group the Authority Fee Expense will continue to be reported under the Single Family and Multifamily groups. This change better reflects the use of these funds and will improve the visibility of these transfers in FY17.

A forecast for the remainder of FY16 has been prepared in conjunction with the FY17 budget and will be used for all comparisons of FY16 to FY17.

The abbreviations “m” and “k” will be used for million and thousand respectively.

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## **FY16 Forecast**

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The FY16 Forecast is based on eight months of actual results and four months of current trends:

The Housing Authority is forecast to meet the financial objectives of the FY16 Budget (as revised):

- Total Operating Income of \$40.6m is forecast to exceed the budget by \$1.8m.
- Total Operating Expense of \$29.8m is forecast to be \$1.3m below budget.
- Net Grant Expense of \$1.9m is forecast to exceed budget by \$0.3m.
- Net Operating Income after Grants of \$8.9m should exceed budget by \$2.8m.
- A significant item in the FY16 Forecast is an addition to Loan Loss Reserves of \$2.1m for the Keokuk Hospital loan which has been determined to be impaired. This represents about 50% of the loan balance. There is an equal amount planned for FY17 which will bring the reserve to 100%.

The State Revolving Fund is forecast to meet of the financial objectives of the FY16 budget.

- Total Operating Income of \$42.6m is forecast to exceed budget by \$1.0m.
- Total Operating Expense of \$37.5m is forecast to be \$1.1m below budget.
- Net Grant Income of \$38.0m is forecast to be \$1.1m below budget.
- Net Operating Income after Grants of \$43.1m is forecast to exceed budget by \$1.0m.

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## **FY17 Housing Authority Budget Overview**

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The FY17 Housing Authority budget shows Net Operating Income Before Grants of \$9.3m, a \$1.5m decrease, or 13.5%, from the FY16 Forecast. Net Grant Expense increases by \$0.8m to \$2.8m providing Net Operating Income After Grants of \$6.6m, a \$2.3m or 26.1% decrease.

The primary source of income for the Housing Authority is the interest earned on the Authority's Single Family MBS outstanding, the gain on sale of MBS, multifamily loans, and investments. Total interest income in the FY17 budget is approximately \$27.8m. The secondary source of income comes from fees generated by the Iowa Title Guaranty (ITG), Section 8, and Multifamily Programs which is estimated to be about \$11.8m in FY17.

Employee expenses, bond interest expense, and professional services comprise \$26.0m or 85.0% of the \$30.6m of total operating expenses. Employee expenses increase to \$10.8m in FY17 due to a 2.25% across the board increase July 1, a 1.25% across the board increase January 1, and 4.5% in-grade step increases as well as 3 additional FTE's: The Chief Administration Officer, ITG Deputy Director, and an ITG Controller account for these additions. While Single Family and Multifamily assets provide interest income, their bond liabilities account for \$10.2m of expense. Professional service expenses of \$5.0m are down by \$60k compared to FY16. These services are found in programs collaborating with outside professionals to provide additional expertise. ITG utilizes field issuers; Single Family and Multifamily depend on bond trustees and counsel as well as financial advisors for assistance in issuing debt and managing their bond portfolios.

Marketing expenses remain relatively level at \$0.5m. Marketing expense will be used primarily to execute strategies to increase awareness of the Authority's programs amongst Iowans, per the strategic goal; and increase single family loan production through a marketing campaign.

A review of the Housing Authority income and expenses shows the reduction in Net Operating Income is primarily due to a decrease in ITG Fee Income and an increase in employee expenses.

The Housing Authority total assets and deferred outflows increase by \$51.5 million, or 7.1% from FY16, which reverses the decline the Housing Authority has been experiencing since FY10. This change is driven by Single Family which is funding more MBS through tax-exempt bonds which is outpacing the pay downs of existing MBS.

Below is an overview of the assumptions and changes for each reporting group in the FY17 budget, which explains in more detail the changes in the budget from the forecasted FY16 results.

### **Overhead**

The Overhead rollup reflects the indirect costs of running the Authority that are not allocated to a specific program. IFA administration, accounting, finance, marketing, IT, legal, and human resources are included in this rollup. These departments receive Authority Fees of \$2.3m and earn interest on assets held of \$175k to cover administrative expenses, which are budgeted to be approximately \$3.7m.

The Overhead group loses \$1.1m for the year. As a result, the asset requirements for the General Fund Liquidity Policy (GFLP) will fall below targets during FY17. The GFLP requires 3 months of budgeted General Fund expenditures, or \$2.4m to be maintained in cash and cash equivalents and 1 year of budgeted GF expenditures, or \$9.6m to be maintained in cash, cash equivalents, MBS, and investments. A transfer of funds, which has no overall effect on the budget, will be required at some point in the year. Management will keep the Board informed when this occurs.

### **Single Family**

The FY17 production target of approximately \$220m is based on current volume and management's view of FY17 that the housing market will continue to be strong. The budget assumes \$80m will be funded with two \$40m bond issues and \$140m sold into the secondary market.

Despite a net increase in the MBS portfolio of \$25.6m in FY17, interest income declines by \$0.2m. This is primarily due to smaller margins on the MBS sales and the pay down of higher interest rate MBS replaced with lower rate MBS.

The Take Credit MCC Program is expected to continue in FY17 and the budget assumes level fee income related to this program. The increase in fee income of \$0.3m is driven by the Service Acquisition Fee, which comes from the sharing of the servicing fee income with the Authority's master servicer, Idaho Housing & Finance Association.

Single Family operating expenses are relatively stable from FY16. Authority Fee Expense is \$1.8m, an increase of \$0.9m but is offset by a portion of the change in Authority Income reported under the Overhead Rollup. Employee expenses are slightly up due to more internal allocation of time from supporting departments. Professional services are down by \$0.1m.

Grant expense is up by \$0.4m which is driven by an increase in the use of down payment assistance (DPA) because of an increase in loan production.

Single Family net operating income after grants is approximately \$5.4m in the FY17 budget compared to \$8.7m projected for FY16.

### **Multifamily**

The FY17 budget assumes no new multifamily loans in FY17. Multifamily interest income of \$6.3m is approximately \$0.5m greater than projected FY16. This increase is primarily due to interest income on investments as well as loan interest related to a \$7.0m loan disbursing near the end of FY16. Fee income of \$4.3m is generated through Section 8, Low Income Housing Tax Credit (LIHTC), and Compliance.

Multifamily operating expenses primarily reside in employee expense of \$3.2m, bond interest expense of \$1.5m, and professional services of \$0.7m. Two new items are included in the professional services FY17 budget; \$100k for a Housing Study Update and \$30k for a scanning project. The Authority has received requests from several of our partners regarding updating our 2012 Housing Study and has just started discussions with the consultant regarding scope and meaningfulness of an update. The \$100k budget item is a guess on the cost of the Housing Study update. The scanning project entails eliminating the paper files in the LIHTC, HOME, State Housing Trust Fund, and homelessness programs. The plan is to engage an outside vendor to scan the documents. The \$30k is an initial estimate, until we quantify the number of files that will actual be scanned.

Multifamily net operating income before grants of \$4.0m is \$0.4m below FY16.

### **Federal and State Programs**

The Federal and State Programs encompass Homelessness, State Loan Funds, State Housing Trust Fund, HOME, rent subsidy programs, foreclosure prevention, and the economic development conduit bond program. The Authority does not anticipate any substantive change in funding for FY17 or changes in staffing or grants expended. There is one new program, the Federal Continuum of Care (CoC) Program. The Authority will be the recipient of a little over \$207k in planning funds which will be used to develop a regional system of providing homeless assistance services throughout the Iowa Balance of State (BoS) CoC.

There is one significant item in both the FY16 forecast and the FY17 budget. The Keokuk Hospital loan that was mandated by the legislature last year and funded with existing state loan funds has been determined to be impaired. We are providing for a 50% reserve for loan loss, or about \$2.1m in FY16 and move the loan to fully reserved upon default which we expect may occur in FY17.

Federal and State Programs generate minimal income because their primary purpose is to administer state and federal economic development programs and housing programs that serve low income populations. These programs and the individuals they serve are important to the Authority's mission. For FY17 Net Operating Loss After Grants is budgeted for \$1.9m.

### **Iowa Agricultural Development Division (IADD)**

The (IADD) administers several programs to assist beginning farmers buy or lease land, equipment and breeding livestock which generate application and closing fees. Staff outreach and workshops continue to drive increased program participation. Beginning Farmer Loan Program (BFLP) applications increased significantly in FY16 but the FY17 budget assumes they will be lower by \$72k. The FY17 budget assumes Beginning Farmer Tax Credit application fees will be flat to the FY16 forecast. Consequently, the FY17 budget reflects a decrease in fee income with total operating income decreasing by \$65k. Operating expenses increase by \$15k which is driven by an increase in employee expenses. Net Income before Grants is approximately \$24k in FY17, down \$81k from FY16.

### **Iowa Title Guaranty Division (ITG)**

ITG operating income declines by \$909k or 12.7% in FY17 due largely to lower refinancing revenue resulting from anticipated higher mortgage rates.

ITG operating expenses decrease by \$251k or 4.3%. Field issuer incentives and other professional services are lower by \$211k and \$382k, respectively. Lower field issuer incentives are expected due to lower revenue levels and the other professional services relate mainly to lower accounting and information technology consulting costs. Employee expenses increase \$365k due primarily to 2 positions being vacant most of FY16 (ITG Controller, and Deputy Director) and required cost of living increases of 3.50% and 4.5% in grade step increases. Claim expenses of \$252 are \$56k or 18.3% below FY16 due to lower volume.

Net Operating Income before Grants (the only grants are transfers to the Housing Assistance Fund) of \$600k is \$658k or 52.3% less than FY16.

Transfers of \$528k to the Housing Assistance Fund is \$497k or 48.5% less than FY16.

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## **FY17 State Revolving Fund (SRF) Budget Overview**

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The State Revolving Fund FY17 Budget for Net Operating Income Before Grants is approximately \$1.7m. Net Grant Income is expected to be \$25.7m, a decrease of \$12.3m relative to FY16. This difference is driven by the fact that the SRF program was able to draw down two years' worth of capitalization grants in FY16. Consequently, the FY17 budget results in Net Operating Income After Grants of \$27.4m, a decrease of \$16.0m, or 36.9%.

The FY17 budget assumes \$160m of new loans consisting of \$125m in Clean Water (CW) and \$35m in Drinking Water (DW) which is an increase in the amount of loans closed from FY16. This increased level of loan closings leads to more fee income. For FY17, fee income from new and existing loans is estimated to be about \$4.7m, slightly more than FY16. The loan portfolio is projected to grow by about \$79.3m to \$1.6 billion with total SRF assets of \$1.9 billion.

One new bond issue is anticipated for FY17 since SRF bonds have not been issued since February 2015. The SRF will need to issue bonds to reimburse itself for funds disbursed and to access the federal capitalization grants for this year. The FY17 budget anticipates drawing down

approximately \$17.4m from the CW cap grants and \$14.3m from the DW cap grants. Loan disbursements are estimated to be about \$164.0m of which \$122.0m are for CW loans and \$42.0m are for DW loans.

With the planned issuance of bonds in FY17, interest expense will increase by \$4.3m and total liabilities will increase by nearly \$40.3m relative to FY16. However, despite this increase in bond liability, the net assets in the SRF are budgeted to be \$895.6m, an increase of \$27.4m.

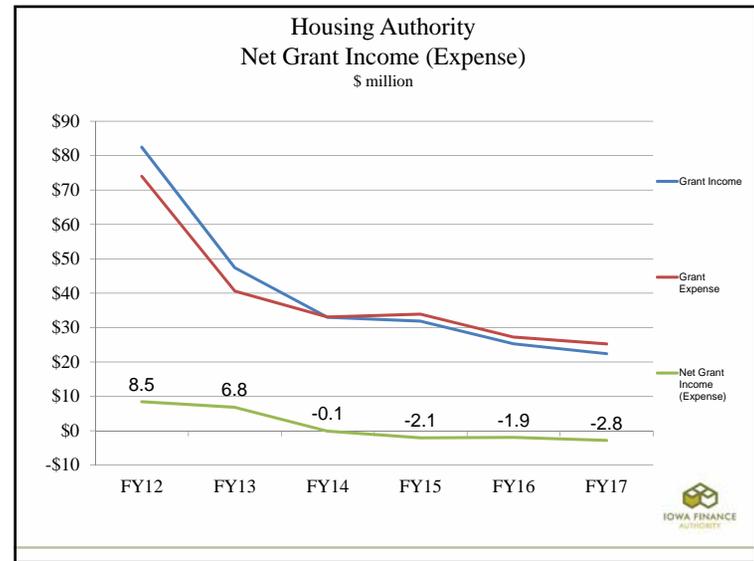
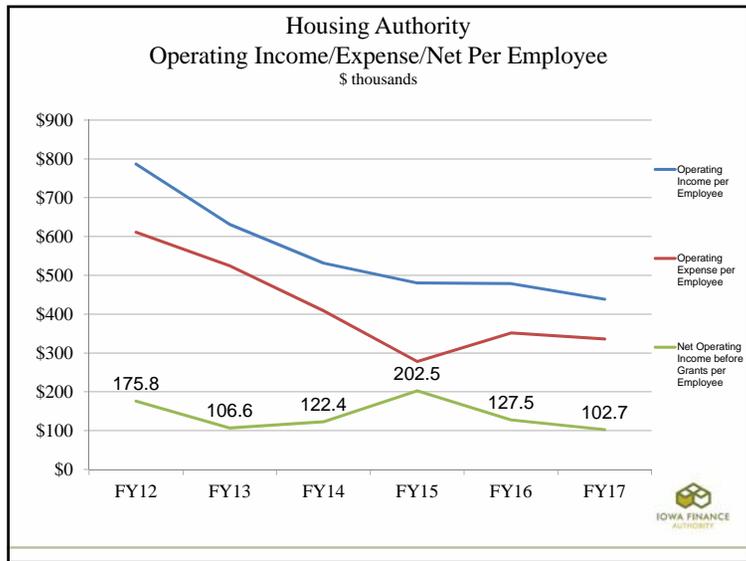
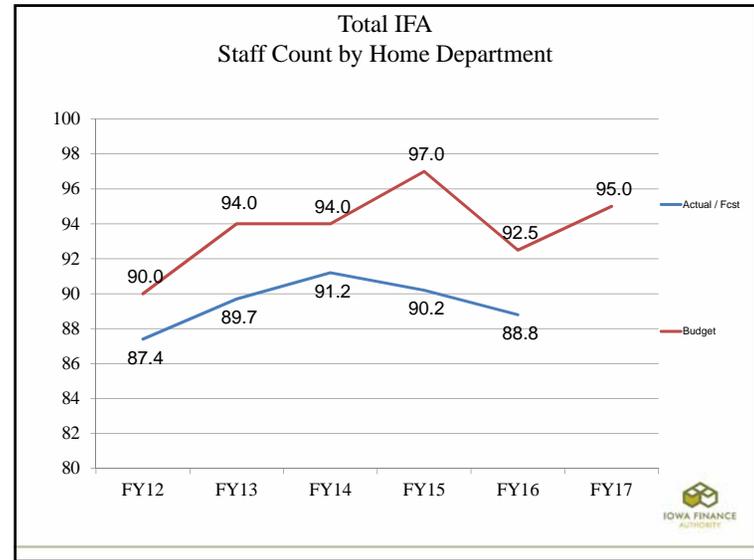
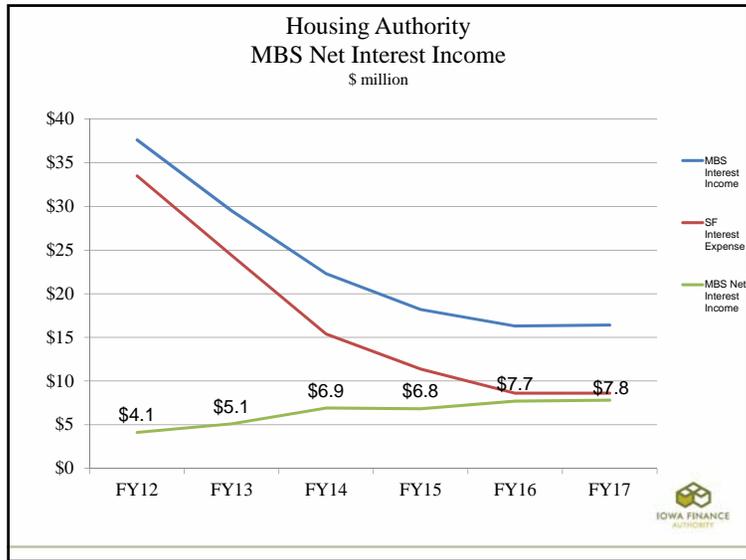
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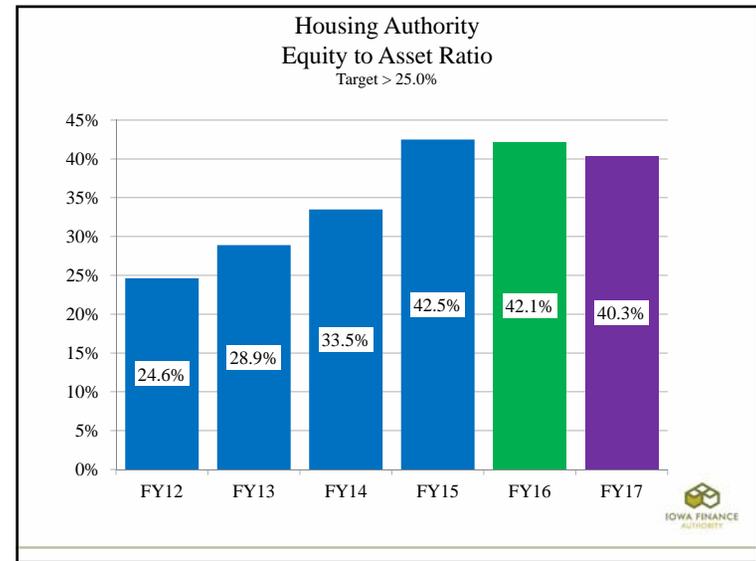
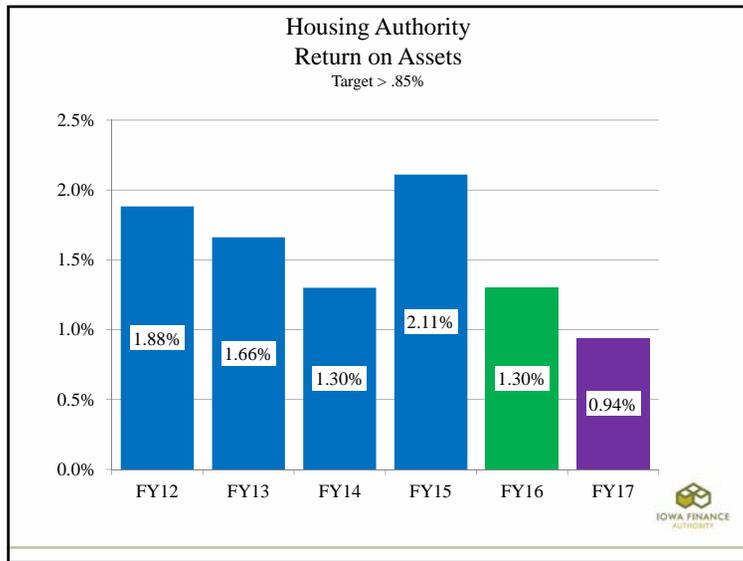
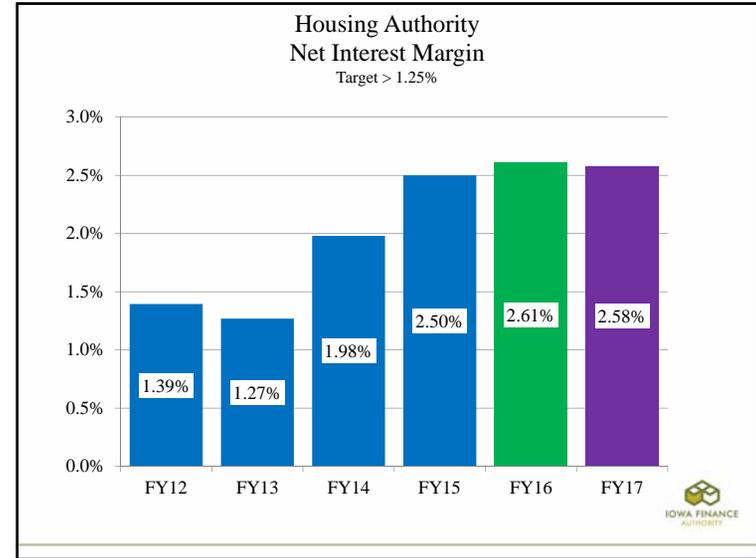
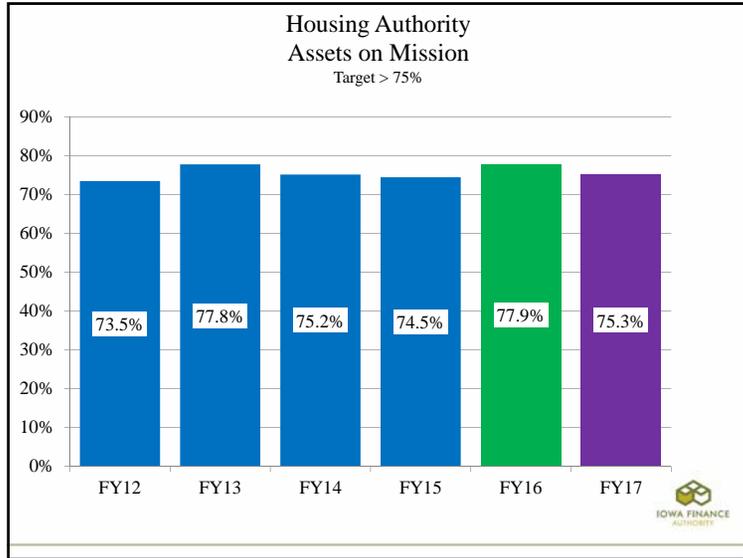
## **Authority Capital Expenditures**

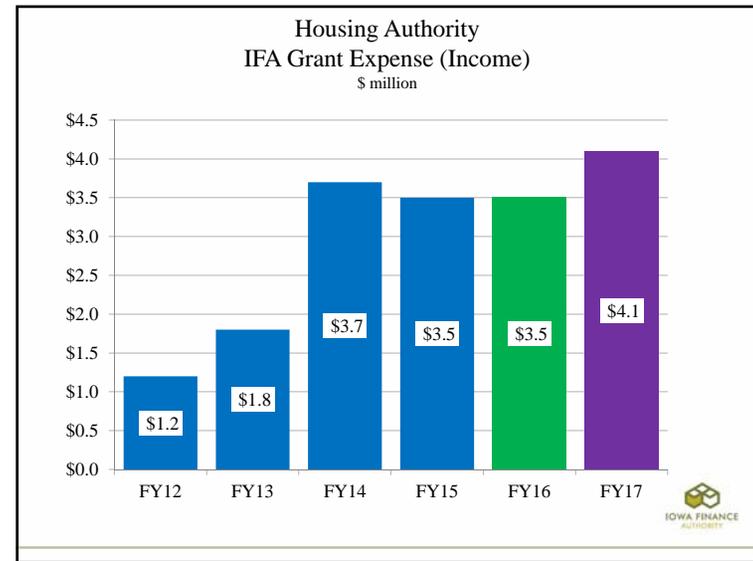
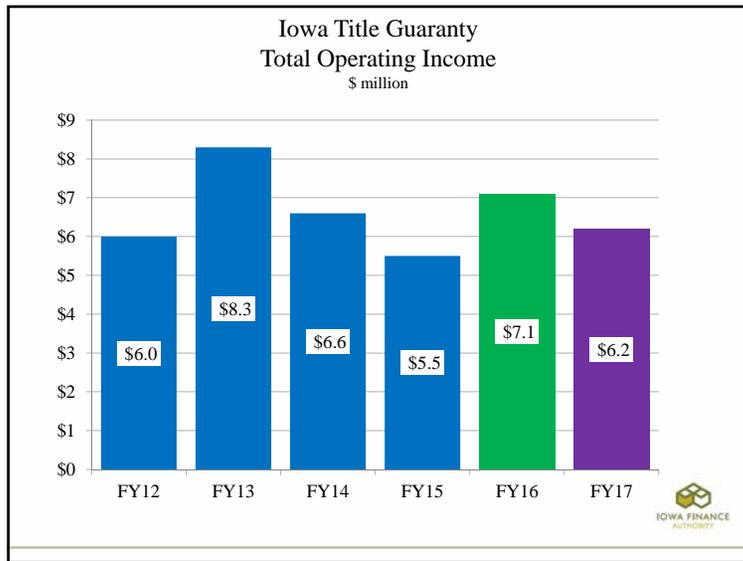
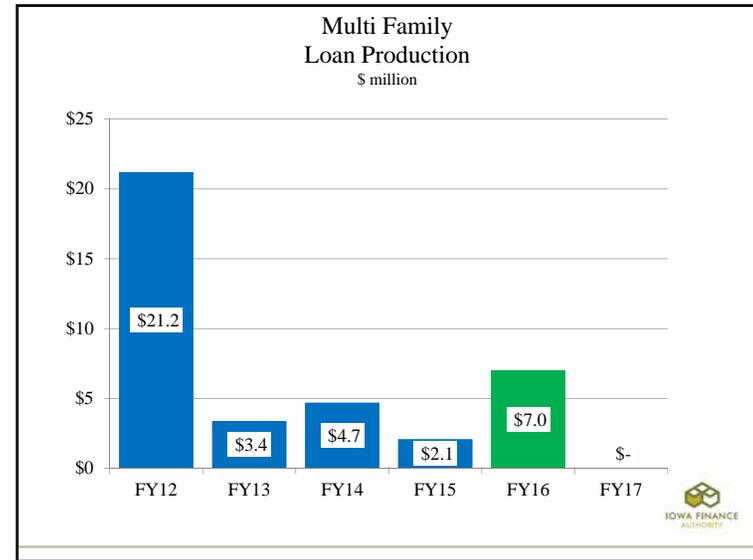
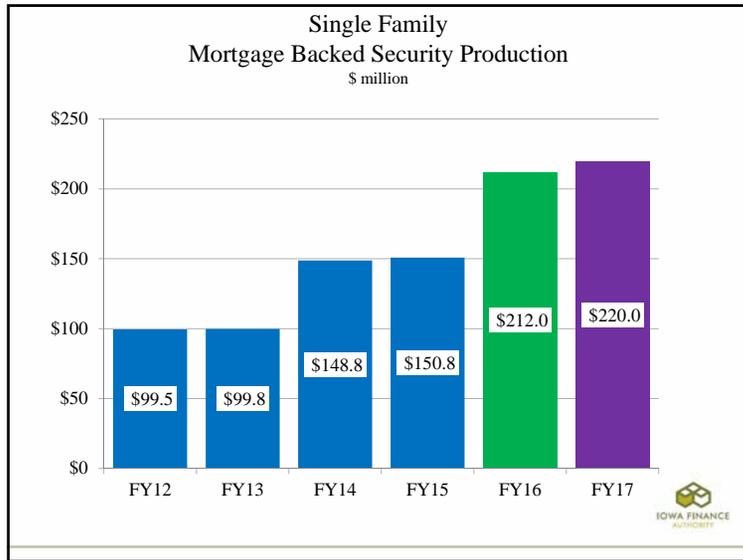
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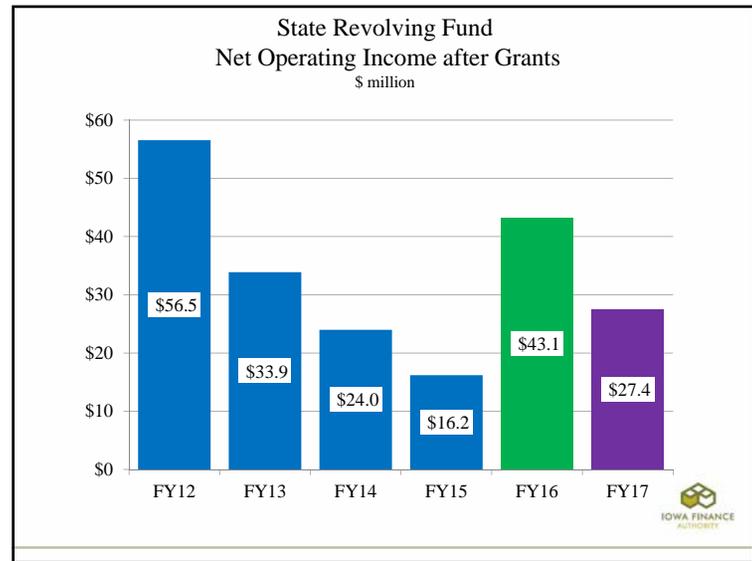
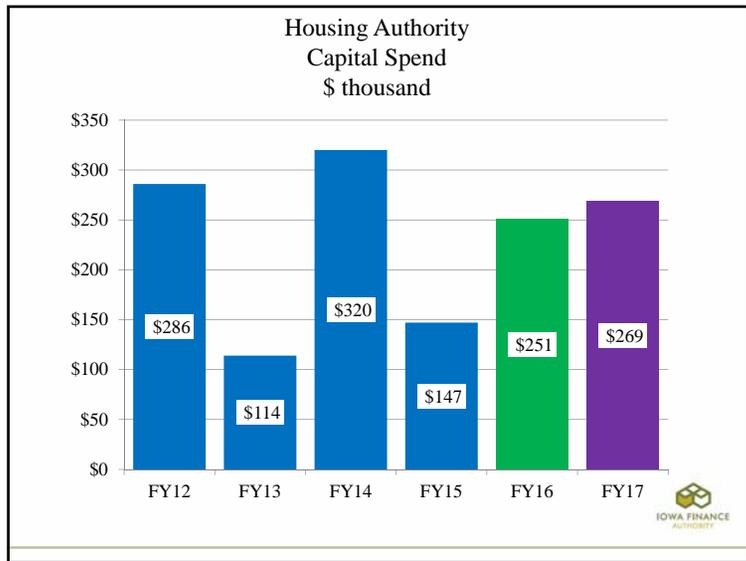
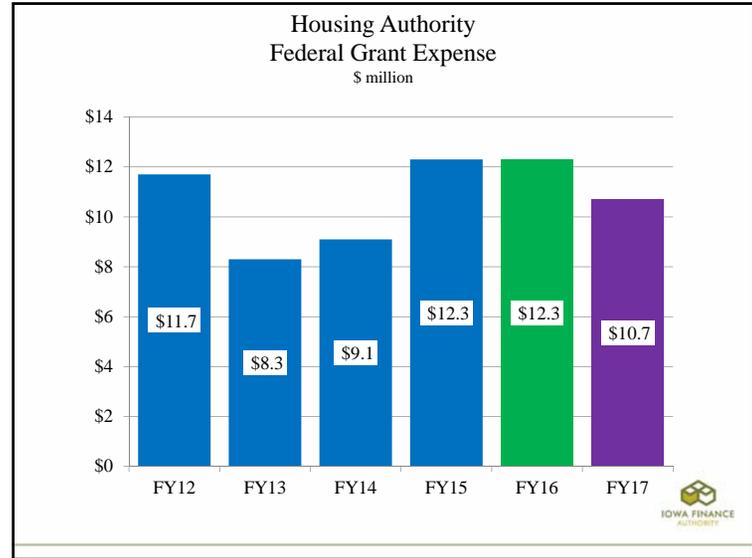
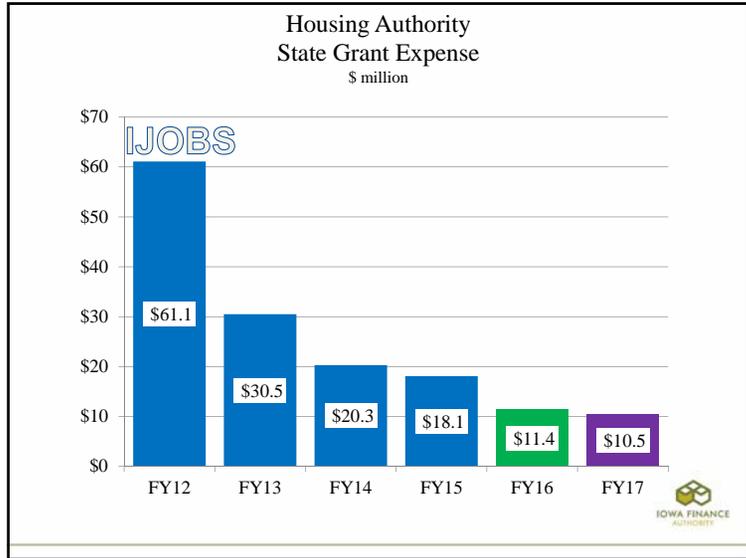
Capital expenditures are funds used to acquire or upgrade physical assets such as repairing a building or purchasing equipment; they have a useful life of more than one year. These items are capitalized and the cost depreciated over the useful life of the asset, which either is an operating expense in a specific department or allocated by headcount over time on the Authority’s financial statements. Below are the proposed capital expenditures for the FY17 budget:

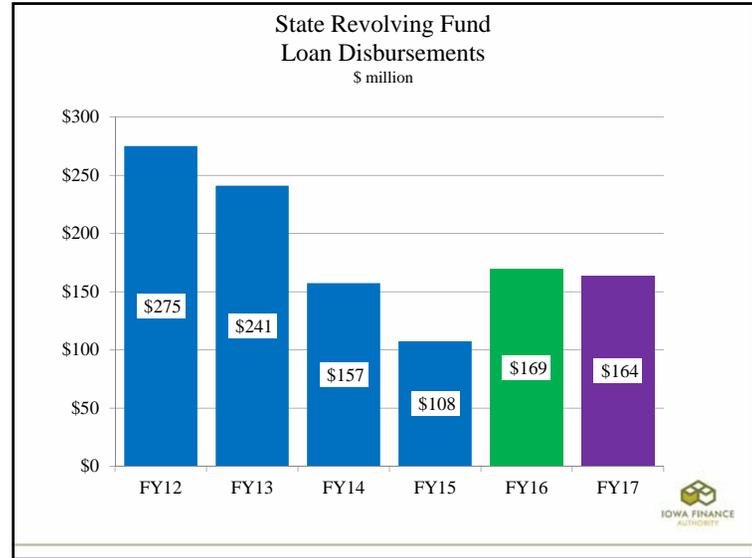
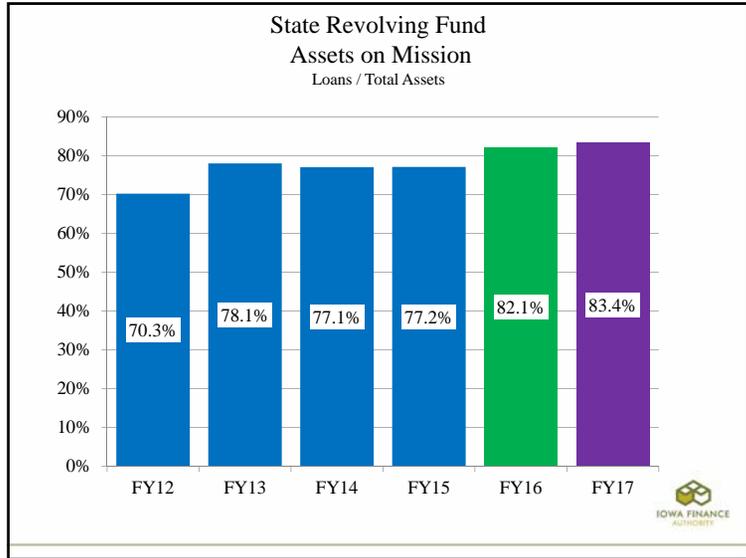
Department	Description	Amount
IT	Varonis Access Control Software	15,000
Accounting	AOD AP with workflow	61,000
Admin	CRM Software	50,000
IT	Other Software	50,000
ITG Commercial	Commercial Escrow Software	50,000
IT	Endpoint hardware	18,000
Admin	Building Improvement	25,000
<b>Total</b>		<b>269,000</b>











Income Statement	FY17 Budget Housing Authority (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Operating Income</b>								
Interest Income	52,488,258	38,366,581	33,061,954	30,960,426	27,733,569	27,839,013	105,443	0.4%
Authority Income	-	-	-	-	-	-	-	0.0%
Fee Income	12,563,697	15,012,288	12,955,841	10,193,566	12,644,438	11,841,990	(802,448)	-6.3%
Other Income	457,098	737,756	340,397	252,409	204,828	218,249	13,420	6.6%
<b>Total Operating Income</b>	<b>65,509,052</b>	<b>54,116,625</b>	<b>46,358,192</b>	<b>41,406,400</b>	<b>40,582,836</b>	<b>39,899,251</b>	<b>(683,585)</b>	<b>-1.7%</b>
<b>Operating Expense</b>								
Interest Expense	35,633,457	26,417,920	17,239,557	13,105,554	10,271,036	10,187,697	(83,339)	-0.8%
Authority Expense	(0)	0	(0)	-	-	-	-	0.0%
Employee Expenses	8,733,726	8,896,698	9,355,947	9,372,263	10,010,663	10,836,977	826,314	8.3%
Operating Expenses	926,769	960,563	1,070,573	1,259,975	1,244,879	1,320,245	75,366	6.1%
Marketing Expense	480,514	910,383	863,802	518,775	539,906	522,610	(17,296)	-3.2%
Professional Services	4,022,219	5,002,767	4,659,664	3,972,526	5,098,174	5,038,847	(59,326)	-1.2%
Claim and Loss Expenses	(459,630)	1,169,740	327,339	(4,318,717)	2,526,854	2,503,186	(23,668)	-0.9%
Service Release Premium	1,604,103	1,607,853	2,121,179	39,939	97,169	153,000	55,831	57.5%
Miscellaneous Operating Expense	26,487	103,719	117,334	79,603	68,845	69,545	700	1.0%
Overhead Allocation	(92,100)	(88,167)	(74,732.03)	(73,661)	(81,680)	(78,376)	3,304	-4.0%
<b>Total Operating Expense</b>	<b>50,875,545</b>	<b>44,981,476</b>	<b>35,680,663</b>	<b>23,956,257</b>	<b>29,775,846</b>	<b>30,553,732</b>	<b>777,886</b>	<b>2.6%</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>14,633,507</b>	<b>9,135,149</b>	<b>10,677,529</b>	<b>17,450,143</b>	<b>10,806,990</b>	<b>9,345,519</b>	<b>(1,461,470)</b>	<b>-13.5%</b>
<b>Net Grant (Income) Expense</b>								
Grant Income	(82,479,359)	(47,427,543)	(32,973,563)	(31,846,362)	(25,303,577)	(22,438,798)	2,864,780	-11.3%
Grant Expense	74,020,495	40,619,590	33,077,436	33,897,018	27,243,923	25,227,908	(2,016,014)	-7.4%
<b>Total Net Grant (Income) Expense</b>	<b>(8,458,865)</b>	<b>(6,807,952)</b>	<b>103,873</b>	<b>2,050,656</b>	<b>1,940,345</b>	<b>2,789,110</b>	<b>848,765</b>	<b>43.7%</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>23,092,372</b>	<b>15,943,101</b>	<b>10,573,656</b>	<b>15,399,487</b>	<b>8,866,645</b>	<b>6,556,409</b>	<b>(2,310,236)</b>	<b>-26.1%</b>
<b>Non-Operating (Income) Expense</b>	<b>3,684,413</b>	<b>28,307,631</b>	<b>6,007,076</b>	<b>4,026,331</b>	<b>1,770,743</b>	<b>-</b>	<b>(1,770,743)</b>	<b>-100.0%</b>
<b>Net Income (Loss)</b>	<b>19,407,959</b>	<b>(12,364,530)</b>	<b>4,566,580</b>	<b>11,373,156</b>	<b>7,095,901</b>	<b>6,556,409</b>	<b>(539,492)</b>	<b>-7.6%</b>
IFA Staff Count by Home Dept (excluding interns)	83	86	87	86	85	91	6	7%
Contractor Staff Count by Home Dept	1	1	1	3	4	2	(2)	-52%
Staff Count by FTE	86	88	89	90	90	93	3	3%

1 FTE = (hours paid IFA+Contractor+Interns) / 80

Balance Sheet	FY17 Budget Housing Authority (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Assets and Deferred Outflows</b>								
Cash & Cash Equivalents	188,768,350	165,041,523	166,202,223	150,672,459	123,870,426	154,069,441	30,199,016	24.4%
Investments	83,500,769	20,717,309	21,204,595	21,705,517	19,621,152	19,467,152	(154,000)	-0.8%
Mortgage Backed Securities	707,926,447	570,874,483	464,418,585	400,886,746	412,078,543	437,097,832	25,019,289	6.1%
Loans - net of reserve for losses	132,441,624	136,153,130	145,556,521	146,580,713	143,742,704	139,906,191	(3,836,513)	-2.7%
Capital Assets (net of accumulated depreciation)	3,053,464	2,905,619	2,946,235	2,789,870	2,685,627	2,639,193	(46,434)	-1.7%
Other Assets	15,401,032	39,831,747	38,780,769	12,037,986	14,046,524	13,733,880	(312,644)	-2.2%
Deferred Outflows	39,512,981	14,869,641	5,500,915	3,915,038	4,671,680	5,253,176	581,496	12.4%
<b>Total Assets and Deferred Outflows</b>	<b>1,170,604,667</b>	<b>950,393,451</b>	<b>844,609,844</b>	<b>738,588,329</b>	<b>720,716,655</b>	<b>772,166,865</b>	<b>51,450,209</b>	<b>7.1%</b>
<b>Liabilities, Deferred Inflows, and Equity</b>								
Liabilities and Deferred Inflows	844,444,292	636,597,606	523,602,904	411,228,029	404,985,235	448,353,138	43,367,903	10.7%
Equity	326,160,374	313,795,845	321,006,940	327,360,300	315,731,420	323,813,727	8,082,306	2.6%
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>1,170,604,667</b>	<b>950,393,451</b>	<b>844,609,844</b>	<b>738,588,329</b>	<b>720,716,655</b>	<b>772,166,865</b>	<b>51,450,209</b>	<b>7.1%</b>

Income Statement	FY17 Budget Overhead (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
Operating Income								
Interest Income	547,403	726,559	644,402	412,713	303,053	175,275	(127,778)	-42.2%
Authority Income	-	-	-	-	-	2,336,000	2,336,000	0.0%
Fee Income	413,559	1,013,491	333,486	211,590	5,218	6,000	782	15.0%
Other Income	400,649	569,249	67,822	148,493	143,457	150,000	6,543	4.6%
<b>Total Operating Income</b>	<b>1,361,611</b>	<b>2,309,299</b>	<b>1,045,710</b>	<b>772,796</b>	<b>451,727</b>	<b>2,667,275</b>	<b>2,215,547</b>	<b>490.5%</b>
Operating Expense	-	-	-	-	-	-	-	0.0%
Interest Expense	32,644	-	-	-	-	-	-	0.0%
Authority Expense	-	-	-	-	-	-	-	0.0%
Employee Expenses	2,641,910	2,850,048	2,705,291	2,582,982	2,486,469	2,654,871	168,401	6.8%
Operating Expenses	567,051	472,650	522,245	549,456	423,728	461,291	37,563	8.9%
Marketing Expense	382,150	349,786	287,442	362,385	262,706	266,000	3,294	1.3%
Professional Services	386,238	521,643	415,104	374,884	265,967	664,792	398,825	150.0%
Claim and Loss Expenses	133,000	(347,000)	-	-	-	-	-	0.0%
Service Release Premium	-	-	-	-	-	-	-	0.0%
Miscellaneous Operating Expense	(705)	(948)	(59)	154	(17)	-	17	-100.0%
Overhead Allocation	(195,619)	(161,059)	(147,671.62)	(276,377)	(297,814)	(303,747)	(5,933)	2.0%
<b>Total Operating Expense</b>	<b>3,946,668</b>	<b>3,685,119</b>	<b>3,782,350</b>	<b>3,593,484</b>	<b>3,141,039</b>	<b>3,743,207</b>	<b>602,167</b>	<b>19.2%</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>(2,585,057)</b>	<b>(1,375,820)</b>	<b>(2,736,641)</b>	<b>(2,820,688)</b>	<b>(2,689,312)</b>	<b>(1,075,932)</b>	<b>1,613,380</b>	<b>-60.0%</b>
Net Grant (Income) Expense	-	-	-	-	-	-	-	0.0%
Grant Income	(3,739,480)	(1,827,400)	(2,874,876)	(815,475)	-	-	-	0.0%
Grant Expense	2,066,833	1,673,977	2,840,500	799,313	-	-	-	0.0%
<b>Total Net Grant (Income) Expense</b>	<b>(1,672,647)</b>	<b>(153,423)</b>	<b>(34,376)</b>	<b>(16,162)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(912,409)</b>	<b>(1,222,398)</b>	<b>(2,702,265)</b>	<b>(2,804,527)</b>	<b>(2,689,312)</b>	<b>(1,075,932)</b>	<b>1,613,380</b>	<b>-60.0%</b>
Non-Operating (Income) Expense	(794,197)	343,230	223,535	18,561	93,304	-	(93,304)	-100.0%
<b>Net Income (Loss)</b>	<b>(118,212)</b>	<b>(1,565,628)</b>	<b>(2,925,800)</b>	<b>(2,823,087)</b>	<b>(2,782,616)</b>	<b>(1,075,932)</b>	<b>1,706,684</b>	<b>-61.3%</b>
IFA Staff Count by Home Dept (excluding interns)	29	30	29	26	24	26	2	8%
Contractor Staff Count by Home Dept	1	1	1	2	3	2	(1)	-41%
Staff Count by FTE	26	28	25	25	22	20	(0)	6%

1 FTE = (hours paid IFA+Contractor+Interns) / 80

Balance Sheet	FY17 Budget Overhead (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Assets and Deferred Outflows</b>								
Cash & Cash Equivalents	4,057,550	7,777,774	5,564,244	3,281,650	4,172,345	3,964,538	(207,807)	-5.0%
Investments	4,735,065	2,983,524	2,491,590	1,683,557	1,361,147	1,361,147	-	0.0%
Mortgage Backed Securities	8,480,205	7,576,344	6,850,918	5,881,765	2,815,892	2,254,092	(561,800)	-20.0%
Loans - net of reserve for losses	1,276,194	1,140,146	1,092,292	826,038	774,421	726,578	(47,842)	-6.2%
Capital Assets (net of accumulated depreciation)	3,047,723	2,904,432	2,945,991	2,786,558	2,682,287	2,636,177	(46,110)	-1.7%
Other Assets	1,128,275	879,731	990,183	1,328,689	1,038,330	1,038,330	-	0.0%
Deferred Outflows	-	-	-	590,718	577,140	577,140	-	0.0%
<b>Total Assets and Deferred Outflows</b>	<b>22,725,012</b>	<b>23,261,950</b>	<b>19,935,218</b>	<b>16,378,976</b>	<b>13,421,562</b>	<b>12,558,002</b>	<b>(863,559)</b>	<b>-6.4%</b>
<b>Liabilities, Deferred Inflows, and Equity</b>								
Liabilities and Deferred Inflows	5,724,236	5,942,674	4,627,127	8,968,186	8,443,438	8,091,454	(351,984)	-4.2%
Equity	17,000,777	17,319,276	15,308,091	7,410,790	4,978,124	4,466,548	(511,575)	-10.3%
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>22,725,012</b>	<b>23,261,950</b>	<b>19,935,218</b>	<b>16,378,976</b>	<b>13,421,562</b>	<b>12,558,002</b>	<b>(863,559)</b>	<b>-6.4%</b>

Income Statement	FY17 Budget Single Family (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Operating Income</b>								
Interest Income	45,689,208	31,570,032	26,032,243	24,220,044	21,250,863	21,006,255	(244,608)	-1.2%
Authority Income	3,317,563	1,475,696	-	-	980,436	-	(980,436)	-100.0%
Fee Income	1,847,518	1,693,674	1,609,089	127,330	581,898	897,000	315,102	54.2%
Other Income	27,850	65,110	100,376	24,811	(1,550)	-	1,550	-100.0%
<b>Total Operating Income</b>	<b>50,882,139</b>	<b>34,804,511</b>	<b>27,741,708</b>	<b>24,372,186</b>	<b>22,811,647</b>	<b>21,903,255</b>	<b>(908,392)</b>	<b>-4.0%</b>
<b>Operating Expense</b>								
Interest Expense	33,484,603	24,387,788	15,392,192	11,362,197	8,625,846	8,638,329	12,483	0.1%
Authority Expense	3,317,563	1,475,696	-	-	980,436	1,840,000	859,564	87.7%
Employee Expenses	713,351	666,799	657,715	680,833	908,894	985,787	76,894	8.5%
Operating Expenses	36,968	55,715	54,163	91,252	170,350	157,043	(13,308)	-7.8%
Marketing Expense	244	-	340	-	170,496	135,000	(35,496)	-20.8%
Professional Services	518,574	471,177	355,472	268,209	628,347	530,582	(97,765)	-15.6%
Claim and Loss Expenses	-	(6,000)	(1,000)	(1,000)	1,000	-	(1,000)	-100.0%
Service Release Premium	1,604,103	1,607,853	2,121,179	39,939	97,169	153,000	55,831	57.5%
Miscellaneous Operating Expense	136	907	218	167	(1,285)	-	1,285	-100.0%
Overhead Allocation	-	-	-	-	-	-	-	0.0%
<b>Total Operating Expense</b>	<b>39,675,542</b>	<b>28,659,934</b>	<b>18,580,279</b>	<b>12,441,596</b>	<b>11,581,254</b>	<b>12,439,741</b>	<b>858,487</b>	<b>7.4%</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>11,206,597</b>	<b>6,144,577</b>	<b>9,161,429</b>	<b>11,930,590</b>	<b>11,230,393</b>	<b>9,463,514</b>	<b>(1,766,879)</b>	<b>-15.7%</b>
<b>Net Grant (Income) Expense</b>								
Grant Income	(1,109,344)	(2,401,659)	(300,000)	(2,189,037)	(3,657,817)	(2,499,996)	1,157,821	-31.7%
Grant Expense	2,351,183	2,189,453	3,663,393	5,683,384	6,201,510	6,561,895	360,385	5.8%
<b>Total Net Grant (Income) Expense</b>	<b>1,241,839</b>	<b>(212,207)</b>	<b>3,363,393</b>	<b>3,494,347</b>	<b>2,543,693</b>	<b>4,061,899</b>	<b>1,518,206</b>	<b>59.7%</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>9,964,758</b>	<b>6,356,784</b>	<b>5,798,036</b>	<b>8,436,243</b>	<b>8,686,701</b>	<b>5,401,615</b>	<b>(3,285,085)</b>	<b>-37.8%</b>
Non-Operating (Income) Expense	4,779,061	27,335,301	5,404,520	3,690,022	1,508,099	-	(1,508,099)	-100.0%
<b>Net Income (Loss)</b>	<b>5,185,697</b>	<b>(20,978,518)</b>	<b>393,517</b>	<b>4,746,221</b>	<b>7,178,601</b>	<b>5,401,615</b>	<b>(1,776,986)</b>	<b>-24.8%</b>
IFA Staff Count by Home Dept (excluding interns)	6	6	6	6	6	6	0	4%
Contractor Staff Count by Home Dept	-	-	-	-	-	-	-	0%
Staff Count by FTE	8	7	6	7	8	9	1	8%

1 FTE = (hours paid IFA+Contractor+Interns) / 80

Balance Sheet	FY17 Budget Single Family (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Assets and Deferred Outflows</b>								
Cash & Cash Equivalents	76,595,455	90,569,668	87,625,229	67,034,395	44,051,768	70,648,189	26,596,421	60.4%
Investments	61,554,085	2,150,843	7,004,921	10,483,805	9,766,650	9,766,650	-	0.0%
Mortgage Backed Securities	699,446,241	563,298,139	457,567,668	395,004,981	409,262,651	434,843,739	25,581,088	6.3%
Loans - net of reserve for losses	4,747,700	4,416,257	4,433,862	3,967,012	12,482,909	12,233,993	(248,916)	-2.0%
Capital Assets (net of accumulated depreciation)	-	-	-	-	-	-	-	0.0%
Other Assets	12,931,347	37,874,041	37,116,334	9,861,696	11,374,195	11,068,318	(305,877)	-2.7%
Deferred Outflows	38,456,282	14,550,054	5,070,436	2,562,338	3,332,558	3,914,054	581,496	17.4%
<b>Total Assets and Deferred Outflows</b>	<b>893,731,109</b>	<b>712,859,002</b>	<b>598,818,449</b>	<b>488,914,228</b>	<b>490,270,732</b>	<b>542,474,944</b>	<b>52,204,212</b>	<b>10.6%</b>
<b>Liabilities, Deferred Inflows, and Equity</b>								
Liabilities and Deferred Inflows	710,062,751	551,142,520	439,985,308	324,532,818	337,265,580	382,874,346	45,608,766	13.5%
Equity	183,668,359	161,716,483	158,833,141	164,381,410	153,005,153	159,600,598	6,595,445	4.3%
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>893,731,109</b>	<b>712,859,002</b>	<b>598,818,449</b>	<b>488,914,228</b>	<b>490,270,732</b>	<b>542,474,944</b>	<b>52,204,212</b>	<b>10.6%</b>

Income Statement	FY17 Budget Multi Family (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Operating Income</b>								
Interest Income	5,806,725	5,676,225	5,826,815	5,868,101	5,759,610	6,251,676	492,067	8.5%
Authority Income	463,140	455,881	458,834	-	244,332	-	(244,332)	-100.0%
Fee Income	4,234,667	4,049,431	4,280,146	4,061,082	4,310,165	4,251,000	(59,165)	-1.4%
Other Income	-	211	2,000	4,650	3,800	-	(3,800)	-100.0%
<b>Total Operating Income</b>	<b>10,504,532</b>	<b>10,181,748</b>	<b>10,567,794</b>	<b>9,933,833</b>	<b>10,317,907</b>	<b>10,502,676</b>	<b>184,770</b>	<b>1.8%</b>
<b>Operating Expense</b>								
Interest Expense	2,108,377	2,030,133	1,847,366	1,743,357	1,645,190	1,549,368	(95,822)	-5.8%
Authority Expense	463,140	455,881	458,834	-	244,332	496,000	251,668	103.0%
Employee Expenses	2,827,153	2,828,682	3,000,740	3,077,243	3,129,362	3,227,766	98,405	3.1%
Operating Expenses	176,287	285,934	288,445	313,596	288,792	335,788	46,995	16.3%
Marketing Expense	6,142	100	1,573	1,136	-	-	-	0.0%
Professional Services	787,245	922,109	626,781	569,985	511,235	741,602	230,367	45.1%
Claim and Loss Expenses	(112,200)	170,000	(6,000)	(150,000)	(9,000)	-	9,000	-100.0%
Service Release Premium	-	-	-	-	-	-	-	0.0%
Miscellaneous Operating Expense	1,902	1,856	2,080	1,001	895	-	(895)	-100.0%
Overhead Allocation	-	-	-	126,536	131,447	128,206	(3,241)	-2.5%
<b>Total Operating Expense</b>	<b>6,258,045</b>	<b>6,694,694</b>	<b>6,219,817</b>	<b>5,682,855</b>	<b>5,942,252</b>	<b>6,478,729</b>	<b>536,477</b>	<b>9.0%</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>4,246,486</b>	<b>3,487,054</b>	<b>4,347,977</b>	<b>4,250,978</b>	<b>4,375,654</b>	<b>4,023,947</b>	<b>(351,707)</b>	<b>-8.0%</b>
<b>Net Grant (Income) Expense</b>								
Grant Income	(900,000)	(467,963)	(1,000,000)	(512,000)	-	-	-	0.0%
Grant Expense	-	-	-	-	-	-	-	0.0%
<b>Total Net Grant (Income) Expense</b>	<b>(900,000)</b>	<b>(467,963)</b>	<b>(1,000,000)</b>	<b>(512,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>5,146,486</b>	<b>3,955,017</b>	<b>5,347,977</b>	<b>4,762,978</b>	<b>4,375,654</b>	<b>4,023,947</b>	<b>(351,707)</b>	<b>-8.0%</b>
<b>Non-Operating (Income) Expense</b>	<b>(301,463)</b>	<b>628,236</b>	<b>381,200</b>	<b>315,651</b>	<b>169,196</b>	<b>-</b>	<b>(169,196)</b>	<b>-100.0%</b>
<b>Net Income (Loss)</b>	<b>5,447,950</b>	<b>3,326,781</b>	<b>4,966,778</b>	<b>4,447,327</b>	<b>4,206,459</b>	<b>4,023,947</b>	<b>(182,511)</b>	<b>-4.3%</b>
IFA Staff Count by Home Dept (excluding interns)	31	31	31	30	27	27	-	0%
Contractor Staff Count by Home Dept	-	-	-	-	-	-	-	0%
Staff Count by FTE	28	28	27	27	26	26	(0)	0%

1 FTE = (hours paid IFA+Contractor+Interns) / 80

Balance Sheet	FY17 Budget Multi Family (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Assets and Deferred Outflows</b>								
Cash & Cash Equivalents	31,227,099	34,879,773	35,901,580	49,130,875	45,324,407	48,380,342	3,055,935	6.7%
Investments	14,069,535	12,221,701	10,424,715	9,109,196	8,243,355	8,339,355	96,000	1.2%
Mortgage Backed Securities	-	-	-	-	-	-	-	0.0%
Loans - net of reserve for losses	68,857,409	67,620,224	71,210,258	62,546,181	68,492,263	67,317,531	(1,174,732)	-1.7%
Capital Assets (net of accumulated depreciation)	-	-	-	-	-	-	-	0.0%
Other Assets	1,031,670	1,025,029	909,622	874,887	1,606,793	1,606,793	-	0.0%
Deferred Outflows	1,056,700	319,587	430,480	542,257	542,257	542,257	-	0.0%
<b>Total Assets and Deferred Outflows</b>	<b>116,242,413</b>	<b>116,066,313</b>	<b>118,876,654</b>	<b>122,203,395</b>	<b>124,209,075</b>	<b>126,186,278</b>	<b>1,977,203</b>	<b>1.6%</b>
<b>Liabilities, Deferred Inflows, and Equity</b>								
Liabilities and Deferred Inflows	59,641,000	56,674,923	55,509,417	54,412,608	52,727,364	50,537,497	(2,189,867)	-4.2%
Equity	56,601,413	59,391,391	63,367,237	67,790,787	71,481,711	75,648,781	4,167,070	5.8%
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>116,242,413</b>	<b>116,066,313</b>	<b>118,876,654</b>	<b>122,203,395</b>	<b>124,209,075</b>	<b>126,186,278</b>	<b>1,977,203</b>	<b>1.6%</b>

Income Statement	FY17 Budget							
	Federal and State Grant Programs (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
Operating Income								
Interest Income	444,922	393,765	450,170	356,021	300,766	267,001	(33,765)	-11.2%
Authority Income	-	-	-	-	-	-	-	0.0%
Fee Income	68,498	9,442	2,785	2,000	190,336	134,000	(56,336)	-29.6%
Other Income	100	2,000	-	-	-	-	-	0.0%
<b>Total Operating Income</b>	<b>513,520</b>	<b>405,207</b>	<b>452,955</b>	<b>358,021</b>	<b>491,102</b>	<b>401,001</b>	<b>(90,101)</b>	<b>-18.3%</b>
Operating Expense	-	-	-	-	-	-	-	0.0%
Interest Expense	7,833	-	-	-	-	-	-	0.0%
Authority Expense	-	-	-	-	-	-	-	0.0%
Employee Expenses	1,122,426	961,289	1,024,905	957,606	1,366,125	1,446,787	80,662	5.9%
Operating Expenses	31,736	40,092	56,496	40,473	112,372	116,639	4,266	3.8%
Marketing Expense	31,304	454,462	415,340	23,554	5,000	4,740	(260)	-5.2%
Professional Services	298,853	186,433	312,250	201,930	178,829	181,277	2,448	1.4%
Claim and Loss Expenses	18,000	456,185	70,000	559,790	2,215,000	2,244,000	29,000	1.3%
Service Release Premium	-	-	-	-	-	-	-	0.0%
Miscellaneous Operating Expense	666	13,440	1,482	1,078	1,228	300	(928)	-75.6%
Overhead Allocation	103,519	72,892	72,939.59	76,180	84,687	97,166	12,479	14.7%
<b>Total Operating Expense</b>	<b>1,614,336</b>	<b>2,184,793</b>	<b>1,953,413</b>	<b>1,860,611</b>	<b>3,963,242</b>	<b>4,090,909</b>	<b>127,667</b>	<b>3.2%</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>(1,100,816)</b>	<b>(1,779,586)</b>	<b>(1,500,458)</b>	<b>(1,502,590)</b>	<b>(3,472,140)</b>	<b>(3,689,908)</b>	<b>(217,768)</b>	<b>6.3%</b>
Net Grant (Income) Expense	-	-	-	-	-	-	-	0.0%
Grant Income	(82,880,913)	(48,117,143)	(31,267,687)	(29,853,850)	(23,720,972)	(20,466,777)	3,254,195	-13.7%
Grant Expense	73,450,178	39,625,783	27,873,544	27,926,321	22,017,413	18,666,014	(3,351,399)	-15.2%
<b>Total Net Grant (Income) Expense</b>	<b>(9,430,735)</b>	<b>(8,491,360)</b>	<b>(3,394,143)</b>	<b>(1,927,529)</b>	<b>(1,703,559)</b>	<b>(1,800,763)</b>	<b>(97,204)</b>	<b>5.7%</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>8,329,919</b>	<b>6,711,774</b>	<b>1,893,686</b>	<b>424,939</b>	<b>(1,768,581)</b>	<b>(1,889,145)</b>	<b>(120,564)</b>	<b>6.8%</b>
Non-Operating (Income) Expense	1,012	863	(2,179)	2,097	144	-	(144)	-100.0%
<b>Net Income (Loss)</b>	<b>8,328,907</b>	<b>6,710,911</b>	<b>1,895,864</b>	<b>422,842</b>	<b>(1,768,725)</b>	<b>(1,889,145)</b>	<b>(120,420)</b>	<b>6.8%</b>
IFA Staff Count by Home Dept (excluding interns)	5	4	4	4	9	9	0	3%
Contractor Staff Count by Home Dept	-	-	-	-	-	-	-	0%
Staff Count by FTE	10	9	9	9	12	13	1	10%

1 FTE = (hours paid IFA+Contractor+Interns) / 80

Balance Sheet	FY17 Budget							
	Federal and State Grant Programs (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Assets and Deferred Outflows</b>								
Cash & Cash Equivalents	67,926,018	21,361,470	21,894,693	18,061,382	17,310,246	18,564,541	1,254,295	7.2%
Investments	3,142,083	3,361,241	1,079,901	225,491	-	-	-	0.0%
Mortgage Backed Securities	-	-	-	-	-	-	-	0.0%
Loans - net of reserve for losses	57,560,322	62,976,503	67,079,404	77,360,290	58,932,070	55,806,902	(3,125,168)	-5.3%
Capital Assets (net of accumulated depreciation)	-	-	-	-	-	-	-	0.0%
Other Assets	350,974	211,567	(188,718)	63,359	173,583	173,583	-	0.0%
Deferred Outflows	-	-	-	-	-	-	-	0.0%
<b>Total Assets and Deferred Outflows</b>	<b>128,979,397</b>	<b>87,910,780</b>	<b>89,865,281</b>	<b>95,710,522</b>	<b>76,415,899</b>	<b>74,545,026</b>	<b>(1,870,873)</b>	<b>-2.4%</b>
<b>Liabilities, Deferred Inflows, and Equity</b>								
Liabilities and Deferred Inflows	61,056,070	13,650,508	13,643,006	18,967,330	1,445,770	1,452,730	6,960	0.5%
Equity	67,923,327	74,260,272	76,222,275	76,743,192	74,970,129	73,092,296	(1,877,833)	-2.5%
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>128,979,397</b>	<b>87,910,780</b>	<b>89,865,281</b>	<b>95,710,522</b>	<b>76,415,899</b>	<b>74,545,026</b>	<b>(1,870,873)</b>	<b>-2.4%</b>

Income Statement	FY17 Budget							
	Agricultural Development Division (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
Operating Income								
Interest Income	-	-	108,324	103,547	94,066	110,830	16,765	17.8%
Authority Income	-	-	-	-	-	-	-	0.0%
Fee Income	-	-	273,386	357,762	491,278	409,350	(81,928)	-16.7%
Other Income	-	-	44,585	-	-	-	-	0.0%
<b>Total Operating Income</b>	-	-	<b>426,296</b>	<b>461,309</b>	<b>585,344</b>	<b>520,180</b>	<b>(65,164)</b>	<b>-11.1%</b>
Operating Expense	-	-	-	-	-	-	-	0.0%
Interest Expense	-	-	-	-	-	-	-	0.0%
Authority Expense	-	-	-	-	-	-	-	0.0%
Employee Expenses	-	-	173,770	216,689	241,703	278,827	37,124	15.4%
Operating Expenses	-	-	21,178	23,825	25,802	27,968	2,166	8.4%
Marketing Expense	-	-	56,687	31,490	39,043	20,000	(19,043)	-48.8%
Professional Services	-	-	141,412	165,989	162,615	161,975	(640)	-0.4%
Claim and Loss Expenses	-	-	-	(998)	11,918	7,678	(4,240)	-35.6%
Service Release Premium	-	-	-	-	-	-	-	0.0%
Miscellaneous Operating Expense	-	-	-	-	-	-	-	0.0%
Overhead Allocation	-	-	-	-	-	-	-	0.0%
<b>Total Operating Expense</b>	-	-	<b>393,047</b>	<b>436,994</b>	<b>481,081</b>	<b>496,449</b>	<b>15,368</b>	<b>3.2%</b>
<b>Net Operating Income (Loss) Before Grants</b>	-	-	<b>33,248</b>	<b>24,314</b>	<b>104,263</b>	<b>23,732</b>	<b>(80,532)</b>	<b>-77.2%</b>
Net Grant (Income) Expense	-	-	-	-	-	-	-	0.0%
Grant Income	-	-	-	-	-	-	-	0.0%
Grant Expense	-	-	-	-	75,000	-	(75,000)	-100.0%
<b>Total Net Grant (Income) Expense</b>	-	-	-	-	<b>75,000</b>	-	<b>(75,000)</b>	<b>-100.0%</b>
<b>Net Operating Income (Loss) After Grants</b>	-	-	<b>33,248</b>	<b>24,314</b>	<b>29,263</b>	<b>23,732</b>	<b>(5,532)</b>	<b>-18.9%</b>
Non-Operating (Income) Expense	-	-	-	-	-	-	-	0.0%
<b>Net Income (Loss)</b>	-	-	<b>33,249</b>	<b>24,314</b>	<b>29,263</b>	<b>23,732</b>	<b>(5,532)</b>	<b>-18.9%</b>
IFA Staff Count by Home Dept (excluding interns)	-	-	2	2	2	2	-	0%
Contractor Staff Count by Home Dept	-	-	-	-	-	-	-	0%
Staff Count by FTE	-	-	2	2	3	3	0	16%

1 FTE = (hours paid IFA+Contractor+Interns) / 80

Balance Sheet	FY17 Budget							
	Agricultural Development Division (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Assets and Deferred Outflows</b>								
Cash & Cash Equivalents	-	-	4,011,637	3,909,714	2,720,020	2,233,606	(486,415)	-17.9%
Investments	-	-	203,468	203,468	250,000	-	(250,000)	-100.0%
Mortgage Backed Securities	-	-	-	-	-	-	-	0.0%
Loans - net of reserve for losses	-	-	1,740,705	1,881,192	3,061,040	3,821,187	760,147	24.8%
Capital Assets (net of accumulated depreciation)	-	-	-	-	-	-	-	0.0%
Other Assets	-	-	11,870	50,380	39,404	39,404	-	0.0%
Deferred Outflows	-	-	-	-	-	-	-	0.0%
<b>Total Assets and Deferred Outflows</b>	-	-	<b>5,967,680</b>	<b>6,044,754</b>	<b>6,070,464</b>	<b>6,094,196</b>	<b>23,732</b>	<b>0.4%</b>
<b>Liabilities, Deferred Inflows, and Equity</b>								
Liabilities and Deferred Inflows	-	-	2,880	55,640	52,087	52,087	-	0.0%
Equity	-	-	5,964,800	5,989,114	6,018,378	6,042,109	23,732	0.4%
<b>Total Liabilities, Deferred Inflows, and Equity</b>	-	-	<b>5,967,680</b>	<b>6,044,754</b>	<b>6,070,464</b>	<b>6,094,196</b>	<b>23,732</b>	<b>0.4%</b>

Income Statement	FY17 Budget							
	Iowa Title Guaranty Division (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Operating Income</b>								
Interest Income	-	-	-	-	25,212	27,975	2,763	11.0%
Authority Income	-	-	-	-	-	-	-	0.0%
Fee Income	5,999,454	8,246,250	6,456,949	5,433,802	7,065,543	6,144,640	(920,903)	-13.0%
Other Income	28,499	101,185	125,614	74,455	59,122	68,249	9,127	15.4%
<b>Total Operating Income</b>	<b>6,027,953</b>	<b>8,347,436</b>	<b>6,582,563</b>	<b>5,508,256</b>	<b>7,149,877</b>	<b>6,240,864</b>	<b>(909,013)</b>	<b>-12.7%</b>
<b>Operating Expense</b>								
Interest Expense	-	-	-	-	-	-	-	0.0%
Authority Expense	-	-	-	-	-	-	-	0.0%
Employee Expenses	1,428,886	1,589,880	1,793,526	1,856,910	1,878,110	2,242,938	364,827	19.4%
Operating Expenses	114,727	106,172	128,046	241,372	223,835	221,517	(2,318)	-1.0%
Marketing Expense	60,675	106,035	102,420	100,210	62,660	96,870	34,210	54.6%
Professional Services	2,031,310	2,901,405	2,808,645	2,391,530	3,351,181	2,758,620	(592,561)	-17.7%
Claim and Loss Expenses	(498,430)	896,555	264,339	(4,726,508)	307,937	251,508	(56,429)	-18.3%
Service Release Premium	-	-	-	-	-	-	-	0.0%
Miscellaneous Operating Expense	24,489	88,465	113,615	77,203	68,023	69,245	1,221	1.8%
Overhead Allocation	-	-	-	-	-	-	-	0.0%
<b>Total Operating Expense</b>	<b>3,161,657</b>	<b>5,688,512</b>	<b>5,210,590</b>	<b>(59,284)</b>	<b>5,891,746</b>	<b>5,640,697</b>	<b>(251,049)</b>	<b>-4.3%</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>2,866,296</b>	<b>2,658,924</b>	<b>1,371,973</b>	<b>5,567,540</b>	<b>1,258,131</b>	<b>600,166</b>	<b>(657,965)</b>	<b>-52.3%</b>
<b>Net Grant (Income) Expense</b>								
Grant Income	-	-	-	-	-	-	-	0.0%
Grant Expense	2,302,679	2,517,000	1,169,000	1,012,000	1,025,212	527,975	(497,237)	-48.5%
<b>Total Net Grant (Income) Expense</b>	<b>2,302,679</b>	<b>2,517,000</b>	<b>1,169,000</b>	<b>1,012,000</b>	<b>1,025,212</b>	<b>527,975</b>	<b>(497,237)</b>	<b>-48.5%</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>563,617</b>	<b>141,924</b>	<b>202,973</b>	<b>4,555,540</b>	<b>232,919</b>	<b>72,191</b>	<b>(160,728)</b>	<b>-69.0%</b>
<b>Non-Operating (Income) Expense</b>								
Non-Operating (Income) Expense	-	-	-	-	-	-	-	0.0%
<b>Net Income (Loss)</b>	<b>563,617</b>	<b>141,924</b>	<b>202,973</b>	<b>4,555,540</b>	<b>232,919</b>	<b>72,191</b>	<b>(160,728)</b>	<b>-69.0%</b>
IFA Staff Count by Home Dept (excluding interns)	13	15	17	18	17	21	4	22%
Contractor Staff Count by Home Dept	-	-	-	1	1	-	(1)	-100%
Staff Count by FTE	15	17	19	20	20	22	2	15%

1 FTE = (hours paid IFA+Contractor+Interns) / 80

Balance Sheet	FY17 Budget							
	Iowa Title Guaranty Division (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Assets and Deferred Outflows</b>								
Cash & Cash Equivalents	8,962,228	10,452,838	11,204,841	9,254,442	10,291,638	10,278,225	(13,413)	-0.1%
Investments	-	-	-	-	-	-	-	0.0%
Mortgage Backed Securities	-	-	-	-	-	-	-	0.0%
Loans - net of reserve for losses	-	-	-	-	-	-	-	0.0%
Capital Assets (net of accumulated depreciation)	5,741	1,187	244	3,313	3,340	3,016	(324)	-9.7%
Other Assets	(41,234)	(158,621)	(58,522)	146,471	204,871	198,104	(6,767)	-3.3%
Deferred Outflows	-	-	-	219,725	219,725	219,725	-	0.0%
<b>Total Assets and Deferred Outflows</b>	<b>8,926,735</b>	<b>10,295,405</b>	<b>11,146,562</b>	<b>9,623,951</b>	<b>10,719,575</b>	<b>10,699,071</b>	<b>(20,504)</b>	<b>-0.2%</b>
<b>Liabilities, Deferred Inflows, and Equity</b>								
Liabilities and Deferred Inflows	7,960,236	9,186,982	9,835,167	4,578,943	5,441,649	5,735,677	294,028	5.4%
Equity	966,499	1,108,423	1,311,396	5,045,007	5,277,926	4,963,394	(314,532)	-6.0%
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>8,926,735</b>	<b>10,295,405</b>	<b>11,146,562</b>	<b>9,623,951</b>	<b>10,719,575</b>	<b>10,699,071</b>	<b>(20,504)</b>	<b>-0.2%</b>

Income Statement	FY17 Budget Eliminations (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Operating Income</b>								
Interest Income	-	-	-	-	-	-	-	0.0%
Authority Income	(3,780,703)	(1,931,577)	(458,834)	-	(1,224,768)	(2,336,000)	(1,111,232)	90.7%
Fee Income	-	-	-	-	-	-	-	0.0%
Other Income	-	-	-	-	-	-	-	0.0%
<b>Total Operating Income</b>	<b>(3,780,703)</b>	<b>(1,931,577)</b>	<b>(458,834)</b>	<b>-</b>	<b>(1,224,768)</b>	<b>(2,336,000)</b>	<b>(1,111,232)</b>	<b>90.7%</b>
<b>Operating Expense</b>								
Interest Expense	-	-	-	-	-	-	-	0.0%
Authority Expense	(3,780,703)	(1,931,577)	(458,834)	-	(1,224,768)	(2,336,000)	(1,111,232)	90.7%
Employee Expenses	-	-	-	-	-	-	-	0.0%
Operating Expenses	-	-	-	-	-	-	-	0.0%
Marketing Expense	-	-	-	-	-	-	-	0.0%
Professional Services	-	-	-	-	-	-	-	0.0%
Claim and Loss Expenses	-	-	-	-	-	-	-	0.0%
Service Release Premium	-	-	-	-	-	-	-	0.0%
Miscellaneous Operating Expense	-	-	-	-	-	-	-	0.0%
Overhead Allocation	-	-	-	-	-	-	-	0.0%
<b>Total Operating Expense</b>	<b>(3,780,703)</b>	<b>(1,931,577)</b>	<b>(458,834)</b>	<b>-</b>	<b>(1,224,768)</b>	<b>(2,336,000)</b>	<b>(1,111,232)</b>	<b>90.7%</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
Net Grant (Income) Expense	-	-	-	-	-	-	-	0.0%
Grant Income	6,150,378	5,386,622	2,469,000	1,524,000	2,075,212	527,975	(1,547,237)	-74.6%
Grant Expense	(6,150,378)	(5,386,622)	(2,469,000)	(1,524,000)	(2,075,212)	(527,975)	1,547,237	-74.6%
<b>Total Net Grant (Income) Expense</b>	<b>(0)</b>	<b>(0)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
Non-Operating (Income) Expense	-	-	-	-	-	-	-	0.0%
<b>Net Income (Loss)</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
IFA Staff Count by Home Dept (excluding interns)	-	-	-	-	-	-	-	0%
Contractor Staff Count by Home Dept	-	-	-	-	-	-	-	0%
Staff Count by FTE	-	-	-	-	-	-	-	0%

1 FTE = (hours paid IFA+Contractor+Interns) / 80

Balance Sheet	FY17 Budget							
	Eliminations (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Assets and Deferred Outflows</b>								
Cash & Cash Equivalents	-	-	-	-	-	-	-	0.0%
Investments	-	-	-	-	-	-	-	0.0%
Mortgage Backed Securities	-	-	-	-	-	-	-	0.0%
Loans - net of reserve for losses	-	-	-	-	-	-	-	0.0%
Capital Assets (net of accumulated depreciation)	-	-	-	-	-	-	-	0.0%
Other Assets	-	-	-	(287,497)	(390,652)	(390,652)	-	0.0%
Deferred Outflows	-	-	-	-	-	-	-	0.0%
<b>Total Assets and Deferred Outflows</b>	-	-	-	(287,497)	(390,652)	(390,652)	-	0.0%
<b>Liabilities, Deferred Inflows, and Equity</b>								
Liabilities and Deferred Inflows	-	-	-	(287,497)	(390,652)	(390,652)	-	0.0%
Equity	0	0	-	-	-	-	-	0.0%
<b>Total Liabilities, Deferred Inflows, and Equity</b>	0	0	-	(287,497)	(390,652)	(390,652)	-	0.0%

Income Statement	FY17 Budget							
	State Revolving Fund (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Operating Income</b>								
Interest Income	36,271,562	37,776,741	37,872,994	38,329,010	38,197,014	39,402,653	1,205,639	3.2%
Authority Income	-	-	-	-	-	-	-	0.0%
Fee Income	4,110,335	4,149,742	3,916,249	4,254,512	4,440,009	4,665,621	225,612	5.1%
Other Income	-	4	4	0	-	-	-	0.0%
<b>Total Operating Income</b>	<b>40,381,897</b>	<b>41,926,486</b>	<b>41,789,246</b>	<b>42,583,522</b>	<b>42,637,023</b>	<b>44,068,273</b>	<b>1,431,251</b>	<b>3.4%</b>
<b>Operating Expense</b>								
Interest Expense	30,941,052	31,400,122	34,625,224	33,098,849	29,062,247	33,333,210	4,270,962	14.7%
Authority Expense	-	-	-	-	-	-	-	0.0%
Employee Expenses	687,898	681,745	612,535	615,878	651,988	656,132	4,144	0.6%
Operating Expenses	56,539	69,855	82,789	81,733	80,244	48,251	(31,993)	-39.9%
Marketing Expense	15,638	17,321	36,129	20,809	11,058	14,400	3,342	30.2%
Professional Services	312,689	379,155	313,668	375,606	339,435	262,911	(76,524)	-22.5%
Claim and Loss Expenses	396,000	133,351	(25,000)	(5,000)	-	-	-	0.0%
Service Release Premium	-	-	-	-	-	-	-	0.0%
Miscellaneous Operating Expense	7,525,708	8,312,209	8,089,690	7,859,713	7,249,948	7,935,000	685,052	9.4%
Overhead Allocation	92,100	88,167	74,732.03	73,661	81,680	78,376	(3,304)	-4.0%
<b>Total Operating Expense</b>	<b>40,027,624</b>	<b>41,081,925</b>	<b>43,809,768</b>	<b>42,121,249</b>	<b>37,476,600</b>	<b>42,328,279</b>	<b>4,851,679</b>	<b>12.9%</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>354,273</b>	<b>844,561</b>	<b>(2,020,521)</b>	<b>462,273</b>	<b>5,160,423</b>	<b>1,739,994</b>	<b>(3,420,429)</b>	<b>-66.3%</b>
<b>Net Grant (Income) Expense</b>								
Grant Income	(57,865,097)	(38,001,276)	(31,674,876)	(21,892,650)	(46,082,582)	(31,700,000)	14,382,582	-31.2%
Grant Expense	1,678,589	4,976,755	5,662,472	6,156,840	8,109,303	6,000,000	(2,109,303)	-26.0%
<b>Total Net Grant (Income) Expense</b>	<b>(56,186,508)</b>	<b>(33,024,521)</b>	<b>(26,012,403)</b>	<b>(15,735,810)</b>	<b>(37,973,279)</b>	<b>(25,700,000)</b>	<b>12,273,279</b>	<b>-32.3%</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>56,540,782</b>	<b>33,869,082</b>	<b>23,991,882</b>	<b>16,198,083</b>	<b>43,133,702</b>	<b>27,439,994</b>	<b>(15,693,708)</b>	<b>-36.4%</b>
<b>Non-Operating (Income) Expense</b>	<b>6,911</b>	<b>246,081</b>	<b>(356,949)</b>	<b>(85,599)</b>	<b>(361,271)</b>	<b>-</b>	<b>361,271</b>	<b>-100.0%</b>
<b>Net Income (Loss)</b>	<b>56,533,871</b>	<b>33,623,001</b>	<b>24,348,832</b>	<b>16,283,682</b>	<b>43,494,974</b>	<b>27,439,994</b>	<b>(16,054,979)</b>	<b>-36.9%</b>
IFA Staff Count by Home Dept (excluding interns)	4	4	4	4	4	4	-	0%
Contractor Staff Count by Home Dept	-	-	-	-	-	-	-	0%
Staff Count by FTE	6	6	5	5	5	5	0	4%

1 FTE = (hours paid IFA+Contractor+Interns) / 80

Balance Sheet	FY17 Budget							
	State Revolving Fund (Rollup)							
	ACT FY12	ACT FY13	ACT FY14	ACT FY15	FCST FY16	BUD FY17	\$ change	% change
<b>Assets and Deferred Outflows</b>								
Cash & Cash Equivalents	352,030,506	217,987,492	296,561,078	262,326,021	207,199,400	199,156,406	(8,042,994)	-3.9%
Investments	154,295,533	146,703,796	110,882,627	128,123,174	92,639,668	92,639,668	-	0.0%
Mortgage Backed Securities	-	-	-	-	-	-	-	0.0%
Loans - net of reserve for losses	1,214,680,728	1,317,080,585	1,395,279,760	1,422,796,516	1,501,343,369	1,580,621,473	79,278,104	5.3%
Capital Assets (net of accumulated depreciation)	-	114,097	69,930	25,764	-	-	-	0.0%
Other Assets	7,280,731	5,324,041	4,346,182	3,927,125	4,216,183	4,401,034	184,851	4.4%
Deferred Outflows	-	-	3,167,244	26,760,067	22,690,927	19,002,784	(3,688,143)	-16.3%
<b>Total Assets and Deferred Outflows</b>	<b>1,728,287,498</b>	<b>1,687,210,011</b>	<b>1,810,306,822</b>	<b>1,843,958,667</b>	<b>1,828,089,548</b>	<b>1,895,821,366</b>	<b>67,731,818</b>	<b>3.7%</b>
<b>Liabilities, Deferred Inflows, and Equity</b>								
Liabilities and Deferred Inflows	986,108,366	911,407,878	1,001,532,096	1,019,302,206	959,938,114	1,000,229,937	40,291,823	4.2%
Equity	742,179,132	775,802,133	808,774,726	824,656,460	868,151,434	895,591,428	27,439,994	3.2%
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>1,728,287,498</b>	<b>1,687,210,011</b>	<b>1,810,306,822</b>	<b>1,843,958,667</b>	<b>1,828,089,548</b>	<b>1,895,821,366</b>	<b>67,731,818</b>	<b>3.7%</b>

## Initial Talking Points

**Project #:** 16-33                      **Project Name:** Crestwood Ridge Apartments  
**Address:** 1200 Edgewood Road NW    **City:** Cedar Rapids            **County:** LINN                      **Scattered Site:** N  
**Construction Type:** New                      **Occupancy Type:** Family  
**Total Units:** 45                      **LIHTC Units:** 41 (5 Housing for the Homeless Demonstration Units)  
**Credits Requested:** \$800,000            **Credits Recommended:** \$800,000            **Equity Price:** 1.0000  
**Credits Recommended per LIHTC Unit:** \$19,512            **Total Compliance Period:** 30 Years  
**Set-Aside Requested:** Housing for the Homeless Demonstration            **Set-Aside Award:** Housing for the Homeless Demonstration  
**Eligible Basis Boost %:** 30%                      **Eligible Basis Boost Type:** Homeless Set-Aside  
**Passed Threshold:** Y                      **Project Score:** 291                      **Service Provider Score:** 96

<b>Developer</b>	<b>New Tax Credit Developer</b>	<b>Returning Or New Developer In Iowa</b>
CommonBond Communities	N	N
<b>Qualified Service Provider</b>	<b>City</b>	
Willis Dady Emergency Shelter	Cedar Rapids	

**Ownership Entity:** CB Cedar Rapids Housing LLLP                      **For Profit/Non-Profit:** Profit

### Affordability of Proposed Rents:

Size	# Units - Target Income	Proposed Gross Rent	LIHTC Max Rent
1 BR	2 @ 30%	\$56.00	\$440.00
1 BR	4 @ 40%	\$540.00	\$586.00
1 BR	3 @ 60%	\$630.00	\$879.00
2 BR	4 @ 0%	\$745.00	\$0.00
2 BR	2 @ 30%	\$82.00	\$528.00
2 BR	3 @ 40%	\$645.00	\$703.00
2 BR	1 @ 60%	\$645.00	\$1,054.00
2 BR	8 @ 60%	\$745.00	\$1,054.00
3 BR	1 @ 30%	\$106.00	\$658.00
3 BR	17 @ 60%	\$907.00	\$1,218.00

Use of Funds		
	Total	Per Unit
Land and Buildings	\$280,000	\$6,222
Site Work	\$250,174	\$5,559
Construction	\$6,223,187	\$138,293
Professional Fees	\$361,000	\$8,022
Interim Costs	\$262,492	\$5,833
Financing Fees/Exp.	\$56,100	\$1,247
Soft Costs	\$232,125	\$5,158
Syndication Costs	\$40,000	\$889
Developer Fees	\$950,000	\$21,111
Project Reserve	\$158,976	\$3,533
Total	\$8,814,054	\$195,868

Source of Funds		
	Total	Per Unit
Developer/Owner Cash Contribution - CommonBond Communities	\$228,854	\$5,086
Developer/Owner Cash Contribution - CommonBond Communities	\$100	\$2
GP/MM Minimum Contribution	\$100	\$2
Permanent Loan - Iowa Finance Authority	\$250,000	\$5,556
Subordinate Loan - Iowa Finance Authority	\$210,000	\$4,667
Subordinate Loan - Linn County Housing Trust Fund	\$125,000	\$2,778
Syndication Equity	\$8,000,000	\$177,778
Total	\$8,814,054	\$195,868

**15-Year Average DSCR:**

1.318

## Initial Talking Points

**Project #:** 16-34                      **Project Name:** Patriot Place Apartments  
**Address:** 2215 Sadler Drive SW    **City:** Cedar Rapids            **County:** LINN                      **Scattered Site:** N  
**Construction Type:** New    **Occupancy Type:** Family  
**Total Units:** 48                                      **LIHTC Units:** 46 (5 Housing for the Homeless Demonstration Units)  
**Credits Requested:** \$799,920            **Credits Recommended:** \$0                      **Equity Price:** 0.9700  
**Credits Recommended per LIHTC Unit:** \$0                      **Total Compliance Period:** 30 Years  
**Set-Aside Requested:** Housing for the Homeless Demonstration            **Set-Aside Award:** N  
**Eligible Basis Boost %:** 30%                                      **Eligible Basis Boost Type:** Homeless Set-Aside  
**Passed Threshold:** N                      **Project Score:** 237                      **Service Provider Score:** 67

<b>Developer</b>	<b>New Tax Credit Developer</b>	<b>Returning Or New Developer In Iowa</b>
Seldin Affordable Housing Program. LLC	N	N
<b>Qualified Service Provider</b>	<b>City</b>	
Waypoint Services	Cedar Rapids	

**Ownership Entity:** Patriot Place CR, LLC                      **For Profit/Non-Profit:** Profit

### Affordability of Proposed Rents:

Size	# Units - Target Income	Proposed Gross Rent	LIHTC Max Rent
1 BR	1 @ 0%	\$814.00	\$0.00
1 BR	6 @ 40%	\$535.00	\$586.00
1 BR	8 @ 50%	\$651.00	\$732.00
1 BR	9 @ 60%	\$730.00	\$879.00
2 BR	1 @ 0%	\$908.00	\$0.00
2 BR	2 @ 40%	\$657.00	\$703.00
2 BR	5 @ 50%	\$795.00	\$878.00
2 BR	4 @ 60%	\$828.00	\$1,054.00
3 BR	2 @ 40%	\$776.00	\$812.00
3 BR	5 @ 50%	\$936.00	\$1,015.00
3 BR	5 @ 60%	\$963.00	\$1,218.00

Use of Funds		
	Total	Per Unit
Land and Buildings	\$330,000	\$6,875
Site Work	\$690,225	\$14,380
Construction	\$5,818,601	\$121,221
Professional Fees	\$326,274	\$6,797
Interim Costs	\$164,817	\$3,434
Financing Fees/Exp.	\$5,000	\$104
Soft Costs	\$360,691	\$7,514
Syndication Costs	\$55,000	\$1,146
Developer Fees	\$1,000,528	\$20,844
Project Reserve	\$164,311	\$3,423
Total	\$8,915,447	\$185,738

Source of Funds		
	Total	Per Unit
Developer/Owner Cash Contribution - Cash	\$1,057,861	\$22,039
GP/MM Minimum Contribution	\$100	\$2
Other - Iowa Workforce Housing Credits	\$98,271	\$2,047
Syndication Equity	\$7,759,214	\$161,650
Total	\$8,915,446	\$185,738

**15-Year Average DSCR:**

0

2016 LIHTC CONDENSED SCORING BREAKDOWN - Housing for the Homeless Demonstration Set-Aside

Category		Resident Profile (QAP 6.1)					Location (QAP 6.2)					Building Characteristics (QAP 6.3)							Other (QAP 6.4)				Appendix 2HSA Housing for the Homeless Demonstration Set-Aside Supplemental										
QAP and RFP Appendix 2-HSA References		6.1.1	6.1.1	6.1.2	6.1.3	6.1.4	6.2.1	6.2.2	6.2.3	6.2.4	6.2.5	6.3.1	6.3.2	6.3.3	6.3.4	6.3.5	6.3.6	6.3.7	6.4.1	6.4.2	6.4.3	6.4.4	Subtotal QAP Scoring	Scoring 1	Scoring 2	Scoring 3	Scoring 4	Scoring 5	Scoring 6	Scoring 7	Subtotal Appendix 2HSA Scoring	TOTAL	
Proj #	Project Name	Serv es 40% AMI or less with AR	Serv es 30% AMI or less with AR	Mark et Rate Incent ive	Serv es Tena nt Popu lation of indivi duals w/chi ldren	Provid es Opp. For Home Owner ship	Loca tion Near Serv ices	Great Place s	Local Govt Contri bution	Unde r Serve d City	Iowa Opp Index Censu s Tracts	Market Appeal	Histori cal Signifi cance	Projec ts that have Federal Project-Based Rental Assistance , HUD-VASH Voucher Assistance , or Local PHA Project-Based Voucher Assistance	Const r. Unit Chara cterist ics	Other	Olmste ad Goals	Impac t on the Envir on	Energy Efficien cy	Iowa Title Guaranty	Dev. / Owner Cash Contrib ution	QDT Exp	Waive s Right to Qualifi ed Contr act		QSP Supporti ve Housing Exp	Tenant Charact eristics and Selectio n Process	Support ive Housin g Service Plan	Partners hips	Participa nt Outcom es	Staffing	Other		
<b>Possible Categorical Points</b>		15	5	0 to 10	4	25	0 to 24	3	0 to 21	8	3	0 to 36	10	0 to 35	0 to 10	0 to 5	0 to 19	0 to 12	8	10	0 to 10	10	25		13	10	9	4	8	4	50		
16-33 Prelim	Crestwood Ridge Apts.	15	0	8	0	0	18	3	9	0	3	36	0	0	10	4	19	12	8	10	10	10	25	200	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	200
Final		15	0	8	0	0	18	3	9	0	3	31	0	0	10	4	19	12	8	10	10	10	25	195	12	10	9	4	7	4	50	96	291
16-34 Prelim	Patriot Place Apts.	15	0	4	0	0	24	3	9	0	0	36	0	0	10	4	19	12	8	10	10	5	25	194	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	194
Final		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

\*Projects that didn't meet threshold will have no final score listed.

RESOLUTION  
HI 16-08

WHEREAS, the Iowa Finance Authority (the "Authority") is the housing credit agency for the State of Iowa in connection with the Low-Income Housing Tax Credit Program administered under Section 42 of the Internal Revenue Code of 1986, as amended; and

WHEREAS, the Authority has received applications for 2016 low-income housing tax credits under the Housing for the Homeless Demonstration Set-Aside pursuant to the 2016 9% Qualified Allocation Plan ("2016 QAP").

WHEREAS, the Authority has reviewed the applications and desires to award 2016 tax credits under the Housing for the Homeless Demonstration Set-Aside pursuant to the 2016 QAP as set forth on the 2016 Combined Rankmaster - Housing for the Homeless Demonstration Set-Aside attached to this Resolution as Exhibit A;

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

SECTION 1. Subject to Section 2 hereof, the Board hereby awards 2016 tax credits to the project(s) listed on Exhibit A as set forth therein.

SECTION 2. The provisions of this Resolution are declared to be separable, and if any section, phrase, line item, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, line items, and provisions.

SECTION 3. 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 9th day of June, 2016.

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David D. Jamison, Secretary  
(Seal)

EXHIBIT A  
(Attach  
2016 Combined Rankmaster  
Housing for the Homeless Demonstration Set-Aside)

**2016 Combined Rankmaster  
Housing for the Homeless Demonstration Set-Aside - Noncompetitive**



<b>Set-Aside Tax Credits Available</b>	<b>\$800,000</b>											
	<b>Application Number</b>	<b>Project Name</b>	<b>City</b>	<b>County</b>	<b>Project Type</b>	<b>Occ. Type</b>	<b>Total Score</b>	<b>Tax Credit Request</b>	<b>Tax Credit Award</b>	<b>Tax Credits Remaining</b>	<b>Comments</b>	<b>Developer</b>
<b>Housing for the Homeless Demonstration Set-Aside</b>												
	16-33	Crestwood Ridge Apartments	Cedar Rapids	Linn	NC	Family	291	\$800,000	\$800,000	\$0		CommonBond Communities
							<b>TOTAL</b>	<b>\$800,000</b>	<b>\$800,000</b>	<b>\$0</b>		

<b>Did Not Meet Threshold</b>												
	<b>Application Number</b>	<b>Project Name</b>	<b>City</b>	<b>County</b>	<b>Project Type</b>	<b>Occ. Type</b>	<b>Total Score</b>	<b>Tax Credit Request</b>	<b>Tax Credit Award</b>	<b>Tax Credits Remaining</b>	<b>Comments</b>	<b>Developer</b>
	16-34	Patriot Place Apartments	Cedar Rapids	Linn	NC	Family		\$799,920	\$0		Underwriting	Seldin Affordable Housing Program, LLC

To: IFA Board of Directors  
From: Terri Rosonke, HousingIowa Development Specialist  
Date: 6/9/16  
Re: State Housing Trust Fund – Project-Based Housing Program

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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 \$240,000, with \$55,000 remaining available for allocation. Any Project-Based funds remaining available for allocation as of June 30, 2016 will be carried over into the FY 2017 State Housing Trust Fund budget calculations.

Awards approved by the Board in FY 2016 are leveraging an additional \$729,483 in other financing resources or \$3.04 for every dollar of Project-Based funding. The approved projects will assist a total of eight affordable housing units in Iowa with an average per unit subsidy of \$30,000 in FY 2016 funding.



**FY 2016 State Housing Trust Fund – Project-Based Housing Program  
Application Summary and Funding Recommendations  
June 9, 2016**

**Project-Based Application #16-33**

<u>Applicant:</u>	Siouxland Habitat for Humanity
<u>Project Location:</u>	Ireton (Sioux County)
<u>Project Name:</u>	Ireton Rehab
<u>Funding Request:</u>	\$50,000
<u>Number of Units:</u>	1
<u>Total Budget:</u>	\$120,468
<u>Project Type:</u>	Homeownership
<u>Activity:</u>	Acquisition of housing property, rehabilitation, and resale for affordable housing

Background: Siouxland Habitat for Humanity has requested a \$50,000 grant to help acquire and rehabilitate an existing single-family home. The home to be donated for this project is currently located in Boyden and will be moved to a vacant infill lot in Ireton where the house will be rehabilitated and resold to a low-income family. The approximately 2,625 square foot home including an attached garage has three bedrooms and two bathrooms and will have 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.

Founded in 1992, Siouxland Habitat for Humanity serves Plymouth, Sioux, and Woodbury Counties in Iowa in addition to Union County in South Dakota and Dakota County in Nebraska. Siouxland Habitat for Humanity has constructed or rehabilitated 56 homes for low-income families to date. The affiliate will work with Habitat for Humanity of Iowa to administer this grant.

The Project-Based Housing Program award will be used to help finance acquisition and rehabilitation costs. The requested grant represents 49 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 Siouxland Habitat for Humanity.
2. Siouxland Habitat for Humanity shall submit documentation that all other funding sources, as identified in the Exhibit B, Project Budget, have been secured.

**RESOLUTION**  
**HI 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, 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 9<sup>th</sup> day of June, 2016.

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David D. Jamison, Secretary  
(Seal)

EXHIBIT A

<b>Applicant</b>	<b>Category</b>	<b>Funding Recommendation</b>
#16-33, Siouxland Habitat for Humanity <i>Project Location: Ireton (Sioux County)</i>	Project-Based	\$ 50,000
Total Funding Recommendations 6/9/16	Project-Based	\$ 50,000
Total Prior Awards FY2016	Project-Based	\$ 190,000
Total FY2016 Funding Recommendations/Awards To Date	Project-Based	\$ 240,000
Total FY2016 Funding Remaining	Project-Based	\$ 55,000

To: IFA Board of Directors  
From: Tammy Nebola, Iowa Ag Program Specialist  
Lori Beary, Community Development Director  
Date: May 27, 2016  
Re: Iowa Agricultural Division Beginning Farmer Loan Program

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## **Agenda**

### **Iowa Agricultural Development Division**

#### **Authorizing Resolutions**

##### **AG 16-027 Michelle Euken and Steven L. Myers**

This is a resolution authorizing the issuance of \$442,000 for Michelle Euken and Steven L. Myers. The bond will be used: To purchase approximately 149.9 acres of agricultural land and improvements (tiling, terracing, fencing, waterways, pond, pasture) in Cass County. The lender is First Whitney Bank & Trust Co in Atlantic.

- **Need Board action on Resolution AG 16-027B**

##### **AG 16-028 Michael Van Beek**

This is a resolution authorizing the issuance of \$305,000 for Michael Van Beek. The bond will be used: To purchase approximately 40 acres of agricultural land in Sioux County. The lender is American State Bank in Sioux Center.

- **Need Board action on Resolution AG 16-028B**

##### **AG 16-029 Kyle D. and Jamay L. Patten**

This is a resolution authorizing the issuance of \$171,250 for Kyle D. and Jamay L. Patten. The bond will be used: To purchase approximately 40 acres of agricultural land in Clay County. The lender is U.S. Bank, N.A. in Boone.

- **Need Board action on Resolution AG 16-029B**

**RESOLUTION  
AG 16-027B**

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 9<sup>th</sup> day of June, 2016.

(Seal)

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David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 16-027
- 2. Beginning Farmer:** Michelle Euken and Steven L. Myers  
609 E 17th St  
Atlantic, IA 50022-2663
- 3. Bond Purchaser:** First Whitney Bank & Trust Co  
223 Chestnut St, PO Box 271  
Atlantic, IA 50022-0271
- 4. Principal Amount:** \$442,000
- 5. Initial Approval Date:** 6/9/2016
- 6. Public Hearing Date:** 5/25/2016
- 7. Bond Resolution Date:** 6/9/2016
- 8. Project:** To purchase approximately 149.9 acres of agricultural land and improvements (tiling, terracing, fencing, waterways, pond, pasture)

**RESOLUTION**  
**AG 16-028B**

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 9<sup>th</sup> day of June, 2016.

(Seal)

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David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 16-028
- 2. Beginning Farmer:** Michael Van Beek  
2643 Cherry Ave  
Inwood, IA 51240-7523
- 3. Bond Purchaser:** American State Bank  
525 N Main Ave, PO Box 140  
Sioux Center, IA 51250-0140
- 4. Principal Amount:** \$305,000
- 5. Initial Approval Date:** 6/9/2016
- 6. Public Hearing Date:** 5/25/2016
- 7. Bond Resolution Date:** 6/9/2016
- 8. Project:** To purchase approximately 40 acres of agricultural land

**RESOLUTION  
AG 16-029B**

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 9<sup>th</sup> day of June, 2016.

(Seal)

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David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 16-029
- 2. Beginning Farmer:** Kyle D. and Jamay L. Patten  
PO Box 315  
Sioux Rapids, IA 50585-0315
- 3. Bond Purchaser:** U.S. Bank, N.A.  
724 Story St, PO Box 518  
Boone, IA 50036-0518
- 4. Principal Amount:** \$171,250
- 5. Initial Approval Date:** 6/9/2016
- 6. Public Hearing Date:** 5/25/2016
- 7. Bond Resolution Date:** 6/9/2016
- 8. Project:** To purchase approximately 40 acres of agricultural land



To: IFA Board of Directors  
From: Lori Beary, Community Development Director  
Date: 5/27/16  
Re: Economic Development and Water Quality

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## **Economic Development Bond Program**

### **ED Loan #16-05, Coe College Project**

This is a resolution authorizing the issuance of an amount not to exceed \$43,000,000 of Iowa Finance Authority Private College Facility Revenue 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. The inducement resolution was adopted on May 10, 2016. The public hearing will be held June 8, 2016.

- **Need Board action on Resolution ED 16-05B**

### **ED Loan #11-12, GMT Corporation Project**

This is an amending resolution regarding \$10,741,000 of Iowa Finance Authority Midwestern Disaster Area Bonds issued for the GMT Corporation in 2011. The bonds were used to expand an existing facility, construct a new facility and to purchase equipment. The bonds are currently held by Wells Fargo Equipment Finance, Inc. This resolution allows the loan agreements to be amended to change the schedule of loan payments. The borrower and lender have agreed to these changes.

- **Need Board action on Resolution ED 11-12B-2**

RESOLUTION  
ED NO. 16-05B

Authorizing the Issuance of not to exceed \$43,000,000  
Private College Facility Revenue Bonds (Coe College Project)

Resolution authorizing the issuance of not to exceed \$43,000,000 Private College Facility Revenue Bonds (Coe College Project) for the purpose of making a loan to assist the borrower in the acquisition, construction and equipping of a project; authorizing the execution and delivery of certain financing documents pertaining to the project; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; 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 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 Coe College (the "Borrower") to issue not to exceed \$43,000,000 Private College Facility Revenue Bonds (Coe College Project) (the "Bonds"), in one or more series, for the purpose of loaning the proceeds thereof to the Borrower for the purpose of (a) financing the costs of (i) a 3,850 square foot renovation and expansion of Hickok Hall on the Borrower's campus located at 1220 First Avenue NE in Cedar Rapids, Linn County, Iowa (the "Campus"), including new electrical service, HVAC, elevator and ADA restrooms, two new classrooms and student space; (ii) an 83,000 square foot addition to Eby Fieldhouse located on the Campus providing a new competition arena, new fitness center, wrestling room, strength and conditioning area and fitness bridge that will connect Eby Field House to the Clark Racquet Center, and a renovation to the older space by adding new windows, HVAC, new locker room facilities on the lower level and turning the gymnasium into a multi-use court space for the student body; and (iii) other improvements on and around the Campus, including, but not limited to acquisition and construction of land to construct a permeable parking lot on campus, resurfacing and constructing new sidewalks on the track, and adding fencing and new bleachers at Clark Field (collectively, the "Project"), (b) refunding the City of Robins, Iowa Private College Revenue Bonds (Coe College Project), Series 2011 originally issued in the aggregate principal amount of \$4,800,000 (the "Series 2011 Bonds"), the proceeds of which were used to renovate Peterson Hall, a 46,500 square foot building housing science departments, including but not limited to new windows, ceilings, flooring, lighting, and refurbishing electrical, plumbing and HVAC systems, and other campus improvements located on the Campus (the "Series 2011 Refinancing"); (c) refunding the City of Robins, Iowa Private College Revenue Bonds (Coe College Project), Series 2009 originally issued in the aggregate principal amount of \$6,100,000 (the "Series 2009 Bonds"), the proceeds of which were used to

remodel portions of Greene Hall, construction of a building for college admissions and financial aid officers, acquisition of various properties for campus expansion, renovation of existing field house training room, refinancing indebtedness previously incurred by the Borrower to construct an alumni center, renovate Murray Hall, Eby Field House, residence halls and other various improvements, all located at the Campus (the "Series 2009 Refinancing"); (d) refunding the City of Hiawatha, Iowa Private College Revenue Bonds (Coe College Project), Series 2007 originally issued in the aggregate principal amount of \$4,500,000 (the "Series 2007 Bonds"), the proceeds of which were used to finance the cost of improvements to several existing buildings on the Campus, including replacing a residence hall fire alarm system, installing an elevator and improving handicap accessibility, replacing the flooring and bleachers in Eby Field House, and acquiring properties to expand the Campus (the "Series 2007 Refinancing"); (e) refunding the City of Robins, Iowa Private College Revenue Bonds (Coe College Project), Series 2004 originally issued in the aggregate principal amount of \$5,819,543.41 (the "Series 2004 Bonds"), the proceeds of which were used to refund the City of Robins, Iowa Private College Revenue Bonds (Coe College Project), Series 2004 originally issued in the amount of \$6,350,000, the proceeds of which were used to remodel portions of Gage Union, replace windows in Murray Hall, make improvements to Eby Field House, all located on the Campus, and refinance the City of Marion, Iowa Private College Revenue Bonds (Coe College Project), Series 2000, the proceeds of which were used to renovate Voorhees Residence Hall, replace roofs on various campus buildings and for other improvements located on the Campus (the "Series 2004 Refinancing"); (f) refunding the City of Robins, Iowa Private College Revenue Bonds (Coe College Project), Series 2002 originally issued in the aggregate principal amount of \$2,513,333.34 (the "Series 2002 Bonds" and, together with the Series 2011 Bonds, the Series 2009 Bonds, the Series 2007 Bonds and the Series 2004 Bonds, the "Prior Bonds"), the proceeds of which were used to refund the City of Robins, Iowa Private College Revenue Bonds (Coe College Project), Series 2002 originally issued in the aggregate principal amount of \$2,900,000, the proceeds of which were used to construct two student apartment buildings and other various improvements on the Campus (the "Series 2002 Refinancing"); (g) refinancing of debt incurred by the College to acquire and renovate (i) the Hampton Court Apartments located at 1430 E. Avenue NE, Cedar Rapids, Linn County, Iowa, (ii) Whipple Fire House located at 1424B Avenue NE in Cedar Rapids, Linn County, Iowa, and (iii) an apartment complex located at 1261 and 1263 First Avenue NE, Cedar Rapids, Linn County, Iowa (the "Existing Indebtedness Refinancing" and, together with the Series 2011 Refinancing, the Series 2009 Refinancing, the Series 2007 Refinancing, the Series 2004 Refinancing and the Series 2002 Refinancing, the "Refinancing") and (h) pay for certain costs associated with the issuance of the Bonds; and

WHEREAS, the Authority on the 10th day of May, 2016, has heretofore approved an application, attached hereto as Exhibit A, of the Borrower requesting the approval of the Project and the Refinancing; and

WHEREAS, pursuant to published notice of intention (a copy of which notice is attached as Exhibit B) the Authority has conducted a public hearing on the 8th day of June, 2016 at 8:30 a.m. on a proposal to issue the Bonds in an amount not to exceed \$43,000,000 to finance the Project and the Refinancing as required by Section 147 of the Internal Revenue Code of 1986, as amended (the "Code") and this Board has deemed it to be in the best interests of the Authority that the Bonds be issued as proposed; and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of Bonds in the aggregate principal amount of not to exceed \$43,000,000 as authorized and permitted by the Act to finance the funding of the Project and the Refinancing and the costs incurred in connection with the foregoing; and

WHEREAS, the Authority will issue the Bonds and loan the proceeds of the Bonds to the Borrower pursuant to the provisions of a Loan Agreement (the "Loan Agreement") among the Authority and the Borrower and U.S. Bank National Association (the "Bank"); and

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

Section 1. Qualified Financing. It is hereby determined that the financing of the Project and the Refinancing, 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 Bonds and will promote those public purposes outlined in the Act.

Section 2. Costs. The Authority shall proceed with the sale and issuance of the Bonds and the Authority shall defray all or a portion of the cost of the Project and the Refinancing by issuing the Bonds and loaning the proceeds of the sale of the Bonds to the Borrower.

Section 3. Public Hearing. At the public hearing conducted by the Authority in accordance with the provisions of Section 147(f) of the Code, pursuant to published notice, all persons who appeared were given an opportunity to express their views for or against the proposal to issue the Bonds and the Authority has determined to proceed with the necessary proceedings relating to the issuance of the Bonds.

Section 4. Bonds Authorized. In order to acquire, construct, improve and equip the Project and complete the Refinancing, the Bonds shall be and the same are hereby authorized and ordered to be issued by the Authority pursuant to the Loan Agreement in substantially the form as has been presented to and considered at this meeting and containing substantially the terms and provisions set forth therein, the Bonds actually issued to be in a principal amount not exceeding \$43,000,000 and to bear interest at rates as determined by the Borrower and the Bank which rates shall be variable rates determined as provided in the Loan Agreement, which initial variable rate shall not exceed 4.00% per annum, 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 Bonds, within the foregoing limits, by and on behalf of the Authority, and to execute, seal and authenticate the Bonds.

Section 5. Loan Agreement. The Authority shall loan the proceeds of the Bonds to the Borrower pursuant to the Loan Agreement and the form and content of the Loan Agreement, the provisions of which are incorporated herein by reference, be authorized, approved and confirmed. The Executive Director is authorized and directed to execute, seal and deliver the Loan Agreement, 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

Loan 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 Loan Agreement as executed.

Section 6. Execution of Documents. The Executive Director and/or the Chairperson are authorized to execute and deliver for and on behalf of the Authority any and all additional certificates, documents, agreements, opinions or other papers and perform all other acts (including without limitation 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 Agreement, 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 7. Payments Under the Loan Agreement. The Loan Agreement requires the Borrower in each year to pay amounts as loan payments sufficient to pay the principal of, premium, if any, and interest on the Bonds when and as due, and the payment of such amounts by the Borrower to the Bank pursuant to the Loan Agreement is hereby authorized, approved and confirmed.

Section 8. Limited Obligations. The Bonds 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 Agreement, and are secured pursuant to and in accordance with provisions of the Loan Agreement. The Bonds 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 9. 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 10. 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 9th day of June, 2016.

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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? [checked]
Volume Cap? [ ] Yes [checked] 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 (v) 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:		Uses:	
	Amount		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
<b>Total</b>	_____	<b>Total</b>	_____

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 10<sup>th</sup> 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 10<sup>th</sup> 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 2<sup>nd</sup> 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.

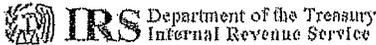
Submit application to the Authority at the following address:

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](mailto: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](mailto:claypool.david@dorsey.com) ) or David Grossklaus ( [Grossklaus.David@dorsey.com](mailto:Grossklaus.David@dorsey.com) ) at Dorsey & Whitney and the Authority's Community Development Director ( [lori.beary@iowa.gov](mailto:lori.beary@iowa.gov) ).

Dated this 21<sup>st</sup> 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

## EXHIBIT B

### Notification of Hearing as Published

A copy of the publisher's proof of publication will be available at the meeting. The following is a copy of the notice itself.

#### Notice of Hearing on Iowa Finance Authority Economic Development Loan Program Bonds

A public hearing will be held on the 8th day of June, 2016, at the Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa, at 8:30 o'clock a.m. on the proposal for the Iowa Finance Authority (the "Authority") to issue its Private College Facility Revenue and Refunding Bonds (Coe College Project) in one or more series in an aggregate principal amount not to exceed \$43,000,000 (the "Bonds") and to loan the proceeds thereof to Coe College (the "Borrower") for the purpose of (a) financing the costs of (i) a 3,850 square foot renovation and expansion of Hickok Hall on the Borrower's campus located at 1220 First Avenue NE in Cedar Rapids, Linn County, Iowa (the "Campus"), including new electrical service, HVAC, elevator and ADA restrooms, two new classrooms and student space; (ii) an 83,000 square foot addition to Eby Fieldhouse located on the Campus providing a new competition arena, new fitness center, wrestling room, strength and conditioning area and fitness bridge that will connect Eby Field House to the Clark Racquet Center, and a renovation to the older space by adding new windows, HVAC, new locker room facilities on the lower level and turning the gymnasium into a multi-use court space for the student body; and (iii) other improvements on and around the Campus, including, but not limited to acquisition and construction of land to construct a permeable parking lot on campus, resurfacing and constructing new sidewalks on the track, and adding fencing and new bleachers at Clark Field (collectively, the "Project"), (b) refunding the City of Robins, Iowa Private College Revenue Bonds (Coe College Project), Series 2011 originally issued in the aggregate principal amount of \$4,800,000 (the "Series 2011 Bonds"), the proceeds of which were used to renovate Peterson Hall, a 46,500 square foot building housing science departments, including but not limited to new windows, ceilings, flooring, lighting, and refurbishing electrical, plumbing and HVAC systems, and other campus improvements located on the Campus; (c) refunding the City of Robins, Iowa Private College Revenue Bonds (Coe College Project), Series 2009 originally issued in the aggregate principal amount of \$6,100,000 (the "Series 2009 Bonds"), the proceeds of which were used to remodel portions of Greene Hall, construction of a building for college admissions and financial aid officers, acquisition of various properties for campus expansion, renovation of existing field house training room, refinancing indebtedness previously incurred by the Borrower to construct an alumni center, renovate Murray Hall, Eby Field House, residence halls and other various improvements, all located at the Campus; (d) refunding the City of Hiawatha, Iowa Private College Revenue Bonds (Coe College Project), Series 2007 originally issued in the aggregate principal amount of \$4,500,000 (the "Series 2007 Bonds"), the proceeds of which were used to finance the cost of improvements to several existing buildings on the Campus, including replacing a residence hall fire alarm system, installing an elevator and improving handicap accessibility, replacing the flooring and bleachers in Eby Field House, and acquiring properties to expand the Campus; (e) refunding the City of Robins, Iowa Private College Revenue Bonds (Coe College Project), Series 2004 originally issued in the aggregate principal amount of \$5,819,543.41 (the "Series 2004 Bonds"), the

proceeds of which were used to refund the City of Robins, Iowa Private College Revenue Bonds (Coe College Project), Series 2004 originally issued in the amount of \$6,350,000, the proceeds of which were used to remodel portions of Gage Union, replace windows in Murray Hall, make improvements to Eby Field House, all located on the Campus, and refinance the City of Marion, Iowa Private College Revenue Bonds (Coe College Project), Series 2000, the proceeds of which were used to renovate Voorhees Residence Hall, replace roofs on various campus buildings and for other improvements located on the Campus; (f) refunding the City of Robins, Iowa Private College Revenue Bonds (Coe College Project), Series 2002 originally issued in the aggregate principal amount of \$2,513,333.34 (the "Series 2002 Bonds" and, together with the Series 2011 Bonds, the Series 2009 Bonds, the Series 2007 Bonds and the Series 2004 Bonds, the "Prior Bonds"), the proceeds of which were used to refund the City of Robins, Iowa Private College Revenue Bonds (Coe College Project), Series 2002 originally issued in the aggregate principal amount of \$2,900,000, the proceeds of which were used to construct two student apartment buildings and other various improvements on the Campus; (g) refinancing of debt incurred by the College to acquire and renovate (i) the Hampton Court Apartments located at 1430 E. Avenue NE, Cedar Rapids, Linn County, Iowa, (ii) Whipple Fire House located at 1424B Avenue NE in Cedar Rapids, Linn County, Iowa, and (ii) an apartment complex located at 1261 and 1263 First Avenue NE, Cedar Rapids, Linn County, Iowa (collectively, the "Refinancing") and (h) pay for certain costs associated with the issuance of the Bonds. The Project and the facilities financed and refinanced by the Bonds will be owned and operated by the Borrower.

The Bonds, when issued, will be limited obligations of the Authority and will not constitute a general obligation or indebtedness of the State of Iowa or any political subdivision thereof, including the Authority, nor will they be payable in any amount by taxation, but the Bonds will be payable solely and only from amounts received from the Borrower named above under a Loan Agreement between the Authority and the Borrower, the obligation of which will be sufficient to pay the principal of, interest and redemption premium, if any, on the Bonds as and when they shall become due.

At the time and place fixed for the hearing, all individuals who appear will be given an opportunity to express their views for or against the proposal to issue the Bonds for the purpose of financing the Project, and all written comments previously filed with the Authority at its offices at 2015 Grand Avenue, Des Moines, Iowa 50312, will be considered.

David D. Jamison  
Executive Director  
Iowa Finance Authority

RESOLUTION  
ED 11-12B-2

Resolution authorizing amendments to the Loan Agreements related to the Iowa Finance Authority Midwestern Disaster Area Economic Development Revenue Bond (GMT Corporation Project), Series 2011A and the Iowa Finance Authority Midwestern Disaster Area Economic Development Revenue Bond (GMT Corporation Project), Series 2011B previously issued by the Iowa Finance Authority and the other documents relating thereto.

WHEREAS, the Iowa Finance Authority (the "Issuer"), is a public instrumentality and agency of the State of Iowa, is authorized and empowered by the provisions of Chapter 16 of the Code of Iowa (the "Act") to issue revenue bonds or notes for the purpose of financing the cost of acquiring, by construction or purchase, land, buildings, improvements and equipment, or any interest therein, for projects defined in the Act including bonds issued to pay the cost of defraying the cost of acquiring, constructing, improving and equipping certain projects described in the Act, including certain projects for which bonds, the interest on which is exempt from federal income tax of the holders thereof, may be issued; and

WHEREAS, pursuant to the Act, the Issuer has previously issued its \$10,741,000 Midwestern Disaster Area Economic Development Revenue Bond (GMT Corporation Project), Series 2011A (the "Series 2011A Bond"), and loaned the proceeds thereof to GMT Corporation ("GMT") pursuant to a Loan Agreement (Equipment) dated as of September 1, 2011 (the "Equipment Loan Agreement") among the Issuer, GMT and GE Government Finance, Inc., as lender (the "Original Lender"), and as collateral agent (the "Collateral Agent"); and has previously issued its \$2,607,000 Midwestern Disaster Area Economic Development Revenue Bond (GMT Corporation Project) (the "Series 2011B Bond" and, together with the Series 2011A Bond, the "Bonds") and loaned the proceeds thereof to Graening-Knights II, LLC ("Graening" and, together with GMT, the "Borrower") pursuant to a Loan Agreement (Real Estate) dated as of September 1, 2011 (the "Real Estate Loan Agreement" and, together with the Equipment Loan Agreement, the "Loan Agreements") among the Issuer, Graening, the Collateral Agent and the Original Lender; and

WHEREAS, the Borrower arranged for the sale of the Bonds to the Original Lender, and the Original Lender transferred the Bonds to GE Capital Preferred Asset Corporation, a GE Business (the "Prior Lender") pursuant to the Bill of Sale between the Original Lender and the Lender relating to the Series 2011A Bond (the "Series 2011A Bill of Sale") and the Bill of Sale between the Original Lender and the Lender relating to the Series 2011B Bond (the "Series 2011B Bill of Sale" and, together with the Series 2011A Bill of Sale, the "Bills of Sale), and the Bonds are currently held by Wells Fargo Equipment Finance, Inc. (the "Lender"), as assignee of the Prior Lender; and

WHEREAS, pursuant to the Terms of the Loan Agreements the Borrower and the Lender could amend certain covenant provisions of the Loan Agreements without the consent of or joinder by the Issuer; and

WHEREAS, the Borrower and the Lender entered into that certain First Amendment to Loan Agreement (Equipment) and Loan Agreement (Real Estate) dated as of December 9, 2013 (the "First Amendment"); and

WHEREAS, the Borrower requested that the Issuer approve certain amendments to the Equipment Loan Agreement pursuant to the Second Amendment to Loan Agreement (Equipment) (the "Second Amendment to Equipment Loan Agreement") and the Second Amendment to Loan Agreement (Real Estate) (the "Second Amendment to Real Estate Loan Agreement"), in order to provide additional security to the Lender, amending certain covenants of the Borrower and extending certain payments with respect to the Bonds, and the Issuer executed and delivered the Second Amendment to Equipment Loan Agreement and Second Amendment to Real Estate Loan Agreement as described in the previous paragraph; and the Issuer executed and delivered the Second Amendment to Equipment Loan Agreement and Second Amendment to Real Estate Loan Agreement as described in the previous paragraph; and

WHEREAS, the Borrower has requested that the Issuer approve certain additional amendments to the Equipment Loan Agreement pursuant to the Third Amendment to Loan Agreement (Equipment) (the "Third Amendment to Equipment Loan Agreement") among the Issuer, GMT and the Lender and the Third Amendment to Loan Agreement (Real Estate) (the "Third Amendment to Real Estate Loan Agreement" and, together with the Third Amendment to Equipment Loan Agreement, the "Third Amendments") among the Issuer, Graening and the Lender, in order to change the schedule of loan payments with respect to each series of the Bonds, and to amend certain covenants of the Borrower;

NOW, THEREFORE, IT IS RESOLVED by the Board of the Issuer, as follows:

Section 1. The Third Amendments are hereby approved in substantially the forms presented to the Board, with such variations therein as may be made at the time of execution thereof as approved by the Executive Director and counsel to the Authority, and the Executive Director is hereby authorized and directed to execute, seal and deliver the Third Amendments in the name and on behalf of the Authority.

Section 2. The officers and the Executive Director are hereby authorized and directed to take such further actions as may be necessary to effectuate the intent and purpose of this Resolution, including but not limited to, accepting, acknowledging, and consenting to revisions or amendments to, or restatements of, any other documents relating to the Bonds, including but not limited to the execution and delivery of replacement bonds in order to effectuate the purpose of this Resolution.

Section 3. The Executive Director and/or the Chairperson are authorized to execute and deliver for and on behalf of the Authority any and all agreements, certificates, documents or other papers and perform all other acts and the execution of all closing documents, including any required tax forms necessary to maintain the tax exemption on the Bonds, as may be approved by counsel to the Authority, in connection with the transaction contemplated hereby as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 4. The Bonds shall remain limited obligations payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of Borrower pursuant to the Loan Agreements, as amended, 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 pecuniary liability of the State of Iowa or the Authority or charge against its general credit or general funds.

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

Passed and approved June 9, 2016.

IOWA FINANCE AUTHORITY

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David D. Jamison, Secretary

(Seal)

**RESOLUTION**  
**ITG 16-06**

WHEREAS, Iowa Title Guaranty (“ITG”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, operates a program to offer guaranties of real property titles to facilitate mortgage lenders’ participation in the secondary market and to add to the integrity of the land-title transfer system in the state of Iowa; and

WHEREAS, ITG generates revenue by the sale of ITG Certificates, the revenues of which are deposited in the ITG Fund held by the treasurer of state with all interest generated from the ITG Fund being deposited in the housing trust fund; and

WHEREAS, section 16.91(1) of the Iowa Code provides that “if the authority board in consultation with the ITG board determines that there are surplus funds in the ITG fund after providing for adequate reserves and operating expenses of ITG, the surplus funds shall be transferred to the housing assistance fund created pursuant to section 16.40.”; and

WHEREAS, the ITG Board has determined that there are surplus funds in the ITG Fund in the amount of \$500,000 and it is recommending to the Iowa Finance Authority Board that it would be appropriate to transfer the surplus funds to the Housing Assistance Fund pursuant to Iowa Code section 16.91(1).

NOW, THEREFORE, BE IT RESOLVED that the ITG Board adopts and recommends that the surplus funds in the ITG Fund, in the amount of \$500,000, be transferred to the Housing Assistance Fund created pursuant to Iowa Code section 16.40.

PASSED AND APPROVED this 9<sup>th</sup> day of June, 2016.

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Pat Schneider, Iowa Title Guaranty Board Chair

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Tara Lawrence, Iowa Title Guaranty Board Secretary

(Seal)