



**Board Meeting  
Tentative Agenda  
November 5, 2014  
11:00 a.m.**

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

**I. Consent Agenda**

- Approval of Minutes of the October 8, 2014, IFA Board Meeting
- AG 14-041A, Paul and Jennifer Vander Waal
- AG 14-042A, Phillip J. and Angela A. Pena
- AG 14-043A, John C. Naylor
- AG 14-044A, Brian K. Harms
- AG 14-045A, Paul N. and Michelle M. Reicks
- AG 14-046A, Spencer P. Spain
- AG 14-047A, Taylor Block
- AG 14-048A, Brian T. Block
- AG 14-049A, Jesse M. Gingerich
- 04030M, Bryan D. and Deborah D. Long, Ruthven
- 04787M, Wesley R. Gould, Hedrick
- 04788M, Aaron J. Gould Washington
- AG-TC 14-11, Beginning Farmer Tax Credit Program
- WQ 14-15, SRF Planning and Design Loans
- WQ 14-16, SRF Construction Loans

**II. HousingIowa**

- ◆ HI 14-20, State Housing Trust Fund Awards
- ◆ HI 14-21, Shelter Assistance Fund Awards
- ◆ HI 14-22, HOME Award

**III. Administration**

- ◆ Executive Director's Report
- **Accounting and Finance**
  - ◆ Presentation of FY13 Financial Audit by KPMG
  - ◆ Review of Financial Statement
  - ◆ FIN 14-07, Multifamily Loan to Hope Haven Area Development Center Corporation
  - ◆ FIN 14-08, Single Family Reimbursement Resolution
  - ◆ FIN 14-09, Mortgage Credit Certificate Program Resolution
- **Legal**
  - ◆ Notice of Intended Action: Amended Chapter 1
  - ◆ Notice of Intended Action: Amended Chapter 2
  - ◆ Notice of Intended Action: Amended Chapter 3
  - ◆ Notice of Intended Action: Amended Chapter 11
  - ◆ Notice of Intended Action: Rescind Chapter 5
  - ◆ Notice of Intended Action: Rescind Chapter 6

**IV. Communications Report**

**IV. Community Development**

- **Economic Development Bond Program**
  - ◆ ED 14-06B, Castlewood Apartments Project
- **Iowa Agriculture Development Division**
  - ◆ 04030B, Bryan D. and Deborah D. Long
  - ◆ AG 14-031B, Brian L. and Darcy L. Fritz
  - ◆ AG 14-041B, Paul and Jennifer VanderWaal
  - ◆ AG 14-042B, Phillip J. and Angela A. Pena
  - ◆ AG 14-043B, John C. Naylor
  - ◆ AG 14-044B, Brian K. Harms
  - ◆ AG 14-045B, Paul N. and Michelle M. Reicks
  - ◆ AG 14-046B, Spencer P. Spain
  - ◆ AG 14-047B, Taylor Block
  - ◆ AG 14-048B, Brian T. Block
  - ◆ AG 14-049B, Jesse M. Gingerich

**V. Iowa Title Guaranty**

**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 Avenue  
Des Moines, Iowa  
October 8, 2014**

### **Board Members Present**

Ruth Randleman, Chair	Joan Johnson
David Greenspon, Vice Chair	Jeff Heil
Michel Nelson, Treasurer	Shaner Magalhães
Eric Peterson	Darlys Baum

### **Board Members Absent**

Carmela Brown

### **Staff Members Present**

David Jamison, Executive Director/Board Secretary	Carolann Jensen, Chief Administration Officer
Jess Flaherty, Executive Assistant/ Recording Secretary	Wes Peterson, Director of Government Relations
Jerry Floyd, HOME Program Analyst	Mark Thompson, General Counsel
Steve Harvey, Chief Operating Officer	Dave Vaske, LIHTC Manager
Deb Haugh, Director of SF Production	Tara Lawrence, Commercial Underwriting Counsel
Geri Huser, Iowa Title Guaranty Director	Stacy Cunningham, LIHTC Analyst
Amber Lewis, Homeless Programs Coordinator	Lori Beary, Community Development Director
Tim Gilbert, Funding & Finance Manager	

### **Others Present**

David Grossklaus, Dorsey & Whitney	James Smith, Dorsey & Whitney
Ron Lewis, Statewide Abstract	Scott Fitzpatrick, Midwest Housing Equity Group

---

### **Call to Order**

Chair Randleman called to order the October 8, 2014, 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, Greenspon, Nelson, Johnson, Heil, Magalhães, Baum and Peterson.

### **Consent Agenda**

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

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

- Approval of Minutes of the September 3, 2014, IFA Board Meeting
- ED 14-09, Fort Des Moines Restoration Project
- WQ 14-14, SRF Construction Loans
- AG 14-039A, Justin J. and Jeraco M. Whitaker
- AG 14-040A, Matthew D. and Allison A. Dop
- 04659M, Zachary J. and Kari J. Knutson, Meservey
- AG-TC 14-10, Beginning Farmer Tax Credit Program

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

### **Administration**

#### **ACCOUNTING AND FINANCE**

##### **Review of Financial Statement**

Mr. Harvey presented the August 2014 financial results. He said as a housing agency, year-to-date net operating income of \$3,106,422 is favorable to budget by \$125,853.

The State Revolving Fund year-to-date net operating income of \$1,476,600 is unfavorable to budget by \$128,735.

**MOTION:** On a motion by Mr. Greenspon and a second by Mr. Heil, the Board unanimously accepted the August 2014 financial statement.

##### **FIN 14-06, Reimbursement Resolution for State Revolving Fund**

Ms. Harris stated this resolution allows the State Revolving Fund (SRF) to fund loans with current equity in the SRF and then be able to reimburse itself with funds from a future bond issue. The SRF program uses its equity to originate SRF loans.

**MOTION:** On a motion by Mr. Nelson and a second by Mr. Greenspon the Board unanimously approved FIN 14-06, Reimbursement Resolution for State Revolving Fund

### **HousingIowa**

##### **HI 14-18, Adopted & Filed: Chapter 12, Low-Income Housing Tax Credits, 2015 Qualified Allocation Plan**

Mr. Vaske referred to the “Overview of Changes for the 2015 Qualified Allocation Plan” that was distributed prior to the Board meeting, and asked if there were any questions. Mr. Peterson expressed appreciation to staff members, commenters and developers for their input.

**MOTION:** On a motion by Mr. Peterson and a second by Mr. Magalhães, the Board unanimously approved resolution HI 14-18, Adopted & Filed: Chapter 12, Low-Income Housing Tax Credits, 2015 Qualified Allocation Plan.

##### **HI 14-17, Project-Based State Housing Trust Fund Award**

Ms. Jensen stated that the resolution would award Habitat for Humanity of Marion County a \$50,000 grant to help construct single-family homes on infill lots in Knoxville and Pella. The

application is recommended for funding contingent upon satisfaction of the following prior to the disbursement of any Project-Based Housing Program grant funds: IFA compliance staff must review and approve the homebuyer's gross annual household income verification documentation as submitted by Habitat for Humanity of Marion County, Inc.

**MOTION:** On a motion by Mr. Greenspon and a second by Mr. Peterson, the Board unanimously approved HI 14-17.

**HI 14-19, Resolution to Amend a NewHome Construction Program Loan**

Mr. Thompson informed the Board the resolution is to amend an existing loan agreement to the Charles City Area Development Corporation as part of the NewHome Construction Loan Program. He reported that this amendment is to include a larger geographical area as part of the loan agreement. Mr. Thompson stated that the NewHome Construction Loan Program is no longer an active program.

MOTION: On a motion by Mr. Nelson and second by Mr. Peterson the Board unanimously approved HI 14-19.

**Community Development**

**ECONOMIC DEVELOPMENT BOARD PROGRAM**

**ED 14-02B, Century II and West Park Apartments**

Ms. Beary stated this is a resolution authorizing the issuance of an amount not to exceed \$8,000,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for the Century II and West Park Apartments Project in Sioux City. The bonds will be used for the acquisition and rehabilitation of two apartment complexes. Century II consists of one 5-story building with 80-units and West Park is 3 buildings with a total of 51 units. This project will also use 4% LIHTC and will need an allocation of Private Activity Bond Cap. Ms. Beary requested action on ED 14-02B.

MOTION: On a motion by Mr. Magalhães and a second by Mr. Peterson the Board unanimously approved ED 14-02B.

**IOWA AGRICULTURAL DEVELOPMENT DIVISION (IADD)**

**AG 14-039B, JUSTIN J. AND JERACO M. WHITAKER**

**AG 14-040B, MATTHEW D. AND ALLISON A. DOP**

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

**MOTION:** On a motion by Mr. Heil and a second by Mr. Peterson, the Board unanimously approved the resolutions for the IADD.

**Iowa Title Guaranty**

Ms. Huser gave a brief update on Iowa Title Guaranty production for August 2014. She also informed the Board that Tara Lawrence had recently accepted the position of Commercial Supervisor.

**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. Heil and a second by Mr. Magalhães, the October 8, 2014, regular monthly meeting of the IFA Board of Directors adjourned at 11:29 a.m.

Dated this 5th day of November 2014.

Respectfully submitted:

Approved as to form:

David D. Jamison  
Executive Director/Board Secretary

Michel Nelson, Treasurer  
Iowa Finance Authority



To: IFA Board of Directors  
From: Tammy Nebola, Iowa Ag Program Specialist  
Lori Beary, Community Development Director  
Date: October 24, 2014  
Re: Iowa Agricultural Division Beginning Farmer Loan Program

---

## **Consent Agenda**

### **Iowa Agricultural Development Division**

#### **Inducement Resolutions**

##### **AG 14-041 Paul and Jennifer VanderWaal**

This is an application for \$250,000 of Agricultural Development Revenue Bonds for Paul and Jennifer VanderWaal. The bond will be used: To construct a 1,200 Hd Hog Barn in Sioux County. The lender is American State Bank in Hull.

- **Need Board action on Resolution AG 14-041A**

##### **AG 14-042 Phillip J. and Angela A. Pena**

This is an application for \$162,000 of Agricultural Development Revenue Bonds for Phillip J. and Angela A. Pena. The bond will be used: To purchase approximately 66.11 acres of agricultural land in Clinton County. The lender is First Trust & Savings Bank in Grand Mound.

- **Need Board action on Resolution AG 14-042A**

##### **AG 14-043 John C. Naylor**

This is an application for \$91,665 of Agricultural Development Revenue Bonds for John C. Naylor. The bond will be used: To purchase approximately 110 acres of agricultural land in Decatur County. The lender is Libertyville Savings Bank in Keota.

- **Need Board action on Resolution AG 14-043A**

##### **AG 14-044 Brian K. Harms**

This is an application for \$490,000 of Agricultural Development Revenue Bonds for Brian K. Harms. The bond will be used: To purchase approximately 40 acres of agricultural land in Lyon County. The lender is Peoples Bank in Rock Valley.

- **Need Board action on Resolution AG 14-044A**

##### **AG 14-045 Paul N. and Michelle M. Reicks**

This is an application for \$265,200 of Agricultural Development Revenue Bonds for Paul N. and Michelle M. Reicks. The bond will be used: To purchase approximately 53.3 acres of agricultural land in Chickasaw County. The lender is Bank Iowa in Lawler.

- **Need Board action on Resolution AG 14-045A**

**AG 14-046 Spencer P. Spain**

This is an application for \$375,474 of Agricultural Development Revenue Bonds for Spencer P. Spain. The bond will be used: To purchase approximately 275 acres of agricultural land in Clayton County. The lender is Luana Savings Bank in Ossian.

- **Need Board action on Resolution AG 14-046A**

**AG 14-047 Taylor Block**

This is an application for \$166,500 of Agricultural Development Revenue Bonds for Taylor Block. The bond will be used: To purchase approximately 40 acres of agricultural land in Osceola County. The lender is United Community Bank in Lake Park.

- **Need Board action on Resolution AG 14-047A**

**AG 14-048 Brian T. Block**

This is an application for \$166,500 of Agricultural Development Revenue Bonds for Brian T. Block. The bond will be used: To purchase approximately 40 acres of agricultural land in Osceola County. The lender is United Community Bank in Lake Park.

- **Need Board action on Resolution AG 14-048A**

**AG 14-049 Jesse M. Gingerich**

This is an application for \$65,426 of Agricultural Development Revenue Bonds for Jesse M. Gingerich. The bond will be used: To purchase approximately 18.43 acres of agricultural land in Washington County. The lender is Federation Bank in Wellman.

- **Need Board action on Resolution AG 14-049A**

**Amending Resolutions**

**04030 Bryan D. and Deborah D. Long, Ruthven**

This is a resolution amending a \$250,000 Beginning Farmer Loan to Bryan D. and Deborah D. Long issued 5/5/2006 to Extend the maturity date from July 5, 2018 to August 4, 2020. Change the payment date from the 5th of the month to the 4th of the month. Due to extended maturity date the loan will be re-amortized decreasing the payments from \$2,387.74 to \$1,698.03 beginning September 4, 2014. All other loan terms will remain the same. Eff. 08/28/2014. The lender is Iowa State Bank in Ruthven.

- **Need Board action on Resolution 04030M**

**04787 Wesley R. Gould, Hedrick**

This is a resolution amending a \$146600 Beginning Farmer Loan to Wesley R. Gould issued 7/10/2013 to Change the Bondholder from County Bank, Sigourney, IA to Central State Bank, Muscatine, IA. Lower the interest rate from 4.00% to 3.50% until July 10, 2019 at which time the rate will adjust to the index of 0.25% above the announced prime rate of New York Prime adjustable every five years. Change the amortization from 30 years to 25 years, which changes the maturity date from July 10, 2043 to July 10, 2039. Due to the decreased amortization the payment amounts will change from \$8,537.91 to \$8,870.82 beginning on July 10, 2015 and continuing each July 10th until maturity. The rate ceiling will remain the same at 8.00% and the rate floor will decrease from 4.00% to 3.50%. Eff. 10/15/2014. The lender is Central State Bank in Muscatine.

- **Need Board action on Resolution 04787M**

**04788 Aaron J. Gould, Washington**

This is a resolution amending a \$200450 Beginning Farmer Loan to Aaron J. Gould issued 7/10/2013 to Change the Bondholder from County Bank, Sigourney, IA to Central State Bank, Muscatine, IA. Lower the interest rate from 4.00% to 3.50% until July 10, 2019 at which time the rate will adjust to the index of 0.25% above the announced prime rate of New York Prime adjustable every five years. Change the amortization from 30 years to 25 years, which changes the maturity date from July 10, 2043 to July 10, 2039. Due to the decreased amortization the payment amounts will change from \$11,674.11 to \$12,053.65 beginning on July 10, 2015 and continuing each July 10th until maturity. The rate ceiling will remain the same at 8.00% and the rate floor will decrease from 4.00% to 3.50%. Eff. 10/15/2014. The lender is Central State Bank in Muscatine.

- **Need Board action on Resolution 04788M**

**Beginning Farmer Tax Credit Program**

**AG-TC #14-11, 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 14-041A**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number: AG 14-041**
- 2. Beginning Farmer: Paul and Jennifer VanderWaal  
2883 Harrison Ave  
Hull, IA 51239-7577**
- 3. Bond Purchaser: American State Bank  
624 Main St, PO Box 806  
Hull, IA 51239-0806**
- 4. Principal Amount: \$250,000**
- 5. Approval Date: 11/5/2014**
- 6. Project: To construct a 1,200 Hd Hog Barn**

**RESOLUTION**  
**AG 14-042A**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number: AG 14-042**
- 2. Beginning Farmer: Phillip J. and Angela A. Pena  
1570 235th St  
Calamus, IA 52729-9644**
- 3. Bond Purchaser: First Trust & Savings Bank  
601 Smith St, PO Box 227  
Grand Mound, IA 52751-0227**
- 4. Principal Amount: \$162,000**
- 5. Approval Date: 11/5/2014**
- 6. Project: To purchase approximately 66.11 acres of agricultural land**

**RESOLUTION**  
**AG 14-043A**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 14-043
- 2. Beginning Farmer:** John C. Naylor  
1125 Saint Andrews Dr  
North Liberty, IA 52317-9788
- 3. Bond Purchaser:** Libertyville Savings Bank  
225 E Broadway, PO Box 68  
Keota, IA 52248-0068
- 4. Principal Amount:** \$91,665
- 5. Approval Date:** 11/5/2014
- 6. Project:** To purchase approximately 110 acres of agricultural land

**RESOLUTION**  
**AG 14-044A**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number: AG 14-044**
- 2. Beginning Farmer: Brian K. Harms  
1215 7th St NE, Apt 1B  
Sioux Center, IA 51250-1662**
- 3. Bond Purchaser: Peoples Bank  
1230 Valley Dr, PO Box 158  
Rock Valley, IA 51247-1538**
- 4. Principal Amount: \$490,000**
- 5. Approval Date: 11/5/2014**
- 6. Project: To purchase approximately 40 acres of agricultural land**

**RESOLUTION**  
**AG 14-045A**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 14-045
- 2. Beginning Farmer:** Paul N. and Michelle M. Reicks  
1549 Stevens Ave  
Lawler, IA 52154-9510
- 3. Bond Purchaser:** Bank Iowa  
308 Grove St, PO Box 269  
Lawler, IA 52154-9710
- 4. Principal Amount:** \$265,200
- 5. Approval Date:** 11/5/2014
- 6. Project:** To purchase approximately 53.3 acres of agricultural land

**RESOLUTION**  
**AG 14-046A**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 14-046
- 2. Beginning Farmer:** Spencer P. Spain  
29738 Eastern Rd  
Castalia, IA 52133-7713
- 3. Bond Purchaser:** Luana Savings Bank  
123 E Main St, PO Box 312  
Ossian, IA 52161
- 4. Principal Amount:** \$375,474
- 5. Approval Date:** 11/5/2014
- 6. Project:** To purchase approximately 275 acres of agricultural land

**RESOLUTION**  
**AG 14-047A**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 14-047
- 2. Beginning Farmer:** Taylor Block  
120 10th Ave NE  
Sibley, IA 51249-1414
- 3. Bond Purchaser:** United Community Bank  
113 Market St, PO Box 157  
Lake Park, IA 51347
- 4. Principal Amount:** \$166,500
- 5. Approval Date:** 11/5/2014
- 6. Project:** To purchase approximately 40 acres of agricultural land

**RESOLUTION**  
**AG 14-048A**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 14-048
- 2. Beginning Farmer:** Brian T. Block  
4905 Highway 9  
Sibley, IA 51249-7592
- 3. Bond Purchaser:** United Community Bank  
113 Market St, PO Box 157  
Lake Park, IA 51347
- 4. Principal Amount:** \$166,500
- 5. Approval Date:** 11/5/2014
- 6. Project:** To purchase approximately 40 acres of agricultural land

**RESOLUTION**  
**AG 14-049A**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 14-049
- 2. Beginning Farmer:** Jesse M. Gingerich  
2025 140th St  
Kalona, IA 52247
- 3. Bond Purchaser:** Federation Bank  
813 3rd St, PO Box 69  
Wellman, IA 52356
- 4. Principal Amount:** \$65,426
- 5. Approval Date:** 11/5/2014
- 6. Project:** To purchase approximately 18.43 acres of agricultural land

**RESOLUTION  
04030M**

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. 04030 (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 extend the maturity date and re-amortize the payments on the Bond.

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

Section 1. The Authority hereby approves extending the maturity date on the Bond from July 5, 2018 to August 4, 2020. Change the payment date from the 5th of the month to the 4th of the month. Due to extended maturity date the loan will be re-amortized decreasing the payments from \$2,387.74 to \$1,698.03 beginning September 4, 2014. All other loan terms will remain the same. Eff. 08/28/2014.

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 5<sup>th</sup> day of November, 2014.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

(Seal)



IOWA AGRICULTURAL  
DEVELOPMENT DIVISION

November 5, 2014

Larry J. Conlon  
Iowa State Bank  
1108 Gowrie St  
Ruthven, IA 501358

**Re: Bryan D. and Deborah D. Long – Project No. 04030**

Dear Mr. Conlon:

The Iowa Finance Authority (IFA) Board held its monthly meeting on November 5, 2014, and the above project was approved for the proposed loan changes. The changes approved were as follows:

**Extend the maturity date from July 5, 2018 to August 4, 2020. Change the payment date from the 5th of the month to the 4th of the month. Due to extended maturity date the loan will be re-amortized decreasing the payments from \$2,387.74 to \$1,698.03 beginning September 4, 2014. All other loan terms will remain the same. Eff. 08/28/2014**

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: Bryan D. and Deborah D. Long

**RESOLUTION**  
**04787M**

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. 04787 (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 bondholder and terms on the Bond.

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

Section 1. The Authority hereby approves changing the Bondholder on the Bond from County Bank, Sigourney, IA to Central State Bank, Muscatine, IA. Lower the interest rate from 4.00% to 3.50% until July 10, 2019 at which time the rate will adjust to the index of 0.25% above the announced prime rate of New York Prime adjustable every five years. Change the amortization from 30 years to 25 years, which changes the maturity date from July 10, 2043 to July 10, 2039. Due to the decreased amortization the payment amounts will change from \$8,537.91 to \$8,870.82 beginning on July 10, 2015 and continuing each July 10th until maturity. The rate ceiling will remain the same at 8.00% and the rate floor will decrease from 4.00% to 3.50%. Eff. 10/15/2014 .

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 5<sup>th</sup> day of November, 2014.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

(Seal)



IOWA AGRICULTURAL  
DEVELOPMENT DIVISION

November 5, 2014

Kyle Hotz  
Central State Bank  
301 Iowa Ave  
Muscatine, IA 52761

**Re: Wesley R. Gould – Project No. 04787**

Dear Mr. Hotz:

The Iowa Finance Authority (IFA) Board held its monthly meeting on November 5, 2014, and the above project was approved for the proposed loan changes. The changes approved were as follows:

**Change the Bondholder from County Bank, Sigourney, IA to Central State Bank, Muscatine, IA. Lower the interest rate from 4.00% to 3.50% until July 10, 2019 at which time the rate will adjust to the index of 0.25% above the announced prime rate of New York Prime adjustable every five years. Change the amortization from 30 years to 25 years, which changes the maturity date from July 10, 2043 to July 10, 2039. Due to the decreased amortization the payment amounts will change from \$8,537.91 to \$8,870.82 beginning on July 10, 2015 and continuing each July 10th until maturity. The rate ceiling will remain the same at 8.00% and the rate floor will decrease from 4.00% to 3.50%. Eff. 10/15/2014**

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: Wesley R. Gould

**RESOLUTION**  
**04788M**

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. 04788 (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 bondholder and terms on the Bond.

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

Section 1. The Authority hereby approves changing the Bondholder on the Bond from County Bank, Sigourney, IA to Central State Bank, Muscatine, IA. Lower the interest rate from 4.00% to 3.50% until July 10, 2019 at which time the rate will adjust to the index of 0.25% above the announced prime rate of New York Prime adjustable every five years. Change the amortization from 30 years to 25 years, which changes the maturity date from July 10, 2043 to July 10, 2039. Due to the decreased amortization the payment amounts will change from \$11,674.11 to \$12,053.65 beginning on July 10, 2015 and continuing each July 10th until maturity. The rate ceiling will remain the same at 8.00% and the rate floor will decrease from 4.00% to 3.50%. Eff. 10/15/2014 .

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 5<sup>th</sup> day of November, 2014.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

(Seal)



IOWA AGRICULTURAL  
DEVELOPMENT DIVISION

November 5, 2014

Kyle Hotz  
Central State Bank  
301 Iowa Ave  
Muscatine, IA 52761

**Re: Aaron J. Gould – Project No. 04788**

Dear Mr. Hotz:

The Iowa Finance Authority (IFA) Board held its monthly meeting on November 5, 2014, and the above project was approved for the proposed loan changes. The changes approved were as follows:

**Change the Bondholder from County Bank, Sigourney, IA to Central State Bank, Muscatine, IA. Lower the interest rate from 4.00% to 3.50% until July 10, 2019 at which time the rate will adjust to the index of 0.25% above the announced prime rate of New York Prime adjustable every five years. Change the amortization from 30 years to 25 years, which changes the maturity date from July 10, 2043 to July 10, 2039. Due to the decreased amortization the payment amounts will change from \$11,674.11 to \$12,053.65 beginning on July 10, 2015 and continuing each July 10th until maturity. The rate ceiling will remain the same at 8.00% and the rate floor will decrease from 4.00% to 3.50%. Eff. 10/15/2014**

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: Aaron J. Gould

**RESOLUTION  
AG-TC 14-11**

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 Agricultural Assets Transfer Tax Credit program pursuant to Chapter 175.37 and the Custom Farming Contract Tax Credit pursuant to Chapter 175.38 (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 175.37 and 175.38; 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 5th day of November, 2014.

(Seal)

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

## Exhibit A

### Agricultural Assets Transfer Tax Credit Program

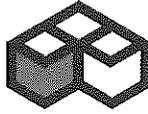
Project #	Owner Name	Town	Beginning Farmer	Rental Type	Term(Years)	Tax Credit
1636	Timothy L Brus kern Rev Trust	Cedar Rapids	Jason Douglas Orr	CR	2	\$ 3,492.13
1637	Thomas J Watson	Schaller	Cory & Lee Riessen	SC	3	\$ 4,611.34
1638	Marilyn M. Paine Rev Trust	Altoona	Jared D. Eshelman	CR	3	\$ 889.00
1639	Kenneth Friedly	Fayette	Christopher Lehs	CR	2	\$ 546.00
1640	Friedly Family Trust	Fayette	Christopher Lehs	CR	2	\$ 4,025.00
1641	Eldo H. and Shirley M. Meyer	Garrison	Robert Hanson	CR	2	\$ 3,213.00
1642	Craig Zylstra	Sully	Jason Lowry	CR	2	\$ 2,956.80
1643	Martin Family Farms, LLC	Marshalltown	Justin Miller	CR	3	\$ 3,927.00
1646	G wall Farms LLC	Waterloo	Ryan Rosburg	SC	3	\$ 8,557.86
1650	Ro Don Cattle Co/Ludvigson Land & Cattle Co.	Holstein	Steven Robert Mason	CR	2	\$ 4,060.00
1651	William C. Schinkol	New Sharon	Steve Schinkel	SC	2	\$ 15,775.61
1652	Mary Fitch	Decorah	Travis Holthaus	CR	2	\$ 3,955.00
1653	Ronald Stein	Woolstock	Grant W. Stein	SC	5	\$ 11,965.11
1654	Linda Thomas	Williams	Clint Holtkamp	CR	3	\$ 25,054.80
1655	Graybill Valley Family Farms LLC	Council Bluffs	Keanan Martin	SC	2	\$ 8,181.53
1656	Phillip Burgmeier	Ottumwa	Joseph Burgmeier	CR SC	5	\$ 1,787.94
1659	James Johnson Jr	Moorland	Timothy S. Barrett	CR	5	\$ 1,575.00
1660	Kenneth Borman	Bode	Christopher James Bormann	SC	5	\$ 2,061.03
1662	John Marshall	Clarion	Leonard J. Watts III	SC	5	\$ 3,693.34
1664	MKA Farms LLC	Malcom	Benjamin Thomas Van Roekel	CR	2	\$ 306.25
1665	Herold Hoffman	Hancock	Keanan Martin	SC	2	\$ 7,158.55
1666	Robert Kolbert	Mason City	Keith M Levan	SC	5	\$ 2,675.32
1667	Rex Waters	Beaconsfield	Matthew Weeda	CR SC	3	\$ 32,533.39
1668	Joseph Stoll	Primghar	SMH Farms, Inc.	CR	5	\$ 701.40
1669	Beckman Acres Inc.	Middletown	Paul Gieselman	SC	5	\$ 16,457.45
1670	Dale Olson	Ames	Brian Charlson	CR	2	\$ 3,751.13
1671	Dennis Swieter	Hampton	Isaac Swieter	CR	2	\$ 3,614.31
1672	Bonnie K. Bruhns	Buffalo Center	Brian Charlson	CR	2	\$ 1,903.13
1673	Loras Manternach	Masonville	Jake Manternach	CR	3	\$ 1,330.00
1674	Wayne Steffen	Holy Cross	Tim & Daniel Steffen	CR	5	\$ 1,247.40
1675	Michael Goodell	Eldora	Jeffrey R. Goodell	CR	2	\$ 1,407.00
1676	Larree Imboden	Dexter	Paul Imboden	SC	5	\$ 24,512.27
1677	Marilyn C Wasser Rev Trust	Wichita	MSB, Inc.	CR	2	\$ 2,817.50
1678	LeRoy Halligan	Gilmore City	Steven L. Halligan	SC	5	\$ 3,575.39
1679	Wayne L Risius Rev Trust	Walm Beach Garden	Benjamin Siemens	SC	5	\$ 35,701.06
1680	Paul E & Michele E Trauger Rev Trust	Cumming	Brandon Trauger	SC	5	\$ 17,976.98
1682	Richard McNickle	Iowa Falls	TMC Farms, Inc.	CR	2	\$ 4,306.40
1683	Lorn R Wills	Sanborn	Mark Uittenbogaard	CR	2	\$ 5,754.42
1684	Lorn R Wills	Sanborn	Kevin Wiekamp	CR	2	\$ 1,416.37
1685	Paul & Diane Stewart Rev Trust	Harlan	Jim Behrens	CR	3	\$ 19,737.20
1686	Gieselman Farms LLC	Des Moines	Paul Gieselman	CR	5	\$ 2,930.20

## Exhibit A

### Agricultural Assets Transfer Tax Credit Program

Project #	Owner Name	Town	Beginning Farmer	Rental Type	Term(Years)	Tax Credit
1688	Jerome Koenigs	McIntire	Jason Koenigs	SC	3	\$ 23,845.24
1690	Billy Wanniger	Manning	Brad & Steve Renze	CR	2	\$ 4,655.00
1692	Edward E Johnson	Des Moines	Merritt Caviness	SC	2	\$ 9,625.13
1693	Michael Rosonke	New Hampton	Jeremy Rosonke	CR	3	\$ 2,361.45
1694	Patrick Rosonke	New Hampton	Jeremy Rosonke	CR	3	\$ 1,776.25
1696	Kay Koob	Granville	Aaron Koob	SC	2	\$ 4,892.39
1699	Edwin Halbur	Coon Rapids	Jonathon Halbur	CR	2	\$ 3,453.45
1704	Mark Turner	Burke	Drew Lietz	CR	2	\$ 1,512.00
1705	Art Gratias	Mason City	Lucas Brandau	CR	3	\$ 4,900.00
1706	R & J Gochenour Farms LLC	Logan	Gochenour Brothers Farms	SC	5	\$ 7,886.35
1726	Todd M Jones	Greenfield	Merritt Caviness	CR	5	\$ 2,007.25
1727	Roger Nunemaker	Waterloo	Steve & Joe McGrath	CR	2	\$ 1,554.00
1728	Eden Pearson	Peru	Jared Patience	CR	2	\$ 1,652.00
1733	Nancy Hall	Storm Lake	Michael Kaskey	CR	5	\$ 1,820.00
1735	Dale Kaskey	Aurelia	Michael Kaskey	CR	5	\$ 1,946.00
1736	Gleneva Wardius	Dike	Jason North	CR	2	\$ 3,405.50
1738	Benjamin H. Rolf Family Trust/Mary Rolf	Red Oak	Ben Peterson	SC	5	\$ 28,194.98
1739	Ellen Holtz	Walnut	James Ploen	CR	3	\$ 738.39
1740	Sharon Ulrich/Beverly Meier	Rippey	Matthew Thomas Ulrich	CR	5	\$ 2,722.48
1743	Steve Christensen	Riceville	Barry Christensen	SC	5	\$ 13,151.80
1764	David Drury	Marshalltown	Tim Hartwig	CR	2	\$ 3,423.00
1774	Connie Carter	Blairsburg	Mark Tapper	SC	3	\$ 5,895.01
1775	Linda Tapper	Webster City	Mark Tapper	SC	3	\$ 8,863.13
1776	Jane Odegard	LeClaire	Matthew J Flynn	CR	4	\$ 840.00
1778	Lois Vanderbur	Mapleton	Joseph M Flanigan	SC	5	\$ 8,364.14
1779	Edward F. Seitzinger Trust	Urbandale	Joseph M Flanigan	CR	5	\$ 4,903.50
1793	Bruce Drapeau	Bellevue	Anthony Reiss	CR	5	\$ 2,040.00
1813	Rick Vaughan	Hubbard	Reilly Vaughan	CR	2	\$ 1,304.80
1814	J & P Irwin Farm LTD	Jefferson	Reilly Vaughan	SC	2	\$ 8,042.00
1815	Irwin Family Farms	Jefferson	Reilly Vaughan	SC	2	\$ 5,183.23
1816	James T. Irwin Residuary Trust	Jefferson	Reilly Vaughan	SC	2	\$ 11,436.77
1817	Joyce Irwin Purdy	Corpus Christi	Reilly Vaughan	SC	2	\$ 3,827.47
1818	James T. Irwin Residuary Trust	Jefferson	Reilly Vaughan	SC	2	\$ 6,025.02
1819	Robert Irwin	Corpus Christi	Reilly Vaughan	SC	2	\$ 3,393.66
1820	McKnickle Farms Inc	Iowa Falls	TMC Farms, Inc.	CR	2	\$ 1,669.22
76						<u>\$ 499,451.22</u>

Denotes Military Veteran



IOWA FINANCE  
AUTHORITY

To: IFA Board of Directors  
From: Lori Beary, Community Development Director  
Date: 10/24/14  
Re: Economic Development and Water Quality

---

**Consent Agenda**

**State Revolving Fund**

**SRF Planning and Design Loans - WQ 14-15**

This is a resolution to approve SRF Planning and Design Loans for a total amount of \$3,151,000 for the cities of Clarence, Elkhart, Fort Dodge, Hospers, Mount Ayr, Prairie City, Swea City and Underwood. P&D loans are loans at 0% interest for up to 3 years to help communities with the costs during the planning and design phase of their wastewater or drinking water project. P&D Loans are either rolled into an SRF construction loan or repaid when other permanent financing is acquired.

**SRF Construction Loans - WQ 14-16**

This is a resolution to approve SRF Construction Loans for a total amount of \$31,517,000 for the cities of Granger, Pella, Titonka, and the Wastewater Reclamation Authority (WRA). These loans will have an interest rate of 1.75% for 20 years or 2.75% for up to 30 years.

**RESOLUTION  
WQ 14-15**

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

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

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

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

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

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

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

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

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

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

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

PASSED AND APPROVED this 5<sup>th</sup> day of November, 2014.

---

David D. Jamison, Secretary

(Seal)

**Exhibit A**

**Planning and Design Loans**

<b>Borrower</b>	<b>County</b>	<b>Population</b>	<b>Amount</b>	<b>CW/DW</b>	<b>Description</b>
Clarence	Cedar	974	\$130,000	CW	Infiltration/Inflow Corrections
Elkhart	Polk	683	\$150,000	CW	Lagoon Upgrade & Disinfection
Fort Dodge	Webster	25,206	\$2,285,000	CW	Infiltration/Inflow Corrections
Hospers	Sioux	698	\$156,000	CW	Treatment Improvements
Mount Ayr	Ringgold	1,691	\$100,000	CW	Disinfection System
Mount Ayr	Ringgold	1,691	\$100,000	DW	Water Main Improvements
Prairie City	Jasper	1,680	\$50,000	CW	Infiltration/Inflow Corrections
Swea City	Kossuth	540	\$100,000	DW	Water Source
Underwood	Pottawattamie	917	\$80,000	CW	Additional Lift Stations & Mains

\$3,151,000

**RESOLUTION**  
**WQ 14-16**

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 5<sup>th</sup> day of November, 2014.

(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>
Granger	Dallas	1,244	\$7,195,000	CW	Treatment Improvements
Pella	Marion	10,352	\$14,645,000	DW	Treatment Plant & Source
Titonka	Kossuth	476	\$377,000	CW	Infiltration & Inflow Corrections
WRA	Multiple	203,433	\$9,300,000	CW	WRA Southern Tier Interceptor

\$31,517,000



To: IFA Board of Directors  
From: Terri Rosonke, HousingIowa Development Specialist  
Date: 11/5/14  
Re: State Housing Trust Fund – Project-Based Housing Program

---

As provided in the Allocation Plan, IFA will accept applications for the Project-Based Housing Program on an open-window basis until all available moneys have been exhausted. Available funding under the FY 2015 Project-Based Housing Program totals \$350,000. The attached funding recommendation is offered for your consideration for one award totaling \$50,000.

If the attached FY 2015 Project-Based Housing Program funding recommendation is approved by the Board, awards to date will total \$120,000, with \$230,000 remaining available for allocation.

Awards approved by the Board in FY 2015 are leveraging an additional \$971,864 in other financing resources or \$8.10 for every dollar of Project-Based funding. The approved FY 2015 projects will assist a total of five affordable housing units in Iowa with an average per unit subsidy of \$24,000.



**FY 2015 State Housing Trust Fund – Project-Based Housing Program  
Application Summary and Funding Recommendations  
November 5, 2014**

**Project-Based Application #15-30**

Applicant: Northeast Iowa Community Action Corporation

Project Location: Elkader and Guttenberg (Clayton County)

Project Name: NEICAC Affordable Housing – Phase VII

Funding Request: \$50,000

Number of Units: 2

Total Budget: \$796,078

Project Type: Rental

Activity: New construction of affordable housing

Background: Northeast Iowa Community Action Corporation has requested a \$50,000 grant to help construct single-family rental homes on infill lots in Elkader and Guttenberg. The two new approximately 1,200 square foot ranch style homes will include three bedrooms, one bathroom, and a full basement. Homes will be Energy Star certified and will be constructed using Universal Design principles. Two additional single-family rental homes will be constructed in Fredericksburg (Chickasaw County) and Postville (Allamakee County) under the total development budget in this phase, but only properties to be constructed in Elkader and Guttenberg will be assisted under the SHTF Project-Based Housing Program award.

Initially, each home will be rented to a household earning 60 percent or less of the area median income. The tenant family will prepare for homeownership through counseling provided by NEICAC's NeighborWorks America certified homebuyer educators. Participating families are expected to be ready for home purchase within one to three years. NEICAC has completed 21 homes under previous phases of its successful lease-purchase program at scattered-site locations throughout the nonprofit's community action agency region, with 16 of those homes sold to participating families to date.

The Project-Based Housing Program award will be used to help finance construction costs. The requested grant represents six percent of the net project budget, exclusive of any amounts budgeted for administration and developer fee. Due to the proposed project's location within a certified Local Housing Trust Fund's geographic service area, NEICAC has submitted the required certification from the Northeast Iowa Regional Housing Trust Fund (NEIRHTF)

verifying that the proposed project activity is not eligible for funding under the NEIRHTF's current Housing Assistance Plan and NEIRHTF supports the application.

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. NEICAC shall submit documentation that all other funding sources, as identified in the Exhibit B, Project Budget, have been secured.
2. NEICAC shall comply with Iowa Code section 103A.10A. Construction may not begin prior to written approval by the State Building Code Bureau of the Iowa Department of Public Safety. All plans and specifications must be submitted to the State Building Code Bureau for review and approval. IFA will not disburse funds for construction activities until evidence of the State Building Code Bureau's approval has been submitted. Furthermore, all newly constructed buildings and structures shall be subject to inspection by State Building Code Bureau staff.

**RESOLUTION**  
**HI 14-20**

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 a grant under the Project-Based Housing Program to the recipient and in the amount listed on Exhibit A, contingent upon all other funding sources, as identified in the applicant’s project budget, being secured.

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

PASSED AND APPROVED this 5<sup>th</sup> day of November, 2014.

---

David D. Jamison, Secretary  
(Seal)

EXHIBIT A

<b>Applicant</b>	<b>Category</b>	<b>Funding Recommendation</b>
#15-30, Northeast Iowa Community Action Corporation <i>Project Location: Elkader and Guttenberg (Clayton County)</i>	Project-Based	\$ 50,000
Total Funding Recommendations 11/5/14	Project-Based	\$ 50,000
Total Prior Awards FY2015	Project-Based	\$ 70,000
Total FY2015 Funding Recommendations/Awards To Date	Project-Based	\$ 120,000
Total FY2015 Funding Remaining	Project-Based	\$ 230,000



To: IFA Board of Directors  
From: Amber Lewis, Homeless Programs Coordinator  
Date: November 5, 2014  
Re: Resolution Regarding Funding for the state Shelter Assistance Fund program

---

### **Resolution - Shelter Assistance Fund (SAF) Awards**

**The SAF program:** IFA administers the statewide allocation of grants for the Shelter Assistance Fund (SAF) program, which provides assistance to help with the costs of operations of group home shelters for the homeless and domestic violence shelters. It provides support for essential services, shelter operations, and data collection and evaluation. The SAF program is funded each year with five percent of the proceeds from the Real Estate Transfer Tax.

**This competition:** IFA conducts an annual competition for SAF funds. The competition for the 2015 calendar year ended in September of 2014. For this competition, IFA projected up to \$840,000 in funding available for grants. IFA received 28 eligible applications. IFA appointed a panel to review, score the applications and make funding recommendations, as prescribed by SAF rules. Applications were scored in several categories, including: Project Design and Competition Priorities; Experience and Capacity; Community Partnerships; Performance; and Budget and Grants Management.

**Scoring details:** Total points available were 109. The review panel set a recommended funding threshold of 78 points (70%). Twenty-five applicants scored above this threshold with eligible budget requests and are recommended for grant funding. The highest scoring applicant was Family Crisis Centers in Sioux Center, with a score of 97.5 points.

**Funding recommendations:** See the attached Proposed Iowa Shelter Assistance Fund Awards for the 2015 Calendar Year. Funding recommendations for each applicant align with the amounts requested, according to a tiered system based on score: the highest-scoring applicant is recommended for 95% of the funding requested; the next-highest scoring set of applicants are recommended for 90% of the funding requested; and so forth, at 5% intervals, with the lowest tier ending at applicants recommended for 60% of the funding requested. Interval breaks are selected based on relative differences in scores, so that scores that are very close together are grouped as much as possible into the same tiers. This results in a total recommended funding amount of \$824,655, which is within the projected limit of available funds.

**Counties served:** The attached proposed funding list includes the home location of the applicants recommended for funding, as well as the counties served. Seventy-nine counties are represented to receive services by the applicants recommended for funding.

**Requested resolution:** This requested resolution is to authorize the award of SAF funds to the 25 applicants and in the amounts listed on the attached document, Proposed Iowa Shelter Assistance Fund Awards for the 2015 Calendar Year.

**RESOLUTION**  
**HI 14-21**

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

WHEREAS, pursuant to 2014 Iowa Code 16.41, the Authority administers the Shelter Assistance Fund (“SAF”) program; and

WHEREAS, the Authority has received eligible applications for funds from 28 nonprofit organizations or local governments seeking assistance who have been determined by the Authority staff to be eligible recipients (“Applicants”); and

WHEREAS, the Authority projects \$824,655 in state appropriated funding available for recipients under the SAF program, to be used for the 2015 calendar year; and

WHEREAS, pursuant to chapter 41 of its administrative rules, the Authority appointed a panel to review the applications. The panel made recommendations to award funds to 25 of the Applicants, as detailed in the attached Proposed Iowa Shelter Assistance Fund Program Funding Awards for Calendar Year 2015.

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

SECTION 1. Pursuant to chapter 41 of its administrative rules, the Board hereby authorizes the award of approximately \$824,655, subject to final verification by Authority staff, in total funding for awards under the SAF program for the 2015 calendar year.

SECTION 2. The Board hereby authorizes the award of grant funds, subject to final verification by Authority staff, to the 25 Applicants as listed by the Proposed Iowa Shelter Assistance Fund Program Funding Awards for Calendar Year 2015.

PASSED AND APPROVED this 5<sup>th</sup> day of November, 2014.

---

David D. Jamison, Secretary



**Proposed Iowa Shelter Assistance Fund (SAF) Program**

**Funding Awards for the 2015 Calendar Year**

November 5, 2014

<b>Applicant</b>	<b>Counties Served - Home Location In Bold</b>	<b>Final Score (out of 109)</b>	<b>Funding Request</b>	<b>Recommended Funding Percentage</b>	<b>Funding Recommendation</b>
Family Crisis Centers	BUENA VISTA, CALHOUN, CARROLL, CHEROKEE, CLAY, CRAWFORD, DICKINSON, EMMET, IDA, LYON, MONONA, O'BRIEN, OSCEOLA, PALO ALTO, POCAHONTAS, SAC, <b>SIoux</b>	97.500	\$50,000	95%	\$47,500
Crisis Intervention Services	APPANOOSE, DAVIS, JASPER, JEFFERSON, KEOKUK, LUCAS, <b>MAHASKA</b> , MARION, MONROE, POWESHIEK, WAPELLO, WAYNE	96.925	\$50,000	90%	\$45,000
Family Promise of Greater Des Moines	<b>POLK</b>	96.675	\$20,000	90%	\$18,000
Youth Emergency Services & Shelter	<b>POLK</b>	96.625	\$41,960	90%	\$37,764
Willis Dady Emergency Shelter, Inc.	BENTON, BLACK HAWK, BUTLER, CEDAR, IOWA, JONES, <b>LINN</b>	96.300	\$44,000	90%	\$39,600
Fort Dodge Housing Agency	CALHOUN, HAMILTON, HUMBOLDT, POCAHONTAS, <b>WEBSTER</b> , WRIGHT	95.950	\$39,380	90%	\$35,442
Pathway Living Center, Inc.	<b>CLINTON</b>	95.875	\$50,000	90%	\$45,000
Dubuque Community YMCA/YWCA	<b>DUBUQUE</b>	93.850	\$50,000	85%	\$42,500

<b>Applicant</b>	<b>Counties Served - Home Location In Bold</b>	<b>Final Score (out of 109)</b>	<b>Funding Request</b>	<b>Recommended Funding Percentage</b>	<b>Funding Recommendation</b>
Council on Sexual Assault and Domestic Violence	BUENA VISTA , CALHOUN, CARROLL, CHEROKEE, CLAY, CRAWFORD, DICKINSON, EMMET, IDA, LYON, MONONA, O'BRIEN, OSCEOLA, PALO ALTO, PLYMOUTH, POCAHONTAS, SAC, SIOUX, <b>WOODBURY</b>	92.500	\$49,500	85%	\$42,075
Domestic/Sexual Assault Outreach Center	BOONE, BUTLER, CERRO GORDO, FLOYD, FRANKLIN, GREENE, GRUNDY, HAMILTON, HANCOCK, HARDIN, HUMBOLDT, KOSSUTH, MARSHALL, MITCHELL STORY, TAMA, <b>WEBSTER</b> , WINNEBAGO, WORTH, WRIGHT	91.500	\$50,000	80%	\$40,000
Opening Doors	BLACK HAWK, BUCHANAN, CLAYTON, CLINTON, DELAWARE, <b>DUBUQUE</b> , FAYETTE, JACKSON, JOHNSON, JONES, LINN	90.500	\$50,000	80%	\$40,000
New Visions Homeless Services, previously known as Christian Worship Center	CRAWFORD, FREMONT, HARRISON, MILLS, MONONA, MONTGOMERY, <b>POTTAWATTAMIE</b> , SHELBY	88.225	\$50,000	75%	\$37,500
The Salvation Army of Siouxland	MONONA, PLYMOUTH, <b>WOODBURY</b>	87.775	\$36,595	75%	\$27,446
Foundation 2	<b>LINN</b>	87.250	\$49,904	75%	\$37,428
Beacon of Life	DALLAS, <b>POLK</b> , WARREN	87.000	\$40,000	75%	\$30,000
Catholic Council for Social Concern (Catholic Charities)	DALLAS, <b>POLK</b> , STORY	86.500	\$50,000	75%	\$37,500
The Salvation Army Waterloo/Cedar Falls	<b>BLACK HAWK</b>	85.525	\$36,000	70%	\$25,200
Community Housing Initiatives	<b>BLACK HAWK</b>	85.125	\$20,000	70%	\$14,000

<b>Applicant</b>	<b>Counties Served - Home Location In Bold</b>	<b>Final Score (out of 109)</b>	<b>Funding Request</b>	<b>Recommended Funding Percentage</b>	<b>Funding Recommendation</b>
Community Action Agency of Siouxland	<b>WOODBURY</b>	85.000	\$48,744	70%	\$34,121
Community Kitchen of North Iowa	<b>CERRO GORDO, FLOYD, FRANKLIN, HANCOCK, MITCHELL, WINNEBAGO, WORTH</b>	83.500	\$45,000	65%	\$29,250
Northern Lights Alliance for the Homeless	<b>CERRO GORDO, FLOYD, FRANKLIN, HANCOCK, KOSSUTH, WINNEBAGO, WORTH, WRIGHT</b>	82.550	\$49,800	65%	\$32,370
Shesler Hall	MONONA, SIOUX, <b>WOODBURY</b>	80.875	\$20,000	60%	\$12,000
Muscatine Center for Social Action	<b>MUSCATINE</b>	79.250	\$50,000	60%	\$30,000
Table to Table Food Distribution Network	<b>JOHNSON</b>	78.625	\$25,000	60%	\$15,000
Emergency Residence Project	<b>STORY</b>	78.425	\$49,932	60%	\$29,959
<b>Total</b>					<b>\$824,655</b>



Northeast Iowa Community Action Corporation  
Helping People - Changing Lives

305 Montgomery St., PO Box 487, Decorah, IA 52101

Administrative Offices: 563-382-8436 – Fax: 563-382-9854

Health Programs: 1-866-742-3226 – Fax: 563-382-5140

Transit: 1-866-382-4259 – Fax: 563-382-4681

[www.neicac.org](http://www.neicac.org)

October 13, 2014

Jerry Floyd  
HOME Team Leader  
Iowa Finance Authority  
2015 Grand Ave  
Des Moines, IA 50312

Re: #13-HM-113

Dear Jerry,

Northeast Iowa Community Action Corporation (NEICAC) hereby requests additional funds to compensate the original number of homebuyers we planned to assist under Grant # 13-HM-113. The additional funds are necessary due to additional requirements, including HUD's determination that homebuyer's typically do not need the same amount of assistance and we should be assisting homebuyer's based on their need, rather than our desire to give a specified amount.

NEICAC anticipates needing an additional \$31,000 based on the qualifications of four homebuyers. The breakdown of those funds is as follows, \$30,000 of assistance to homebuyers and \$1,000 to NEICAC for administrative costs as allowed. Please contact me with any questions or concerns. Thank you

Sincerely,

Jeremy Jostand  
Housing Director, NEICAC  
(563) 382-8436 ext 151

JJ

Enc.



NEICAC is an Equal Opportunity Employer.  
Auxiliary aids and services are available upon request to individuals with disabilities.



RESOLUTION  
HI 14-22

WHEREAS, the Iowa Finance Authority (the “Authority”) is the allocating agency in the State of Iowa for the HOME Investment Partnerships Program (“HOME Program”) of the federal Department of Housing and Urban Development (“HUD”); and

WHEREAS, The Authority previously awarded HOME funding to the Subrecipient (“Subrecipient”) set forth on Exhibit A, attached hereto, in the 2013 funding round pursuant to the Authority’s administrative rules (Iowa Administrative Code 265-Ch. 39) (“HOME Rules”), the State of Iowa Consolidated Plan for Housing & Community Development (“Consolidated Plan”), and the applicable Annual Action Plans (“AAP”); and

WHEREAS, The Authority, in consultation with the Subrecipient has determined that the Subrecipient has increased demand for administrative funding and downpayment/closing cost assistance, as set forth on Exhibit A; and

WHEREAS, The Authority, may, under the HOME Rules and applicable federal law award additional HOME Program funds; and

WHEREAS, The Authority has determined that it would be appropriate to award additional HOME Program funds to the Subrecipient in the amount set forth on Exhibit A.

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

SECTION 1. The Iowa Finance Authority hereby authorizes supplemental financing for the eligible homebuyers and administrative costs as set forth on Exhibit A.

SECTION 2. The supplemental financing authorized in the preceding Section is contingent upon the amendment of the Subrecipient HOME Investment Partnerships Program Contract (for an award originally made in 2013 April) and the execution thereof by the Authority and the Subrecipient.

SECTION 3. The Executive Director and Authority staff are hereby authorized to negotiate, draft, and execute the contract amendment in accordance with this resolution.

SECTION 4. The provisions of the Resolution are declared to be separable, and if any section, phase, 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 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 5<sup>th</sup> day of November, 2014.

---

David D. Jamison, Secretary

(Seal)

To: IFA Board of Directors  
From: Carolann Jensen  
Chief Administration Officer  
Date: October 21, 2014  
Re: HOME Award

---

In April of 2013, the IFA Board of Directors approved an award of \$11,000 in HOME funds for a project named First Time Homebuyer Assistance Program. Since that time, the HOME regulations concerning the provision of downpayment/closing costs assistance to income-qualified homebuyers have been modified by HUD. These modifications have resulted in increases to the level of assistance that must be provided to program participants, an effect that was not anticipated at the time of the award. IFA and the subrecipient, Northeast Iowa Community Action Corporation (NEICAC), entered into a contract to provide this assistance on March 14, 2014. To date, NEICAC has committed the majority of the original funding to eligible homebuyers and lacks adequate funding to meet the contract commitment of assistance to 10 homebuyers.

New requirements in the HOME regulations that affect the amount of assistance provided became effective January 24, 2014. Homebuyers entering into a contract to purchase a home with HOME downpayment/closing cost assistance after this date must be underwritten to address housing debt, overall household debt, the appropriateness of the amount of assistance, recurring household expenses, assets available to acquire the housing, monthly expenses of the household and financial resources available to the household to sustain homeownership. Prior to these new requirements, this project awarded funding to assist with a maximum of \$1,000 in downpayment assistance for each homebuyer. The Subrecipient is now required to provide a minimum of \$1,000 in downpayment/closing assistance subject to a higher required amount based on the needs of the household.

The Subrecipient has conducted underwriting on the homebuyers they intend to assist under this award. It has been determined that an additional amount of \$30,000 will be needed to provide the increased amount of assistance to the remaining homebuyers. To assist with the increased administrative costs associated with these changes, the Subrecipient has requested an additional \$1,000 in administrative funding. Combined with the original award, the Subrecipient would have \$40,000 available to assist with downpayment/closing cost assistance for 10 homebuyers and would receive \$2,000 in administrative funding.

IFA staff is requesting approval by the Board for a new award of \$31,000 to cover the increased downpayment/closing cost assistance and administrative funds that would be provided. Attached is a letter from NEICAC documenting their request.

If approved, this resolution would replace the first award amount passed by the Board in April of 2013. IFA will modify the written agreement with NEICAC to include the entire amount of funds awarded.

The approval of this new award would not impact any other project that applied for funds. IFA did not deny any project due to lack of funds. Applications were denied due to lack of capacity of the developer or sponsor.

If you have questions, please feel free to contact Jerry Floyd at [jerry.floyd@iowa.gov](mailto:jerry.floyd@iowa.gov) or (515) 725-4907.

Project #	Project Name	Developer/Sub-recipient	Service Area	# of HOME Units/Households	Original Award Amount	New Award Amount
<b>Tenant Based Rental Assistance Sub-recipient Projects</b>						
13-HM-113	First Time Homebuyer Assistance Program	Northeast Iowa Community Action Corporation	Decorah	10	\$ 11,000	\$ 42,000



**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Basic Financial Statements and  
Schedule of Expenditures of Federal Awards

June 30, 2014 and 2013

(With Independent Auditors' Report Thereon)

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

**Table of Contents**

	<b>Page(s)</b>
Independent Auditors' Report	1-3
Management's Discussion and Analysis	4-10
Financial Statements:	
Statements of Net Position	11-12
Statements of Revenues, Expenses, and Changes in Net Position	13-14
Statements of Cash Flows	15-16
Notes to Financial Statements	17-39
<b>Combining Financial Statements</b>	
1. Combining Statement of Net Position	40
2. Combining Statement of Revenues, Expenses, and Changes in Net Position	41
Schedule of Expenditures of Federal Awards	42
Notes to Schedule of Expenditures of Federal Awards	43-44
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	45-46
Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by OMB Circular A-133, <i>Audits of States, Local Governments, and Non-Profit Organizations</i>	47-48
Schedule of Findings and Questioned Costs	49



KPMG LLP  
2500 Ruan Center  
666 Grand Avenue  
Des Moines, IA 50309

## Independent Auditors' Report

The Board of Directors  
Iowa Finance Authority:

### Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the total business-type activities of Iowa Finance Authority (the Authority), a component unit of the State of Iowa, as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the total business-type activities of the Iowa Finance Authority, as of June 30, 2014 and 2013, and the respective changes in financial position, and cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.



### ***Emphasis of Matter***

As discussed in note 1(q) to the financial statements, in 2014, the Authority adopted new accounting guidance related to Government Accounting Standards Board (GASB) No. 65, *Items Previously Reported as Assets and Liabilities*, and GASB No. 69, *Government Combinations and Disposals of Government Operations*. Our opinion is not modified with respect to these matters.

### ***Other Matters***

#### ***Required Supplementary Information***

U.S. generally accepted accounting principles require that management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining financial statements and schedule of expenditures of federal awards, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements on pages 40 and 41 and schedule of expenditures of federal awards on page 42 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.



**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2014 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

/s/ KPMG LLP

Des Moines, Iowa  
October 24, 2014

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)  
Management's Discussion and Analysis  
June 30, 2014 and 2013

Management's discussion and analysis provides an overview of the financial activities of the Iowa Finance Authority (the Authority) for the fiscal years ended June 30, 2014 and 2013. Please read it in conjunction with the Authority's financial statements and accompanying notes.

The Authority is a self-supporting entity and follows enterprise fund accounting. Accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. While the various funds of the Authority are grouped together for management convenience, the combined assets are available only in accordance with the applicable bond resolutions, federal and Iowa laws, and other outstanding agreements.

**Authority General Obligation Rating**

The unsecured general obligation of the Authority is rated AA by Standard & Poor's Rating Services (Standard & Poor's) and Aa3 by Moody's Investors Service (Moody's) as of June 30, 2014 and 2013. These ratings take into account the amount of unrestricted net position maintained by the Authority, as well as certain contingent obligations to which the general obligation of the Authority is pledged. While there is no assurance that these ratings will remain in effect for any period of time, management is committed to maintaining an investment-grade general obligation rating for the Authority.

**Authority Bond Ratings**

In August 2011, Standard and Poor's lowered its long-term credit rating on the United States of America from AAA to AA+ and downgraded all mortgage revenue bonds where the underlying security (the mortgages) is guaranteed by the federal government. This affects the Authority's single-family bonds totaling \$397.0 million on June 30, 2014, which are now rated AA+ by Standard and Poor's.

**Overview of the Financial Statements**

This annual financial report consists of Management's Discussion and Analysis (this section) and the Basic Financial Statements, including notes to the financial statements. The Basic Financial Statements include Authority-wide financial statements and statements for the following two major funds:

- Housing Agency Fund
- State Revolving Fund (SRF)

The statements of net position detail the assets and liabilities of the Authority based on their liquidity, utilizing current, and noncurrent categories. The resulting net position in these statements is displayed as either restricted or unrestricted. Under Governmental Accounting Standards Board (GASB) Statement Nos. 34, 37, and 38, assets are restricted when their use is subject to external restrictions (such as bond resolutions, legal agreements, statutes, etc.), with assets not falling under this category being characterized as unrestricted. Unrestricted net position may include assets that have been committed by the Authority for specific uses.

The statements of revenues, expenses, and changes in net position present operating revenues less operating expenses and the resultant operating income or loss, nonoperating income or loss, and the resultant change in net position.

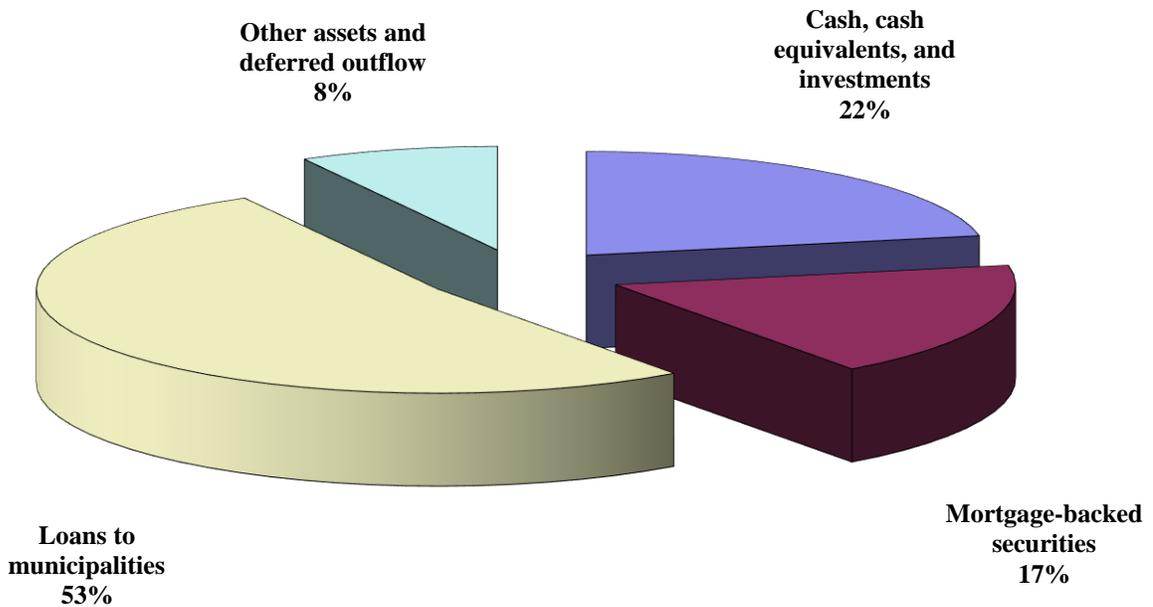
**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)  
Management's Discussion and Analysis  
June 30, 2014 and 2013

The statements of cash flows report the net increase or decrease in cash and cash equivalents. These statements include cash flows from operating activities, cash flows from noncapital financing activities, and cash flows from investing activities.

**Condensed Financial Information**

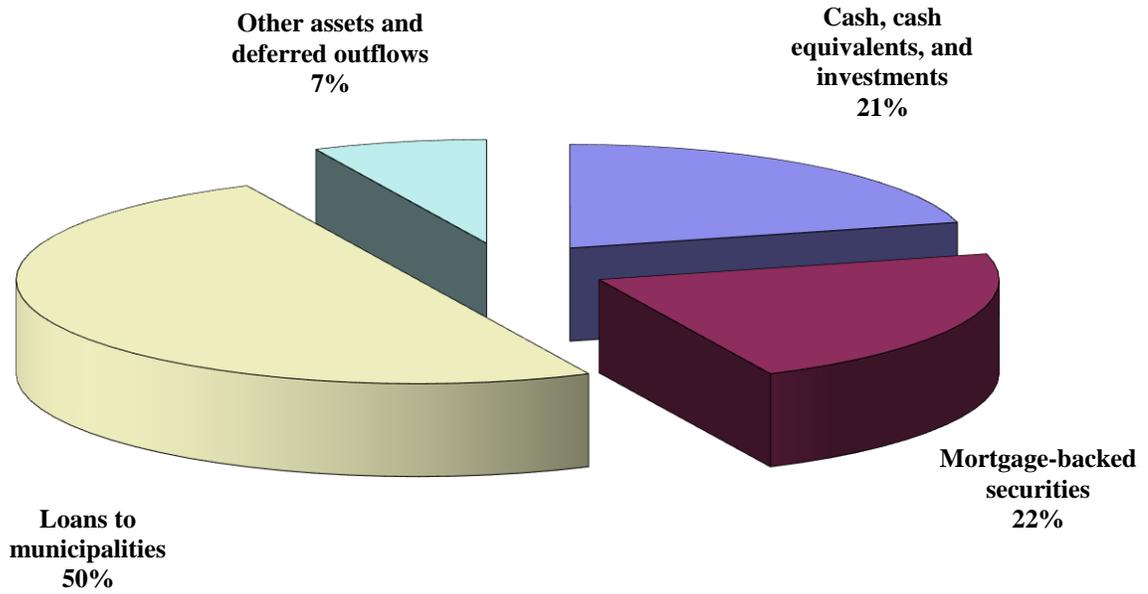
The following charts and tables present condensed financial information for fiscal year 2014 and fiscal year 2013.

**Total Authority Assets and Deferred Outflows as of June 30, 2014**  
**\$2,655 million**



**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)  
Management's Discussion and Analysis  
June 30, 2014 and 2013

**Total Authority Assets and Deferred Outflows as of June 30, 2013**  
**\$2,639 million**



**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)  
Management's Discussion and Analysis  
June 30, 2014 and 2013

**Table 1 – Total Condensed Information of the Authority**

<b>Net Position</b>			
(Dollars in thousands)			
	<u>2014</u>	<u>2013</u>	<u>2012</u>
		(as Restated)	(as Restated)
<b>Assets:</b>			
Cash, cash equivalents, and investments	\$ 594,850	550,450	778,595
Mortgage-backed securities	464,419	570,874	707,926
Loans to municipalities or water systems	1,395,279	1,317,080	1,214,681
Other assets	191,700	181,920	167,422
Total assets	<u>2,646,248</u>	<u>2,620,324</u>	<u>2,868,624</u>
Deferred outflows	<u>8,668</u>	<u>18,495</u>	<u>31,393</u>
Total assets and deferred outflows	<u>2,654,916</u>	<u>2,638,819</u>	<u>2,900,017</u>
<b>Liabilities:</b>			
Bonds payable, net	1,430,358	1,445,304	1,675,816
Other liabilities	94,777	98,580	151,371
Total liabilities	<u>1,525,135</u>	<u>1,543,884</u>	<u>1,827,187</u>
<b>Net position:</b>			
Net investment in capital assets	3,016	3,020	3,053
Restricted net position	1,113,797	1,080,788	1,059,392
Unrestricted net position	12,968	11,127	10,385
Total net position	<u>\$ 1,129,781</u>	<u>1,094,935</u>	<u>1,072,830</u>

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

June 30, 2014 and 2013

**Revenues, Expenses, and Changes in Net Position**

(Dollars in thousands)

	<u>2014</u>	<u>2013</u> (as Restated)	<u>2012</u> (as Restated)
Operating revenues:			
Interest income	\$ 70,935	76,143	88,760
Net decrease in fair value	(1,148)	(28,023)	(4,085)
Fee income	16,872	19,278	17,669
Grant income	64,648	85,429	140,344
Other income	1,714	207	851
Total operating revenues	<u>153,021</u>	<u>153,034</u>	<u>243,539</u>
Operating expenses:			
Interest on bonds	51,865	57,087	67,843
Loss on swap novation	5,875	—	—
General and administrative	25,202	25,335	22,788
Grants and aid	40,861	47,204	77,303
Provision (recoveries) for losses	303	1,303	(64)
Total operating expenses	<u>124,106</u>	<u>130,929</u>	<u>167,870</u>
Change in net assets	<u>28,915</u>	<u>22,105</u>	<u>75,669</u>
Net position at beginning of year, as previously reported	1,094,935	1,068,340	992,398
Adoption of GASB 65	—	4,490	4,763
Agriculture Development Division merger	5,931	—	—
Net position at beginning of year, as restated	<u>1,100,866</u>	<u>1,072,830</u>	<u>997,161</u>
Net position at end of year	<u>\$ 1,129,781</u>	<u>1,094,935</u>	<u>1,072,830</u>

**Financial Analysis – Combined 2014 (in thousands)**

- The Authority's assets and deferred outflows increased 1% or \$16,097 to \$2,654,916 in FY14 compared to \$2,638,819 in FY13. Cash, cash equivalents, and investments increased 8%, or \$44,400. Mortgage-backed securities (MBS) declined 19%, or \$106,455. Loans to municipalities or water systems (SRF loans) grew 6%, or \$78,199.
- The Authority's liabilities declined 1% or \$18,749 to \$1,525,135 in FY14 compared to \$1,543,884 in FY13. Bonds payable declined 1%, or \$14,946.
- The Authority's net position increased 3% or \$34,846 to \$1,129,781 in FY14 compared to \$1,094,935 in FY13. The merger of the Iowa Agriculture Development Authority contributed \$5,931 to net position.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

June 30, 2014 and 2013

The Authority issued two new single-family bond series totaling \$11,525 to purchase mortgage-backed securities and one SRF bond series with a face value of \$115,450, which sold at a premium for total proceeds of \$132,404. The Authority made bond payments of \$158,417.

Series	Date	Amount (In thousands)	Rating
SF 2013 4	07/24/13	\$ 10,000	Aaa by Moody's
SF 2014 B-1	02/14/14	1,525	AA+ by Standard & Poor's; Aaa by Moody's
SRF 2013	07/02/13	115,450	AAA by Standard & Poor's; Aaa by Moody's; AAA by Fitch Ratings
Total		\$ 126,975	

- Interest income declined 7% to \$70,935 due to prepayments in the Authority's MBS portfolio.
- The fair value of investments and MBS declined \$1,148 due to the reduction of the MBS portfolio.
- Fee income declined 12% to \$16,872 primarily due to fewer residential refinancing transactions in Iowa Title Guaranty Division.
- Grant income declined \$20,781 to \$64,648 due to funding reductions in federal and state programs.
- Other income increased by \$1,507 to \$1,714 due primarily to the change in fair value of derivative investments.
- Interest on bonds declined 9% to \$51,865 due to the reduction in outstanding bonds.
- Loss on swap novation – a \$5,875 noncash loss resulting from the novation of nine swap positions from UBS AG, rated A by Standard & Poor's, to Bank of New York Mellon, rated AA- by Standard & Poor's. The transaction resulted in a terminating event under GASB statement No. 53; which required the Authority to recognize the loss in the current year; then recoup the loss over the remaining life of the nine swaps.
- General and administrative expenses declined \$133 to \$25,202.
- Grants and aid expense declined \$6,343 to \$40,861, a direct result of the decreased funding mentioned above.

**Financial Analysis – Combined 2013 (in thousands)**

- The Authority's assets and deferred outflows declined \$261,198 to \$2,638,819 in FY13 compared to \$2,900,017 in FY12. Cash, cash equivalents, and investments declined 29%, or \$228,145. Mortgage-backed securities declined 19%, or \$137,052. Loans to municipalities or water systems grew 8%, or \$102,399.
- The Authority's liabilities declined \$283,303 to \$1,543,884 in FY13 compared to \$1,827,187 in FY12. Bonds payable declined 14%, or \$230,512.
- The Authority's net position increased \$22,105 to \$1,094,935 in FY13 compared to \$1,072,830 in FY12.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

June 30, 2014 and 2013

The Authority issued four new single-family bond series totaling \$85,186 to refund prior bonds and to purchase mortgage-backed securities. The Authority made bond payments of \$315,058.

<u>Series</u>	<u>Date</u>	<u>Amount (In thousands)</u>	<u>Rating</u>
SF 2012 1	12/27/12	\$ 17,756	Aaa by Moody's
SF 2013 1	01/24/13	20,000	Aaa by Moody's
SF 2013 2	06/27/13	15,000	Aaa by Moody's
SF 2013 3	05/30/13	32,430	Aaa by Moody's
Total		<u>\$ 85,186</u>	

- Interest income declined 14% to \$76,143 due to high prepayment rates in the Authority's MBS portfolio.
- The fair value of investments and MBS declined \$28,023 because of the reduction of the MBS portfolio.
- Grant income declined \$54,915 to \$85,429 due to the end of many onetime state and federal programs.
- Interest expense declined 16% to \$57,087.
- General and administrative expenses grew 11%, or \$2,547, to \$25,335 due mainly to volume increases in the Iowa Title Guaranty division.
- Grants and aid expense declined \$30,099 to \$47,204, a direct result of the decreased funding mentioned above.

**Additional Information**

For additional information with respect to the management's discussion and analysis or for information concerning the financial statements, please contact the Authority's Chief Financial Officer at 515-725-4900.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Statement of Net Position

June 30, 2014

(Dollars in thousands)

<b>Assets</b>	<b>Housing Agency Fund</b>	<b>State Revolving Fund</b>	<b>Total</b>
Current assets (substantially restricted):			
Cash and cash equivalents	\$ 166,202	296,561	462,763
Investments in mortgage-backed securities	9,963	—	9,963
Other investments	2,793	62,317	65,110
Loans to municipalities or water systems	—	77,949	77,949
Housing Agency loans, net	8,864	—	8,864
Accrued interest receivable	2,729	3,640	6,369
Other current assets	833	707	1,540
Total current assets	<u>191,384</u>	<u>441,174</u>	<u>632,558</u>
Noncurrent assets (substantially restricted):			
Investments in mortgage-backed securities	454,456	—	454,456
Other investments	18,412	48,565	66,977
Loans to municipalities or water systems	—	1,317,330	1,317,330
Housing Agency loans, net	136,693	—	136,693
Capital assets, net of accumulated depreciation	2,946	70	3,016
Other noncurrent assets	35,218	—	35,218
Total noncurrent assets	<u>647,725</u>	<u>1,365,965</u>	<u>2,013,690</u>
Total assets	<u>839,109</u>	<u>1,807,139</u>	<u>2,646,248</u>
<b>Deferred Outflows of Resources</b>			
Accumulated decrease in fair value of hedging derivatives	5,501	—	5,501
Loss on refunding	—	3,167	3,167
Total deferred outflows of resources	<u>5,501</u>	<u>3,167</u>	<u>8,668</u>
<b>Liabilities</b>			
Current liabilities:			
Bonds payable, net	8,671	42,350	51,021
Accrued interest payable	5,879	16,703	22,582
Escrow deposits	9,687	—	9,687
Accounts payable and other liabilities	15,376	1,181	16,557
Total current liabilities	<u>39,613</u>	<u>60,234</u>	<u>99,847</u>
Noncurrent liabilities:			
Bonds payable, net	438,039	941,298	1,379,337
Reserves for claims	5,532	—	5,532
Other liabilities	40,420	(1)	40,419
Total noncurrent liabilities	<u>483,991</u>	<u>941,297</u>	<u>1,425,288</u>
Total liabilities	<u>523,604</u>	<u>1,001,531</u>	<u>1,525,135</u>
<b>Net Position</b>			
Net investment in capital assets	2,946	70	3,016
Restricted net position:			
Per bond resolutions	222,200	656,500	878,700
Per legislation	77,533	—	77,533
Per other agreements	5,359	152,205	157,564
Total restricted net position	<u>305,092</u>	<u>808,705</u>	<u>1,113,797</u>
Unrestricted net position	12,968	—	12,968
Total net position	<u>\$ 321,006</u>	<u>808,775</u>	<u>1,129,781</u>

See accompanying notes to financial statements.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Statement of Net Position

June 30, 2013

(Dollars in thousands)

<b>Assets</b>	<b>Housing Agency Fund (as Restated)</b>	<b>State Revolving Fund (as Restated)</b>	<b>Total (as Restated)</b>
Current assets (substantially restricted):			
Cash and cash equivalents	\$ 165,042	217,987	383,029
Investments in mortgage-backed securities	11,266	—	11,266
Other investments	6,320	131,041	137,361
Loans to municipalities or water systems	—	68,883	68,883
Housing Agency loans, net	4,241	—	4,241
Accrued interest receivable	3,072	3,509	6,581
Other current assets	2,429	552	2,981
Total current assets	192,370	421,972	614,342
Noncurrent assets (substantially restricted):			
Investments in mortgage-backed securities	559,608	—	559,608
Other investments	14,397	15,663	30,060
Loans to municipalities or water systems	—	1,248,197	1,248,197
Housing Agency loans, net	131,912	—	131,912
Capital assets, net of accumulated depreciation	2,906	114	3,020
Other noncurrent assets	33,184	1	33,185
Total noncurrent assets	742,007	1,263,975	2,005,982
Total assets	934,377	1,685,947	2,620,324
<b>Deferred Outflows of Resources</b>			
Accumulated decrease in fair value of hedging derivatives	14,870	—	14,870
Loss on refunding	—	3,625	3,625
Total deferred outflows of resources	14,870	3,625	18,495
<b>Liabilities</b>			
Current liabilities:			
Bonds payable, net	9,116	30,940	40,056
Accrued interest payable	8,023	15,009	23,032
Escrow deposits	8,978	—	8,978
Accounts payable and other liabilities	15,242	1,078	16,320
Total current liabilities	41,359	47,027	88,386
Noncurrent liabilities:			
Bonds payable, net	547,129	858,119	1,405,248
Reserves for claims	5,120	—	5,120
Other liabilities	45,130	—	45,130
Total noncurrent liabilities	597,379	858,119	1,455,498
Total liabilities	638,738	905,146	1,543,884
<b>Net Position</b>			
Net investment in capital assets	2,906	114	3,020
Restricted net position:			
Per bond resolutions	221,108	644,908	866,016
Per legislation	75,368	—	75,368
Per other agreements	—	139,404	139,404
Total restricted net position	296,476	784,312	1,080,788
Unrestricted net position	11,127	—	11,127
Total net position	\$ 310,509	784,426	1,094,935

See accompanying notes to financial statements.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2014

(Dollars in thousands)

	<b>Housing Agency Fund</b>	<b>State Revolving Fund</b>	<b>Total</b>
Operating revenues:			
Interest income	\$ 33,062	37,873	70,935
Net (decrease) increase in fair value of investments and mortgage-backed securities	(1,505)	357	(1,148)
Fee income	12,956	3,916	16,872
Grant income	32,973	31,675	64,648
Other income	1,714	—	1,714
Total operating revenues	<u>79,200</u>	<u>73,821</u>	<u>153,021</u>
Operating expenses:			
Interest on bonds	17,240	34,625	51,865
Loss on swap novation	5,875	—	5,875
General and administrative	15,992	9,210	25,202
Grants and aid	35,199	5,662	40,861
Provision (recoveries) of losses	328	(25)	303
Total operating expenses	<u>74,634</u>	<u>49,472</u>	<u>124,106</u>
Operating income/change in net position	<u>4,566</u>	<u>24,349</u>	<u>28,915</u>
Net position at June 30, 2013, as previously reported	310,509	784,426	1,094,935
Iowa Agriculture Development Authority merger	5,931	—	5,931
Net position at June 30, 2013, as restated	<u>316,440</u>	<u>784,426</u>	<u>1,100,866</u>
Net position at June 30, 2014	<u>\$ 321,006</u>	<u>808,775</u>	<u>1,129,781</u>

See accompanying notes to financial statements.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2013

(Dollars in thousands)

	<b>Housing Agency Fund</b>	<b>State Revolving Fund</b>	<b>Total</b>
	<u>(as Restated)</u>	<u>(as Restated)</u>	<u>(as Restated)</u>
Operating revenues:			
Interest income	\$ 38,367	37,776	76,143
Net decrease in fair value of investments and mortgage-backed securities	(27,777)	(246)	(28,023)
Fee income	14,981	4,297	19,278
Grant income	47,428	38,001	85,429
Other income	207	—	207
Total operating revenues	<u>73,206</u>	<u>79,828</u>	<u>153,034</u>
Operating expenses:			
Interest on bonds	26,106	30,981	57,087
General and administrative	15,786	9,549	25,335
Grants and aid	42,227	4,977	47,204
Provision for of losses	1,171	132	1,303
Total operating expenses	<u>85,290</u>	<u>45,639</u>	<u>130,929</u>
Operating income (loss)/change in net position	<u>(12,084)</u>	<u>34,189</u>	<u>22,105</u>
Net position at June 30, 2012, as previously reported	326,161	742,179	1,068,340
Adoption of GASB 65	(3,568)	8,058	4,490
Net position at June 30, 2012, as restated	<u>322,593</u>	<u>750,237</u>	<u>1,072,830</u>
Net position at June 30, 2013 as restated	<u>\$ 310,509</u>	<u>784,426</u>	<u>1,094,935</u>

See accompanying notes to financial statements.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Statement of Cash Flows

Year ended June 30, 2014

(Dollars in thousands)

	<b>Housing Agency Fund</b>	<b>State Revolving Fund</b>	<b>Totals</b>
Cash flows from operating activities:			
Cash receipts for fees	\$ 12,649	3,893	16,542
Interest received on loans and mortgage-backed securities	30,393	36,976	67,369
Principal payments on loans and mortgage-backed securities	260,970	86,912	347,882
Purchases of loans and mortgage-backed securities	(166,313)	(157,366)	(323,679)
Grants and other income	32,805	31,534	64,339
Cash payments to employees	(8,980)	(606)	(9,586)
Cash payments to suppliers and grantees	(36,576)	(21,713)	(58,289)
Net cash provided by (used in) operating activities	<u>124,948</u>	<u>(20,370)</u>	<u>104,578</u>
Cash flows from capital and related financing activities			
Proceeds from issuance of bonds	11,525	132,404	143,929
Payment of bonds	(120,390)	(30,940)	(151,330)
Interest paid	(21,259)	(39,349)	(60,608)
Net cash provided by (used in) capital and related financing activities	<u>(130,124)</u>	<u>62,115</u>	<u>(68,009)</u>
Cash flows from investing activities:			
Purchases of investments	(11,684)	(299,380)	(311,064)
Interest received on investments	3,094	721	3,815
Sales/maturities of investments	11,843	335,559	347,402
Reduction (payment) of rebate liability	13	(71)	(58)
Purchase of capital assets	(320)	—	(320)
Net cash provided by investing activities	<u>2,946</u>	<u>36,829</u>	<u>39,775</u>
Increase (decrease) in cash and cash equivalents	(2,230)	78,574	76,344
Cash and cash equivalents, beginning of year as previously reported	165,042	217,987	383,029
Cash provided by Iowa Agriculture Development Authority merger	3,390	—	3,390
Cash and cash equivalents, beginning of year, as restated	<u>168,432</u>	<u>217,987</u>	<u>386,419</u>
Cash and cash equivalents, end of year	<u>\$ 166,202</u>	<u>296,561</u>	<u>462,763</u>
Reconciliation of operating income/change in net position to net cash provided by (used in) operating activities:			
Operating income/change in net position	\$ 4,566	24,349	28,915
Interest income on investments and bank deposits	(3,181)	(721)	(3,902)
Rebate expense	—	(45)	(45)
Interest expense on bonds	17,240	34,625	51,865
Net increase in fair value of investments and mortgage-backed securities	1,505	(357)	1,148
Loss on swap novation	5,875	—	5,875
Allowance for loan losses	2,865	(7,746)	(4,881)
Change in fair value of investment derivatives	(1,326)	—	(1,326)
Depreciation of capital assets	280	44	324
Principal payments on loans and mortgaged backed securities	260,970	86,912	347,882
Purchases of loans and mortgage-backed securities	(166,313)	(157,366)	(323,679)
(Increase) decrease in interest receivable on loans and mortgage-backed securities	466	(130)	336
(Increase) decrease in other assets	(436)	(155)	(591)
Increase (decrease) in accounts payable and other liabilities	1,903	220	2,123
Increase (decrease) in unearned income	534	—	534
Net cash provided by (used in) operating activities	<u>\$ 124,948</u>	<u>(20,370)</u>	<u>104,578</u>

See accompanying notes to financial statements.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Statement of Cash Flows

Year ended June 30, 2013

(Dollars in thousands)

	<b>Housing Agency Fund (as Restated)</b>	<b>State Revolving Fund (as Restated)</b>	<b>Totals (as Restated)</b>
Cash flows from operating activities:			
Cash receipts for fees	\$ 14,792	4,297	19,089
Interest received on loans and mortgage backed securities	33,995	37,483	71,478
Principal payments on loans and mortgage-backed securities	259,231	146,895	406,126
Purchases of loans and mortgage-backed securities	(114,013)	(240,955)	(354,968)
Grants and other income	2,480	38,001	40,481
Cash payments to employees	(8,770)	(675)	(9,445)
Cash payments to suppliers and grantees	(88,336)	(20,756)	(109,092)
Net cash provided by (used in) operating activities	<u>99,379</u>	<u>(35,710)</u>	<u>63,669</u>
Cash flows from capital and related financing activities			
Proceeds from issuance of bonds	85,186	—	85,186
Payment of bonds	(243,632)	(65,640)	(309,272)
Interest paid	(30,588)	(39,944)	(70,532)
Net cash used in capital and related financing activities	<u>(189,034)</u>	<u>(105,584)</u>	<u>(294,618)</u>
Cash flows from investing activities:			
Purchases of investments	(37,761)	(292,192)	(329,953)
Interest received on investments	5,211	771	5,982
Cash paid to settle derivatives	(1,083)	—	(1,083)
Sales/maturities of investments	99,865	299,538	399,403
Payment of rebate owed	(189)	(753)	(942)
Purchase of capital assets	(114)	(114)	(228)
Net cash provided by investing activities	<u>65,929</u>	<u>7,250</u>	<u>73,179</u>
Decrease in cash and cash equivalents	(23,726)	(134,044)	(157,770)
Cash and cash equivalents, beginning of year	<u>188,768</u>	<u>352,031</u>	<u>540,799</u>
Cash and cash equivalents, end of year	<u>\$ 165,042</u>	<u>217,987</u>	<u>383,029</u>
Reconciliation of operating income (loss)/change in net position to net cash provided by (used in) operating activities:			
Operating income (loss)/change in net position	\$ (12,084)	34,189	22,105
Interest income on investments and bank deposits	(5,172)	(771)	(5,943)
Rebate expense	—	38	38
Interest expense on bonds	26,106	30,981	57,087
Net increase in fair value of investments and mortgage-backed securities	27,777	246	28,023
Allowance for loan losses	(38,973)	(8,340)	(47,313)
Depreciation of capital assets	262	—	262
Principal payments on loans and mortgage backed securities	259,231	146,895	406,126
Purchases of loans and mortgage-backed securities	(114,013)	(240,955)	(354,968)
(Increase) decrease in interest receivable on loans and mortgage-backed securities	800	439	1,239
(Increase) decrease in other assets	(596)	1,278	682
Increase (decrease) in accounts payable and other liabilities	1,946	290	2,236
Increase (decrease) in unearned income	(45,905)	—	(45,905)
Net cash provided by (used in) operating activities	<u>\$ 99,379</u>	<u>(35,710)</u>	<u>63,669</u>

See accompanying notes to financial statements.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

**(1) Organization and Summary of Significant Accounting Policies**

**(a) Organization**

The Iowa Finance Authority (the Authority) was created in 1975 under Chapter 16 of the Code of Iowa as a public instrumentality and agency of the State of Iowa (the State) to undertake programs that assist in attainment of adequate housing for low- or moderate-income families, elderly families, and families that include one or more persons with disabilities. The Authority is authorized and has issued bonds for these purposes, the proceeds of which are used to provide affordable mortgage financing. The bonds are payable principally from repayments of such mortgage loans. These obligations do not constitute a debt of the State, and consequently, the State is not liable for any repayments.

To accomplish these purposes further, the Authority is authorized to allocate federal low-income housing tax credits for qualified multifamily housing developments in the State. In addition, federal grants and certain other funds of the Authority are utilized through its various housing assistance programs to provide low-interest loans or grants to assist the homeless and low-income Iowans in obtaining adequate housing.

The Authority has contracted with the United States Department of Housing and Urban Development (HUD) to serve as contract administrator for Section 8 Housing Assistance Payment (HAP) contracts. The Authority disburses subsidy payments monthly to the multifamily projects and monitors the individual units and projects for compliance with HUD regulations.

Chapter 16 of the Code of Iowa authorizes the Small Business Loan Program and the Economic Development Loan Program. The Authority is authorized and has issued revenue bonds under these programs, the proceeds of which have been used to provide limited types of financing for qualified small businesses, manufacturing facilities, group homes for citizens who are mentally or physically handicapped, nonprofit entities, multifamily housing, and economic development. The bonds are payable solely from repayments of the loans, which have been assigned, without recourse, to participating financial institutions or to the trustee on behalf of bondholders. These obligations are limited obligations of the Authority payable solely from certain revenues. Neither the Authority nor the State is obligated to pay debt service on such bonds, except from the specifically pledged revenues. Therefore, the loans and bonds are not recorded in the Authority's financial statements. Prior to July 1, 1996, the Authority issued approximately \$1.0 billion of these conduit debt obligations, for which the aggregate amount outstanding as of June 30, 2014 is not determinable and cannot be reasonably estimated. The Authority issued approximately \$8.8 billion in fiscal years 1997 through 2014, of which approximately \$4.0 billion is outstanding at June 30, 2014.

Chapter 16 of the Code of Iowa authorizes the Iowa Finance Authority Title Guaranty Division (the Division). The purposes of the Division are to supplement the abstract-attorney's title opinion system by providing a low-cost mechanism for guarantees 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. A title guaranty certificate is an obligation of the Division, and claims are payable solely out of the assets and revenues of the Title Guaranty Division Program Account. The title guarantees do not constitute a debt of the State, and consequently, the State is not liable for

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

any repayments. The Division also executes and records mortgage releases for Iowa real estate properties if more than 30 days have elapsed since payment in full was made by the respective mortgagor and certain requirements have been met in accordance with the related laws and administrative rules. The State, and not the Authority or the Division, is liable for any claims arising as the result of releasing a mortgage in error.

Section 16.93 of the Code of Iowa authorizes the Division to issue closing protection letters, which may indemnify a person to whom a proposed title guaranty is to be issued against loss of settlement funds due to certain listed acts of the Division's named participating attorney or participating abstractor.

Chapter 455B of the Code of Iowa authorizes the Authority, jointly and in cooperation with the Iowa Department of Natural Resources (DNR), to undertake the creation, administration, and financing of the Iowa Water Pollution Control Works Financing Program (the Clean Water Program) and the Iowa Drinking Water Facilities Financing Program (the Drinking Water Program). These programs were created to implement provisions of federal legislation authorizing the U.S. Environmental Protection Agency (EPA) to make annual capitalization grants to states. The Authority is authorized and has issued revenue bonds to meet the 20% State match required to receive the grants and to provide additional funds to make loans to finance all or part of the construction of primarily wastewater and drinking water facilities. The bonds are limited obligations of the Authority payable solely from repayments of the loans and other assets and revenues pledged under the applicable bond indentures. The obligations do not constitute a debt of the State or a general obligation of the Authority.

Chapter 16 of the Code of Iowa authorizes the Authority to issue bonds for the purpose of financing the construction or renovation of correctional facilities in the State. The Iowa Department of Corrections administers the State's correctional institutions and authorizes expenditures under the program. The bonds are payable solely from moneys deposited in the Iowa Prison Infrastructure Fund, maintained by the State Treasurer, currently required by State law to be the first \$9.5 million of moneys remitted to the State Treasurer each fiscal year from certain fees and fines collected by the clerks of the district court in criminal cases, investment earnings on moneys in the Iowa Prison Infrastructure Fund, and from other amounts pledged therefore under the bond indenture. These obligations do not constitute a general obligation of the Authority or the State but are a pledge of future revenues of the State. Therefore, the bonds are not recorded in the Authority's financial statements. As of June 30, 2014, these bonds have been paid. As of June 30, 2013, approximately \$16.2 million, of these conduit debt obligations were outstanding.

The Iowa Legislature; during the 2013 legislative session, passed House File 607 and merged the Iowa Agriculture Development Authority (IADD) into the Authority effective July 1, 2013. The Authority received all assets, liabilities, and net position of the IADD. Chapter 16 of the Code of Iowa authorizes the Authority to issue bonds for the purpose of financing the IADD. These obligations do not constitute a general obligation of the Authority or the State but are a pledge of future revenues of the State. Therefore, the bonds are not recorded in the Authority's financial statements. As of June 30, 2014, approximately \$143.7 million of these conduit debt obligations were outstanding.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

The Authority is a component unit of the State. The Authority's financial statements are included in the State's comprehensive annual financial report.

**(b) Basis of Presentation**

The financial statements have been prepared using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

**(c) Fund Accounting**

The Authority's accounts are organized as major funds, each of which is a separate set of self-balancing accounts for the assets, liabilities, net position, revenues, and expenses of the Authority's programs. The Authority presents two major funds: (1) Housing Agency Fund and (2) State Revolving Fund.

The following describes the nature of the major funds currently maintained by the Authority:

**Housing Agency Fund – Consists of**

- a. General Operating Accounts – account for the administrative operations of the Authority. Receipts of various program fees, HUD contract administration fees, transfers to or from various bond accounts in accordance with applicable bond resolutions, and administrative expenses of the Authority.
- b. Single Family Bond Programs – account for the proceeds from single-family mortgage and housing bonds, the debt service requirements of the bonds, the investment of moneys held within the bond accounts, the related loans, and mortgage-backed securities. Single-family mortgage and housing bonds are general obligations of the Authority, but are primarily payable from certain assets and revenues pledged under the bond resolutions.
- c. Multifamily Bond Program – accounts for the proceeds from multifamily mortgage bonds, the debt service requirements of the bonds, the investment of moneys held within the bond accounts, and the related loans. Multifamily bonds are a general obligation of the Authority, but are primarily payable from certain assets and revenues pledged under the bond resolutions.
- d. Federal and State Funds – accounts for federal grants or State appropriations received and moneys transferred from the Division, all specifically restricted or committed for uses in accordance with applicable legislation or grant agreements.
- e. Agriculture Development Division – accounts for the administrative operations of Agriculture Development Division made up of receipts of various program fees and administrative expenses.
- e. Iowa Title Guaranty Division – accounts for the administrative costs of the Division, proceeds from title guaranty fees, and payments for claims made against the title guarantees. Moneys in

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

this account, after providing for adequate reserves and operating expenses, are transferred to the Housing Assistance Programs.

**State Revolving Fund – Consists of**

- a. Clean Water Program Accounts – account for the proceeds of Clean Water Program revenue bonds, the debt service requirements of the bonds, the investment of moneys held within the bond accounts and the equity account, receipt of EPA capitalization grants, the related wastewater treatment facility loans to municipalities, and administrative costs of the program. The bonds are secured by certain loan agreements and other assets and revenues pledged under the applicable bond indentures for the State Revolving Fund.
- b. Drinking Water Program Accounts – account for the proceeds of Drinking Water Program revenue bonds, the debt service requirements of the bonds, the investment of moneys held within the bond accounts and the equity account, receipt of EPA capitalization grants, the related drinking water facility loans to Iowa drinking water systems, and administrative costs of the program. The bonds are secured by certain loan agreements and other assets and revenues pledged under the applicable bond indentures for the State Revolving Fund.

**(d) Cash Equivalents**

For purposes of the statements of cash flows, all highly liquid investments that can be converted to cash within three months or less are considered to be cash equivalents. These investments include the moneys deposited in the State's interest-bearing pooled money funds, investment agreements associated with bond issues, and various money market funds.

**(e) Investments**

Under the various bond resolutions, State statutes, and the Authority's Investment Policy, the Authority may invest in U.S. government and agency, and municipal obligations directly or through repurchase agreements secured by such obligations, certificates of deposit in qualified financial institutions, pooled money funds with the State, and investment agreements with U.S. government agencies, qualified financial institutions, or qualified corporations.

Investments and mortgage-backed securities are recorded at fair value in the statements of net position, with the change in the fair value recorded in the statements of revenues, expenses, and changes in net position. Guaranteed investment contracts are nonparticipating and, therefore, recorded at carrying value.

**(f) Loans to Municipalities or Water Systems**

Loans to municipalities or water systems are recorded at their unpaid principal balance. The loans generally have terms of 20 to 30 years and are intended to be held to maturity. Certain loans are pledged as collateral for particular bonds outstanding. Each municipality or water system has entered into a loan agreement with the Authority, DNR, and the trustee and has evidenced its commitment to repay the loan by issuing a revenue obligation or a general obligation to the Authority, which is held by the trustee as security for the loan.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

**(g) *Housing Loans Made with Federal Funds***

The Authority receives federal funds to make housing loans in connection with various federal programs for the State. These funds must be repaid to the federal government in the event of failure of the project. Loan repayments must remain within the program and be immediately loaned or granted to program recipients based upon the rules of the program. Grant income is recorded when federal funds are received; grant expense is charged at the time these loans are disbursed.

**(h) *Other Loans***

Other loans are recorded at their unpaid principal balance, net of allowance for loan losses. The loans are intended to be held to maturity and are secured by first or second mortgages, other types of collateral, or are unsecured.

**(i) *Provision for Housing Agency Loan Losses***

An evaluation of possible credit losses relating to Housing Agency loans is made and a provision for losses is charged to expense. An allowance for losses of \$2.2 million and \$2.1 million was netted against other loans at June 30, 2014 and 2013, respectively. The accrued interest on loans that become more than three months delinquent is charged to income. Subsequent interest income is not recognized on such loans until collected or until the loans are three months or less in arrears.

**(j) *Capital Assets***

Furniture and equipment that exceed \$2,500 are recorded at cost, and depreciation is provided using the straight-line method over the estimated useful lives of the assets, which range from 3 to 10 years.

Leasehold improvements that exceed \$2,500 are recorded at cost and are amortized using the straight-line method over the lesser of the estimated useful lives of the asset or the term of the lease.

Real estate purchased is recorded at cost. Land is recorded at net tax value at the time of the purchase and is not depreciated; the remaining cost is assigned to the building and depreciation is provided using the straight-line method over 40 years.

**(k) *Bond Issuance Costs***

Bond issuance costs are recognized in the period incurred.

**(l) *Bond Premiums and Discounts***

Bond premiums and discounts are deferred and amortized as an adjustment to interest expense over the life of the related bond issues using the bonds outstanding method. Losses on bond refunding are deferred and amortized as an adjustment to interest expense over the shorter of the remaining life of the refunded bonds or the new bonds using the bonds outstanding method.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

**(m) Reserves for Title Guaranty Division Losses**

The reserve for title guaranty claims includes both case-basis evaluations and formula calculations and represents the estimated net cost of all unpaid losses, including losses incurred but not yet reported to the Division. The Commissioner of Insurance for the State requires the Division's reserve to be 10% of net premiums plus known case reserves established by the Division, less the release of net written premiums consistent with a 5% per year 20-year release schedule, or a minimum of \$1,000,000. In addition, a separate reserve of \$1,000,000 is required by the Commissioner of Insurance as an initial reserve for closing protection letters.

**(n) Rebates Owed**

The amount of investment income the Authority may earn and retain on the proceeds of bonds issued in 1982 and after is limited by federal legislation. Earnings in excess of the allowable amount must be rebated to either the mortgagors or the U.S. Treasury. Such excess earnings are recorded as liabilities.

**(o) Deferred Income**

Compliance monitoring fees received by the Authority at the time a Low Income Housing Tax Credit (LIHTC) project is placed in service are deferred and used to defray the administrative expenses of the Authority for annually monitoring the project's continued compliance with federal regulations. These fees are amortized over the 15-year compliance period.

**(p) Net Position**

Restricted net position represents net position set aside, as required by the various bond resolutions, for the benefit of the respective bond owners. Assets related to such restricted net position include required reserves, loans or mortgage-backed securities, assets held for placement into loans or mortgage-backed securities, investments, and assets held for scheduled debt service. Restricted net position also represents net position specifically restricted for uses in accordance with applicable legislation, including the Title Guaranty Division Program and the Miscellaneous Restricted Funds.

Restricted net position also represents net position restricted for use by other agreements including loans and accounts held under the Clean Water Program Accounts and the Drinking Water Program Accounts, which are restricted pursuant to the Master Trust Agreement and federal laws or regulations.

Unrestricted net position provides additional security for the Authority's general obligations and coverage of the Authority's administrative costs. Unrestricted net position is available to meet commitments listed under "Commitments and Contingencies."

**(q) Restatement of Net Position**

During 2014, the Authority implemented Government Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*. As a result, certain balances from prior year have been reclassified to conform to the current year presentation. Additionally, the Authority restated net position as of July 1, 2012 by \$(3,568,000) for the Housing Agency and

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

\$8,058,000 for the State Revolving Fund. The Authority also adopted GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*. As a result, the July 1, 2013 net position was restated and increased by \$5,931,000 (note 8).

**(r) Operating Revenues and Expenses**

The Authority records all revenues and expenses derived from loans, investments, title guaranty premiums, and federal programs as operating revenues and expenses since these are generated from the Authority's daily operations and are needed to carry out its statutory purposes and to provide debt service coverage on its various bonds. All revenues and expenses not meeting this definition are reported as nonoperating.

**(s) Fee Income**

The Authority receives fee income from program users to cover the cost of the program administration. Fee income is recorded in the period earned. Fees collected in the current period for future services are deferred and amortized over the life of the service period. Major sources of fee income are service acquisition fees in connection with the Authority's single-family programs; Title Guarantee fees; Section 8 Housing Assistance Payments Program administration fees; low-income housing tax credit fees; and State Revolving Fund loan commitment and servicing fees.

**(t) Grant Income**

The Authority receives grant income from various sources to cover the cost of program administration and for further distribution to subgrantees. Major sources of grant income are the Environmental Protection Agency's grants for the Authority's Clean Water Program and Drinking Water Program; the Department of Housing and Urban Development's grants for the Authority's Home Investment Partnerships Program, Housing Opportunities for Persons with Aids, and Emergency Solutions Grant programs; and the Iowa legislature for down-payment assistance to returning active duty military personnel, homeless shelter operating grants, and disaster recovery programs. Grant income is recorded when all eligibility requirements have been met.

**(u) Derivatives**

The Authority uses derivative financial instruments to manage and reduce exposure to adverse fluctuations in interest rates and to lower the overall cost of financing. The Authority's derivatives consist of swap, cap, and corridor agreements entered into in connection with its issuance of variable rate mortgage revenue bonds.

The Authority reports hedging derivative instruments as either deferred inflows or outflows and investing derivative instruments as investments. The change in the fair value of the investing derivative instruments is reported in the statements of revenues, expenses, and changes in net position.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

(v) *Use of Estimates*

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The current economic environment has increased the degree of uncertainty inherent in those estimates and assumptions.

(w) *Income Taxes*

The Authority is recognized as tax-exempt, quasi-governmental organization under IRC Section 115(l). Accordingly, no provision for income taxes has been included in the accompanying financial statements.

(2) **Deposits and Investments**

(a) *Deposits*

At June 30, 2014 and 2013, the Authority had no uninsured or uncollateralized deposits (dollars in thousands):

<b>June 30, 2014</b>				
	<b>Housing Agency Fund</b>	<b>State Revolving Fund</b>	<b>Total</b>	<b>Percentage of total</b>
Type:				
Cash in bank	\$ 6,054	61,918	67,972	17%
Cash in trust accounts	9	—	9	—
Certificates of deposit	1,227	2,224	3,451	1
Money market trust accounts	83,888	234,643	318,531	82
Total	\$ 91,178	298,785	389,963	100%

<b>June 30, 2013</b>				
	<b>Housing Agency Fund</b>	<b>State Revolving Fund</b>	<b>Total</b>	<b>Percentage of total</b>
Type:				
Cash in bank	\$ 7,728	62,170	69,898	22%
Cash in trust accounts	54	—	54	—
Certificates of deposit	1,058	361	1,419	1
Money market trust accounts	93,423	147,362	240,785	77
Total	\$ 102,263	209,893	312,156	100%

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

**(b) Investments**

The investment of funds is restricted by the Authority's board of directors, the Authority's various bond indentures, and the State. Permitted investments include direct obligations of, or obligations guaranteed by, the federal government of the United States of America; obligations issued by certain agencies of the federal government; repurchase agreements fully collateralized and secured by the U.S. Treasury; Government National Mortgage Association (GNMA), Federal National Mortgage Association (FNMA), and Federal Home Loan Mortgage Corporation (FHLMC) mortgage-backed securities; corporate bonds issued or guaranteed by a domestic U.S. corporation meeting certain credit rating standards; State pooled money funds; and guaranteed investment contracts with financial institutions meeting certain credit rating standards.

The following tables display the types of investments, amounts, and the average maturity of the investment (dollars in thousands):

	<b>June 30, 2014</b>				
	<b>Housing Agency Fund</b>	<b>State Revolving Fund</b>	<b>Total</b>	<b>Percentage of total</b>	<b>Average maturity (years)</b>
Type:					
GNMA mortgage-backed securities	\$ 301,081	—	301,081	44%	23.5
FNMA mortgage-backed securities	158,376	—	158,376	24	23.0
FHLMC mortgage-backed securities	4,962	—	4,962	1	23.2
U.S. government agency securities	5,501	83,141	88,642	13	2.9
U.S. Treasury securities	12,430	16,977	29,407	4	3.6
Corporate bonds	—	517	517	—	2.2
Municipal securities	2,047	8,023	10,070	2	2.4
State of Iowa pooled money funds	25,535	—	25,535	4	Less than 1
Guaranteed investment contracts	50,716	—	50,716	8	Less than 1
Total	<u>\$ 560,648</u>	<u>108,658</u>	<u>669,306</u>	<u>100%</u>	

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

	June 30, 2013				
	Housing Agency Fund	State Revolving Fund	Total	Percentage of total	Average maturity (years)
Type:					
GNMA mortgage-backed securities	\$ 354,040	—	354,040	44%	24.4
FNMA mortgage-backed securities	209,052	—	209,052	26	24.0
FHLMC mortgage-backed securities	7,783	—	7,783	1	24.3
U.S. government agency securities	5,193	128,373	133,566	17	2.4
U.S. Treasury securities	11,243	—	11,243	1	3.9
Corporate bonds	—	2,253	2,253	—	1.2
Municipal securities	3,222	15,717	18,939	2	3.0
State of Iowa pooled money funds	20,592	—	20,592	3	Less than 1
Guaranteed investment contracts	43,245	8,455	51,700	6	Less than 1
Total	\$ 654,370	154,798	809,168	100%	

As of June 30, 2014 and 2013, the Authority had derivative investments with the following maturities (dollars in thousands):

Investment type	Fair value	June 30, 2014			
		Investment maturities (in years)			
		Less than 1	1–5	6–10	More than 10
Investment derivative instruments	\$ (120)	—	53	—	(173)
Investment derivative instrument – forward mortgage-backed securities sales	26,950	26,950	—	—	—
Investment type	Fair value	June 30, 2013			
		Investment maturities (in years)			
		Less than 1	1–5	6–10	More than 10
Investment derivative instruments	\$ (101)	—	—	55	(156)
Investment derivative instrument – forward mortgage-backed securities sales	25,600	25,600	—	—	—

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

**(c) Credit Risk**

Credit risk is the risk that an issuer or counterparty will not fulfill their obligation to the Authority. Custodial credit risk is the risk that in the event of a depository institution failure, the Authority's deposits may not be returned.

The Authority minimizes credit risk by limiting securities to those authorized in the investment policy; diversifying the investment portfolio to limit the impact of potential losses from any one type of security or individual issuer; and prequalifying the financial institutions, brokers, dealers, and advisers with which the Authority does business.

**(d) Concentration Risk**

Concentration of risk is the risk of loss that may be attributed to the magnitude of an investment in a single type of security or single issuer. The Authority diversifies its investment portfolios to minimize the impact of potential losses from one type of security or issuer. Portfolio maturities are staggered to avoid undue concentration of assets within a specific maturity period, which provides for stability of income and reasonable liquidity.

**(e) Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates may adversely affect the fair value of the Authority's investments. The Authority minimizes interest rate risk by structuring investment portfolios so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

The tables below address credit risk and concentration risk (dollars in thousands):

Type/Provider	Credit ratings		June 30, 2014			
	Standard & Poor's	Moody's	Housing Agency Fund	State Revolving Fund	Total	Percentage of total
	Money market funds:					
Wells Fargo Bank, N.A.	NR to AAAm-G	NR to Aaa-mf	\$ 64,419	213,935	278,354	72.6%
Goldman Sachs Group, Inc.	AAAm to AAAm-G	Aaa-MF	19,469	20,708	40,177	10.5
Certificate of deposit:						
15 providers	NR to AA+	NR to Aa3	1,227	2,224	3,451	0.9
Guaranteed investment contracts:						
Societe Generale*	A/A-1	A2/P-1	28,006	—	28,006	7.3
TransAmerica Life Ins Co	AA-/A-1+	A1/P-1	5,201	—	5,201	1.4
Credit Agricole	A/A-1+	A2/P-1	7,127	—	7,127	1.9
FSA International, Ltd	AA-	Aa3	1,209	—	1,209	0.3
Bayerische Landesbank	Not rated	A3/P-2	7,457	—	7,457	1.9
Royal Bank of Canada	AA-/A-1+	Aa3/P-1	1,716	—	1,716	0.4
Corporate and municipal bonds:						
28 providers	A-to AAA	Baa2 to Aaa	2,047	8,541	10,588	2.8
Total			\$ 137,878	245,408	383,286	100.0%

\* Investment agreements are collateralized with U.S. government securities

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

Type/Provider	June 30, 2013					
	Credit ratings		Housing Agency Fund	State Revolving Fund	Total	Percentage of total
	Standard & Poor's	Moody's				
Money market funds:						
Wells Fargo Bank, N.A.	NR to AAAm-G	NR to Aaa-mf	\$ 76,642	113,119	189,761	60.3%
Goldman Sachs Group, Inc.	AAAm to AAAm-G	Aaa-MF	16,781	34,243	51,024	16.2
Certificate of deposit:						
7 providers	A-to AA+	A2 to Aa3	1,058	361	1,419	0.4
Guaranteed investment contracts:						
Societe Generale*	A/A-1	A2/P-1	25,873	—	25,873	8.2
TransAmerica Life Ins Co	AA-/A-1+	A1/P-1	7,338	—	7,338	2.3
Credit Agricole	A/A-1	A2/P-1	4,199	—	4,199	1.3
FSA International, Ltd	AA-	Aa3	2,420	—	2,420	0.8
Natixtis Funding Corp*	A+/A-1+	Aa3/P-1	—	8,455	8,455	2.7
Bayerische Landesbank	Not rated	Baa1/P-2	2,707	—	2,707	0.9
Royal Bank of Canada	AA-/A1+	Aa3/P-1	708	—	708	0.2
Corporate and municipal bonds:						
39 providers	A-to AAA	Baa2 to Aaa	3,222	17,970	21,192	6.7
Total			\$ 140,948	174,148	315,096	100.0%

\* Investment agreements are collateralized with U.S. government securities

**(f) Foreign Currency Risk**

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Authority has no positions in foreign currency or any foreign-currency-denominated investments.

**(3) Housing Agency Loans**

Housing Agency loans at June 30, 2014 and 2013 are as follows (dollars in thousands):

	2014		
	Cost	Allowance for losses	Net
Loans secured with first mortgages	\$ 84,546	(620)	83,926
Loans secured with second mortgages, other collateral, or unsecured	5,478	(1,541)	3,937
State program loans	13,774	(1,020)	12,754
Federal program loans	74,366	(29,426)	44,940
Total	\$ 178,164	(32,607)	145,557

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

	<b>2013</b>		
	<b>Cost</b>	<b>Allowance for losses</b>	<b>Net</b>
Loans secured with first mortgages	\$ 81,666	(630)	81,036
Loans secured with second mortgages, other collateral, or unsecured	5,867	(1,469)	4,398
State program loans	9,459	(1,000)	8,459
Federal program loans	63,100	(20,840)	42,260
Total	\$ 160,092	(23,939)	136,153

**(4) Bonds and Notes Payable**

Bonds and notes payable at June 30, 2014 and 2013 are as follows (dollars in thousands):

Description	Original amount	Due dates		Interest rate		Balance	
		From	To	From	To	2014	2013
Housing Agency Bonds and Notes:							
Single Family Mortgage Bonds:							
SF 2004 A – Serial Bonds	\$ 6,120	07/01/05	07/01/14	1.750	4.450	\$ 155	455
SF 2004 A – Term Bonds	3,855		07/01/24		4.900	1,140	1,140
SF 2004 A – Term Bonds	2,585		07/01/34		5.100	—	605
SF 2004 A – Term Bonds	5,170		01/01/35		5.100	725	1,545
SF 2004 B – Term Bonds	15,000		07/01/34	Variable*	0.080	11,425	12,790
SF 2004 C – Serial Bonds	3,395	01/01/06	01/01/14	2.500	4.700	—	180
SF 2004 C – Term Bonds	610		07/01/14		4.700	—	145
SF 2004 C – Term Bonds	7,400		07/01/25		5.125	—	1,425
SF 2004 C – Term Bonds	2,680		01/01/30		5.200	—	535
SF 2004 C – Term Bonds	2,680		07/01/30		5.200	—	510
SF 2004 C – Term Bonds	9,030		07/01/35		5.250	—	1,615
SF 2004 D – Term Bonds	17,000		07/01/34	Variable*	0.070	8,040	9,520
SF 2004 E – Serial Bonds	10,825	01/01/06	01/01/16	1.950	3.950	550	865
SF 2004 F – Term Bonds	2,375		07/01/24		4.550	—	340
SF 2004 F – Term Bonds	6,400		07/01/35		4.800	—	880
SF 2004 G – Term Bonds	20,000		07/01/34	Variable*	0.080	9,830	10,615
SF 2005 A – Serial Bonds	5,885	07/01/07	07/01/16	2.900	4.300	685	685
SF 2005 B – Serial Bonds	2,925	01/01/07	01/01/15	3.200	4.500	55	120
SF 2005 B – Term Bonds	15,350		07/01/25		4.600	1,165	2,635
SF 2005 B – Term Bonds	17,300		07/01/30		5.000	—	1,140
SF 2005 C – Term Bonds	24,000		01/01/36	Variable*	0.070	4,315	8,440
SF 2005 D – Serial Bonds	5,995	01/01/07	01/01/16	3.000	4.250	—	45
SF 2005 D – Term Bonds	2,565		07/01/13		4.000	—	100
SF 2005 D – Term Bonds	8,340		01/01/36		4.450	—	1,160
SF 2005 D – Term Bonds	19,100		01/01/36		5.000	820	2,385
SF 2005 E – Term Bonds	24,000		01/01/36	Variable*	0.080	9,660	10,995
SF 2005 G – Term Bonds	19,800		01/01/36		5.000	—	2,140
SF 2005 H – Term Bonds	24,000		07/01/36	Variable*	0.070	8,185	12,465
SF 2006 A – Serial Bonds	1,385	07/01/14	01/01/15	3.800	3.900	—	110
SF 2006 B – Serial Bonds	10,655	07/01/07	07/01/16	3.400	4.300	—	215
SF 2006 B – Term Bonds	4,535		01/01/26		4.750	—	160

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

Description	Original amount	Due dates		Interest rate		Balance	
		From	To	From	To	2014	2013
SF 2006 B – Term Bonds	14,425		01/01/36		4.900	\$ —	560
SF 2006 B – Term Bonds	17,000		01/01/36		5.000	815	2,770
SF 2006 C – Term Bonds	12,000		01/01/36	Variable*	0.080	10,985	12,000
SF 2006 E – Term Bonds	25,250		07/01/36		5.500	5,970	8,215
SF 2006 F – Term Bonds	12,000		07/01/36	Variable*	0.070	3,210	5,665
SF 2006 G – Serial Bonds	2,720	07/01/07	07/01/16	3.750	4.500	300	410
SF 2006 G – Term Bonds	12,975		01/01/26		4.875	1,125	3,305
SF 2006 G – Term Bonds	14,620		07/01/36		5.000	—	170
SF 2006 G – Term Bonds	8,420		07/01/36		5.750	1,515	2,405
SF 2006 H – Term Bonds	23,000		07/01/36		5.868	4,060	6,425
SF 2006 I – Term Bonds	5,405		07/01/21		4.700	2,010	2,010
SF 2006 I – Term Bonds	7,385		07/01/26		4.800	2,635	2,635
SF 2006 I – Term Bonds	10,085		07/01/31		4.900	3,540	3,540
SF 2006 I – Term Bonds	17,125		07/01/37		4.950	2,765	5,835
SF 2006 J – Term Bonds	40,000		07/01/37		5.745	6,520	10,915
SF 2007 A – Serial Bonds	3,855	01/01/08	07/01/17	3.500	3.950	—	640
SF 2007 B – Term Bonds	4,935		07/01/22		4.600	—	690
SF 2007 B – Term Bonds	5,175		07/01/26		4.700	—	680
SF 2007 B – Term Bonds	10,560		07/01/32		4.750	—	1,310
SF 2007 C – Term Bonds	35,000		07/01/37	Variable*	0.130	14,490	18,350
SF 2007 D – Serial Bonds	1,215	07/01/11	01/01/17	3.950	4.400	—	320
SF 2007 E – Term Bonds	5,000		07/01/37		5.750	1,335	1,865
SF 2007 G – Term Bonds	33,000		01/01/38	Variable*	0.110	12,775	15,875
SF 2007 I – Term Bonds	10,065		07/01/37		5.500	3,225	4,375
SF 2007 J – Term Bonds	30,000		07/01/30		5.770	1,250	8,105
SF 2007 M – Term Bonds	25,450		01/01/39	Variable*	0.110	11,215	13,880
SF 2007 N – Term Bonds	14,550		01/01/39	Variable*	0.070	4,085	5,930
SF 2008 B – Term Bonds	28,070		01/01/39	Variable*	0.080	6,345	12,890
SF 2008 C – Term Bonds	29,465		01/01/39	Variable*	0.130	12,770	16,025
SF 2008 E – Serial Bonds	8,605	07/01/13	07/01/18	3.000	4.350	—	710
SF 2008 E – Term Bonds	7,140		07/01/23		5.000	—	150
SF 2008 E – Term Bonds	7,050		07/01/28		5.250	—	100
SF 2008 F – Term Bonds	17,330		01/01/39	Variable*	0.080	16,705	17,330
SF 2008 G – Term Bonds	22,500		01/01/39	Variable*	0.130	9,110	12,140
SF 2009 A – Serial Bonds	13,510	07/01/10	07/01/20	3.450	4.200	5,665	6,425
SF 2009 A – Term Bonds	5,660		07/01/24		4.800	2,790	3,165
SF 2009 A – Term Bonds	5,970		07/01/28		5.000	—	3,235
SF 2009 A – Term Bonds	8,025		01/01/38		5.000	3,850	4,970
SF 2009 1 – Serial Bonds	7,370	01/01/11	07/01/21	0.700	4.100	3,655	4,120
SF 2009 1 – Term Bonds	4,230		01/01/26		4.550	905	2,475
SF 2009 1 – Term Bonds	4,400		07/01/28		5.000	2,310	2,960
SF 2010 1 – Serial Bonds	10,410	01/01/12	01/01/22	0.750	3.550	6,290	7,110
SF 2010 1 – Term Bonds	4,150		07/01/27		4.000	500	2,285
SF 2010 1 – Term Bonds	6,240		01/01/28		4.375	3,715	4,555
SF 2009 3A – Term Bonds	31,200		07/01/41		3.010	20,750	24,220
SF 2011 1 Serial Bonds	14,315	07/01/12	07/01/23	0.500	4.000	11,055	12,075
SF 2011 1 Term Bonds	3,920		07/01/26		4.375	2,445	3,345
SF 2011 1 Term Bonds	5,765		01/01/29		4.500	4,390	5,035
SF 2011 2 Serial Bonds	9,650	01/01/13	07/01/22	0.700	3.600	8,120	9,105
SF 2011 2 Term Bonds	4,185		07/01/26		4.000	4,010	4,010
SF 2011 2 Term Bonds	1,800		01/01/28		4.150	810	1,685
SF 2011 2 Term Bonds	4,365		07/01/28		4.500	3,700	4,140
SF 2011 3C Term Bonds	30,000		07/01/41		0.610	27,080	29,000
SF 2012 1 Term Bonds	17,756		09/01/40		2.300	14,166	16,754
SF 2013 1 Term Bonds	20,000		02/01/43		2.150	18,818	19,795

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

Description	Original amount	Due dates		Interest rate		Balance	
		From	To	From	To	2014	2013
SF 2013 2 Term Bonds	15,000		07/01/43		2.800	\$ 14,526	15,000
SF 2013 3 Term Bonds	32,430		02/01/42		2.900	29,015	32,430
SF 2013 4 Term Bonds	10,000		08/01/43		2.800	9,668	—
SF 2014 B-1 – Term Bonds	1,525		02/01/44		3.590	1,491	—
Multi Family Housing Bonds:							
MF 1978 A – Term Bonds	22,050		04/01/21		6.000	8,735	9,815
MF 2006 A – Term Bonds	6,475		07/01/41		4.600	5,135	5,355
MF 2007 A – Term Bonds	12,700		08/01/37	Variable*	0.070	11,800	12,075
MF 2007 B – Term Bonds	9,300		08/01/37	Variable*	0.070	8,645	8,845
MF 2008 A – Term Bond	3,750		06/01/24	Variable*	0.080	3,650	3,650
MF FHLB B1 – Term Bonds	11,500		02/01/26	Variable*	1.271	11,121	11,257
G.o. Notes and Credit Facilities:							
Iowa State University note	1,000		12/31/21		—	623	722
Iowa State University note	45		03/15/24		—	31	36
<b>Total Housing Agency</b>	<b>1,161,031</b>					<b>444,969</b>	<b>553,834</b>
State Revolving Fund:							
Revenue Bonds:							
2003 – Serial Bonds	56,100	08/01/03	08/01/24	2.000	5.250	—	2,810
2007 – Serial Bonds	64,160	08/01/08	08/01/24	4.000	5.000	53,265	56,515
2008 – Serial Bonds	148,435	08/01/09	08/01/28	3.500	6.000	129,400	135,485
2009 – Serial Bonds	143,895	08/01/10	08/01/29	2.000	5.000	132,695	137,020
2010 – Serial Bonds	215,725	08/01/11	08/01/25	2.000	5.000	193,810	206,440
2010 – Term Bonds	77,165		08/01/30		5.272	77,165	77,165
2011 – Serial Bonds	220,435	08/01/12	08/01/31	2.000	5.000	217,290	219,130
2013 – Serial Bonds	115,450	02/01/14	08/01/33	1.500	5.000	115,450	—
<b>Total State Revolving Fund</b>	<b>1,041,365</b>					<b>919,075</b>	<b>834,565</b>
<b>Total bonds and notes</b>	<b>\$ 2,202,396</b>					<b>1,364,044</b>	<b>1,388,399</b>
Premium/discount, net						66,314	56,905
<b>Total Authority</b>						<b>\$ 1,430,358</b>	<b>1,445,304</b>

\* Variable rates are as of June 30, 2014

The following tables summarize the bonds and notes payable (net of premium and discount) activity for the Authority for the years ended June 30, 2014 and 2013 (dollars in thousands):

	June 30, 2013	Additions	Reductions	June 30, 2014	Due within one year
Housing Agency	\$ 556,245	11,525	121,060	446,710	8,671
State Revolving Fund	885,434	132,404	37,357	980,481	42,350
<b>Total</b>	<b>\$ 1,441,679</b>	<b>143,929</b>	<b>158,417</b>	<b>1,427,191</b>	<b>51,021</b>

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

	<u>June 30, 2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2013</u>	<u>Due within one year</u>
Housing Agency	\$ 715,217	85,186	244,158	556,245	11,874
State Revolving Fund	<u>956,153</u>	<u>—</u>	<u>70,719</u>	<u>885,434</u>	<u>34,540</u>
Total	<u>\$ 1,671,370</u>	<u>85,186</u>	<u>314,877</u>	<u>1,441,679</u>	<u>46,414</u>

A summary of scheduled bond maturities (excluding premium and discount) and interest payments is as follows (dollars in thousands):

Year ending June 30	Housing Agency			State Revolving Fund			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2015	\$ 8,671	9,217	17,888	42,350	39,267	81,617	51,021	48,484	99,505
2016	9,921	8,976	18,897	47,905	37,417	85,322	57,826	46,393	104,219
2017	10,898	8,705	19,603	49,865	35,461	85,326	60,763	44,166	104,929
2018	11,200	8,414	19,614	50,705	33,560	84,265	61,905	41,974	103,879
2019	11,609	8,098	19,707	52,395	31,513	83,908	64,004	39,611	103,615
2020–2024	61,393	35,474	96,867	273,370	123,380	396,750	334,763	158,854	493,617
2025–2029	67,183	27,947	95,130	254,115	62,710	316,825	321,298	90,657	411,955
2030–2034	73,395	21,670	95,065	148,370	12,369	160,739	221,765	34,039	255,804
2035–2039	93,050	15,538	108,588	—	—	—	93,050	15,538	108,588
2040–2044	97,649	7,556	105,205	—	—	—	97,649	7,556	105,205
Total	<u>\$ 444,969</u>	<u>151,595</u>	<u>596,564</u>	<u>919,075</u>	<u>375,677</u>	<u>1,294,752</u>	<u>1,364,044</u>	<u>527,272</u>	<u>1,891,316</u>

Under the bond resolutions, the Authority has the option to redeem bonds at initial prices ranging from 103% to 100%, and subsequently at prices declining to par. Generally, the redemption option cannot be exercised prior to the time the bonds have been outstanding for 10 years; however, certain special redemptions, as governed by the bond resolutions, are permitted prior to such time. Term bonds are subject to mandatory redemptions, without premium, through sinking fund installments subsequent to the scheduled completion of retirement of the serial bonds of the same issue. The schedule of bond maturities includes the sinking fund installments for the term bonds. Capital accumulator bonds and future income growth bonds are included in the schedule of bond maturities at their respective values at the time of maturity or sinking fund installment. Bond maturities and interest rates are based on those in effect as of June 30, 2014.

The bonds are secured, as described in the applicable bond resolution, by the revenues, moneys, investments, loans, and other assets in the programs and accounts established by the respective bond resolutions.

The Single Family Mortgage Bond Resolutions, the Single Family Housing Bond Resolutions, and the Multifamily Bond Indenture contain covenants that require the Authority to make payments of principal and interest from amounts available in the General Account should deficiencies occur in the accounts established for such payments by the respective bond resolutions. The Draw Down Bond Indenture under the Single Family Bond Program and the bond resolutions for the State Revolving Fund accounts do not contain these covenants.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

***Derivative Instrument Payments and Variable-Rate Debt***

As of June 30, 2014, aggregate debt service requirements of the Authority's variable-rate debt and net receipts/payments on associated derivative instruments are as follows. These amounts assume that current interest rates on variable-rate bonds and the current reference rates of hedging derivative instruments will remain the same for their term. As these rates vary, interest payments on variable-rate bonds and net receipts/payments on hedging derivative instruments will vary. Refer to note 5 for information on derivative instruments (dollars in thousands).

<b>Fiscal year ending June 30</b>	<b>Variable-rate bonds principal</b>	<b>Variable-rate bonds interest</b>	<b>Interest rate swaps, net</b>	<b>Total</b>
2015	\$ 1,565	147	5,891	7,603
2016	2,270	145	4,999	7,414
2017	3,255	142	4,352	7,749
2018	3,360	139	3,805	7,304
2019	3,535	136	3,441	7,112
2020–2024	26,180	619	14,190	40,989
2025–2029	29,110	479	9,559	39,148
2030–2034	44,855	310	6,401	51,566
2035–2039	42,665	87	2,028	44,780
Total	\$ 156,795	2,204	54,666	213,665

**(5) Derivative Instruments**

The Authority uses derivative financial instruments to manage and reduce exposure to adverse fluctuations in interest rates and to lower the overall cost of financing. The Authority's derivatives consist of swap, cap, and corridor agreements entered into in connection with its issuance of variable rate mortgage revenue bonds.

The Authority reports hedging derivative instruments as either deferred inflows or outflows and investing derivative instruments as investments. The change in the fair value of the investing derivative instruments is reported in the statements of revenues, expenses, and changes in net position.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

Swap agreements allow the Authority to raise funds at variable rates and swap them into fixed rates that are lower than those available to the Authority if fixed-rate borrowings were made directly. These contracts involve the exchange of variable-rate for fixed-rate payments between the parties, without the exchange of the underlying debt, based on a common notional amount and maturity date. The following table displays the terms of the Authority's swap hedging derivative instruments outstanding at June 30, 2014 and 2013 (dollars in thousands):

Bond series	2014 Notional amount	2013 Notional amount	Effective date	Termination date	Terms		Counter party rating *
					Pay	Receive	
SF 2004 B	\$ 7,350	11,050	12/02/04	07/01/34	4.028%	Enhanced LIBOR	A2
SF 2004 D	8,040	9,520	02/03/05	07/01/20	4.007	SIFMA + 0.10% or Various LIBOR + Spread	Aa2
SF 2004 G	9,830	10,615	06/01/05	07/01/34	3.867	Enhanced LIBOR	A2
SF 2005 C	4,315	8,825	11/01/05	01/01/36	4.140	SIFMA + 0.10% or Various LIBOR + Spread	Aa2
SF 2005 E	10,995	10,995	01/01/11	01/01/36	3.817	Enhanced LIBOR	A2
SF 2005 H	8,185	13,310	01/01/11	07/01/36	3.843	SIFMA + 0.10% or Various LIBOR + Spread	Aa2
SF 2006 C	12,000	12,000	09/01/06	01/01/36	3.760	Enhanced LIBOR	A2
SF 2006 F	4,165	10,195	11/01/06	07/01/36	4.632	SIFMA + 0.10%	Aa2
SF 2007 C	15,405	18,350	03/08/07	07/01/25	5.289	LIBOR	A2
SF 2007 G	12,775	15,875	07/12/07	01/01/19	5.493	LIBOR	Aa2
SF 2007 M	11,215	13,880	12/12/07	07/01/21	4.373	LIBOR	Aa2
SF 2007 N	4,780	11,060	12/12/07	01/01/39	4.364	SIFMA + 0.06%	Aa2
MF 2008 A	3,650	3,650	04/17/08	06/01/24	3.971	SIFMA + 0.08%	A2
SF 2008 B	6,345	12,890	01/01/11	01/01/39	4.470	SIFMA + 0.06%	A2
SF 2008 C	12,770	16,025	04/16/08	01/01/26	3.880	LIBOR	A2
SF 2008 F	17,330	17,330	10/01/08	01/01/39	4.529	SIFMA + 0.08%	A2
SF 2008G	9,110	12,140	10/01/08	07/01/18	4.173	LIBOR	A2

\*Moody's rating

SIFMA = Securities Industry and Financial Markets Association Swap Index

LIBOR = London Interbank Offer Rate

Interest rate caps derivatives in where the Authority receives payments at the end of each period, based on a notional amount, when the interest rate exceeds the agreed-upon strike rate. A corridor agreement is an interest rate cap with an upper limit, or ceiling, where the cap ceases to pay above the ceiling rate. The following table displays the terms of the Authority's cap and corridor derivative instruments outstanding at June 30, 2014 and 2013 (dollars in thousands):

Bond Series	2014 Notional amount	2013 Notional amount	Effective date	Maturity date	Strike rate	Ceiling rate
SF 2003 G	\$ —	1,325	06/25/2003	07/01/2013	5% 3 mo. LIBOR	10% 3 mo LIBOR
MF 2007 B	9,300	9,300	06/14/2007	01/01/2024	4.5% SIFMA until 07/14/2014 5.0% SIFMA until 07/01/2019 5.5% SIFMA thereafter	N/A
MF 2007 A	12,285	12,285	07/01/2012	07/01/2015	3% SIFMA	N/A
MF B-1	11,257	11,257	07/01/2012	07/01/2015	6% LIBOR	N/A

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

The fair value balances of derivative instruments outstanding at June 30, 2014 and 2013, classified by type, and changes in the fair value of such derivative instruments for the years then ended as reported in the 2014 and 2013 financial statements are as follows (dollars in thousands):

Bond series	Type	Fair value		Change in fair value	
		June 30			
		2014	2013		
Hedging derivatives:					
SF 2004 B	100-035	Swap	\$ 89	(105)	194
SF 2004 D	100-036	Swap	45	(232)	277
SF 2004 G	100-037	Swap	(175)	(375)	200
SF 2005 C	100-038	Swap	(390)	(880)	490
SF 2005 E	100-039	Swap	(339)	(575)	236
SF 2005 H	100-050	Swap	(532)	(1,009)	477
SF 2006 C	100-041	Swap	(863)	(1,017)	154
SF 2006 F	100-042	Swap	(411)	(813)	402
SF 2007 C	100-045	Swap	(2,032)	(2,527)	495
SF 2007 G	100-046	Swap	(1,079)	(1,692)	613
SF 2007 M	100-048	Swap	(835)	(1,198)	363
SF 2007 N	100-048	Swap	(469)	(481)	12
SF 2008 C	100-049	Swap	(759)	(1,072)	313
SF 2008 F	100-050	Swap	(1,047)	(1,226)	179
SF 2008G	100-050	Swap	(500)	(819)	319
SF 2008 B	100-049	Swap	(444)	(529)	85
MF 2007 A	200-007	Cap	—	1	(1)
MF 2007 B	200-007	Cap	132	239	(107)
MF 2008 A	200-009	Swap	(562)	(561)	(1)
MF 2011 B1	200-011	Cap	—	1	(1)
Total hedging derivatives			\$ (10,171)	(14,870)	4,699
Investment derivatives:					
SF 2007 C		Swap	\$ (53)	(81)	28
SF 2007 G		Swap	51	55	(4)
Forward MBS sales			(26,950)	(25,600)	(1,350)
Total investment derivatives			\$ (26,952)	(25,626)	(1,326)

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

The fair values of the interest rate swaps (including the corridor agreements) and forward MBS sales were estimated based on an independent pricing service. The valuations provided were derived from proprietary models based upon well-recognized principles and estimates about relevant future market conditions. The fair values take into consideration the prevailing interest rate environment and the specific terms and conditions of each swap. All fair values were estimated using the zero-coupon discounting method. This method calculates the future payments required by the interest rate swap, assuming that the current forward rates implied by the yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bond due on the date of each future net settlement payment on the interest rate swaps. Fair values of options are based on option pricing models such as the Black-Scholes-Merton model, or any of the short-rate models of interest rate, or other market standard models consistent with accepted practices in the market for interest rate products. The models would consider probabilities, volatilities, time, settlement prices, and other variables pertinent to the transactions.

The fair values of the interest rate cap and the forward contract were estimated based on the present value of their estimated future cash flows.

On August 28, 2013, the Authority entered into an agreement that transferred nine derivative instruments totaling approximately \$90.5 million in notional value from UBS AG, rated A by Standard & Poor (S&P), to Bank of New York Mellon, rated AA- by S&P. The transaction resulted in a terminating event under GASB Statement No. 53, which required the Authority to recognize a net noncash loss of \$5.9 million.

***Risks Associated with Derivative Transactions***

*Credit risk.* The Authority is exposed to credit risk on hedging derivatives instruments that are in asset positions. The aggregate fair value of hedging derivative instruments in asset positions at June 30, 2014 and 2013 was \$266 and \$242, respectively. This represents the maximum loss that would be recognized at the reporting date if all counterparties failed to perform as contracted.

Bank of New York Mellon and Goldman Sachs Bank USA are currently counterparties under the derivatives agreements with the Authority. Bank of New York Mellon and Goldman Sachs Bank USA are currently rated Aa3 by Moody's Investors Service.

With respect to counterparty risk, the Authority will also manage the agreements and all transactions entered into with Bank of New York Mellon and Goldman Sachs Bank USA to ensure that the Authority's exposure to either of its counterparties does not exceed a proper amount.

*Interest rate risk.* The Authority is exposed to interest rate risk on its derivatives. On its pay-fixed, receive-variable derivatives, as the LIBOR or SIFMA swap index decreases, the Authority's net payment on the derivatives increases.

*Basis risk.* Basis risk refers to a mismatch between the interest rate received from the derivative counterparty and the interest rate actually owed on the Authority's bonds. Specifically, the Authority's basis risk is that the variable interest payment received from counterparty will be less than the actual variable interest payments owed on the Authority's variable rate bonds. The mismatch between the Authority's actual bond rate and the derivative rate is the Authority's basis risk. As of June 30, 2014 and

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

2013, the weighted average interest rate of the Authority's hedged variable-rate debt is 4.15% and 4.39%, while the SIFMA swap index rate is 0.04% and 0.06%, respectively. LIBOR is 0.12% and 0.19% at June 30, 2014 and 2013, respectively.

*Termination risk.* Termination risk is the risk that the swap could be terminated as a result of any of several events, which may include a ratings downgrade of the Authority's single-family mortgage bonds or of Bank of New York Mellon or Goldman Sachs Capital Markets, LP, covenant violation by a party, bankruptcy of a party, swap payment default by a party, and default events as defined in the Authority's single-family bond resolution; however, the Authority believes that the likelihood of any such termination event is remote.

*Rollover risk.* Rollover risk is the risk that the term of a particular swap contract is not coterminous with the related bonds. If an issuer entered into a swap to hedge for a specified period of time and then decides at swap maturity that it wishes to maintain the same or similar hedge position, it may incur rehedging costs at that time. The Authority minimizes this risk by matching the term of the swaps with the maturity of the related bonds.

**(6) Retirement System**

The Authority participates in the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer defined-benefit pension plan administered by the State. IPERS provides retirement and death benefits, which are established by State statute, to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117. Details of the plan are provided on a systemwide basis. The Authority's portion is not separately determinable. The unfunded actuarial accrued liability of the plan at June 30, 2013 (latest information available) was \$5.8 billion.

Plan members are required to contribute 5.78% of their annual covered salary, and the Authority is required to contribute 8.67% of annual covered salaries. Contribution requirements are established by State statute. The Authority's contributions to IPERS for the years ended June 30, 2014 and 2013 were \$631,040 and \$600,357, respectively, equal to the required contribution for each year.

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. This Statement will require the Authority to recognize a liability for the Authority's proportionate share of the net pension liability of IPERS. This Statement is effective for the Authority for the year ended June 30, 2015 and could result in an adjustment to net position.

**(7) Commitments and Contingencies**

**(a) Housing Agency Commitments**

The Authority has assumed certain guarantees of the former Iowa Housing Corporation (IHC) in conjunction with the assets received from the IHC on July 1, 2003. The maximum amount of these guarantees as of June 30, 2014 was \$1.3 million for which a \$0.5 million reserve for claims liability is recorded.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

The Authority has committed to purchase \$50.9 million in mortgage-backed securities under its FirstHome program as of June 30, 2014.

The Authority has committed to loan agreements under various housing assistance programs for which \$2.8 million has not been disbursed as of June 30, 2014.

The Authority has made commitments to grant funds for various purposes. The Authority does not record the expense or the liability for these grants until the grantee has fulfilled all contractual requirements and the funds have actually been disbursed. A summary of those outstanding commitments as of June 30, 2014 and 2013 is as follows (dollars in thousands):

Description	June 30	
	2014	2013
Project-based housing grants	\$ 348	266
Local housing trust fund grants	8,646	7,029
Shelter assistance grants	624	620
IJOBS – affordable housing assistance	—	57
IJOBS – water quality financial assistance	6,304	10,349
IJOBS – local disaster prevention competitive	—	9,018
IJOBS – targeted disaster relief	135	730
Total outstanding commitments	\$ 16,057	28,069

**(b) State Revolving Fund Commitments**

The Authority has signed loan agreements under the State Revolving Fund for which \$121.1 million have not been disbursed as of June 30, 2014.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Financial Statements

June 30, 2014 and 2013

**(8) Merger of Operations**

The Iowa Legislature, during the 2013 legislative session, passed House File 607 and merged the IADD into the Authority effective July 1, 2013. The Authority received all assets, liabilities, and net position of the IADD (dollars in thousands):

	<u>June 30, 2013</u>
Merged assets:	
Cash and cash equivalents	\$ 3,390
Investments	612
Loans	2,007
Accrued interest receivable	36
Other assets	<u>3</u>
Total assets	6,048
Merged liabilities:	
Accounts payable and other liabilities	<u>117</u>
Net position of merged IADD	\$ <u><u>5,931</u></u>

As a result of this merger, net position of the Authority as of July 1, 2013 was restated and increased by \$5,931,000.

**(9) Subsequent Events**

The Authority has reviewed subsequent events through October 24, 2014 and concluded there were no events or transactions during the period that would require recognition or disclosure in the financial statements other than those already reflected.

**IOWA FINANCE AUTHORITY**  
Combining Statement of Net Position  
June 30, 2014  
(Dollars in thousands)

Assets	Housing Agency							State Revolving Funds			Combined	
	General Operating Account	Single Family 1991 MRB Indenture	Single Family 2009 MRB Indenture	Multi Family Indenture	Federal and State Programs	Agriculture Development Division	Title Guaranty Division	Total Housing Agency	Clean Water Programs	Drinking Water Programs	Total SRF	Total IFA
Current assets (substantially restricted):												
Cash and cash equivalents	\$ 5,564	79,037	8,588	35,902	21,894	4,012	11,205	166,202	211,532	85,029	296,561	462,763
Investments in mortgage-backed securities	361	5,730	3,872	—	—	—	—	9,963	—	—	—	9,963
Other investments	867	—	—	1,222	704	—	—	2,793	34,983	27,334	62,317	65,110
Loans to municipalities or water systems	—	—	—	—	—	—	—	—	49,751	28,198	77,949	77,949
Housing Agency loans, net	52	296	—	5,215	3,107	194	—	8,864	—	—	—	8,864
Accrued interest receivable	48	1,126	594	881	41	39	—	2,729	2,516	1,124	3,640	6,369
Other current assets	942	178	—	28	(229)	(28)	(58)	833	223	484	707	1,540
<b>Total current assets</b>	<b>7,834</b>	<b>86,367</b>	<b>13,054</b>	<b>43,248</b>	<b>25,517</b>	<b>4,217</b>	<b>11,147</b>	<b>191,384</b>	<b>299,005</b>	<b>142,169</b>	<b>441,174</b>	<b>632,558</b>
Noncurrent assets (substantially restricted):												
Investments in mortgage-backed securities	6,491	259,681	188,284	—	—	—	—	454,456	—	—	—	454,456
Other investments	1,624	7,005	—	9,203	376	204	—	18,412	24,120	24,445	48,565	66,977
Loans to municipalities or water systems	—	—	—	—	—	—	—	—	961,607	355,723	1,317,330	1,317,330
Housing Agency loans, net	1,040	4,138	—	65,996	63,972	1,547	—	136,693	—	—	—	136,693
Capital assets, net of accumulated depreciation	2,946	—	—	—	—	—	—	2,946	48	22	70	3,016
Other long term assets	—	31,762	3,457	(1)	—	—	—	35,218	—	—	—	35,218
<b>Total noncurrent assets</b>	<b>12,101</b>	<b>302,586</b>	<b>191,741</b>	<b>75,198</b>	<b>64,348</b>	<b>1,751</b>	<b>—</b>	<b>647,725</b>	<b>985,775</b>	<b>380,190</b>	<b>1,365,965</b>	<b>2,013,690</b>
<b>Total assets</b>	<b>19,935</b>	<b>388,953</b>	<b>204,795</b>	<b>118,446</b>	<b>89,865</b>	<b>5,968</b>	<b>11,147</b>	<b>839,109</b>	<b>1,284,780</b>	<b>522,359</b>	<b>1,807,139</b>	<b>2,646,248</b>
<b>Deferred Outflows of Resources</b>												
Accumulated decrease in fair value of hedging derivatives	—	5,070	—	431	—	—	—	5,501	—	—	—	5,501
Loss on refunding	—	—	—	—	—	—	—	—	474	2,693	3,167	3,167
<b>Total deferred outflows</b>	<b>—</b>	<b>5,070</b>	<b>—</b>	<b>431</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>5,501</b>	<b>474</b>	<b>2,693</b>	<b>3,167</b>	<b>8,668</b>
<b>Liabilities</b>												
Current liabilities:												
Bonds payable, net	—	3,645	3,405	1,517	104	—	—	8,671	28,985	13,365	42,350	51,021
Accrued interest payable	—	3,708	1,777	394	—	—	—	5,879	12,114	4,589	16,703	22,582
Escrow deposits	—	—	—	5,486	—	—	4,201	9,687	—	—	—	9,687
Accounts payable and other liabilities	2,192	648	71	113	11,783	3	566	15,376	500	681	1,181	16,557
<b>Total current liabilities</b>	<b>2,192</b>	<b>8,001</b>	<b>5,253</b>	<b>7,510</b>	<b>11,887</b>	<b>3</b>	<b>4,767</b>	<b>39,613</b>	<b>41,599</b>	<b>18,635</b>	<b>60,234</b>	<b>99,847</b>
Noncurrent liabilities:												
Bonds payable, net	—	206,748	183,172	47,569	550	—	—	438,039	689,599	251,699	941,298	1,379,337
Reserves for claims	—	—	—	—	463	—	5,069	5,532	—	—	—	5,532
Other liabilities	2,435	36,811	—	431	743	—	—	40,420	—	(1)	(1)	40,419
<b>Total noncurrent liabilities</b>	<b>2,435</b>	<b>243,559</b>	<b>183,172</b>	<b>48,000</b>	<b>1,756</b>	<b>—</b>	<b>5,069</b>	<b>483,991</b>	<b>689,599</b>	<b>251,698</b>	<b>941,297</b>	<b>1,425,288</b>
<b>Total liabilities</b>	<b>4,627</b>	<b>251,560</b>	<b>188,425</b>	<b>55,510</b>	<b>13,643</b>	<b>3</b>	<b>9,836</b>	<b>523,604</b>	<b>731,198</b>	<b>270,333</b>	<b>1,001,531</b>	<b>1,525,135</b>
<b>Net Position</b>												
Net investment in capital assets	2,946	—	—	—	—	—	—	2,946	48	22	70	3,016
Restricted net position:												
Per bond resolutions	—	142,463	16,370	63,367	—	—	—	222,200	434,245	222,255	656,500	878,700
Per legislation	—	—	—	—	76,222	—	1,311	77,533	—	—	—	77,533
Per other agreements	—	—	—	—	—	5,359	—	5,359	119,763	32,442	152,205	157,564
<b>Total restricted net position</b>	<b>—</b>	<b>142,463</b>	<b>16,370</b>	<b>63,367</b>	<b>76,222</b>	<b>5,359</b>	<b>1,311</b>	<b>305,092</b>	<b>554,008</b>	<b>254,697</b>	<b>808,705</b>	<b>1,113,797</b>
Unrestricted net position	12,362	—	—	—	—	606	—	12,968	—	—	—	12,968
<b>Total net position</b>	<b>\$ 15,308</b>	<b>142,463</b>	<b>16,370</b>	<b>63,367</b>	<b>76,222</b>	<b>5,965</b>	<b>1,311</b>	<b>321,006</b>	<b>554,056</b>	<b>254,719</b>	<b>808,775</b>	<b>1,129,781</b>

See accompanying independent auditors' report.

**IOWA FINANCE AUTHORITY**  
Combining Statement of Revenues, Expenses, and Changes in Net Position  
Year ended June 30, 2014  
(Dollars in thousands)

	Housing Agency								State Revolving Funds			Combined	
	General Operating Account	Single Family 1991 MRB Indenture	Single Family 2009 MRB Indenture	Multi Family Indenture	Federal and State Programs	Agriculture Development Division	Title Guaranty Division	Eliminations	Total Housing Agency	Clean Water Programs	Drinking Water Programs	Total SRF	Totals IFA
Operating revenues:													
Interest income	\$ 644	18,518	7,515	5,827	450	108	—	—	33,062	26,948	10,925	37,873	70,935
Net (decrease) increase in fair value of investments and mortgage-backed securities	(224)	(1,981)	1,079	(381)	2	—	—	—	(1,505)	167	190	357	(1,148)
Fee income	5,157	1,525	—	—	3	273	6,457	(459)	12,956	2,772	1,144	3,916	16,872
Grant income	5,181	300	—	1,000	28,961	—	—	(2,469)	32,973	18,069	13,606	31,675	64,648
Other income	171	1,372	—	—	—	45	126	—	1,714	—	—	—	1,714
Total operating revenues	10,929	19,734	8,594	6,446	29,416	426	6,583	(2,928)	79,200	47,956	25,865	73,821	153,021
Operating expenses:													
Interest on bonds	—	9,824	5,569	1,847	—	—	—	—	17,240	25,187	9,438	34,625	51,865
Loss on swap novation	—	5,875	—	—	—	—	—	—	5,875	—	—	—	5,875
Authority fees	—	—	—	459	—	—	—	(459)	—	—	—	—	—
General and administrative	8,880	271	70	47	1,386	392	4,946	—	15,992	3,953	5,257	9,210	25,202
Grants and aid	4,677	5,371	451	—	26,000	—	1,169	(2,469)	35,199	3,402	2,260	5,662	40,861
Provision (recoveries) of losses	—	(1)	—	(5)	69	—	265	—	328	—	(25)	(25)	303
Total operating expenses	13,557	21,340	6,090	2,348	27,455	392	6,380	(2,928)	74,634	32,542	16,930	49,472	124,106
Interfund transfers	—	(283)	283	—	—	—	—	—	—	—	—	—	—
Operating income (loss)/change in net assets	(2,628)	(1,889)	2,787	4,098	1,961	34	203	—	4,566	15,414	8,935	24,349	28,915
Net position at June 30, 2013, as restated	17,936	144,352	13,583	59,269	74,261	5,931	1,108	—	316,440	538,642	245,784	784,426	1,100,866
Net position at June 30, 2014	\$ 15,308	142,463	16,370	63,367	76,222	5,965	1,311	—	321,006	554,056	254,719	808,775	1,129,781

See accompanying independent auditors' report.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2014  
(Dollars in thousands)

<u>Grantor/program title</u>	<u>CFDA number</u>	<u>Federal expenditures</u>
United States Department of Housing and Urban Development		
Direct programs:		
Section 8 Housing Assistance Payments Program	14.195	\$ 55,360
Emergency Solutions Grants Program	14.231	2,018
Home Investment Partnerships Program (HOME)	14.239	9,876
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	<u>323</u>
Total United States Department of Housing and Urban Development direct programs		<u>67,577</u>
United States Department of the Treasury Direct programs:		
National Foreclosure Mitigation Counseling Program	21.000	<u>583</u>
Total federal awards expenditures for year ended June 30, 2014		<u>68,160</u>
United States Department of Housing and Urban Development		
Home Investment Partnerships Program (HOME) loans (less current year expenditures)	14.239	115,507
ARRA – Tax Credit Assistance Program loans	14.258	<u>18,978</u>
		<u>\$ 202,645</u>

See accompanying notes to schedule of expenditures of federal awards.

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

**(1) Basis of Presentation**

The purpose of the schedule of expenditures of federal awards (the Schedule) is to present a summary of those activities of the Iowa Finance Authority (the Authority) for the year ended June 30, 2014, which have been financed by the U.S. Government (federal awards). For purposes of the Schedule, federal awards include all awards entered into directly between the Authority and the federal government and subawards from nonfederal organizations made under federally sponsored agreements. Because the Schedule presents only a selected portion of the activities of the Authority, it is not intended to, and does not, present the financial position, revenues, expenses, and changes in net position of the Authority.

Deductions or expenditures for direct costs are recognized as incurred, using the accrual method of accounting and the cost accounting principles contained in the U.S. Office of Management and Budget Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments. Under those cost principles, certain types of expenditures are not allowable or are limited as to reimbursement.

**(2) Subrecipients**

Of the federal expenditure presented in the Schedule, the Authority provided federal awards to subrecipients as follows (dollars in thousands):

<u>Program title</u>	<u>CFDA number</u>	<u>Amount provided to subrecipients</u>
Section 8 Housing Assistance Payments Program	14.195	\$ 55,360
Emergency Shelter Grants Program	14.231	1,948
HOME	14.239	8,905
HOPWA	14.241	313
National Foreclosure Mitigation Counseling Program	21.000	552
Total		<u>\$ 67,078</u>

**(3) Outstanding Loan Principal Balances**

The following is the outstanding principal balance of the Tax Credit Assistance Program at June 30, 2014 (dollars in thousands):

Tax Credit Assistance Program	\$ 18,978
-------------------------------	-----------

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)  
Notes to Schedule of Expenditures of Federal Awards  
Year ended June 30, 2014

The following is the outstanding principal balance of the HOME Program at June 30, 2014 (dollars in thousands):

HOME	\$	121,191
------	----	---------



KPMG LLP  
2500 Ruan Center  
666 Grand Avenue  
Des Moines, IA 50309

**Independent Auditors' Report on Internal Control over Financial Reporting and  
on Compliance and Other Matters Based on an Audit of Financial Statements Performed  
in Accordance with *Government Auditing Standards***

The Board of Directors  
Iowa Finance Authority:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of each major fund and the total business-type activities of the Iowa Finance Authority (the Authority), a component of the State of Iowa, as of June 30, 2014, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated October 24, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

/s/ KPMG LLP

Des Moines, Iowa  
October 24, 2014



KPMG LLP  
2500 Ruan Center  
666 Grand Avenue  
Des Moines, IA 50309

**Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations***

The Board of Directors  
Iowa Finance Authority:

**Report on Compliance for Each Major Federal Program**

We have audited Iowa Finance Authority's (the Authority) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2014. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

***Opinion on Each Major Federal Program***

In our opinion, Iowa Finance Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.



## **Report on Internal Control Over Compliance**

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

/s/ KPMG LLP

Des Moines, Iowa  
October 24, 2014

**IOWA FINANCE AUTHORITY**  
(A Component Unit of the State of Iowa)  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2014

**(1) Summary of Auditors' Results**

- (a) The type of report issued on the financial statements: *Unmodified opinion on the Housing Agency and State Revolving Funds and the total business-type activities.*
- (b) Significant deficiencies in internal control over financial reporting were not reported.
- (c) No material weaknesses in internal control over financial reporting were reported.
- (d) Noncompliance, which is material to the financial statements: *None*
- (e) No significant deficiencies in internal control over major programs were reported.
- (f) No material weaknesses in internal control over major programs were reported.
- (g) The type of report issued on compliance for major programs: *Unmodified*
- (h) Audit finding that is required to be reported under Section 510(a) of OMB Circular A-133: *Yes*
- (i) Major programs:

	<b>CFDA #</b>
Home Investment Partnerships Program (HOME)	14.239
ARRA – Tax Credit Assistance Program	14.258

- (j) Dollar threshold used to distinguish between Type A and Type B programs: *\$3,000,000*
- (k) Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: *No*

**(2) Findings Related to the Financial Statements Reported in Accordance with Government Auditing Standards**

**None**

**(3) Findings and Questioned Costs Relating to Federal Awards**

**None**

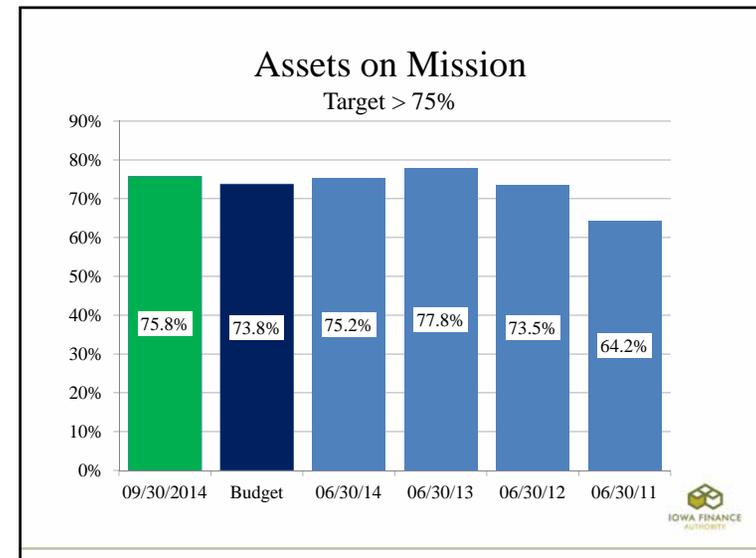
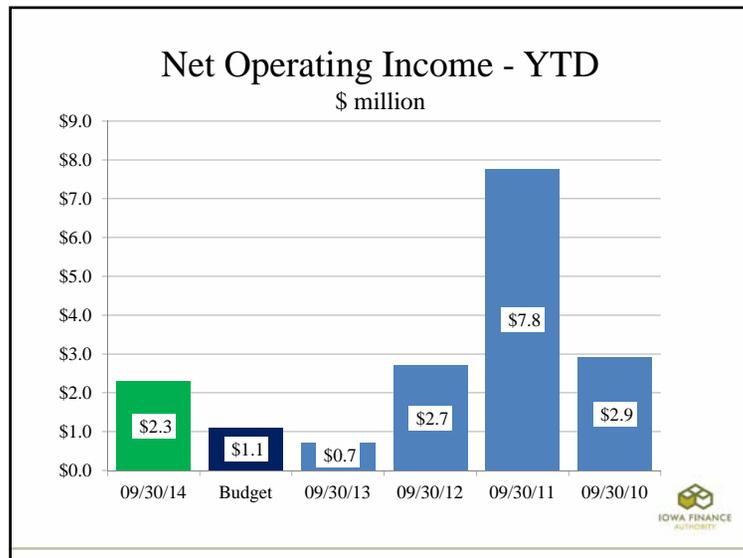
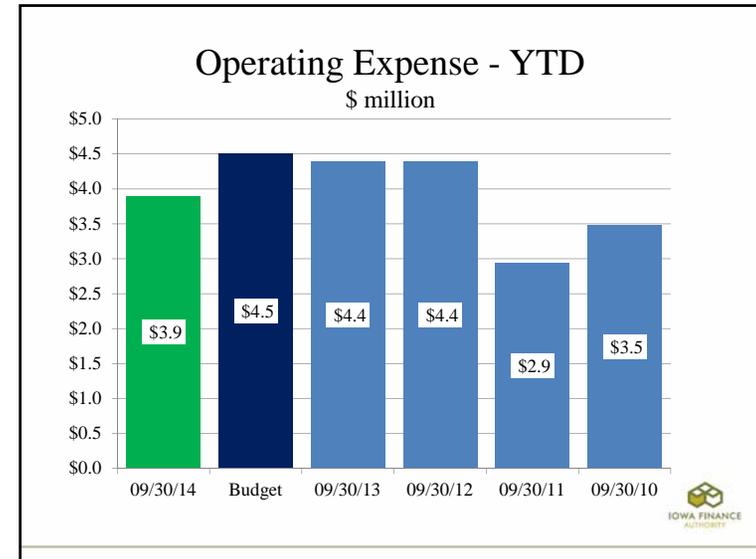
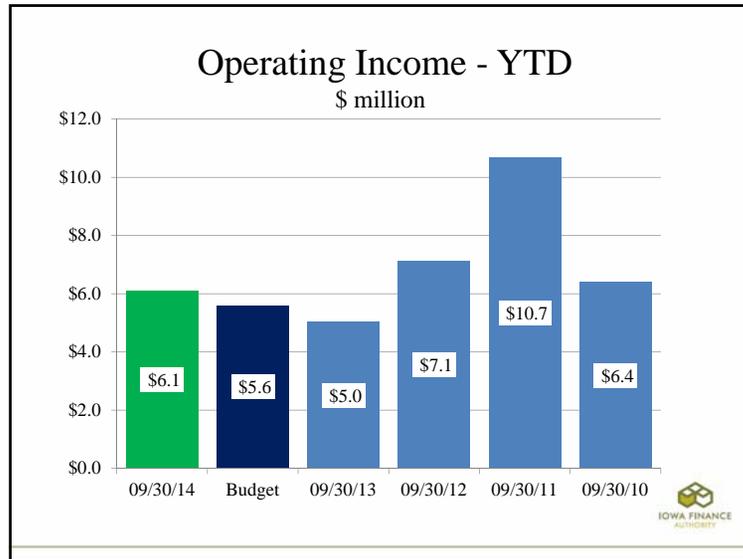


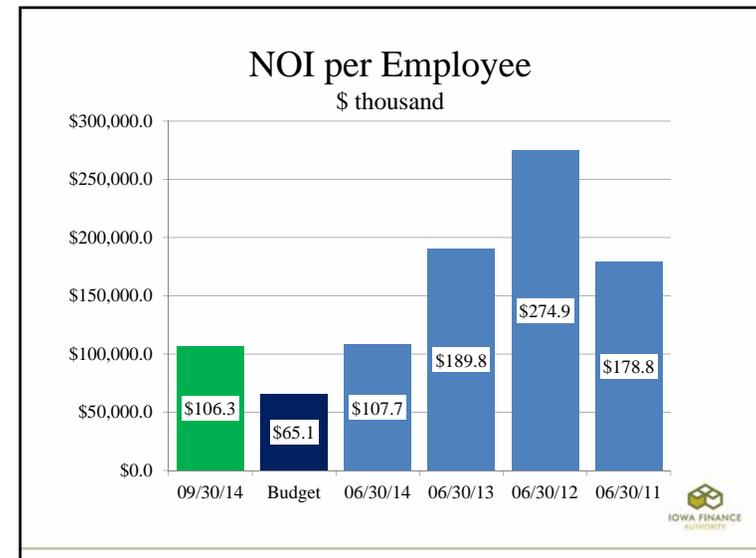
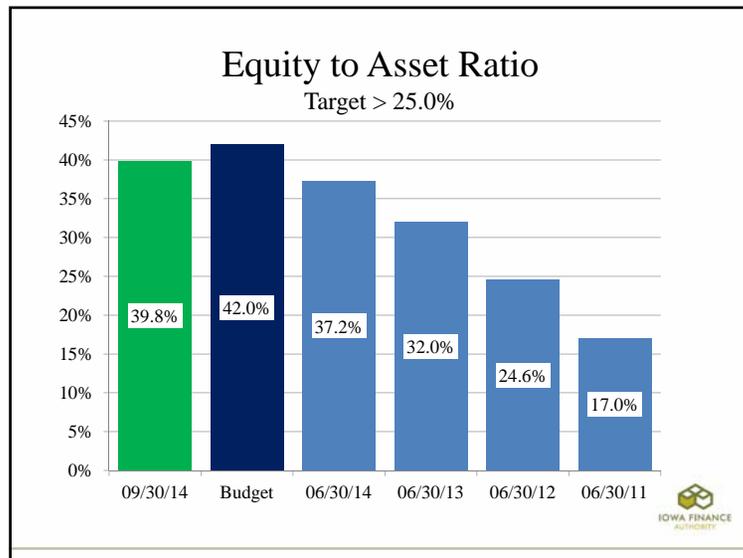
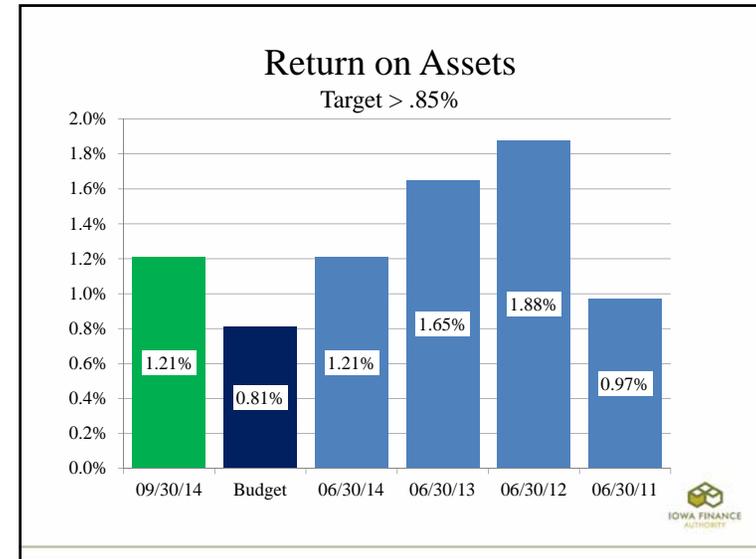
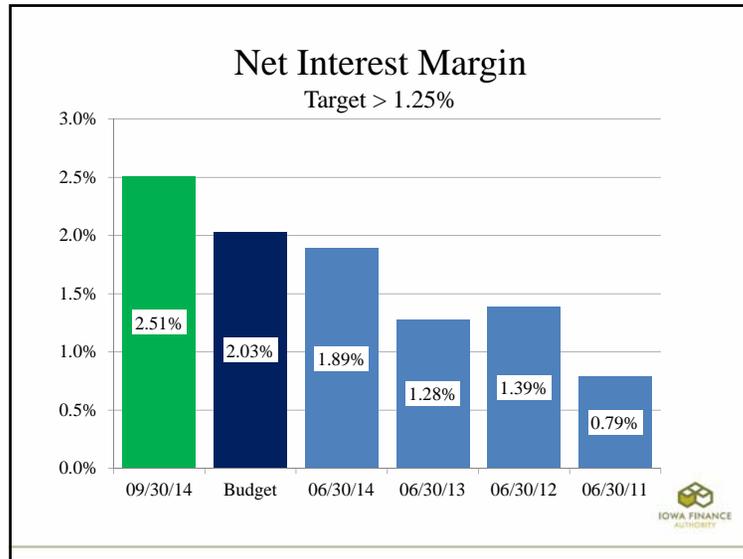
IOWA FINANCE  
AUTHORITY

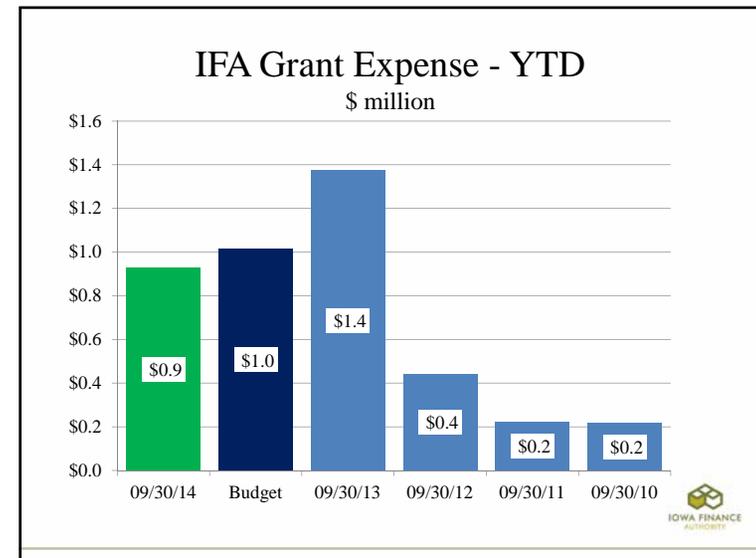
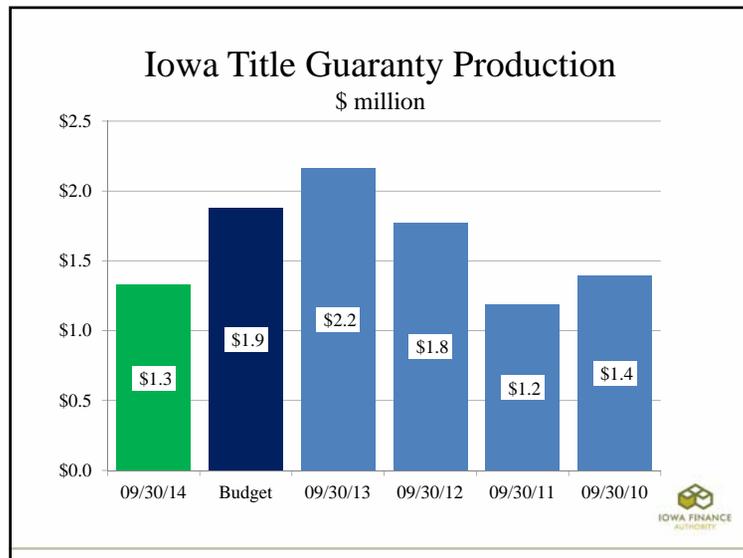
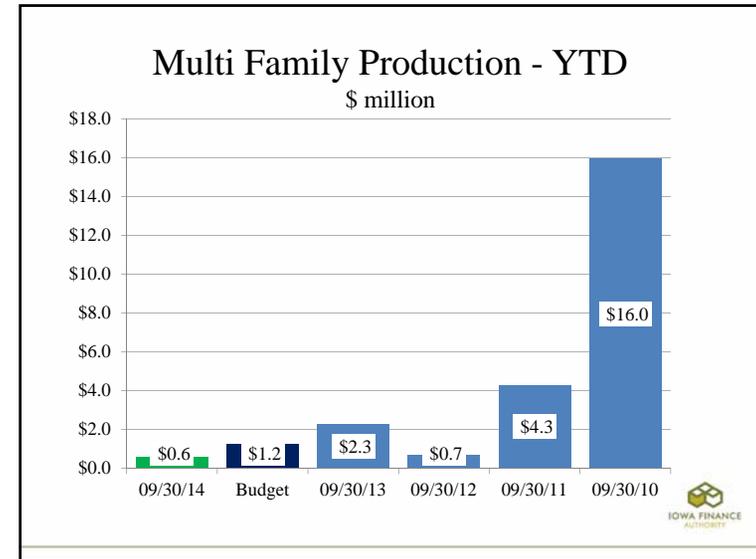
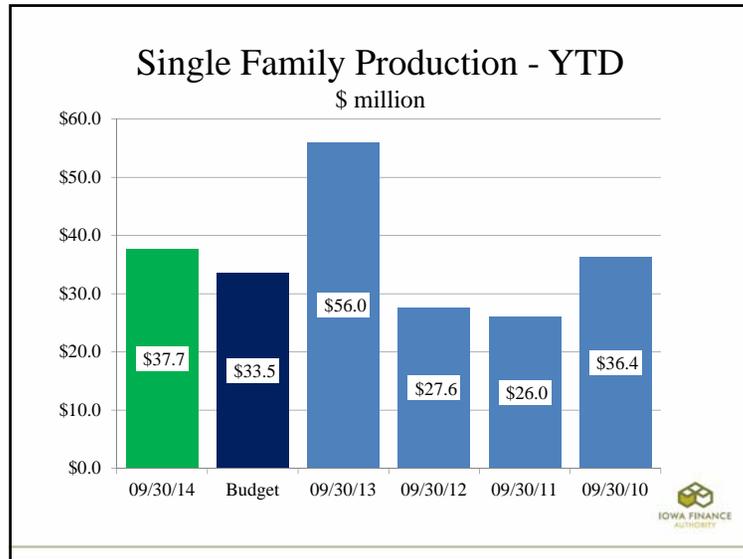
# Financial Dashboards

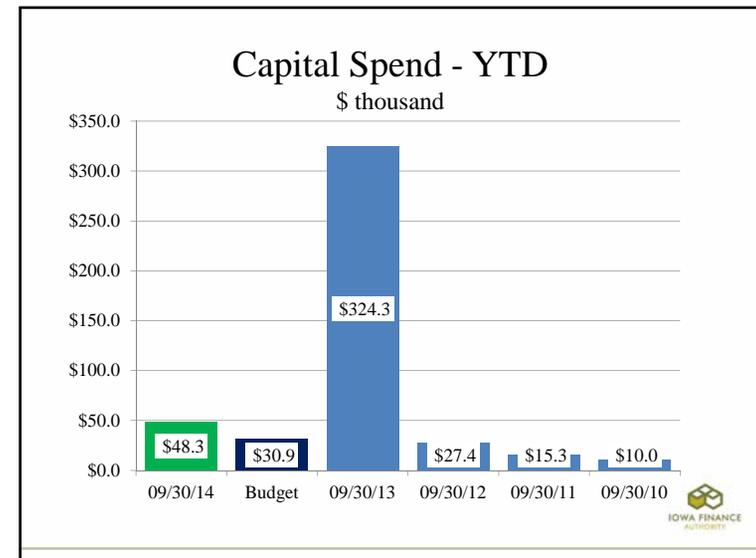
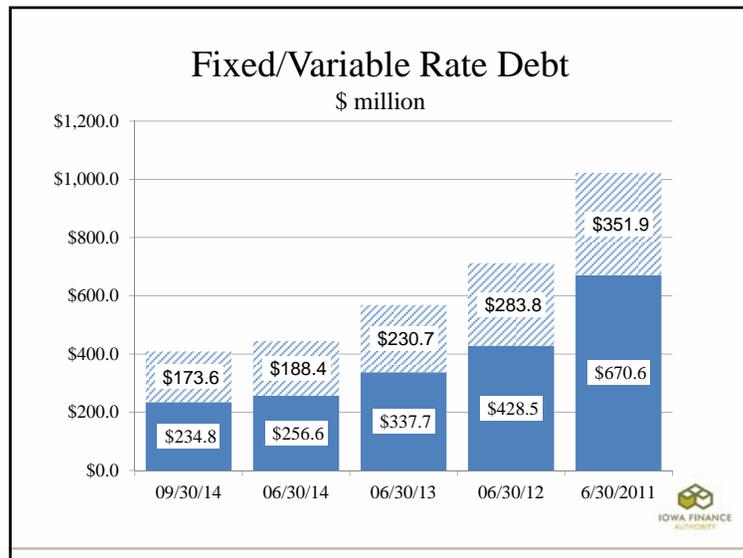
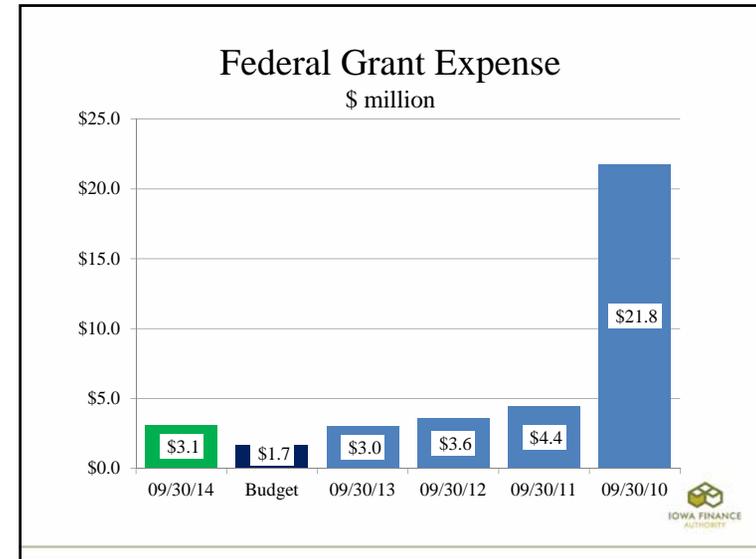
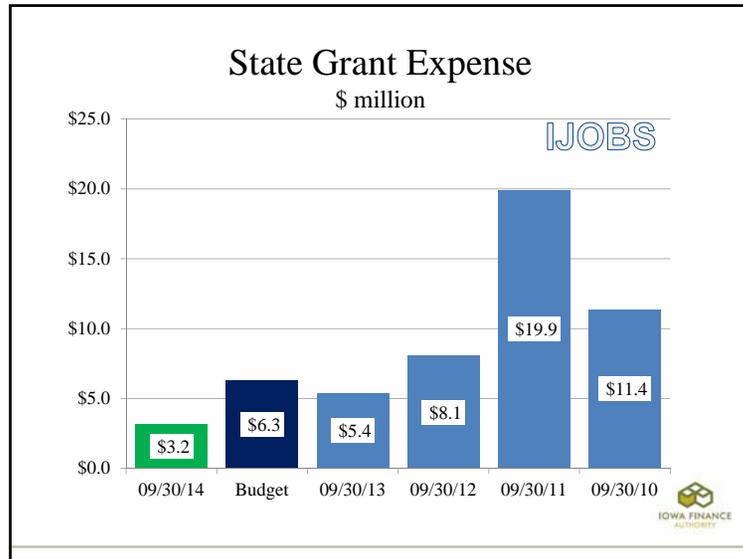
September, 2014

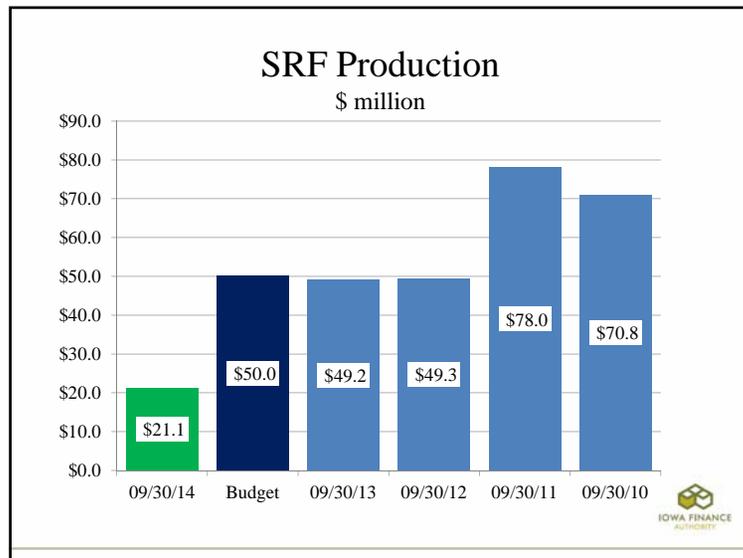
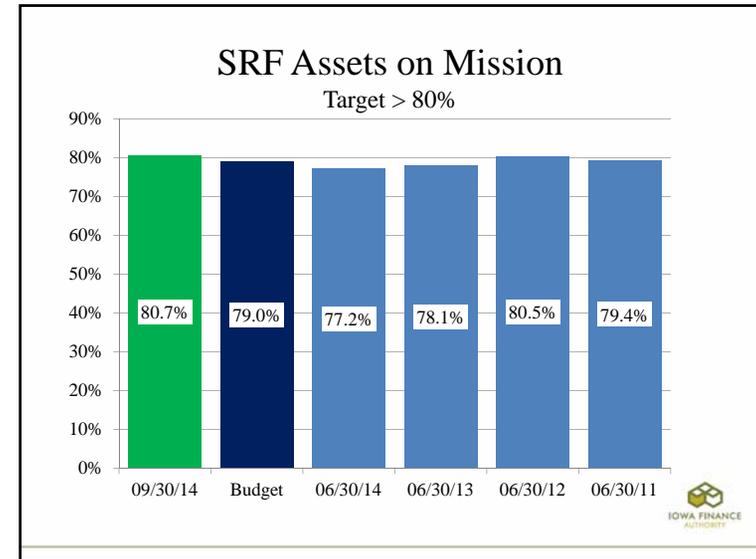
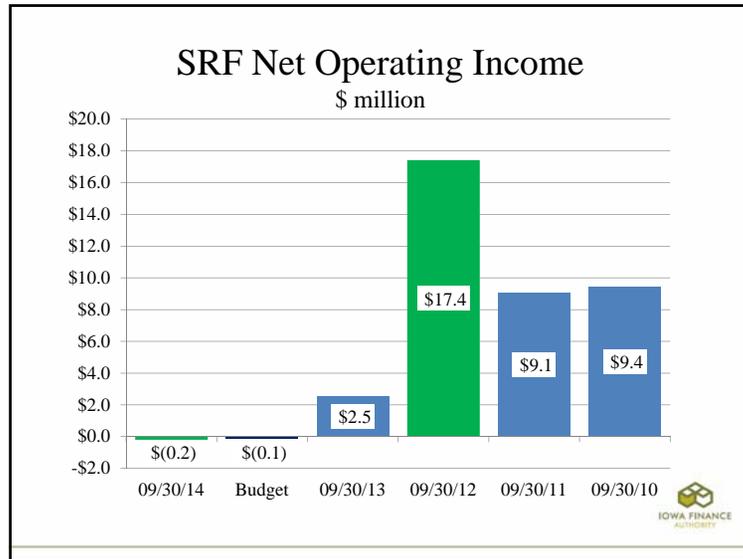
---













To: David D Jamison  
 From: Steven E Harvey  
 Date: October 22, 2014  
 Re: September 2014 Financial Results

**Financial Performance Targets:**

Housing Agency:	6/30/2011	6/30/2012	6/30/2013	6/30/2014	9/30/2014	Budget
Equity/asset ratio > 12.2%	17.0%	24.6%	32.0%	37.2%	39.8%	42.0%
Return on assets ≥ .80%	0.97%	1.88%	1.65%	1.21%	1.21%	0.81%
Net interest margin > 1.15%	0.79%	1.39%	1.28%	1.89%	2.51%	2.03%
Loans/asset ratio > 80%	64.2%	73.5%	77.8%	75.2%	75.8%	73.8%
Loan & mbs portfolio	897,739,338	776,667,800	670,423,424	575,005,409	553,657,258	511,263,000
SRF loan portfolio	1,079,065,360	1,214,680,727	1,317,080,585	1,395,279,760	1,416,012,844	1,480,923,000
Staff Count	88	90	90	93	91	97

**Housing Agency results –**

**YTD operating income of \$6,148,639 is \$533,598 or 9.5% favorable to budget.**

- Fee income trails budget by \$565,702 with \$565,317 attributable to ITG.
- Net interest income exceeds budget by \$901,804 due to favorable MBS sales pricing and interest expense.
- Net grant expense is favorable to budget by \$202,677 due mainly to timing issues.

**YTD operating expense of \$3,889,886 is \$590,659 or 13.2% favorable to budget due to lower ITG field issuer fees and claims expense.**

**YTD net operating income of \$2,258,753 is \$1,124,257 favorable to budget.**

**State Revolving Fund results -**

**YTD operating income of \$1,932,874 is \$23,559 or 1.2% unfavorable to budget as fee income trails budget.**

**YTD operating expense of \$2,124,921 is \$53,051 or 2.6% unfavorable to budget as DNR expenses exceed budget.**

**YTD net operating loss of \$192,047 is \$76,610 unfavorable to budget.**

**Iowa Finance Authority**  
**Summary Financial Information**  
**September 30, 2014**

Housing Agency	Current Month				Year to date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Fee income	757,203	872,478	(115,275)	-13.2%	2,170,849	2,736,551	(565,702)	-20.7%
Net interest income	1,583,800	1,228,825	354,975	28.9%	4,595,556	3,693,752	901,804	24.4%
Net grant income (exp)	536,553	136,028	400,525	294.4%	(788,886)	(991,563)	202,677	-20.4%
Other income	164,661	145,435	19,226	13.2%	171,120	176,301	(5,181)	-2.9%
<b>Total operating income</b>	<b>3,042,217</b>	<b>2,382,766</b>	<b>659,451</b>	<b>27.7%</b>	<b>6,148,639</b>	<b>5,615,041</b>	<b>533,598</b>	<b>9.5%</b>
Direct employee expense	785,189	819,354	(34,165)	-4.2%	2,428,023	2,456,511	(28,488)	-1.2%
Indirect operating expense	77,388	93,737	(16,349)	-17.4%	272,228	279,278	(7,050)	-2.5%
Marketing expense	167,318	193,996	(26,678)	-13.8%	204,749	240,018	(35,269)	-14.7%
Professional service expense	311,549	385,550	(74,001)	-19.2%	947,545	1,298,271	(350,726)	-27.0%
Claims and loss expense	(40,149)	45,332	(85,481)	-188.6%	(5,661)	152,846	(158,507)	-103.7%
Miscellaneous	20,278	18,094	2,184	12.1%	43,002	53,621	(10,619)	-19.8%
<b>Total operating expense</b>	<b>1,321,573</b>	<b>1,556,063</b>	<b>(234,490)</b>	<b>-15.1%</b>	<b>3,889,886</b>	<b>4,480,545</b>	<b>(590,659)</b>	<b>-13.2%</b>
<b>Net operating income (loss)</b>	<b>1,720,644</b>	<b>826,703</b>	<b>893,941</b>	<b>108.1%</b>	<b>2,258,753</b>	<b>1,134,496</b>	<b>1,124,257</b>	<b>99.1%</b>
<b>State Revolving Fund</b>								
Fee income	313,326	338,812	(25,486)	-7.5%	948,548	1,009,378	(60,830)	-6.0%
Net interest income	287,736	399,200	(111,464)	-27.9%	1,059,311	1,047,178	12,133	1.2%
Net grant income	(144,788)	(129,444)	(15,344)	11.9%	(74,985)	(100,123)	25,138	-25.1%
Other income	-	-	-	0.0%	-	-	-	0.0%
<b>Total operating income</b>	<b>456,274</b>	<b>608,568</b>	<b>(152,294)</b>	<b>-25.0%</b>	<b>1,932,874</b>	<b>1,956,433</b>	<b>(23,559)</b>	<b>-1.2%</b>
Direct employee expense	59,891	71,442	(11,551)	-16.2%	177,964	213,523	(35,559)	-16.7%
Indirect operating expense	6,292	6,800	(508)	-7.5%	19,729	20,400	(671)	-3.3%
Marketing expense	1,734	3,020	(1,286)	-42.6%	4,202	9,060	(4,858)	-53.6%
Professional service expense	21,154	26,287	(5,133)	-19.5%	108,882	79,834	29,048	36.4%
Claims and loss expense	-	-	-	0.0%	-	-	-	0.0%
Miscellaneous	779,792	683,355	96,437	14.1%	1,814,144	1,749,053	65,091	3.7%
<b>Total operating expense</b>	<b>868,863</b>	<b>790,904</b>	<b>77,959</b>	<b>9.9%</b>	<b>2,124,921</b>	<b>2,071,870</b>	<b>53,051</b>	<b>2.6%</b>
<b>Net operating income (loss)</b>	<b>(412,589)</b>	<b>(182,336)</b>	<b>(230,253)</b>	<b>126.3%</b>	<b>(192,047)</b>	<b>(115,437)</b>	<b>(76,610)</b>	<b>66.4%</b>
<b>Consolidated</b>								
Fee income	1,070,530	1,211,290	(140,760)	-11.6%	3,119,398	3,745,929	(626,531)	-16.7%
Net interest income	1,871,537	1,628,025	243,512	15.0%	5,654,868	4,740,930	913,938	19.3%
Net grant income	391,765	6,584	385,181	5850.3%	(863,871)	(1,091,686)	227,815	-20.9%
Other income	164,661	145,435	19,226	13.2%	171,120	176,301	(5,181)	0.0%
<b>Total operating income</b>	<b>3,498,493</b>	<b>2,991,334</b>	<b>507,159</b>	<b>17.0%</b>	<b>8,081,515</b>	<b>7,571,474</b>	<b>510,041</b>	<b>6.7%</b>
Direct employee expense	845,081	890,796	(45,715)	-5.1%	2,605,988	2,670,034	(64,046)	-2.4%
Indirect employee expense	83,680	100,537	(16,857)	-16.8%	291,960	299,678	(7,718)	-2.6%
Marketing expense	169,051	197,016	(27,965)	-14.2%	208,951	249,078	(40,127)	-16.1%
Professional service expense	332,703	411,837	(79,134)	-19.2%	1,056,428	1,378,105	(321,677)	-23.3%
Claims and loss expense	(40,149)	45,332	(85,481)	-188.6%	(5,661)	152,846	(158,507)	-103.7%
Miscellaneous	800,069	701,449	98,620	14.1%	1,857,146	1,802,674	54,472	3.0%
<b>Total operating expense</b>	<b>2,190,435</b>	<b>2,346,967</b>	<b>(156,532)</b>	<b>-6.7%</b>	<b>6,014,812</b>	<b>6,552,415</b>	<b>(537,603)</b>	<b>-8.2%</b>
<b>Net operating income (loss)</b>	<b>1,308,058</b>	<b>644,367</b>	<b>663,691</b>	<b>103.0%</b>	<b>2,066,703</b>	<b>1,019,059</b>	<b>1,047,644</b>	<b>102.8%</b>

Note - minor rounding errors may occur

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
LOAN ORIGATION FEES	35,065-	53,614-	65.40	118,467-	160,832-	73.66	1013,330-	894,863-
ECONOMIC DEVELOPMENT BOND FEES	10,000-	14,584-	68.57	20,803-	43,750-	47.55	175,000-	154,197-
TG FEES	437,049-	560,497-	77.98	1298,451-	1863,768-	69.67	6285,096-	4986,645-
LIHTC FEES	2,600-		.00	1,600-		.00	1150,000-	1148,400-
COMPLIANCE FEES - LIHTC, HOME, & 1602	30,706-	31,000-	99.05	92,191-	93,000-	99.13	470,463-	378,272-
SECTION 8 FEES	200,721-	200,166-	100.28	603,137-	600,496-	100.44	2401,985-	1798,848-
MISC FEES	354,390-	351,429-	100.84	984,748-	984,083-	100.07	3863,168-	2878,420-
<b>TOTAL FEE INCOME</b>	<b>1070,531-</b>	<b>1211,290-</b>	<b>88.38</b>	<b>3119,397-</b>	<b>3745,929-</b>	<b>83.27</b>	<b>15359,042-</b>	<b>12239,645-</b>
INVESTMENT INTERST INCOME	261,818-	333,053-	78.61	1080,763-	1028,103-	105.12	4113,898-	3033,135-
GAIN OR LOSS ON SALE	451,352-	279,231-	161.64	1322,204-	837,693-	157.84	3350,772-	2028,568-
REBATE EXPENSE			.00			.00		
MBS INTEREST INCOME	1617,247-	1627,082-	99.40	4939,455-	4958,214-	99.62	18503,869-	13564,414-
LOAN INTEREST INCOME	3378,762-	3388,512-	99.71	10122,158-	10107,448-	100.15	41360,145-	31237,987-
OTHER INTEREST INCOME			.00			.00		
<b>TOTAL INTEREST INCOME</b>	<b>5709,179-</b>	<b>5627,878-</b>	<b>101.44</b>	<b>17464,580-</b>	<b>16931,458-</b>	<b>103.15</b>	<b>67328,684-</b>	<b>49864,104-</b>
BOND INTEREST EXPENSE	4179,003	4430,250	94.33	13189,809	13500,315	97.70	54216,332	41026,523
COST OF ISSUANCE EXPENSE			.00			.00	797,785	797,785
DISCOUNT / PREMIUM AMORT	539,320-	555,137-	97.15	1814,330-	1684,006-	107.74	6667,999-	4853,669-
REMARKETING FEES	13,993	15,690	89.18	42,336	47,070	89.94	188,280	145,944
LIQUIDITY FEES	62,669	71,039	88.22	192,163	213,117	90.17	852,468	660,305
OTHER INTEREST COSTS	121,297	38,011	319.11	199,734	114,032	175.16	456,127	256,393
<b>TOTAL INTEREST EXPENSE</b>	<b>3837,642</b>	<b>3999,853</b>	<b>95.94</b>	<b>11809,712</b>	<b>12190,528</b>	<b>96.88</b>	<b>49842,993</b>	<b>38033,281</b>
<b>NET INTEREST INCOME</b>	<b>1871,537-</b>	<b>1628,025-</b>	<b>114.96</b>	<b>5654,868-</b>	<b>4740,930-</b>	<b>119.28</b>	<b>17485,691-</b>	<b>11830,823-</b>
NET GRANT EXPENSE (INC)	391,765-	93,416	419.38-	863,871	1091,686	79.13	17673,517-	18537,388-
AUTHORITY FEES			.00			.00		
OTHER INCOME	164,661-	145,435-	113.22	171,120-	176,301-	97.06	315,205-	144,085-
<b>TOTAL OPERATING INCOME</b>	<b>3498,494-</b>	<b>2891,334-</b>	<b>121.00</b>	<b>8081,514-</b>	<b>7571,474-</b>	<b>106.74</b>	<b>50833,455-</b>	<b>42751,941-</b>
OPERATING EXPENSES	2190,434	2346,967	93.33	6014,816	6552,415	91.80	26029,049	20014,233
<b>NET OPERATING INCOME</b>	<b>1308,060-</b>	<b>544,367-</b>	<b>240.29</b>	<b>2066,698-</b>	<b>1019,059-</b>	<b>202.80</b>	<b>24804,406-</b>	<b>22737,708-</b>
NON OPERATING EXPENSES	1497,655		.00	3456,641		.00		3456,641-
<b>NET INCOME</b>	<b>189,595</b>	<b>544,367-</b>	<b>34.83-</b>	<b>1389,943</b>	<b>1019,059-</b>	<b>136.39-</b>	<b>24804,406-</b>	<b>26194,349-</b>

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	1070,530-	1211,290-	88.38	3119,398-	3745,929-	83.27	15359,042-	12239,644-
NET INTEREST INCOME	1871,537-	1628,025-	114.96	5654,868-	4740,930-	119.28	17485,691-	11830,823-
NET GRANT INCOME	391,765-	93,416	419.38-	863,871	1091,686	79.13	17673,517-	18537,388-
AUTHORITY FEE INCOME			.00			.00		
OTHER INCOME	164,661-	145,435-	113.22	171,120-	176,301-	97.06	315,205-	144,085-
<b>TOTAL OPERATING INCOME</b>	<b>3498,493-</b>	<b>2891,334-</b>	<b>121.00</b>	<b>8081,515-</b>	<b>7571,474-</b>	<b>106.74</b>	<b>50833,455-</b>	<b>42751,940-</b>
SALARY & BENEFITS	816,987	868,964	94.02	2528,905	2604,762	97.09	10357,098	7828,193
TRAVEL & EDUCATION	28,094	21,202	132.51	77,084	63,384	121.61	281,645	204,561
OFFICE SUPPLIES AND POSTAGE	14,092	17,496	80.54	45,921	54,226	84.68	227,103	181,182
TELEPHONE & DATA	14,509	9,397	154.40	43,207	28,163	153.42	112,670	69,463
FACILITIES	5,806	16,726	34.71	50,787	50,146	101.28	201,796	151,009
EQUIPMENT & SOFTWARE	21,111	27,997	75.40	67,685	80,396	84.19	336,346	268,661
DEPRECIATION	28,162	28,921	97.38	84,360	86,747	97.25	347,003	262,643
STATE INDIRECT	6,994	7,349	95.17	20,591	22,027	93.48	88,129	67,538
MARKETING	8,814	27,016	32.63	48,714	79,078	61.60	317,116	268,402
MARKETING - CONFERENCE HOSTING	160,236	170,000	94.26	160,236	170,000	94.26	205,000	44,764
PS - ACCOUNTING	10,460	14,465	72.31	32,754	43,395	75.48	173,582	140,828
PS - LEGAL	6,693	22,677	29.51	69,782	73,120	95.43	277,201	207,419
PS - COMPLIANCE	49,980	19,298	258.99	69,405	57,894	119.88	231,576	162,171
PS - LIHTC MARKET STUDY			.00			.00	220,000	220,000
PS - BANKING	37,827	47,978	78.84	120,567	133,579	90.26	491,405	370,838
PS - TG FIELD ISSUE FEE	156,160	216,700	72.06	482,220	738,222	65.32	2399,958	1917,738
PS - IT CONSULTING	20,578	25,324	81.26	43,063	75,960	56.69	303,843	260,780
PS - MISC CONSULTING	500	10,809	4.63	1,711	32,417	5.28	129,669	127,958
PS - S8 SERVICES	13,775	13,849	99.47	41,362	41,545	99.56	166,180	124,818
PS - STATE AUDITOR			.00	62,317	62,717	99.36	62,717	400
PS - MISC	36,729	40,737	90.16	133,244	119,256	111.73	295,199	161,955
PROVISION FOR LOSSES	40,149-	45,332	88.57-	5,661-	152,846	3.70-	474,883	480,544
MISC EXPENSES	793,076	694,100	114.26	1836,555	1780,647	103.14	8321,811	6485,256
INDIRECT COST TRANSFER		630	.00		1,888	.00	7,119	7,119
<b>TOTAL OPERATING EXPENSES</b>	<b>2190,434</b>	<b>2346,967</b>	<b>93.33</b>	<b>6014,809</b>	<b>6552,415</b>	<b>91.80</b>	<b>26029,049</b>	<b>20014,240</b>
<b>NET OPERATING INCOME</b>	<b>1308,059-</b>	<b>544,367-</b>	<b>240.29</b>	<b>2066,706-</b>	<b>1019,059-</b>	<b>202.81</b>	<b>24804,406-</b>	<b>22737,700-</b>
INTERAGENCY GRANTS			.00			.00		
FMVA	1497,655		.00	3456,641		.00		3456,641-
OTHER NON-OPERATING			.00			.00		
<b>NET INCOME</b>	<b>189,596</b>	<b>544,367-</b>	<b>34.83-</b>	<b>1389,935</b>	<b>1019,059-</b>	<b>136.39-</b>	<b>24804,406-</b>	<b>26194,341-</b>

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH	89,468,212.26	93,384.72-	89,374,827.54	92,262,477.54	96.87
CASH EQUIVALENTS	315,249,217.85	5,796,881.20-	309,452,336.65	312,565,692.26	99.00
INVESTMENTS	94,901,912.79	2,887,395.95-	92,014,516.84	175,405,066.50	52.46
INV FMVA	1,587,499.31	349,644.86-	1,237,854.45	1,292,371.48	95.78
MORTGAGE BACKED SECURITIES	413,823,098.05	6,889,408.17-	406,933,689.88	497,784,377.53	81.75
MBS FMVA	33,132,277.24	1,273,010.33-	31,859,266.91	33,057,583.79	96.38
OTHER HOUSING LOANS	146,004,007.17	719,561.42	146,723,568.59	139,912,555.66	104.87
SRF LOANS	1,408,050,575.45	7,962,268.11	1,416,012,843.56	1,357,964,014.01	104.27
INTEREST RECEIVABLE	12,661,663.80	2,250,919.63	14,912,583.43	15,214,374.11	98.02
CAPITAL ASSETS	5,333,734.56	26,650.59	5,360,385.15	5,277,695.51	101.57
PROVISION FOR ACCUMULATED DEPRECIATION	2,352,098.36-	28,161.99-	2,380,260.35-	2,049,973.35-	116.11
TRADE ACCOUNTS RECEIVABLE	427,025.74	72,181.80	499,207.54	600,850.69	83.08
OTHER ASSETS	37,482,616.51	31,623.94-	37,450,992.57	36,255,943.11	103.30
DEFERRED OUTFLOWS	13,264,779.67	4,554,477.74-	8,710,301.93	18,378,980.22	47.39
<b>TOTAL ASSETS</b>	<b>2,569,034,522.04</b>	<b>10,872,407.35-</b>	<b>2,558,162,114.69</b>	<b>2,683,922,009.06</b>	<b>95.31</b>
<b>BOND PAYABLE</b>	<b>1,358,621,497.21-</b>	<b>8,963,815.99</b>	<b>1,349,657,681.22-</b>	<b>1,496,788,949.28-</b>	<b>90.17</b>
INTEREST PAYABLE	5,433,820.14-	4,001,922.11-	9,435,742.25-	11,111,289.28-	84.92
DEFERRED INCOME	3,554,424.97-	170,381.97	3,384,043.00-	3,747,642.85-	90.30
REBATES OWED	29,076.94-	11,132.39-	40,209.33-	29,076.94-	138.29
RESERVE FOR LOSSES	5,560,961.33-	7,059.61-	5,568,020.94-	5,385,966.85-	103.38
ACCOUNTS PAYABLE & OTHER CURR LIAB	25,342,475.77-	898,835.12	24,443,640.65-	24,593,452.64-	99.39
DERIVATIVE LIABILITY	41,026,263.93-	3,785,209.39	37,241,054.54-	41,653,089.63-	89.41
<b>TOTAL LIABILITIES</b>	<b>1,439,568,520.29-</b>	<b>9,798,128.36</b>	<b>1,429,770,391.93-</b>	<b>1,583,309,467.47-</b>	<b>90.30</b>
FUND BALANCE	1,130,666,346.97-	884,681.16	1,129,781,665.81-	1,100,871,191.24-	102.63
TRANSFER BETWEEN FUNDS				403.62-	
CURRENT YEAR EARNINGS	1,200,345.22	189,597.83	1,389,943.05	259,053.27	536.55
<b>TOTAL NET ASSETS</b>	<b>1,129,466,001.75-</b>	<b>1,074,278.99</b>	<b>1,128,391,722.76-</b>	<b>1,100,612,541.59-</b>	<b>102.52</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>2,569,034,522.04-</b>	<b>10,872,407.35</b>	<b>2,558,162,114.69-</b>	<b>2,683,922,009.06-</b>	<b>95.31</b>

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
LOAN ORIGATION FEES	5,000-	1,112-	449.64	15,737-	3,332-	472.30	13,330-	2,407
ECONOMIC DEVELOPMENT BOND FEES	10,000-	14,584-	68.57	20,803-	43,750-	47.55	175,000-	154,197-
TG FEES	437,049-	560,497-	77.98	1298,451-	1863,768-	69.67	6285,096-	4986,645-
LIHTC FEES	2,600-		.00	1,600-		.00	1150,000-	1148,400-
COMPLIANCE FEES - LIHTC, HOME, & 1602	30,706-	31,000-	99.05	92,191-	93,000-	99.13	470,463-	378,272-
SECTION 8 FEES	200,721-	200,166-	100.28	603,137-	600,496-	100.44	2401,985-	1798,848
MISC FEES	71,128-	65,119-	109.23	138,929-	132,205-	105.09	332,347-	193,418-
TOTAL FEE INCOME	757,204-	872,478-	86.79	2170,848-	2736,551-	79.33	10828,221-	8657,373-
INVESTMENT INTERST INCOME	221,582-	274,978-	80.58	903,721-	830,793-	108.78	3374,824-	2471,103-
GAIN OR LOSS ON SALE	451,352-	279,231-	161.64	1322,204-	837,693-	157.84	3350,772-	2028,568-
REBATE EXPENSE			.00			.00		
MBS INTEREST INCOME	1617,247-	1627,082-	99.40	4939,455-	4958,214-	99.62	18503,869-	13564,414-
LOAN INTEREST INCOME	300,124-	326,053-	92.05	924,301-	975,778-	94.72	3866,145-	2941,844-
OTHER INTEREST INCOME			.00			.00		
TOTAL INTEREST INCOME	2590,305-	2507,344-	103.31	8089,681-	7602,478-	106.41	29095,610-	21005,929-
BOND INTEREST EXPENSE	974,930	1226,174	79.51	3441,187	3751,691	91.72	13921,288	10480,101
COST OF ISSUANCE EXPENSE			.00			.00		
DISCOUNT / PREMIUM AMORT	47,586-	34,384-	138.40	189,227-	103,152-	183.44	412,608-	223,381-
REMARKETING FEES	13,993	15,690	89.18	42,336	47,070	89.94	188,280	145,944
LIQUIDITY FEES	62,669	71,039	88.22	192,163	213,117	90.17	852,468	660,305
OTHER INTEREST COSTS	2,500		.00	7,666		.00		7,666-
TOTAL INTEREST EXPENSE	1006,506	1278,519	78.72	3494,125	3908,726	89.39	14549,428	11055,303
NET INTEREST INCOME	1583,799-	1228,825-	128.89	4595,556-	3693,752-	124.41	14546,182-	9950,626-
NET GRANT EXPENSE (INC)	536,553-	136,028-	394.44	788,886	991,563	79.56	3209,663	2420,777
AUTHORITY FEES			.00			.00		
OTHER INCOME	164,661-	145,435-	113.22	171,120-	176,301-	97.06	315,205-	144,085-
TOTAL OPERATING INCOME	3042,217-	2382,766-	127.68	6148,638-	5615,041-	109.50	22479,945-	16331,307-
OPERATING EXPENSES	1321,570	1556,063	84.93	3889,890	4480,545	86.82	16558,748	12668,858
NET OPERATING INCOME	1720,647-	826,703-	208.13	2258,748-	1134,496-	199.10	5921,197-	3662,449-
NON OPERATING EXPENSES	1298,195		.00	3276,043		.00		3276,043-
NET INCOME	422,452-	826,703-	51.10	1017,295	1134,496-	89.67-	5921,197-	6938,492-

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	757,203-	872,478-	86.79	2170,849-	2736,551-	79.33	10828,221-	8657,372-
NET INTEREST INCOME	1583,800-	1228,825-	128.89	4595,556-	3693,752-	124.41	14546,182-	9950,626-
NET GRANT INCOME	536,553-	136,028-	394.44	788,886	991,563	79.56	3209,663	2420,777
AUTHORITY FEE INCOME			.00			.00		
OTHER INCOME	164,661-	145,435-	113.22	171,120-	176,301-	97.06	315,205-	144,085-
<b>TOTAL OPERATING INCOME</b>	<b>3042,217-</b>	<b>2382,766-</b>	<b>127.68</b>	<b>6148,639-</b>	<b>5615,041-</b>	<b>109.50</b>	<b>22479,945-</b>	<b>16331,306-</b>
SALARY & BENEFITS	763,111	807,773	94.47	2371,399	2421,986	97.91	9631,939	7260,540
TRAVEL & EDUCATION	27,731	20,702	133.95	76,252	61,884	123.22	275,645	199,393
OFFICE SUPPLIES AND POSTAGE	13,352	16,956	78.74	44,376	52,606	84.36	220,623	176,247
TELEPHONE & DATA	13,975	9,037	154.64	41,643	27,083	153.76	108,350	66,707
FACILITIES	5,593	16,026	34.90	48,738	48,046	101.44	193,396	144,658
EQUIPMENT & SOFTWARE	20,994	27,857	75.36	67,170	79,976	83.99	334,666	267,496
DEPRECIATION	23,474	23,861	98.38	70,301	71,567	98.23	286,283	215,982
STATE INDIRECT	6,705	7,059	94.99	19,737	21,157	93.29	84,649	64,912
MARKETING	7,081	23,996	29.51	44,512	70,018	63.57	280,876	236,364
MARKETING - CONFERENCE HOSTING	160,236	170,000	94.26	160,236	170,000	94.26	205,000	44,764
PS - ACCOUNTING	10,029	14,025	71.51	31,460	42,075	74.77	168,302	136,842
PS - LEGAL	6,693	17,307	38.67	23,918	57,010	41.95	212,761	188,843
PS - COMPLIANCE	49,980	19,298	258.99	69,405	57,894	119.88	231,576	162,171
PS - LIHTC MARKET STUDY			.00			.00	220,000	220,000
PS - BANKING	17,105	27,611	61.95	58,843	71,505	82.29	229,858	171,015
PS - TG FIELD ISSUE FEE	156,160	216,700	72.06	482,220	738,222	65.32	2399,958	1917,738
PS - IT CONSULTING	20,578	25,214	81.61	43,063	75,630	56.94	302,523	259,460
PS - MISC CONSULTING	500	10,809	4.63	1,711	32,417	5.28	129,669	127,958
PS - S8 SERVICES	13,775	13,849	99.47	41,362	41,545	99.56	166,180	124,818
PS - STATE AUDITOR			.00	62,317	62,717	99.36	62,717	400
PS - MISC	36,729	40,737	90.16	133,244	119,256	111.73	292,699	159,455
PROVISION FOR LOSSES	40,149-	45,332	88.57-	5,661-	152,846	3.70-	499,883	505,544
MISC EXPENSES	13,572	11,035	122.99	23,264	32,464	71.66	131,067	107,803
INDIRECT COST TRANSFER	5,654-	9,121-	61.99	19,628-	27,359-	71.74	109,872-	90,244-
<b>TOTAL OPERATING EXPENSES</b>	<b>1321,570</b>	<b>1556,063</b>	<b>84.93</b>	<b>3889,882</b>	<b>4480,545</b>	<b>86.82</b>	<b>16558,748</b>	<b>12668,866</b>
<b>NET OPERATING INCOME</b>	<b>1720,647-</b>	<b>826,703-</b>	<b>208.13</b>	<b>2258,757-</b>	<b>1134,496-</b>	<b>199.10</b>	<b>5921,197-</b>	<b>3662,440-</b>
INTERAGENCY GRANTS			.00			.00		
FMVA	1298,195		.00	3276,043		.00		3276,043-
OTHER NON-OPERATING			.00			.00		
<b>NET INCOME</b>	<b>422,452-</b>	<b>826,703-</b>	<b>51.10</b>	<b>1017,286</b>	<b>1134,496-</b>	<b>89.67-</b>	<b>5921,197-</b>	<b>6938,483-</b>

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH	27,779,314.27	129,697.45	27,909,011.72	29,597,874.98	94.29
CASH EQUIVALENTS	121,302,436.94	383,145.80-	120,919,291.14	123,148,631.83	98.19
INVESTMENTS	19,148,815.16	552,131.29	19,700,946.45	19,341,127.25	101.86
INV FMVA	1,412,256.80	150,184.37-	1,262,072.43	1,440,990.84	87.58
MORTGAGE BACKED SECURITIES	413,823,098.05	6,889,408.17-	406,933,689.88	497,784,377.53	81.75
MBS FMVA	33,132,277.24	1,273,010.33-	31,859,266.91	33,057,583.79	96.38
OTHER HOUSING LOANS	146,004,007.17	719,561.42	146,723,568.59	139,912,555.66	104.87
SRF LOANS					
INTEREST RECEIVABLE	3,238,603.08	829,192.85-	2,409,410.23	2,651,840.15	90.86
CAPITAL ASSETS	5,201,234.56	26,650.59	5,227,885.15	5,145,195.51	101.61
PROVISION FOR ACCUMULATED DEPRECIATION	2,282,167.72-	24,481.43-	2,306,649.15-	2,020,528.87-	114.16
TRADE ACCOUNTS RECEIVABLE	148,779.07	2,026.54-	146,752.53	148,482.00	98.84
OTHER ASSETS	36,696,248.77	357,694.26-	36,338,554.51	35,204,275.93	103.22
DEFERRED OUTFLOWS	10,170,806.03	4,435,680.10-	5,735,125.93	14,869,640.68	38.57
<b>TOTAL ASSETS</b>	<b>815,775,709.42</b>	<b>12,916,783.10-</b>	<b>802,858,926.32</b>	<b>900,282,047.28</b>	<b>89.18</b>
=====					
BOND PAYABLE	418,457,119.13-	8,472,082.39	409,985,036.74-	508,007,127.20-	80.70
INTEREST PAYABLE	2,229,746.44-	797,848.58-	3,027,595.02-	3,995,584.02-	75.77
DEFERRED INCOME	3,554,424.97-	170,381.97	3,384,043.00-	3,747,642.85-	90.30
REBATES OWED	29,076.94-	11,132.39-	40,209.33-	29,076.94-	138.29
RESERVE FOR LOSSES	5,560,961.33-	7,059.61-	5,568,020.94-	5,385,966.85-	103.38
ACCOUNTS PAYABLE & OTHER CURR LIAB	24,466,242.39-	842,921.83	23,623,320.56-	23,866,928.01-	98.98
DERIVATIVE LIABILITY	41,026,263.93-	3,785,209.39	37,241,054.54-	41,653,089.63-	89.41
<b>TOTAL LIABILITIES</b>	<b>495,323,835.13-</b>	<b>12,454,555.00</b>	<b>482,869,280.13-</b>	<b>586,685,415.50-</b>	<b>82.30</b>
FUND BALANCE	321,891,621.15-	884,681.16	321,006,939.99-	316,445,296.99-	101.44
TRANSFER BETWEEN FUNDS				403.62-	
CURRENT YEAR EARNINGS	1,439,746.86	422,453.06-	1,017,293.80	2,849,068.83	35.71
<b>TOTAL NET ASSETS</b>	<b>320,451,874.29-</b>	<b>462,228.10</b>	<b>319,989,646.19-</b>	<b>313,596,631.78-</b>	<b>102.04</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>815,775,709.42-</b>	<b>12,916,783.10</b>	<b>802,858,926.32-</b>	<b>900,282,047.28-</b>	<b>89.18</b>
=====					

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
LOAN ORIGATION FEES	30,065-	52,502-	57.26	102,730-	157,500-	65.23	1000,000-	897,270-
ECONOMIC DEVELOPMENT BOND FEES								
MG FEES								
LIHTC FEES								
COMPLIANCE FEES - LIHTC, HOME, & 1602								
SECTION 8 FEES								
MISC FEES	283,261-	286,310-	98.94	845,818-	851,878-	99.29	3530,821-	2685,003-
TOTAL FEE INCOME	313,326-	338,812-	92.48	948,548-	1009,378-	93.97	4530,821-	3582,273-
INVESTMENT INTERST INCOME	40,236-	58,075-	69.28	177,042-	197,310-	89.73	739,074-	562,032-
GAIN OR LOSS ON SALE			.00			.00		
REBATE EXPENSE			.00			.00		
MBS INTEREST INCOME			.00			.00		
LOAN INTEREST INCOME	3078,638-	3062,459-	100.53	9197,856-	9131,670-	100.72	37494,000-	28296,144-
OTHER INTEREST INCOME								
TOTAL INTEREST INCOME	3118,874-	3120,534-	99.95	9374,898-	9328,980-	100.49	38233,074-	28858,176-
BOND INTEREST EXPENSE	3204,074	3204,076	100.00	9748,622	9748,624	100.00	40295,044	30546,422
COST OF ISSUANCE EXPENSE			.00			.00	797,785	797,785
DISCOUNT / PREMIUM AMORT	491,734-	520,753-	94.43	1625,103-	1580,854-	102.80	6255,391-	4630,288-
REMARKETING FEES								
LIQUIDITY FEES								
OTHER INTEREST COSTS	118,798	38,011	312.54	192,068	114,032	168.43	456,127	264,059
TOTAL INTEREST EXPENSE	2831,138	2721,334	104.03	8315,587	8281,802	100.41	35293,565	26977,978
NET INTEREST INCOME	287,736-	399,200-	72.08	1059,311-	1047,178-	101.16	2939,509-	1880,198-
NET GRANT EXPENSE (INC)	144,788	229,444	63.10	74,985	100,123	74.89	20883,180-	20958,165-
AUTHORITY FEES			.00			.00		
OTHER INCOME			.00			.00		
TOTAL OPERATING INCOME	456,274-	508,568-	89.72	1932,874-	1956,433-	98.80	28353,510-	26420,636-
OPERATING EXPENSES	868,864	790,904	109.86	2124,925	2071,870	102.56	9470,301	7345,376
NET OPERATING INCOME	412,590	282,336	146.13	192,051	115,437	166.37	18883,209-	19075,260-
NON OPERATING EXPENSES	199,460		.00	180,598		.00		180,598-
NET INCOME	612,050	282,336	216.78	372,649	115,437	322.82	18883,209-	19255,858-

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	313,326-	338,812-	92.48	948,548-	1009,378-	93.97	4530,821-	3582,273-
NET INTEREST INCOME	287,736-	399,200-	72.08	1059,311-	1047,178-	101.16	2939,509-	1880,198-
NET GRANT INCOME	144,788	229,444	63.10	74,985	100,123	74.89	20883,180-	20958,165-
AUTHORITY FEE INCOME			.00			.00		
OTHER INCOME			.00			.00		
<b>TOTAL OPERATING INCOME</b>	<b>456,274-</b>	<b>508,568-</b>	<b>89.72</b>	<b>1932,874-</b>	<b>1956,433-</b>	<b>98.80</b>	<b>28353,510-</b>	<b>26420,636-</b>
SALARY & BENEFITS	53,875	61,191	88.04	157,505	182,776	86.17	725,159	567,654
TRAVEL & EDUCATION	362	500	72.40	831	1,500	55.40	6,000	5,169
OFFICE SUPPLIES AND POSTAGE	741	540	137.22	1,545	1,620	95.37	6,480	4,935
TELEPHONE & DATA	533	360	148.06	1,563	1,080	144.72	4,320	2,757
FACILITIES	213	700	30.43	2,048	2,100	97.52	8,400	6,352
EQUIPMENT & SOFTWARE	117	140	83.57	514	420	122.38	1,680	1,166
DEPRECIATION	4,688	5,060	92.65	14,059	15,180	92.62	60,720	46,661
STATE INDIRECT	288	290	99.31	853	870	98.05	3,480	2,627
MARKETING	1,734	3,020	57.42	4,202	9,060	46.38	36,240	32,038
MARKETING - CONFERENCE HOSTING								
PS - ACCOUNTING	431	440	97.95	1,293	1,320	97.95	5,280	3,987
PS - LEGAL		5,370	.00	45,864	16,110	284.69	64,440	18,576
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY								
PS - BANKING	20,722	20,367	101.74	61,724	62,074	99.44	261,547	199,823
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING		110	.00		330	.00	1,320	1,320
PS - MISC CONSULTING			.00			.00		
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC			.00			.00	2,500	2,500
PROVISION FOR LOSSES			.00			.00	25,000-	25,000-
MISC EXPENSES	779,503	683,065	114.12	1813,290	1748,183	103.72	8190,744	6377,454
INDIRECT COST TRANSFER	5,654	9,751	57.98	19,628	29,247	67.11	116,991	97,363
<b>TOTAL OPERATING EXPENSES</b>	<b>868,861</b>	<b>790,904</b>	<b>109.86</b>	<b>2124,919</b>	<b>2071,870</b>	<b>102.56</b>	<b>9470,301</b>	<b>7345,382</b>
<b>NET OPERATING INCOME</b>	<b>412,587</b>	<b>282,336</b>	<b>146.13</b>	<b>192,045</b>	<b>115,437</b>	<b>166.36</b>	<b>18883,209-</b>	<b>19075,254-</b>
INTERAGENCY GRANTS								
FMVA	199,460		.00	180,598		.00		180,598-
OTHER NON-OPERATING			.00			.00		
<b>NET INCOME</b>	<b>612,047</b>	<b>282,336</b>	<b>216.78</b>	<b>372,643</b>	<b>115,437</b>	<b>322.81</b>	<b>18883,209-</b>	<b>19255,852-</b>

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH	61,688,897.99	223,082.17-	61,465,815.82	62,664,602.56	98.09
CASH EQUIVALENTS	193,946,780.91	5,413,735.40-	188,533,045.51	189,417,060.43	99.53
INVESTMENTS	75,753,097.63	3,439,527.24-	72,313,570.39	156,063,939.25	46.34
INV FMVA	175,242.51	199,460.49-	24,217.98-	148,619.36-	16.30
MORTGAGE BACKED SECURITIES					
MBS FMVA					
OTHER HOUSING LOANS					
SRF LOANS	1,408,050,575.45	7,962,268.11	1,416,012,843.56	1,357,964,014.01	104.27
INTEREST RECEIVABLE	9,423,060.72	3,080,112.48	12,503,173.20	12,562,533.96	99.53
CAPITAL ASSETS	132,500.00		132,500.00	132,500.00	100.00
PROVISION FOR ACCUMULATED DEPRECIATION	69,930.64-	3,680.56-	73,611.20-	29,444.48-	250.00
TRADE ACCOUNTS RECEIVABLE	278,246.67	74,208.34	352,455.01	452,368.69	77.91
OTHER ASSETS	786,367.74	326,070.32	1,112,438.06	1,051,667.18	105.78
DEFERRED OUTFLOWS	3,093,973.64	118,797.64-	2,975,176.00	3,509,339.54	84.78
<b>TOTAL ASSETS</b>	<b>1,753,258,812.62</b>	<b>2,044,375.75</b>	<b>1,755,303,188.37</b>	<b>1,783,639,961.78</b>	<b>98.41</b>
BOND PAYABLE	940,164,378.08-	491,733.60	939,672,644.48-	988,781,822.08-	95.03
INTEREST PAYABLE	3,204,073.70-	3,204,073.53-	6,408,147.23-	7,115,705.26-	90.06
DEFERRED INCOME					
REBATES OWED					
RESERVE FOR LOSSES					
ACCOUNTS PAYABLE & OTHER CURR LIAB	876,233.38-	55,913.29	820,320.09-	726,524.63-	112.91
DERIVATIVE LIABILITY					
<b>TOTAL LIABILITIES</b>	<b>944,244,685.16-</b>	<b>2,656,426.64-</b>	<b>946,901,111.80-</b>	<b>996,624,051.97-</b>	<b>95.01</b>
FUND BALANCE	808,774,725.82-		808,774,725.82-	784,425,894.25-	103.10
TRANSFER BETWEEN FUNDS					
CURRENT YEAR EARNINGS	239,401.64-	612,050.89	372,649.25	2,590,015.56-	14.39-
<b>TOTAL NET ASSETS</b>	<b>809,014,127.46-</b>	<b>612,050.89</b>	<b>808,402,076.57-</b>	<b>787,015,909.81-</b>	<b>102.72</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>1,753,258,812.62-</b>	<b>2,044,375.75-</b>	<b>1,755,303,188.37-</b>	<b>1,783,639,961.78-</b>	<b>98.41</b>

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
Grant Income - Private Funds								
Rural Home DPA (FHLB)			.00			.00		
Real Estate Owned DPA (FHLB)			.00			.00		
-----								
Total Private Sector Funds			.00			.00		
Grant Income - State Funds								
Approp, RETA Int, RETT	1173,959-	1177,024-	99.74	2021,739-	2015,934-	100.29	6710,750-	4689,011-
HCBS Rent Subsidy	54,509-	54,834-	99.41	166,363-	164,500-	101.13	658,000-	491,637-
Military DPA	158,672-	208,334-	76.16	519,066-	625,000-	83.05	2500,000-	1980,934-
Shelter Assistance Fund			.00			.00		
Aftercare Rent Subsidy	7,630-	4,000-	190.75	20,911-	12,000-	174.26	48,000-	27,089-
Wastewater Treatment Grants			.00			.00		
Jumpstart			.00			.00		
IJOBS - FY10 Programs			.00	45,470-		.00		45,470
IJOBS - Administration			.00			.00		
IJOBS - FY11 Programs		1100,000-	.00		3300,000-	.00	13200,000-	13200,000-
Iowans Helping Iowans			.00			.00		
Mortgage Settlement Funds	34,421-	94,800-	36.31	399,366-	189,600-	210.64	1137,600-	738,234-
Misc State Funds		1,000-	.00	9,660-	3,000-	322.00	62,000-	52,340-
-----								
Total State Funds	1429,191-	2639,992-	54.14	3182,575-	6310,034-	50.44	24316,350-	21133,775-
Grant Income - Federal Funds								
Telework & AFP (84.235T & 84.224C)			.00			.00		
Hsg Ops Persons with Aids (14.241)	17,931-	24,141-	74.28	126,508-	46,881-	269.85	371,088-	244,580-
Rural Comm Dev Initiative (10.446)			.00			.00		
Emergency Shelter Grant Prog (14.231)	64,012-	141,864-	45.12	408,093-	530,218-	76.97	1834,049-	1425,956-
HSG Counseling Assistance (14.169)			.00			.00		
Shelter Care Plus (14.238)			.00			.00		
National Foreclosue Mit. (21.000)			.00			.00	582,700-	582,700-
LIHTC S1602 (21.XXX)			.00			.00		
TCAP (14.258)			.00			.00		
Homelessness Prevention (14.257)			.00			.00		
HOME (14.239)	1151,105-	286,438-	401.87	2714,383-	1098,065-	247.20	6226,728-	3512,345-
SSBG (93.667)			.00			.00		
CDBG (14.228)			.00			.00		
-----								
Total Federal Funds	1233,048-	452,443-	272.53	3248,984-	1675,164-	193.95	9014,565-	5765,581-
-----								
Total Grant Income	2662,239-	3092,435-	86.09	6431,559-	7985,198-	80.54	33330,915-	26899,356-
=====								

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
Grant Expense - IFA Funds								
Serv Acq Fee / Release Premium	6,462-		.00	16,907-		.00		16,907
FirstHome Plus	292,313	333,793	87.57	946,139	999,997	94.61	4027,400	3081,261
Misc IFA Grants		4,200	.00		12,600	.00	50,400	50,400
<b>Total IFA Grants</b>	<b>285,851</b>	<b>337,993</b>	<b>84.57</b>	<b>929,232</b>	<b>1012,597</b>	<b>91.77</b>	<b>4077,800</b>	<b>3148,568</b>
Grant Expense - Private Funds								
Rural Home DPA (FHLB)			.00			.00		
Real Estate Owned DPA (FHLB)			.00			.00		
<b>Total Private Sector Grant Funds</b>			<b>.00</b>			<b>.00</b>		
Grant Expense - State Funds								
State Housing Trust Fund	540,524	650,000	83.16	1802,736	1650,000	109.26	6000,000	4197,264
HCBS Rent Subsidy	51,765	50,992	101.52	157,965	152,976	103.26	611,907	453,942
Military DPA	158,672	208,334	76.16	519,066	625,000	83.05	2500,000	1980,934
Shelter Assistance Fund	24,456	53,736	45.51	252,486	279,838	90.23	767,668	515,182
Aftercare Rent Subsidy	7,630	4,000	190.75	20,911	12,000	174.26	48,000	27,089
Wastewater Treatment Grants			.00			.00		
Jumpstart			.00			.00		
IJOBS - FY10 Programs			.00	45,470		.00		45,470-
IJOBS - FY11 Programs		1100,000	.00		3300,000	.00	13200,000	13200,000
Iowans Helping Iowans			.00			.00		
Mortgage Settlement Fund	59,287	88,168	67.24	377,534	264,500	142.73	1058,000	680,466
Misc State Funds			.00			.00		
<b>Total State Funds</b>	<b>842,334</b>	<b>2155,230</b>	<b>39.08</b>	<b>3176,168</b>	<b>6284,314</b>	<b>50.54</b>	<b>24185,575</b>	<b>21009,407</b>
Grant Expense - Federal Funds								
Telework & AFP (84.235T & 84.224C)			.00			.00		
Hsg Ops Persons with Aids (14.241)	17,931	24,141	74.28	126,508	46,881	269.85	371,088	244,580
Rural Comm Dev Initiative (10.446)			.00			.00		
Emergency Shelter Grant Prog (14.231)	64,012	136,899	46.76	408,093	511,660	79.76	1769,857	1361,764
HSG Counseling Assistance (14.169)			.00			.00		
Shelter Care Plus (14.238)			.00			.00		
National Foreclosure Mit. (21.000)		44,350	.00	118,842	133,050	89.32	532,202	413,360
LIHTC S1602 (21.XXX)			.00			.00		
TCAP (14.258)			.00			.00		
Homeless Prev & RR (14.257)			.00			.00		
HOME (14.239)	915,556	257,794	355.15	2461,602	988,259	249.08	5604,056	3142,454
SSBG (93.667)			.00			.00		
CDBG (14.228)			.00			.00		
<b>Total Federal Funds</b>	<b>997,499</b>	<b>463,184</b>	<b>215.36</b>	<b>3115,045</b>	<b>1679,850</b>	<b>185.44</b>	<b>8277,203</b>	<b>5162,158</b>
<b>Total Grant Expense</b>	<b>2125,684</b>	<b>2956,407</b>	<b>71.90</b>	<b>7220,445</b>	<b>8976,761</b>	<b>80.43</b>	<b>36540,578</b>	<b>29320,133</b>

**Iowa Finance Authority  
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2014	FY15 Additions (Red)	FY15 Payments				Commitment Balance
					9/12/2014	9/19/2014	9/26/2014	Total	
<b>I-JOBS Local Infrastructure - \$165,000,000</b>									
City of Forest City - Public Works Facility	6	\$537,050	(0)	0				0	(\$0)
City of Stratford - Storm Sewer on Moore	14	\$16,586	1,723	0				0	\$1,723
Linn County - Juvenile Law Cntr & Courthouse	16	\$3,690,000	0	0				0	\$0
City of Mount Pleasant - Police Department Renov	21	\$600,000	0	0				0	\$0
City of Eldora - HWY 175 Flood Mitigation	25	\$261,000	0	0				0	\$0
City of Marquette, Iowa - Beach Flood Mitigation	27	\$677,048	0	0				0	\$0
Black Hawk County Board of Supervisors - Office	30	\$187,791	0	0				0	\$0
City of Glidden - Storm Water	34	\$287,500	0	0				0	\$0
City of Marion - Thomas Park Maint-Storm Shelter	40	\$1,031,500	0	0				0	\$0
City of Brooklyn - Public Safety Building	41	\$573,500	0	0				0	\$0
City of Story City - Storm Sewer Improvements	47	\$295,680	0	0				0	\$0
City of Indianola - National Balloon Museum	49	\$188,300	41,715	0				0	\$41,715
City of Stanhope - Library/Community Building	53	\$500,000	(0)	0				0	(\$0)
City of Cedar Falls - Public Works Complex	55	\$8,741,250	77,794	0				0	\$77,794
City of Marshalltown - Carnegie Library Re-Use	56	\$618,618	0	0				0	\$0
City of Sergeant Bluff - City Hall Renovation	60	\$250,000	0	0				0	\$0
City of Letts - New Library & Community Center	70	\$400,000	42,299	0				0	\$42,299
City of Mason City - Equipment Storage Facility	71	\$772,500	114,863	0				0	\$114,863
City of Cedar Rapids - US Cellular Center/Event Center	78	\$15,000,000	0	0				0	\$0
City of Avoca - West Ditch (Pershing St. to Hwy 83)	81	\$203,910	3,758	0				0	\$3,758
City of Cedar Rapids - Public Library Main Facility	83	\$5,000,000	(0)	0				0	(\$0)
City of Fort Madison - Santa Fe Depot	85	\$1,131,344	0	0				0	\$0
City of Cedar Rapids - Acq Flood-Blighted Dwtn Prop	90	\$380,250	15,329	0				0	\$15,329
City of Fayette - Concrete Flood Wall	103	\$53,750	6,307	0				0	\$6,307
City of Cedar Rapids - 6th St SW Reconstruction	109	\$3,309,375	374,908	0				0	\$374,908
City of Monticello - Emergency Response Center	117	\$300,000	0	0				0	\$0
City of Creston - Northeast Sewer /Storm Sewer	119	\$686,250	4,475	0				0	\$4,475
City of Waukee - Public Works Facility	122	\$3,450,000	0	0				0	\$0
Polk County Board of Supervisors - Reg Emerg Op Ctr	133	\$1,840,000	393,015	0				0	\$393,015
Legion Arts - CSPS Hall	142	\$4,800,000	0	0				0	\$0
City of Des Moines - Birdland Levee Replacement	143	\$2,205,000	(0)	0				0	(\$0)
African American Museum of Iowa - Museum	147	\$268,510	0	0				0	\$0
City of Hartford - Vine Street Drainage Improvements	150	\$52,875	0	0				0	\$0
Humboldt County Board of Supervisors - Emer Op Ctr	154	\$190,594	0	0				0	\$0
City of Windsor Heights - Community Center	167	\$640,104	21,022	0				0	\$21,022
City of Volga - River and Nagle Creek Levee	168	\$16,429.00	0	0				0	\$0
City of Defiance - Storm Sewer Construction	169	\$155,000	61,491	0				0	\$61,491
Johnson County - Old Armory Removal	170	\$975,000	0	0				0	\$0
City of Des Moines - Franklin Avenue Library Renov	173	\$2,200,000	317,102	0				0	\$317,102
Cedar Falls Historical Society - Ice House Museum	180	\$545,700	0	0				0	\$0
City of DeWitt - East Side Storm Water	182	\$300,000	0	0				0	\$0
Des Moines County - Tama Road Reconstruction	184	\$175,000	26,509	0				0	\$26,509
City of Toledo, Iowa - Public Works Facility Flood Mit	186	\$727,500	(0)	0				0	(\$0)
City of Council Bluffs - Public Works Operation Fac	188	\$3,869,000	0	0				0	\$0
City of Spillville - WWTF Improvements	192	\$906,225	53,939	0				0	\$53,939
City of Iowa City - Fire Station #4	195	\$2,268,867	0	0				0	\$0
City of Iowa City - Wastewater Treatment Plant	196	\$3,495,293	0	0				0	\$0
City of Anamosa, Iowa - Wastewater Treatment Plant	202	\$3,069,000	46,538	0				0	\$46,538
City of Storm Lake - Sunrise Campground	208	\$700,000	(0)	0				0	(\$0)
Northeast Iowa Community College Foundation - Library	210	\$750,000	154,843	0				0	\$154,843
Wapello County - Bridge and Road Rebuilding	214	\$5,350,000	0	0				0	\$0
Operation Threshold - Central Office	217	\$2,003,910	0	0				0	\$0
Perry Economic Development - DMACC Center	224	\$1,550,000	0	0				0	\$0
City of Avoca - RR ROW Storm Sewer Replacement	226	\$203,970	22,259	0				0	\$22,259
City of Coralville - Flood Recov & Protect 1st Ave Corr	230	\$27,140,573	195,268	0				0	\$195,268
Webster County - LEC Renovation	234	\$1,910,000	143,006	0				0	\$143,006
City of Ottumwa - City Hall Entrance/ Energy Efficiency	241	\$229,500	0	0				0	\$0
Polk County - River Place Flood Wall Construction	246	\$818,750	0	0				0	\$0
Human Services Campus of East Central Iowa - Center	NC01/296	\$10,000,000	0	0				0	\$0
Linn County - Options Mental Health Building	NC02/297	\$5,000,000	0	0				0	\$0
City of Cedar Rapids - Steam Energy Solution	NC03/298	\$5,000,000	0	0				0	\$0
City of Cedar Rapids - Paramount Theater	NC04/299	\$5,000,000	0	0				0	\$0
City of Cedar Rapids - Public Library Main Facility	NC05/300	\$5,000,000	0	0				0	\$0
City of Cedar Rapids - Public Works Building	NC06/301	\$5,000,000	0	0				0	\$0
National Czech & Slovak Museum & Library - Museum	NC07/302	\$10,000,000	0	0				0	\$0
City of Palo - Fire Station	NC08/303	\$500,000	338,632	0				0	\$338,632
City of Elkader - Fire Station	NC09/304	\$500,000	0	0				0	\$0
City of Charles City - Fire Station	NC10/305	\$500,000	0	0				0	\$0
<b>Subtotal</b>		\$165,000,002	\$2,456,796	\$0	\$0	\$0	\$0	\$0	\$2,456,796
<b>I-JOBS Water Quality Financial Assist. - \$55,000,000</b>									
Clinton	WQ-02	\$2,500,000	0	0				0	\$0
Davenport	WQ-03	\$9,500,000	0	0				0	\$0
Sioux City	WQ-28	\$8,000,000	0	0				0	\$0
Small Community		\$35,000,000	6,304,804	0				(45,470)	\$6,259,334
<b>Subtotal</b>		\$55,000,000	\$6,304,804	\$0	\$0	\$0	\$0	(\$45,470)	\$6,259,334
<b>I-JOBS Targeted Disaster Relief - \$30,900,000</b>									
City of Belmond	491	\$600,000	135,480	0				0	\$135,480
City of Cedar Rapids	492	\$2,000,000	0	0				0	\$0
City of Davenport	493	\$1,050,000	0	0				0	\$0
City of Des Moines	494	\$3,000,000	0	0				0	\$0
City of Des Moines	495	\$700,000	0	0				0	\$0
City of Iowa City	496	\$2,000,000	0	0				0	\$0
Linn County	497	\$4,400,000	0	0				0	\$0
City of Waterloo	498	\$5,000,000	0	0				0	\$0
Broadlawns	499	\$1,000,000	0	0				0	\$0
City of Cedar Rapids	500	\$4,400,000	0	0				0	\$0
City of Des Moines	501	\$3,050,000	0	0				0	\$0
City of Des Moines	502	\$1,250,000	0	0				0	\$0
City of Des Moines	503	\$500,000	0	0				0	\$0
City of Jesup	504	\$475,000	0	0				0	\$0
City of Norwalk	505	\$300,000	(0)	0				0	(\$0)
City of West Union	506	\$1,175,000	0	0				0	\$0
<b>Subtotal</b>		\$30,900,000	\$135,480	\$0	\$0	\$0	\$0	\$0	\$135,480
<b>Local Housing Trust Fund Grant (FY12) - \$4,858,252</b>									

**Iowa Finance Authority  
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2014	FY15 Additions (Red)	FY15 Payments				Commitment Balance
					9/12/2014	9/19/2014	9/26/2014	Total	
Floyd County Housing Trust Fund	12-04	\$46,303	0	0				0	\$0
Northeast Iowa Regional Housing Trust Fund	12-05	\$208,081	0	0				0	\$0
Fayette County Local Housing Trust Fund	12-06	\$50,880	0	0				0	\$0
Southern Iowa COG Housing Trust Fund	12-07	\$214,115	0	0				0	\$0
Scott County Housing Council	12-08	\$352,969	0	0				0	\$0
Region 6 Housing Trust Fund	12-09	\$239,863	0	0				0	\$0
Homeward Housing Trust Fund	12-10	\$261,249	0	0				0	\$0
Southwest Iowa Housing Trust Fund, Inc.	12-11	\$266,151	0	0				0	\$0
AHEAD Regional Housing Trust Fund	12-12	\$32,000	0	0				0	\$0
Lakes Community Land Trust	12-13	\$46,667	0	0				0	\$0
City of Dubuque Housing Trust Fund	12-14	\$132,637	0	0				0	\$0
Northwest Iowa Regional Housing Trust Fund, Inc.	12-15	\$241,707	0	0				0	\$0
Sioux City Housing Trust Fund, Inc.	12-16	\$157,684	0	0				0	\$0
Iowa Northland Regional Housing Council LHTF	12-17	\$253,417	0	0				0	\$0
Clay County Local Housing Trust Fund, Inc.	12-18	\$46,667	0	0				0	\$0
Housing Trust Fund of Johnson County	12-19	\$225,882	0	0				0	\$0
NIACOG Housing Trust Fund, Inc.	12-20	\$74,151	0	0				0	\$0
Polk County Housing Trust Fund	12-21	\$525,640	0	0				0	\$0
Dallas County Local Housing Trust Fund, Inc.	12-22	\$155,412	0	0				0	\$0
Great River Housing, Inc.	12-23	\$252,719	57,912	0				0	\$57,912
Council Bluffs Housing Trust Fund, Inc.	12-24	\$137,230	0	0				0	\$0
Housing Fund for Linn County	12-25	\$306,226	0	0				0	\$0
East Central Iowa Housing Trust Fund	12-26	\$229,773	0	0				0	\$0
COG Housing, Inc.	12-27	\$219,671	0	0				0	\$0
Chariton Valley Regional Housing Trust Fund, Inc.	12-28	\$181,158	0	0				0	\$0
<b>Subtotal</b>		<b>\$4,858,252</b>	<b>\$57,912</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$57,912</b>
<b>Local Housing Trust Fund Grant (FY13) - \$5,469,749</b>									
Floyd County Housing Trust Fund	13-04	\$46,303	0	0				0	\$0
NIACOG Housing Trust Fund Inc	13-05	\$74,151	5,048	0				0	\$5,048
Northwest Iowa Regional Housing Trust Fund Inc	13-06	\$271,707	253,396	0				(88,842)	\$164,554
Southern Iowa COG Housing Trust Fund	13-07	\$244,115	244,115	0				(135,244)	\$108,871
Northeast Iowa Regional Housing Trust Fund	13-08	\$238,081	63,444	0				(14,567)	\$48,878
Region 6 Housing Trust Fund	13-09	\$269,863	54,365	0				(54,365)	\$0
Fayette County Local Housing Trust Fund	13-10	\$50,880	11,871	0				(4,183)	\$7,688
Iowa Northland Regional Housing Council LHTF	13-11	\$283,417	69,426	0				(10,198)	\$59,228
Southwest Iowa Housing Trust Fund Inc	13-13	\$296,151	109,311	0				(42,482)	\$66,829
Homeward Housing Trust Fund	13-14	\$291,249	0	0				0	\$0
Scott County Housing Council	13-15	\$382,969	19,691	0		(15,691)		(19,691)	\$0
Clay County Local Housing Trust Fund Inc	13-16	\$46,667	36,002	0				0	\$36,002
City of Dubuque Housing Trust Fund	13-17	\$147,637	108,357	0				(53,688)	\$54,669
Polk County Housing Trust Fund	13-18	\$550,640	0	0				0	\$0
AHEAD Regional Housing Trust Fund	13-19	\$165,600	81,116	0				(71,056)	\$10,060
COG Housing Inc	13-20	\$249,671	0	0				0	\$0
Great River Housing Inc	13-21	\$282,719	217,719	0				0	\$217,719
Council Bluffs Housing Trust Fund Inc	13-22	\$152,230	102,230	0			(10,000)	(10,000)	\$92,230
East Central Iowa Housing Trust Fund	13-23	\$259,773	185,254	0				(34,143)	\$151,111
Housing Trust Fund of Johnson County	13-24	\$250,882	69,171	0				0	\$69,171
Housing Fund for Linn County	13-25	\$331,226	260,214	0				(60,257)	\$199,957
Dallas County Local Housing Trust Fund Inc	13-26	\$152,036	11,295	0				0	\$11,295
Sioux City Housing Trust Fund Inc	13-27	\$172,684	54,564	0				(11,239)	\$43,325
Chariton Valley Regional Housing Trust Fund Inc	13-28	\$212,431	95,028	0				(8,625)	\$86,402
<b>Subtotal</b>		<b>\$5,423,082</b>	<b>\$2,051,618</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$15,691)</b>	<b>(\$10,000)</b>	<b>(\$618,581)</b>	<b>\$1,433,037</b>
<b>Local Housing Trust Fund Grant (FY14) \$7,514,816</b>									
Sioux City Housing Trust Fund Inc	14-04	\$234,697	\$234,697	0				(19,553)	\$215,144
City of Dubuque Housing Trust Fund	14-05	\$190,865	190,865	0				0	\$190,865
Northwest Iowa Regional Housing Trust Fund Inc	14-06	\$344,237	344,237	0				0	\$344,237
Floyd County Housing Trust Fund	14-07	\$58,530	0	0				0	\$0
Southwest Iowa Housing Trust Fund Inc	14-08	\$387,014	387,014	0				(136,728)	\$250,286
Region 6 Housing Trust Fund	14-09	\$341,010	341,010	0		(43,726)		(120,683)	\$220,327
AHEAD Regional Housing Trust Fund	14-10	\$176,235	176,235	0	(52,081)			(92,035)	\$84,200
Southern Iowa COG Housing Trust Fund	14-11	\$295,951	295,951	0				0	\$295,951
Homeward Housing Trust Fund	14-12	\$378,436	246,825	0	(25,883)	(31,077)		(120,313)	\$126,512
COG Housing Inc	14-13	\$305,674	193,944	0				0	\$193,944
Scott County Housing Council	14-14	\$538,946	339,873	0		(17,948)		(101,096)	\$238,777
NIACOG Housing Trust Fund Inc	14-15	\$107,264	0	0				0	\$0
Northeast Iowa Regional Housing Trust Fund	14-16	\$285,392	269,881	0				(16,667)	\$253,214
Council Bluffs Housing Trust Fund Inc	14-17	\$198,903	198,903	0				0	\$198,903
Fayette County Local Housing Trust Fund	14-18	\$66,540	66,540	0				(24,503)	\$42,037
Iowa Northland Regional Housing Council LHTF	14-19	\$364,730	328,257	0	(12,000)	(6,000)		(63,632)	\$264,625
Western Iowa Community Improvement Regional Housing Trust Fund	14-20	\$302,537	260,243	0				(19,896)	\$240,348
Polk County Housing Trust Fund	14-21	\$867,333	690,776	0				(271,285)	\$419,490
Clay County Local Housing Trust Funds Inc	14-22	\$59,167	59,167	0				0	\$59,167
Great River Housing Inc	14-23	\$363,508	363,508	0				0	\$363,508
Waterloo Housing Trust Fund	14-24	\$90,000	84,000	0			(2,124)	(26,073)	\$57,927
Housing Trust Fund of Johnson County	14-25	\$349,044	314,140	0				0	\$314,140
East Central Iowa Housing Trust Fund	14-26	\$323,353	323,353	0				(32,335)	\$291,018
Housing Fund for Linn County	14-27	\$489,646	489,646	0				(48,964)	\$440,682
Dallas County Local Housing Trust Fund Inc	14-28	\$155,300	155,300	0				(47,471)	\$107,829
Chariton Valley Regional Housing Trust Fund Inc	14-29	\$240,504	240,504	0			(5,480)	(17,922)	\$222,582
<b>Subtotal</b>		<b>\$7,514,816</b>	<b>\$6,594,868</b>	<b>\$0</b>	<b>(\$89,964)</b>	<b>(\$98,751)</b>	<b>(\$7,604)</b>	<b>(\$1,159,155)</b>	<b>\$5,435,713</b>
<b>Project Based Grant</b>									
Habitat for Humanity of IA - NW Iowa Corridor	08-46	\$90,000	0	0				0	\$0
Cornerstone Sr Communities/Remsen-Sutherland	09-26	\$90,000	0	0				0	\$0
City of Harlan	10-23	\$50,000	0	0				0	\$0
Iowa Mortgage Help	10-39	\$200,000	0	0				0	\$0
Webster/Humboldt County Habitat for Humanity	11-03	\$49,800	0	0				0	\$0
Iowa Home Ownership Education Project	11-04	\$44,000	0	0				0	\$0
Habitat for Humanity of North Central Iowa	11-06	\$50,000	0	0				0	\$0
City of Fort Madison	11-07	\$50,000	0	0				0	\$0
Fort Dodge Housing Agency	11-08	\$50,000	0	0				0	\$0
Habitat for Humanity of Marion County	11-32	\$50,000	0	0				0	\$0
Northeast Iowa Community Action Corporation	11-33	\$50,000	0	0				0	\$0
City of Keokuk	11-34	\$50,000	43,440	0				0	\$43,440
Hope Haven, Inc.	11-35	\$50,000	0	0				0	\$0
Mosaic	11-36	\$50,000	0	0				0	\$0

**Iowa Finance Authority  
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2014	FY15 Additions (Red)	FY15 Payments			Total	Commitment Balance
					9/12/2014	9/19/2014	9/26/2014		
<b>Subtotal</b>		\$923,800	\$43,440	\$0	\$0	\$0	\$0	\$0	\$43,440
<b>Project Based Grant (FY13) - \$350,000</b>									
Fort Dodge Housing Agency	13-01	\$50,000	0	0				0	\$0
Habitat for Humanity of Marion County Inc	13-02	\$50,000	0	0				0	\$0
Habitat for Humanity of Mitchell County	13-03	\$50,000	0	0				0	\$0
Habitat for Humanity of Central Iowa	13-30	\$50,000	0	0				0	\$0
Habitat for Humanity of North Central Iowa	13-31	\$50,000	50,000	0				0	\$50,000
Iowa Heartland Habitat for Humanity	13-34	\$50,000	0	0				0	\$0
<b>Subtotal</b>		\$300,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$50,000
<b>Project Based Grant (FY14) - \$500,000</b>									
Habitat for Humanity of Marion County	14-01	\$25,000	0	0				0	\$0
Hope Haven Area Development Center Corporation	14-02	\$50,000	0	0				0	\$0
Habitat for Humanity of Marion County Inc	14-03	\$25,000	25,000	0				(25,000)	\$0
Hope Haven Support Foundation	14-30	\$50,000	0	0				0	\$0
Hope Haven, Incorporated	14-31	\$49,000	0	0				0	\$0
Habitat for Humanity of Boone and Greene Counties Inc	14-32	\$30,000	30,000	0				0	\$30,000
Habitat for Humanity of Central Iowa	14-33	\$50,000	50,000	0				0	\$50,000
Mosaic	14-34	\$50,000	50,000	0				0	\$50,000
Mid-Step Services Inc	14-35	\$50,000	50,000	0				0	\$50,000
Iowa Heartland Habitat for Humanity	14-36	\$50,000	50,000	0				0	\$50,000
<b>Subtotal</b>		\$429,000	\$255,000	\$0	\$0	\$0	\$0	(\$25,000)	\$230,000
<b>Project Based Grant (FY15) - \$350,000</b>									
Habitat for Humanity of Boone and Greene Counties Inc	15-01	\$20,000	0	20,000				0	\$20,000
<b>Subtotal</b>		\$20,000	\$0	\$20,000	\$0	\$0	\$0	\$0	\$20,000
<b>Shelter Assistance Fund (2014)- \$945,385</b>									
Area Substance Abuse Council		\$79,200	24,217	0	(1,428)			(24,217)	\$0
Center for Siouxland		\$36,000	29,567	0				(17,313)	\$12,254
Central Iowa Shelter & Services		\$80,000	80,000	0				0	\$80,000
Children & Families of Iowa		\$28,000	14,133	0	(4,288)			(7,113)	\$7,020
Community Housing Initiatives Inc		\$11,900	8,168	0				(4,281)	\$3,887
Cottage Grove Avenue Presbyterian Church		\$36,000	21,000	0				(6,000)	\$15,000
Council on Sexual Assault & Domestic Violence		\$32,000	17,016	0				(1,616)	\$15,400
Crisis Intervention Services - NIAD Center for Human Development		\$56,902	45,584	0				(20,690)	\$24,894
Des Moines Area Religious Council		\$28,000	0	0				0	\$0
Dubuque Community YMCA/YWCA		\$36,000	26,121	0				(12,510)	\$13,611
Family Crisis Centers		\$36,000	16,695	0				(3,914)	\$12,780
Family Promise of Greater Des Moines		\$18,000	9,272	0				(3,999)	\$5,272
Fort Dodge Housing Agency		\$38,785	38,785	0				(8,180)	\$30,605
Foundation 2		\$54,000	36,238	0	(3,729)			(13,104)	\$23,133
Francis Lauer Youth Services Inc		\$28,000	16,750	0	(2,250)			(6,750)	\$10,000
Hawkeye Area Community Action Program Inc		\$85,000	85,000	0				(12,217)	\$72,783
Muscatine Center for Social Action		\$28,000	8,000	0				(8,000)	\$0
Opening Doors		\$32,000	21,065	0				0	\$21,065
Pathway Living Center		\$54,000	20,152	0	(3,639)			(20,152)	\$0
Project Concern Inc		\$27,318	17,174	0	(789)			(17,077)	\$97
Shesler Hall		\$14,000	4,797	0				(3,783)	\$1,014
The Salvation Army - Davenport		\$28,000	18,503	0				(10,435)	\$8,068
The Salvation Army - Waterloo/Cedar Falls		\$28,000	28,000	0				(18,784)	\$9,216
Willis Dady Emergency Shelter		\$26,600	11,921	0				(11,921)	\$0
Youth Emergency Services & Shelter		\$23,680	14,011	0				(5,057)	\$8,954
Institute for Community Alliances		\$46,800	0	40,132	(8,334)			(15,373)	\$24,758
Iowa Finance Authority		\$18,908	12,187	0				0	\$12,187
<b>Subtotal</b>		\$1,011,093	\$624,357	\$40,132	(\$24,457)	\$0	\$0	(\$252,487)	\$412,001
<b>Emergency Solutions Grant Program (FFY 2013 in CY 2014)</b>									
Assault Care Center Extending Shelter and Support		\$60,000	44,407	0				(20,660)	\$23,747
Catherine McAuley Center		\$76,000	38,992	0				(12,702)	\$26,290
Catholic Council for Social Concern		\$75,000	48,685	0				(15,250)	\$33,434
Cedar Valley Friends of the Family		\$93,000	74,511	0				(9,198)	\$65,313
Community Action Agency of Siouxland		\$73,269	62,542	0				(17,622)	\$44,920
Community Action of Southeast Iowa		\$50,000	45,349	0				(11,566)	\$33,783
Crisis Intervention & Advocacy Center		\$72,000	72,000	0				(3,076)	\$68,924
Crisis Intervention Services		\$100,000	86,687	0				(11,828)	\$74,858
Domestic/Sexual Assault Outreach Center		\$99,906	65,299	0				(18,326)	\$46,973
Domestic Violence Intervention Program		\$100,000	100,000	0				(27,047)	\$72,953
Family Resources		\$100,000	16,976	0				(16,976)	\$0
Hawthorne Hill		\$35,000	19,000	0				(2,500)	\$16,500
Heartland Family Service		\$50,000	31,772	0				(18,228)	\$13,545
Home Inc		\$50,000	46,417	0				(17,478)	\$28,939
Humility of Mary Housing Inc		\$85,000	53,447	0				(18,106)	\$35,341
Humility of Mary Shelter Inc		\$85,000	48,136	0				(16,676)	\$31,460
Iowa Legal Aid		\$75,000	67,877	0				(11,167)	\$56,710
MICAH House Corporation		\$50,000	25,000	0				(13,500)	\$11,500
North Iowa Community Action Organization		\$100,000	87,678	0				(22,653)	\$65,025
Shelter House Community Shelter and Transition Services		\$150,000	102,986	0				(9,399)	\$93,587
Upper Des Moines Opportunity Inc		\$80,000	57,038	0				(33,739)	\$23,299
Waypoint Services		\$115,697	66,101	0				(39,459)	\$26,642
Youth and Shelter Services Inc		\$128,330	108,407	0				(16,356)	\$92,051
YWCA Clinton		\$100,000	45,917	0				(15,114)	\$30,803
Iowa Institute for Community Alliances - HMIS		\$93,600	49,601	(40,132)				(9,470)	\$0
Iowa Finance Authority		\$153,277	153,277	0				0	\$153,277
<b>Subtotal</b>		\$2,250,079	\$1,618,099	(\$40,132)	\$0	\$0	\$0	(\$408,094)	\$1,169,873
<b>HOPWA (FFY 2013 in CY 2014) - \$395,682</b>									
Cedar Valley Hospice		\$24,634	21,360	0				(14,615)	\$6,745
Primary Health Care Inc		\$160,577	149,156	0				(60,991)	\$88,165
Siouxland Community Health Center		\$50,450	43,086	7,933	(3,127)			(14,935)	\$36,085
The Project of the Quad Cities		\$59,873	45,932	0	(5,323)			(10,549)	\$35,383
University of Iowa		\$87,944	80,860	0	(9,102)			(23,545)	\$57,315
Iowa Finance Authority		\$11,870	1,884	0				0	\$1,884
Iowa Institute for Community Alliances		\$10,096	6,104	0	(379)			(1,874)	\$4,230
<b>Subtotal</b>		\$405,445	\$348,383	\$7,933	(\$17,932)	\$0	\$0	(\$126,509)	\$229,807
<b>HOME</b>									
Lone Tree/The Housing Fellowship	09-HM-103	\$194,444	0	0				0	\$0
Upper Explorerland RHA	09-HM-602	\$215,050	35,029	0				0	\$35,029
Mason City Housing Authority	10-HM-002	\$214,215	40,312	0				0	\$40,312
Carroll	10-HM-115	\$362,500	0	0				0	\$0

**Iowa Finance Authority  
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2014	FY15 Additions (Red)	FY15 Payments				Commitment Balance
					9/12/2014	9/19/2014	9/26/2014	Total	
Mason City	10-HM-116	\$312,500	152,397	0				0	\$152,397
Manchester	10-HM-117	\$252,000	91,702	0				0	\$91,702
Ottumwa	10-HM-119	\$411,192	108,742	0				0	\$108,742
Downtown Partners Inc	10-HM-303	\$855,000	61,789	0				0	\$61,789
Habitat for Humanity of Iowa	10-HM-314	\$423,000	109,296	0				0	\$109,296
City of Marshalltown	11-HM-105	\$50,000	101,363	0				(20,494)	\$80,869
East Central Intergovernmental Association	11-HM-112	\$399,990	250,392	0				(1,569)	\$248,823
East Central Intergovernmental Association	11-HM-113	\$269,493	46,191	0				(1,801)	\$44,390
City of DeWitt	11-HM-114	\$218,994	55,568	0				(2,838)	\$52,730
Region 6 Planning Commission	11-HM-302	\$400,000	4,795	0				0	\$4,795
Region XII Council of Governments	11-HM-306	\$500,000	4,146	0				0	\$4,146
Habitat for Humanity of Iowa	11-HM-311	\$423,500	263,855	0				0	\$263,855
Community Housing Initiatives Inc	12-HM-03CO	\$50,000	0	0				0	\$0
Scott County Housing Council	12-HM-115	\$499,975	100,099	0			(8,998)	(35,672)	\$64,427
Greater Des Moines Habitat for Humanity Inc	12-HM-131	\$305,000	288,500	0				0	\$288,500
Upper Explorerland Regional Planning Commission	12-HM-138	\$410,000	118,539	0				(13,368)	\$105,171
Upper Explorerland Regional Planning Commission	12-HM-141	\$410,000	272,221	0				(6,473)	\$265,748
Habitat for Humanity of Iowa	12-HM-144	\$423,500	423,500	0				0	\$423,500
Habitat for Humanity of Marion County Inc	12-HM-150	\$154,000	77,000	0				0	\$77,000
Capax Infiniti Housing Inc	12-HM-506	\$67,000	27	0				0	\$27
Family Housing Assistance - Anawim Housing	12-HM-510	\$212,258	52,350	0		(2,866)		(18,017)	\$34,333
Domestic Violence Service - Children & Families of Iowa	12-HM-534	\$80,325	17,535	0				0	\$17,535
Mason City Housing Authority	12-HM-545	\$208,850	48,942	0		(5,933)		(31,739)	\$17,203
Affordable Housing Network Inc	12AUG-HM-1CO	\$50,000	0	0				0	\$0
<b>Subtotal</b>		<b>\$8,372,786</b>	<b>\$2,724,290</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$8,799)</b>	<b>(\$8,998)</b>	<b>(\$131,971)</b>	<b>\$2,592,319</b>
<b>HOME (2013)</b>									
MSA Professional Services Inc	13-HM-01ADM	\$400	0	756				(756)	\$0
Northeast Iowa Community Action Corporation	13-HM-01CO	\$50,000	0	0				0	\$0
Northeast Iowa Community Action Corporation	13-HM-113	\$11,000	11,000	0	(800)			(800)	\$10,200
Greater Des Moines Habitat for Humanity Inc	13-HM-168	\$305,000	0	305,000				0	\$305,000
Upper Explorerland Regional Planning Commission	13-HM-169	\$395,000	318,172	0	(35,185)		(14,555)	(116,436)	\$201,736
Scott County Housing Council	13-HM-177	\$499,975	499,975	0				0	\$499,975
Siouxland Interstate Metropolitan Planning Council	13-HM-180	\$242,200	242,200	0				0	\$242,200
East Central Intergovernmental Association	13-HM-192	\$285,250	281,827	0				0	\$281,827
Habitat for Humanity of Marion County Inc	13-HM-197	\$154,000	154,000	0				0	\$154,000
Iowa Community Action Association	13-HM-563	\$1,099,960	993,972	0	(15,101)	(46,556)		(146,683)	\$847,289
Children and Families of Iowa	13-HM-570	\$84,150	64,954	0		(8,336)		(31,592)	\$33,362
Anawim Housing	13-HM-573	\$241,986	202,570	0		(7,342)		(21,461)	\$181,109
Fort Dodge Housing Agency	13-HM-575	\$241,670	170,173	0				0	\$170,173
Des Moines Municipal Housing Agency	13-HM-578	\$1,100,000	957,183	0	(51,640)			(159,487)	\$797,696
Capax Infiniti Housing Inc	13-HM-594	\$212,200	3,001	0				0	\$3,001
United Neighbors Inc - No Limits Program	13-HM-595	\$316,800	96,410	0		(14,471)		(61,949)	\$34,461
City of Clinton, Iowa Housing Authority	13AUG-HM-513	\$184,965	184,965	0				0	\$184,965
Mason City Housing Authority	13AUG-HM-520	\$194,832	0	194,832			(760)	(1,460)	\$193,372
Partners United for Supportive Housing - Affordable Housing Network	13AUG-HM-593	\$928,948	909,092	0				(98,031)	\$811,061
Capax Infiniti Housing Inc	13AUG-HM-595	\$366,031	293,865	0		(32,204)		(121,578)	\$172,287
Children and Families of Iowa	13AUG-HM-597	\$123,420	123,420	0				0	\$123,420
<b>Subtotal</b>		<b>\$7,037,787</b>	<b>\$5,506,779</b>	<b>\$500,588</b>	<b>(\$102,726)</b>	<b>(\$108,909)</b>	<b>(\$15,315)</b>	<b>(\$760,233)</b>	<b>\$5,247,134</b>
<b>HOME (2014)</b>									
Home Opportunities Made Easy Inc	14-HM-159	\$231,000	0	231,000				0	\$231,000
Region XII Council of Governments Inc	14-HM-161	\$412,500	412,500	0				0	\$412,500
Upper Explorerland Regional Planning Commission	14-HM-163	\$395,000	395,000	0				0	\$395,000
Upper Explorerland Regional Planning Commission	14-HM-164	\$395,000	395,000	0				0	\$395,000
Upper Explorerland Regional Planning Commission	14-HM-165	\$276,000	276,000	0				0	\$276,000
Region 6 Planning Commission	14-HM-174	\$268,000	0	268,000				0	\$268,000
Region XII Council of Governments Inc	14-HM-177	\$412,500	412,500	0				0	\$412,500
Region XII Council of Governments Inc	14-HM-179	\$495,000	0	495,000				0	\$495,000
Capax Infiniti Housing Inc	14-HM-503	\$630,958	630,958	0		(18,122)		(69,338)	\$561,620
Children and Families of Iowa	14-HM-556	\$156,674	156,674	0				0	\$156,674
Eastern Iowa Regional Housing Corporation	14-HM-566	\$998,064	998,064	0			(22,911)	(60,021)	\$938,043
Anawim Housing	14-HM-570	\$327,383	327,383	0		(9,795)		(20,869)	\$306,514
Mason City Housing Authority	14-HM-586	\$442,161	442,161	0		(14,813)		(40,424)	\$401,737
Iowa Community Action Association	14-HM-593	\$999,586	999,586	0				0	\$999,586
<b>Subtotal</b>		<b>\$6,439,826</b>	<b>\$5,445,826</b>	<b>\$994,000</b>	<b>\$0</b>	<b>(\$42,730)</b>	<b>(\$22,911)</b>	<b>(\$190,652)</b>	<b>\$6,249,174</b>
<b>Total</b>		<b>\$295,885,968</b>	<b>\$34,217,652</b>	<b>\$1,522,521</b>	<b>(\$235,078)</b>	<b>(\$274,880)</b>	<b>(\$64,828)</b>	<b>(\$3,718,152)</b>	<b>\$32,022,021</b>

**GRANT COMMITMENT SUMMARY:**

<b>I-JOBS</b>	<b>8,871,610</b>
<b>STATE</b>	<b>7,662,103</b>
<b>FEDERAL</b>	<b>15,488,307</b>

**TOTAL COMMITMENT BALANCE**

**32,022,021**

**0**

**RECONCILIATION FY14 to FY15 ROLL FORWARD:**

<b>Grant Commitment Balance - 6/30/14</b>	<u><u>34,217,651.67</u></u>
<b>Grant Commitment Balance - 6/30/14 Adjusted</b>	<u>34,217,651.67</u>
<b>Grant Commitment Balance - 6/30/14 This Report</b>	<b>34,217,651.67</b>
Difference	0.00

FY14 Funds:

006D - FB2 Reverted back to the State	4,584,142.44
006D - FC9 Reverted back to the State	9,519.53

FFY11 PHASE II ESGP Unused Award Funds	20,083.33
FFY12 CY12 ESGP Unused Award Funds	27.97
FFY12 CY13 ESGP Unused Award Funds	\$40,010.89



To: IFA Board Members  
 From: Karen Klinkefus  
 Date: October 9, 2014  
 Subject: Administration Narrative – September 2014

**Strategic Goal:** Profitably grow IFA’s financial assets and maintain an AA rating.

**Performance Target:** Increase ratio of assets managed to support staff.

	6/30/2011	6/30/2012	6/30/2013	6/30/2014	8/31/2014	9/30/2014
Assets	2,890,255,072	2,893,945,703	2,639,794,114	2,659,458,231	2,569,035,323	2,558,162,115
Employees	87.5	90.0	90.0	93.0	93.0	91.0
Assets / employee	33,031,487	32,154,952	29,331,046	28,596,325	27,624,036	28,111,672

**YTD Income is 12% or \$96,073 favorable to budget**

- Net Grant (Expense) \$120,414 lower – Mortgage Settlement Net Income \$96,732 higher; National Foreclosure Expense (\$14,208) lower than plan
- Other Income \$15,770 lower – Single Family fees lower than plan

**YTD Expense is 5% or \$121,336 favorable to budget**

- Marketing \$29,947 lower – Marketing \$20,183; Conference Hosting \$9,764 both lower
- Professional Services Expense \$93,582 lower - Legal \$32,456; Consulting \$49,519; Misc. \$14,480 fees all lower than planned

**YTD Net Operating Loss is 14% or \$217,409 favorable to budget**

**Summary Financial Information**

General Fund	Current Month				Year to Date			
	Actual	Budget	Var	%	Actual	Budget	Var	%
Fee Income	246,907	251,106	(4,199)	-2%	754,562	753,308	1,254	0%
Net Interest Income	36,094	40,339	(4,245)	-11%	111,263	121,088	(9,825)	-8%
Net Grant Income	(22,123)	(38,076)	15,953	-42%	(88,612)	(209,026)	120,414	-58%
Authority Fee Inc	-	-	-	0%	-	-	-	0%
Other Income	148,380	140,272	8,108	6%	145,046	160,816	(15,770)	-10%
<b>Total Operating Inc</b>	<b>409,258</b>	<b>393,641</b>	<b>15,617</b>	<b>4%</b>	<b>922,259</b>	<b>826,186</b>	<b>96,073</b>	<b>12%</b>
Dir Employee Exp	542,037	539,048	2,989	1%	1,621,475	1,616,173	5,302	0%
Indirect Op Exp	62,898	72,755	(9,857)	-14%	216,588	218,151	(1,563)	-1%
Marketing Exp	165,374	185,088	(19,714)	-11%	185,311	215,258	(29,947)	-14%
Prof Service Exp	83,368	90,273	(6,905)	-8%	177,201	270,783	(93,582)	-35%
Prov for Losses	-	-	-	0%	-	-	-	0%
Misc Exp	4,839	5,368	(529)	-10%	14,542	16,088	(1,546)	-10%
<b>Total Operating Exp</b>	<b>858,516</b>	<b>892,532</b>	<b>(34,016)</b>	<b>-4%</b>	<b>2,215,117</b>	<b>2,336,453</b>	<b>(121,336)</b>	<b>-5%</b>
<b>Net Operating Inc</b>	<b>(449,258)</b>	<b>(498,891)</b>	<b>49,633</b>	<b>-10%</b>	<b>(1,292,858)</b>	<b>(1,510,267)</b>	<b>217,409</b>	<b>-14%</b>

Note: minor rounding errors may occur

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
LOAN ORIGATION FEES	5,000-	1,112-	449.64	15,737-	3,332-	472.30	13,330-	2,407
ECONOMIC DEVELOPMENT BOND FEES	10,000-	14,584-	68.57	20,803-	43,750-	47.55	175,000-	154,197-
TG FEES								
LIHTC FEES	2,600-		.00	1,600-		.00	1150,000-	1148,400-
COMPLIANCE FEES - LIHTC, HOME, & 1602	30,706-	30,000-	102.35	90,191-	90,000-	100.21	458,463-	368,272-
SECTION 8 FEES	200,721-	200,166-	100.28	603,137-	600,496-	100.44	2401,985-	1798,848
MISC FEES	2,118	5,244-	40.39-	23,094-	15,730-	146.82	62,922-	39,828-
TOTAL FEE INCOME	246,909-	251,106-	98.33	754,562-	753,308-	100.17	4261,700-	3507,138-
INVESTMENT INTERST INCOME	3,564-	1,608-	221.64	12,388-	4,822-	256.91	19,288-	6,900-
GAIN OR LOSS ON SALE			.00			.00		
REBATE EXPENSE								
MBS INTEREST INCOME	27,004-	33,334-	81.01	82,228-	100,000-	82.23	400,000-	317,772-
LOAN INTEREST INCOME	5,525-	5,397-	102.37	16,646-	16,266-	102.34	63,720-	47,074-
OTHER INTEREST INCOME			.00			.00		
TOTAL INTEREST INCOME	36,093-	40,339-	89.47	111,262-	121,088-	91.89	483,008-	371,746-
BOND INTEREST EXPENSE			.00			.00		
COST OF ISSUANCE EXPENSE								
DISCOUNT / PREMIUM AMORT								
REMARKETING FEES								
LIQUIDITY FEES								
OTHER INTEREST COSTS								
TOTAL INTEREST EXPENSE			.00			.00		
NET INTEREST INCOME	36,093-	40,339-	89.47	111,262-	121,088-	91.89	483,008-	371,746-
NET GRANT EXPENSE (INC)	22,123	38,076	58.10	88,612	209,026	42.39	175,791-	264,403-
AUTHORITY FEES			.00			.00	1194,226-	1194,226-
OTHER INCOME	148,380-	140,272-	105.78	145,046-	160,816-	90.19	253,265-	108,219-
TOTAL OPERATING INCOME	409,259-	393,641-	103.97	922,258-	826,186-	111.63	6367,990-	5445,732-
OPERATING EXPENSES	858,518	892,532	96.19	2215,122	2336,453	94.81	9028,203	6813,081
NET OPERATING INCOME	449,259	498,891	90.05	1292,864	1510,267	85.60	2660,213	1367,349
NON OPERATING EXPENSES	32,336		.00	37,768		.00		37,768-
NET INCOME	481,595	498,891	96.53	1330,632	1510,267	88.11	2660,213	1329,581

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	246,907-	251,106-	98.33	754,562-	753,308-	100.17	4261,700-	3507,138-
NET INTEREST INCOME	36,094-	40,339-	89.48	111,263-	121,088-	91.89	483,008-	371,745-
NET GRANT INCOME	22,123	38,076	58.10	88,612	209,026	42.39	175,791-	264,403-
AUTHORITY FEE INCOME			.00			.00	1194,226-	1194,226-
OTHER INCOME	148,380-	140,272-	105.78	145,046-	160,816-	90.19	253,265-	108,219-
<b>TOTAL OPERATING INCOME</b>	<b>409,258-</b>	<b>393,641-</b>	<b>103.97</b>	<b>922,259-</b>	<b>826,186-</b>	<b>111.63</b>	<b>6367,990-</b>	<b>5445,731-</b>
SALARY & BENEFITS	536,954	536,641	100.06	1605,461	1608,964	99.78	6398,107	4792,646
TRAVEL & EDUCATION	24,797	17,946	138.18	60,035	53,822	111.54	215,297	155,262
OFFICE SUPPLIES AND POSTAGE	11,942	11,627	102.71	38,955	34,853	111.77	139,433	100,478
TELEPHONE & DATA	10,164	7,161	141.94	30,782	21,455	143.47	85,838	55,056
FACILITIES	4,208	11,856	35.49	35,735	35,550	100.52	142,221	106,486
EQUIPMENT & SOFTWARE	19,708	21,575	91.35	60,575	64,701	93.62	258,822	198,247
DEPRECIATION	16,876	20,536	82.18	50,541	61,592	82.06	246,383	195,842
STATE INDIRECT	4,829	5,315	90.86	14,264	15,927	89.56	63,726	49,462
MARKETING	5,138	15,088	34.05	25,075	45,258	55.40	181,036	155,961
MARKETING - CONFERENCE HOSTING	160,236	170,000	94.26	160,236	170,000	94.26	180,000	19,764
PS - ACCOUNTING	9,813	9,607	102.14	29,438	28,821	102.14	115,286	85,848
PS - LEGAL	2,022	12,466	16.22	4,938	37,394	13.21	149,576	144,638
PS - COMPLIANCE	33,418	14,280	234.02	46,368	42,840	108.24	171,360	124,992
PS - LIHTC MARKET STUDY			.00			.00	220,000	220,000
PS - BANKING	3,179	3,875	82.04	10,714	11,623	92.18	46,495	35,781
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING	20,578	20,997	98.00	43,063	62,979	68.38	251,917	208,854
PS - MISC CONSULTING	500	10,265	4.87	1,000	30,785	3.25	123,141	122,141
PS - S8 SERVICES	13,775	13,849	99.47	41,362	41,545	99.56	166,180	124,818
PS - STATE AUDITOR								
PS - MISC	84	4,934	1.70	316	14,796	2.14	59,191	58,875
PROVISION FOR LOSSES			.00			.00		
MISC EXPENSES	11	53	20.75	278	161	172.67	646	368
INDIRECT COST TRANSFER	19,714-	15,539-	126.87	44,021-	46,613-	94.44	186,452-	142,431-
<b>TOTAL OPERATING EXPENSES</b>	<b>858,518</b>	<b>892,532</b>	<b>96.19</b>	<b>2215,115</b>	<b>2336,453</b>	<b>94.81</b>	<b>9028,203</b>	<b>6813,088</b>
<b>NET OPERATING INCOME</b>	<b>449,260</b>	<b>498,891</b>	<b>90.05</b>	<b>1292,856</b>	<b>1510,267</b>	<b>85.60</b>	<b>2660,213</b>	<b>1367,357</b>
INTERAGENCY GRANTS			.00			.00		
FMVA	32,336		.00	37,768		.00		37,768-
OTHER NON-OPERATING			.00			.00		
<b>NET INCOME</b>	<b>481,596</b>	<b>498,891</b>	<b>96.53</b>	<b>1330,624</b>	<b>1510,267</b>	<b>88.11</b>	<b>2660,213</b>	<b>1329,589</b>

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	7,582-	15,584-	48.65	32,634-	46,750-	69.81	187,000-	154,366-
NET INTEREST INCOME	36,094-	40,339-	89.48	111,263-	121,088-	91.89	483,008-	371,745-
NET GRANT INCOME	2,743-	358	766.20-	8,397-	1,076	780.39-	45,693-	37,296-
AUTHORITY FEE INCOME			.00			.00		
OTHER INCOME			.00			.00		
<b>TOTAL OPERATING INCOME</b>	<b>46,419-</b>	<b>55,565-</b>	<b>83.54</b>	<b>152,294-</b>	<b>166,762-</b>	<b>91.32</b>	<b>715,701-</b>	<b>563,407-</b>
SALARY & BENEFITS (a)	64,051	72,215	88.69	177,505	216,646	81.93	859,908	682,403
TRAVEL & EDUCATION	6,157	7,527	81.80	22,609	22,577	100.14	90,310	67,701
OFFICE SUPPLIES AND POSTAGE	3,388	3,455	98.06	11,502	10,363	110.99	41,454	29,952
TELEPHONE & DATA	1,224	825	148.36	3,743	2,471	151.48	9,884	6,141
FACILITIES	544	1,275	42.67	3,935	3,825	102.88	15,303	11,368
EQUIPMENT & SOFTWARE	246	745	33.02	1,078	2,233	48.28	8,933	7,855
DEPRECIATION	1,763	2,180	80.87	5,280	6,540	80.73	26,160	20,880
STATE INDIRECT	499	1,096	45.53	1,494	3,288	45.44	13,154	11,660
MARKETING			.00			.00		
MARKETING - CONFERENCE HOSTING			.00			.00		
PS - ACCOUNTING			.00			.00		
PS - LEGAL		4,132	.00	2,119	12,394	17.10	49,576	47,457
PS - COMPLIANCE			.00			.00		
PS - LIHTC MARKET STUDY			.00			.00		
PS - BANKING			.00			.00		
PS - TG FIELD ISSUE FEE			.00			.00		
PS - IT CONSULTING			.00			.00		
PS - MISC CONSULTING		7,168	.00		21,500	.00	86,000	86,000
PS - S8 SERVICES			.00			.00		
PS - STATE AUDITOR			.00			.00		
PS - MISC		4,814	.00		14,442	.00	57,771	57,771
PROVISION FOR LOSSES			.00			.00		
MISC EXPENSES		8-	.00		22-	.00	88-	88-
INDIRECT COST TRANSFER	19,714-	15,539-	126.87	44,021-	46,613-	94.44	186,452-	142,431-
<b>TOTAL OPERATING EXPENSES</b>	<b>58,158</b>	<b>89,885</b>	<b>64.70</b>	<b>185,244</b>	<b>269,644</b>	<b>68.70</b>	<b>1071,913</b>	<b>886,669</b>
NET OPERATING INCOME	11,739	34,320	34.20	32,950	102,882	32.03	356,212	323,262
INTERAGENCY GRANTS			.00			.00		
FMVA	32,336		.00	37,768		.00		37,768-
OTHER NON-OPERATING			.00			.00		
<b>NET INCOME</b>	<b>44,075</b>	<b>34,320</b>	<b>128.42</b>	<b>70,718</b>	<b>102,882</b>	<b>68.74</b>	<b>356,212</b>	<b>285,494</b>

(a) SALARY - one open position

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME			.00			.00		
NET INTEREST INCOME								
NET GRANT INCOME								
AUTHORITY FEE INCOME								
OTHER INCOME			.00			.00		
-----								
TOTAL OPERATING INCOME			.00			.00		
-----								
SALARY & BENEFITS (a)	74,543	69,755	106.86	230,072	209,066	110.05	827,353	597,281
TRAVEL & EDUCATION	224	485	46.19	792	1,453	54.51	5,812	5,020
OFFICE SUPPLIES AND POSTAGE	1,180	1,061	111.22	3,205	3,183	100.69	12,734	9,529
TELEPHONE & DATA	1,467	855	171.58	4,299	2,561	167.86	10,247	5,948
FACILITIES	586	1,754	33.41	5,438	5,262	103.34	21,050	15,612
EQUIPMENT & SOFTWARE	7,673	8,610	89.12	23,521	25,826	91.07	103,306	79,785
DEPRECIATION	2,770	2,986	92.77	8,297	8,958	92.62	35,832	27,535
STATE INDIRECT	794	715	111.05	2,309	2,143	107.75	8,572	6,263
MARKETING			.00			.00		
MARKETING - CONFERENCE HOSTING								
PS - ACCOUNTING	9,813	9,607	102.14	29,438	28,821	102.14	115,286	85,848
PS - LEGAL			.00			.00		
PS - COMPLIANCE			.00			.00		
PS - LIHTC MARKET STUDY								
PS - BANKING	2,948	3,735	78.93	10,123	11,203	90.36	44,815	34,692
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING			.00			.00		
PS - MISC CONSULTING			.00			.00		
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC			.00			.00		
PROVISION FOR LOSSES								
MISC EXPENSES			.00			.00		
INDIRECT COST TRANSFER								
-----								
TOTAL OPERATING EXPENSES	101,998	99,563	102.45	317,494	298,476	106.37	1185,007	867,513
NET OPERATING INCOME	101,998	99,563	102.45	317,494	298,476	106.37	1185,007	867,513
-----								
INTERAGENCY GRANTS								
FMVA								
OTHER NON-OPERATING								
-----								
NET INCOME	101,998	99,563	102.45	317,494	298,476	106.37	1185,007	867,513
=====								

(a) SALARY - Hours planned for SRF program used here

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME			.00			.00		
NET INTEREST INCOME								
NET GRANT INCOME								
AUTHORITY FEE INCOME								
OTHER INCOME								
-----								
TOTAL OPERATING INCOME			.00			.00		
SALARY & BENEFITS (a)	37,270	46,116	80.82	128,495	138,348	92.88	552,895	424,400
TRAVEL & EDUCATION (b)	1,911	1,668	114.57	6,389	5,000	127.78	20,000	13,611
OFFICE SUPPLIES AND POSTAGE	3,941	3,983	98.95	12,004	11,947	100.48	47,790	35,786
TELEPHONE & DATA	667	419	159.19	1,954	1,253	155.95	5,013	3,059
FACILITIES	266	873	30.47	2,560	2,619	97.75	10,479	7,919
EQUIPMENT & SOFTWARE (c)	3,866	2,450	157.80	10,361	7,350	140.97	29,400	19,039
DEPRECIATION	1,259	1,562	80.60	3,771	4,684	80.51	18,738	14,967
STATE INDIRECT	361	357	101.12	1,067	1,071	99.63	4,286	3,219
MARKETING		48	.00		142	.00	569	569
MARKETING - CONFERENCE HOSTING								
PS - ACCOUNTING								
PS - LEGAL			.00			.00		
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY								
PS - BANKING								
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING			.00			.00		
PS - MISC CONSULTING			.00			.00		
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC			.00			.00		
PROVISION FOR LOSSES								
MISC EXPENSES			.00			.00		
INDIRECT COST TRANSFER								
-----								
TOTAL OPERATING EXPENSES	49,541	57,476	86.19	166,601	172,414	96.63	689,170	522,569
NET OPERATING INCOME	49,541	57,476	86.19	166,601	172,414	96.63	689,170	522,569
INTERAGENCY GRANTS								
FMVA								
OTHER NON-OPERATING								
-----								
NET INCOME	49,541	57,476	86.19	166,601	172,414	96.63	689,170	522,569
=====								

(a) SALARY - one open position

(b) EDUCATION - GFOA \$522; NCSHA \$1,030 registrations

(c) SOFTWARE - Precision Risk Mgt System \$2,250; S S & C Tech \$1,437

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	300-	5,244-	5.72	22,000-	15,730-	139.86	62,922-	40,922-
NET INTEREST INCOME								
NET GRANT INCOME			.00			.00		
AUTHORITY FEE INCOME			.00			.00	956,368-	956,368-
OTHER INCOME	388-	10,272-	3.78	2,946	30,816-	9.56-	123,265-	126,211-
TOTAL OPERATING INCOME	688-	15,516-	4.43	19,054-	46,546-	40.94	1142,555-	1123,501-
SALARY & BENEFITS	55,092	55,215	99.78	159,565	165,645	96.33	665,947	506,382
TRAVEL & EDUCATION	515	885	58.19	1,585	2,655	59.70	10,621	9,036
OFFICE SUPPLIES AND POSTAGE	339	456	74.34	1,122	1,364	82.26	5,459	4,337
TELEPHONE & DATA	800	546	146.52	2,345	1,638	143.16	6,552	4,207
FACILITIES	319	1,049	30.41	3,072	3,143	97.74	12,575	9,503
EQUIPMENT & SOFTWARE	3,451	3,650	94.55	10,596	10,948	96.78	43,795	33,199
DEPRECIATION	1,512	1,875	80.64	4,526	5,621	80.52	22,486	17,960
STATE INDIRECT	433	429	100.93	1,280	1,285	99.61	5,143	3,863
MARKETING		40	.00		116	.00	467	467
MARKETING - CONFERENCE HOSTING								
PS - ACCOUNTING								
PS - LEGAL								
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY								
PS - BANKING			.00			.00		
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING			.00			.00		
PS - MISC CONSULTING		2,500	.00		7,500	.00	30,000	30,000
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC		42	.00	232	122	190.16	490	258
PROVISION FOR LOSSES								
MISC EXPENSES		1	.00	158	3	5266.67	14	144-
INDIRECT COST TRANSFER								
TOTAL OPERATING EXPENSES	62,461	66,688	93.66	184,481	200,040	92.22	803,549	619,068
NET OPERATING INCOME	61,773	51,172	120.72	165,427	153,494	107.77	339,006-	504,433-
INTERAGENCY GRANTS			.00			.00		
FMVA								
OTHER NON-OPERATING								
NET INCOME	61,773	51,172	120.72	165,427	153,494	107.77	339,006-	504,433-

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME								
NET INTEREST INCOME								
NET GRANT INCOME								
AUTHORITY FEE INCOME								
OTHER INCOME			.00			.00		
-----								
TOTAL OPERATING INCOME			.00			.00		
SALARY & BENEFITS	12,767	8,340	153.08	62,634	25,020	250.34	98,942	36,308
TRAVEL & EDUCATION			.00			.00		
OFFICE SUPPLIES AND POSTAGE	109	108	100.93	482	320	150.63	1,282	800
TELEPHONE & DATA	321	428	75.00	1,208	1,280	94.38	5,123	3,915
FACILITIES	576	602	95.68	1,981	1,802	109.93	7,211	5,230
EQUIPMENT & SOFTWARE	1,169	1,985	58.89	1,970	5,953	33.09	23,815	21,845
DEPRECIATION	504	625	80.64	1,508	1,873	80.51	7,495	5,987
STATE INDIRECT	144	144	100.00	426	428	99.53	1,714	1,288
MARKETING			.00			.00		
MARKETING - CONFERENCE HOSTING								
PS - ACCOUNTING								
PS - LEGAL								
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY								
PS - BANKING								
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING	16,168	12,319	131.24	34,453	36,957	93.22	147,828	113,375
PS - MISC CONSULTING								
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC			.00			.00		
PROVISION FOR LOSSES								
MISC EXPENSES								
INDIRECT COST TRANSFER								
-----								
TOTAL OPERATING EXPENSES	31,758	24,551	129.36	104,662	73,633	142.14	293,410	188,748
NET OPERATING INCOME	31,758	24,551	129.36	104,662	73,633	142.14	293,410	188,748
INTERAGENCY GRANTS								
FMVA								
OTHER NON-OPERATING								
-----								
NET INCOME	31,758	24,551	129.36	104,662	73,633	142.14	293,410	188,748
=====								

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME								
NET INTEREST INCOME								
NET GRANT INCOME								
AUTHORITY FEE INCOME								
OTHER INCOME								
-----								
TOTAL OPERATING INCOME								
SALARY & BENEFITS	12,736	12,640	100.76	34,690	37,783	91.81	149,815	115,125
TRAVEL & EDUCATION			.00			.00		
OFFICE SUPPLIES AND POSTAGE	109	273	39.93	711	815	87.24	3,262	2,551
TELEPHONE & DATA	266	277	96.03	781	831	93.98	3,325	2,544
FACILITIES	106	525	20.19	1,296	1,571	82.50	6,287	4,991
EQUIPMENT & SOFTWARE	50	262	19.08	257	784	32.78	3,136	2,879
DEPRECIATION	504	1,000	50.40	1,508	3,000	50.27	12,000	10,492
STATE INDIRECT	144	214	67.29	465	642	72.43	2,571	2,106
MARKETING			.00			.00		
MARKETING - CONFERENCE HOSTING								
PS - ACCOUNTING								
PS - LEGAL								
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY								
PS - BANKING								
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING								
PS - MISC CONSULTING								
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC	83	9	922.22	83	27	307.41	108	25
PROVISION FOR LOSSES								
MISC EXPENSES								
INDIRECT COST TRANSFER								
-----								
TOTAL OPERATING EXPENSES	13,998	15,200	92.09	39,791	45,453	87.54	180,504	140,713
NET OPERATING INCOME	13,998	15,200	92.09	39,791	45,453	87.54	180,504	140,713
INTERAGENCY GRANTS								
FMVA								
OTHER NON-OPERATING								
-----								
NET INCOME	13,998	15,200	92.09	39,791	45,453	87.54	180,504	140,713
=====								

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	(a) 7,600-	112-6785.71		6,600-	332-1987.95		1151,330-	1144,730-
NET INTEREST INCOME								
NET GRANT INCOME			.00			.00		
AUTHORITY FEE INCOME			.00			.00	237,858-	237,858-
OTHER INCOME			.00			.00		
TOTAL OPERATING INCOME	7,600-	112-6785.71		6,600-	332-1987.95		1389,188-	1382,588-
SALARY & BENEFITS	(b) 105,986	83,777	126.51	279,801	251,331	111.33	994,679	714,878
TRAVEL & EDUCATION	5,284	3,135	168.55	9,430	9,403	100.29	37,613	28,183
OFFICE SUPPLIES AND POSTAGE	749	704	106.39	2,295	2,108	108.87	8,433	6,138
TELEPHONE & DATA	1,831	1,286	142.38	5,890	3,854	152.83	15,419	9,529
FACILITIES	639	1,934	33.04	6,182	5,802	106.55	23,208	17,026
EQUIPMENT & SOFTWARE	424	589	71.99	1,730	1,763	98.13	7,055	5,325
DEPRECIATION	3,023	3,436	87.98	9,052	10,306	87.83	41,224	32,172
STATE INDIRECT	866	787	110.04	2,522	2,357	107.00	9,429	6,907
MARKETING			.00			.00		
MARKETING - CONFERENCE HOSTING								
PS - ACCOUNTING								
PS - LEGAL	2,022	8,334	24.26	2,819	25,000	11.28	100,000	97,181
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY			.00			.00	220,000	220,000
PS - BANKING			.00			.00		
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING	2,063	2,512	82.13	4,125	7,532	54.77	30,128	26,003
PS - MISC CONSULTING		138	.00		412	.00	1,648	1,648
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC			.00			.00		
PROVISION FOR LOSSES			.00			.00		
MISC EXPENSES	11	60	18.33	120	180	66.67	720	600
INDIRECT COST TRANSFER								
TOTAL OPERATING EXPENSES	122,898	106,692	115.19	323,966	320,048	101.22	1489,556	1165,590
NET OPERATING INCOME	115,298	106,580	108.18	317,366	319,716	99.26	100,368	216,998-
INTERAGENCY GRANTS								
FMVA								
OTHER NON-OPERATING								
NET INCOME	115,298	106,580	108.18	317,366	319,716	99.26	100,368	216,998-

(a) FEE INCOME - Lamson loan extension fee \$5,000; LIHTC application \$2,600

(b) SALARY - Hours planned in grants and other programs used here

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	30,706-	30,000-	102.35	90,191-	90,000-	100.21	458,463-	368,272-
NET INTEREST INCOME								
NET GRANT INCOME								
AUTHORITY FEE INCOME								
OTHER INCOME			.00			.00		
TOTAL OPERATING INCOME	30,706-	30,000-	102.35	90,191-	90,000-	100.21	458,463-	368,272-
SALARY & BENEFITS (a)	52,085	41,279	126.18	137,965	123,836	111.41	497,789	359,824
TRAVEL & EDUCATION	396	957	41.38	2,187	2,869	76.23	11,476	9,289
OFFICE SUPPLIES AND POSTAGE	382	368	103.80	1,479	1,100	134.45	4,403	2,924
TELEPHONE & DATA	1,079	650	166.00	3,171	1,948	162.78	7,794	4,623
FACILITIES	373	1,049	35.56	3,467	3,143	110.31	12,575	9,108
EQUIPMENT & SOFTWARE	2,295	2,407	95.35	7,142	7,219	98.93	28,879	21,737
DEPRECIATION	1,763	1,875	94.03	5,280	5,621	93.93	22,486	17,206
STATE INDIRECT	505	429	117.72	1,455	1,285	113.23	5,143	3,688
MARKETING			.00			.00		
MARKETING - CONFERENCE HOSTING								
PS - ACCOUNTING								
PS - LEGAL								
PS - COMPLIANCE	33,418	14,280	234.02	46,368	42,840	108.24	171,360	124,992
PS - LIHTC MARKET STUDY								
PS - BANKING								
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING			.00			.00		
PS - MISC CONSULTING			.00			.00		
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC			.00			.00		
PROVISION FOR LOSSES			.00			.00		
MISC EXPENSES								
INDIRECT COST TRANSFER								
TOTAL OPERATING EXPENSES	92,296	63,294	145.82	208,514	189,861	109.82	761,905	553,391
NET OPERATING INCOME	61,590	33,294	184.99	118,323	99,861	118.49	303,442	185,119
INTERAGENCY GRANTS								
FMVA								
OTHER NON-OPERATING								
NET INCOME	61,590	33,294	184.99	118,323	99,861	118.49	303,442	185,119

(a) SALARY - Hours planned in other programs used here

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME								
NET INTEREST INCOME								
NET GRANT INCOME								
AUTHORITY FEE INCOME								
OTHER INCOME (a)	147,992-	130,000-	113.84	147,992-	130,000-	113.84	130,000-	17,992
TOTAL OPERATING INCOME	147,992-	130,000-	113.84	147,992-	130,000-	113.84	130,000-	17,992
SALARY & BENEFITS	17,654	18,845	93.68	52,166	56,219	92.79	223,251	171,085
TRAVEL & EDUCATION (b)	1,998	913	218.84	6,917	2,739	252.54	10,957	4,040
OFFICE SUPPLIES AND POSTAGE	989	402	246.02	3,863	1,206	320.32	4,825	962
TELEPHONE & DATA	266	171	155.56	781	511	152.84	2,046	1,265
FACILITIES	107	350	30.57	1,024	1,048	97.71	4,192	3,168
EQUIPMENT & SOFTWARE	86	146	58.90	2,017	438	460.50	1,752	265-
DEPRECIATION	504	625	80.64	1,508	1,873	80.51	7,495	5,987
STATE INDIRECT	144	144	100.00	426	428	99.53	1,714	1,288
MARKETING	4,347	15,000	28.98	15,128	45,000	33.62	180,000	164,872
MARKETING - CONFERENCE HOSTING	160,236	170,000	94.26	160,236	170,000	94.26	180,000	19,764
PS - ACCOUNTING								
PS - LEGAL								
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY								
PS - BANKING								
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING	286	3,334	8.58	360	10,000	3.60	40,000	39,640
PS - MISC CONSULTING								
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC		9	.00		27	.00	108	108
PROVISION FOR LOSSES								
MISC EXPENSES								
INDIRECT COST TRANSFER								
TOTAL OPERATING EXPENSES	186,617	209,939	88.89	244,426	289,489	84.43	656,340	411,914
NET OPERATING INCOME	38,625	79,939	48.32	96,434	159,489	60.46	526,340	429,906
INTERAGENCY GRANTS								
FMVA								
OTHER NON-OPERATING								
NET INCOME	38,625	79,939	48.32	96,434	159,489	60.46	526,340	429,906

(a) OTHER INCOME - Housing Conference

(b) EDUCATION - NCSHA registrations \$1,030

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	200,721-	200,166-	100.28	603,137-	600,496-	100.44	2401,985-	1798,848-
NET INTEREST INCOME			.00			.00		
NET GRANT INCOME								
AUTHORITY FEE INCOME								
OTHER INCOME								
TOTAL OPERATING INCOME	200,721-	200,166-	100.28	603,137-	600,496-	100.44	2401,985-	1798,848-
SALARY & BENEFITS (a)	99,668	121,487	82.04	321,081	364,154	88.17	1444,817	1123,736
TRAVEL & EDUCATION (b)	8,311	2,353	353.21	10,123	7,059	143.41	28,238	18,115
OFFICE SUPPLIES AND POSTAGE	753	817	92.17	2,286	2,447	93.42	9,791	7,505
TELEPHONE & DATA	2,243	1,702	131.79	6,606	5,102	129.48	20,408	13,802
FACILITIES	692	2,445	28.30	6,775	7,335	92.37	29,341	22,566
EQUIPMENT & SOFTWARE	449	716	62.71	1,898	2,144	88.53	8,579	6,681
DEPRECIATION	3,274	4,372	74.89	9,806	13,116	74.76	52,467	42,661
STATE INDIRECT	938	1,000	93.80	2,814	3,000	93.80	12,000	9,186
MARKETING			.00			.00		
MARKETING - CONFERENCE HOSTING			.00			.00		
PS - ACCOUNTING			.00			.00		
PS - LEGAL			.00			.00		
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY								
PS - BANKING	230	140	164.29	590	420	140.48	1,680	1,090
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING	2,063	2,512	82.13	4,125	7,532	54.77	30,128	26,003
PS - MISC CONSULTING	500	459	108.93	1,000	1,373	72.83	5,493	4,493
PS - S8 SERVICES	13,775	13,849	99.47	41,362	41,545	99.56	166,180	124,818
PS - STATE AUDITOR								
PS - MISC		60	.00		178	.00	714	714
PROVISION FOR LOSSES								
MISC EXPENSES			.00			.00		
INDIRECT COST TRANSFER								
TOTAL OPERATING EXPENSES	132,896	151,912	87.48	408,466	455,405	89.69	1809,836	1401,370
NET OPERATING INCOME	67,825-	48,254-	140.56	194,671-	145,091-	134.17	592,149-	397,478-
INTERAGENCY GRANTS								
FMVA			.00			.00		
OTHER NON-OPERATING								
NET INCOME	67,825-	48,254-	140.56	194,671-	145,091-	134.17	592,149-	397,478-

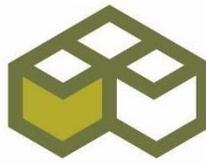
(a) SALARY - Two open positions

(b) TRAVEL & EDUCATION - Instate travel \$2,797; Education - Zeffert & Associates - HUD Compliance training \$5,413

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME								
NET INTEREST INCOME								
NET GRANT INCOME	24,866	37,718	65.93	97,010	207,950	46.65	130,098-	227,108-
AUTHORITY FEE INCOME								
OTHER INCOME								
TOTAL OPERATING INCOME	24,866	37,718	65.93	97,010	207,950	46.65	130,098-	227,108-
SALARY & BENEFITS	5,102	6,972	73.18	21,482	20,916	102.71	82,711	61,229
TRAVEL & EDUCATION		23	.00		67	.00	270	270
OFFICE SUPPLIES AND POSTAGE			.00			.00		
TELEPHONE & DATA		2	.00		6	.00	27	27
FACILITIES			.00			.00		
EQUIPMENT & SOFTWARE		15	.00		43	.00	172	172
DEPRECIATION			.00			.00		
STATE INDIRECT			.00			.00		
MARKETING (a)	790		.00	9,946		.00		9,946-
MARKETING - CONFERENCE HOSTING			.00			.00		
PS - ACCOUNTING								
PS - LEGAL			.00			.00		
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY								
PS - BANKING								
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING		320	.00		958	.00	3,833	3,833
PS - MISC CONSULTING								
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC			.00			.00		
PROVISION FOR LOSSES								
MISC EXPENSES								
INDIRECT COST TRANSFER								
TOTAL OPERATING EXPENSES	5,892	7,332	80.36	31,428	21,990	142.92	87,013	55,585
NET OPERATING INCOME	30,758	45,050	68.28	128,438	229,940	55.86	43,085-	171,523-
INTERAGENCY GRANTS								
FMVA								
OTHER NON-OPERATING								
NET INCOME	30,758	45,050	68.28	128,438	229,940	55.86	43,085-	171,523-

(a) MARKETING - Reimbursement recorded in Grant Income

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH	781,548.90	207,360.15	988,909.05	1,282,482.19	77.11
CASH EQUIVALENTS	3,406,932.01	382,179.76-	3,024,752.25	3,199,863.29	94.53
INVESTMENTS	2,351,637.29	657.25-	2,350,980.04	2,976,751.17	78.98
INV FMVA	26,904.76	4,743.35-	22,161.41	20,260.28	109.38
MORTGAGE BACKED SECURITIES	6,383,583.64	74,623.72-	6,308,959.92	11,063,845.43	57.02
MBS FMVA	268,822.99	27,592.67-	241,230.32	370,131.58	65.17
OTHER HOUSING LOANS	1,083,631.39	4,388.83-	1,079,242.56	1,128,221.88	95.66
SRF LOANS					
INTEREST RECEIVABLE	44,161.36	3,195.71	47,357.07	61,363.88	77.17
CAPITAL ASSETS	5,122,660.99	26,650.59	5,149,311.58	5,066,621.94	101.63
PROVISION FOR ACCUMULATED DEPRECIATION	2,203,740.20-	24,432.49-	2,228,172.69-	1,942,639.69-	114.70
TRADE ACCOUNTS RECEIVABLE	4,316.07	791.76	5,107.83	11,827.00	43.19
OTHER ASSETS	1,730,593.95	652,550.12-	1,078,043.83	613,639.75-	175.68-
DEFERRED OUTFLOWS					
<b>TOTAL ASSETS</b>	<b>19,001,053.15</b>	<b>933,169.98-</b>	<b>18,067,883.17</b>	<b>22,625,089.20</b>	<b>79.86</b>
BOND PAYABLE					
INTEREST PAYABLE					
DEFERRED INCOME	2,814,092.30-	170,381.97	2,643,710.33-	3,005,024.61-	87.98
REBATES OWED					
RESERVE FOR LOSSES					
ACCOUNTS PAYABLE & OTHER CURR LIAB	1,727,906.49-	281,194.06	1,446,712.43-	2,956,339.06-	48.94
DERIVATIVE LIABILITY					
<b>TOTAL LIABILITIES</b>	<b>4,541,998.79-</b>	<b>451,576.03</b>	<b>4,090,422.76-</b>	<b>5,961,363.67-</b>	<b>68.62</b>
FUND BALANCE	15,308,091.03-		15,308,091.03-	17,935,987.41-	85.35
TRANSFER BETWEEN FUNDS				31,132.68	
CURRENT YEAR EARNINGS	849,036.67	481,593.95	1,330,630.62	1,241,129.20	107.21
<b>TOTAL NET ASSETS</b>	<b>14,459,054.36-</b>	<b>481,593.95</b>	<b>13,977,460.41-</b>	<b>16,663,725.53-</b>	<b>83.88</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>19,001,053.15-</b>	<b>933,169.98</b>	<b>18,067,883.17-</b>	<b>22,625,089.20-</b>	<b>79.86</b>



# IOWA FINANCE AUTHORITY

To: IFA Board Members  
 From: Mark P. Hutchison  
 Date: October 14, 2014  
 Subject: Single Family Results –September 2014

**Strategic Goal:** Increase ownership opportunities for underserved populations.

**Performance Target:** FirstHome and Homes for Iowans purchases of \$134,000,000 in mortgage backed securities with the intent to sell 100% into the secondary market.

**YTD Net Interest Income of \$3,358,705** is favorable to budget by \$938,802 or 38.8%. This is due to better than expected gains on MBS sales and investment interest as well as lower bond interest and fees. (See attached for further detail)

**YTD Net Grant Expense of \$929,231** is favorable to budget by \$70,766 or 7.1%.

**YTD Other Expenses of \$65,213** is favorable to budget by \$34,403 or 30.5%. This is due to timing of payments as compared to budget.

**YTD MBS Activity**

Series	Purchased	Sold	Net	Entry Cost Assistance	Funds Available
RHF Security	-	-	-	-	29,229,842
RHF Program	36,867,820	(36,867,820)	-	591,435	23,853,215
2004 AB	851,633		851,633	-	-
2007ABC	-		-	-	-
<b>Total Single Family</b>	<b>37,719,453</b>	<b>(36,867,820)</b>	<b>851,633</b>	<b>591,435</b>	<b>53,083,058</b>
General Fund	-	-	-	-	
<b>Grand Total</b>	<b>37,719,453</b>	<b>(36,867,820)</b>	<b>851,633</b>	<b>591,435</b>	<b>53,083,058</b>

**Single Family Portfolio Analysis**

Description	June 30, 2014		Additions	Payments	July 31, 2014		
	#	Balance			Balance	Chg	#
Mortgage Backed Sec	7,851	422,870,470	851,633	(23,097,373)	400,624,730	-5%	7,483
Other SF Loans	28	4,433,862	0	(190,895)	4,242,967	-4%	27
Subtotal		427,304,332	851,633	(23,288,268)	404,867,697	-5%	
FMVA		34,697,198	0	(3,079,161)	31,618,037	-9%	
<b>Total Portfolio</b>	<b>7,879</b>	<b>462,001,529</b>	<b>851,633</b>	<b>(26,367,429)</b>	<b>436,485,733</b>	<b>-6%</b>	<b>7,510</b>

**Summary Financial Information:**

SF Program	Current Month				Year to Date			
	Actual	Budget	Var	%	Actual	Budget	Var	%
Net Interest Income	1,189,865	804,314	385,551	47.9%	3,358,705	2,419,903	938,802	38.8%
Net Grant Income(Expense)	(285,850)	(333,793)	47,943	14.4%	(929,231)	(999,997)	70,766	7.1%
Other Expenses	13,360	24,958	(11,598)	-46.5%	65,213	99,616	(34,403)	-34.5%
<b>Net Operating Income</b>	<b>890,655</b>	<b>445,563</b>	<b>445,092</b>		<b>2,364,261</b>	<b>1,320,290</b>	<b>1,043,971</b>	

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
LOAN ORIGATION FEES			.00			.00		
ECONOMIC DEVELOPMENT BOND FEES								
TG FEES								
LIHTC FEES			.00			.00		
COMPLIANCE FEES - LIHTC, HOME, & 1602								
SECTION 8 FEES								
MISC FEES								
TOTAL FEE INCOME			.00			.00		
INVESTMENT INTERST INCOME	1,326	52,737-	2.51-	200,952-	160,911-	124.88	695,434-	494,482-
GAIN OR LOSS ON SALE	451,352-	279,231-	161.64	1322,204-	837,693-	157.84	3350,772-	2028,568-
REBATE EXPENSE			.00			.00		
MBS INTEREST INCOME	1590,243-	1593,748-	99.78	4857,226-	4858,214-	99.98	18103,869-	13246,643-
LOAN INTEREST INCOME	9,778-	9,758-	100.20	30,002-	29,350-	102.22	116,040-	86,038-
OTHER INTEREST INCOME			.00			.00		
TOTAL INTEREST INCOME	2050,047-	1935,474-	105.92	6410,384-	5886,168-	108.91	22266,115-	15855,731-
BOND INTEREST EXPENSE	1081,692	1096,478	98.65	3291,746	3362,219	97.90	12373,229	9081,483
COST OF ISSUANCE EXPENSE			.00			.00		
DISCOUNT / PREMIUM AMORT	47,586-	34,384-	138.40	189,227-	103,152-	183.44	412,608-	223,381-
REMARKETING FEES	12,034	13,644	88.20	36,306	40,932	88.70	163,728	127,422
LIQUIDITY FEES	48,252	55,422	87.06	147,065	166,266	88.45	665,064	517,999
OTHER INTEREST COSTS			.00			.00		
TOTAL INTEREST EXPENSE	1094,392	1131,160	96.75	3285,890	3466,265	94.80	12789,413	9503,523
NET INTEREST INCOME	955,655-	804,314-	118.82	3124,494-	2419,903-	129.12	9476,702-	6352,208-
NET GRANT EXPENSE (INC)	285,850	333,793	85.64	929,231	999,997	92.92	4027,400	3098,169
AUTHORITY FEES			.00			.00	956,368	956,368
OTHER INCOME			.00			.00		
TOTAL OPERATING INCOME	669,805-	470,521-	142.35	2195,263-	1419,906-	154.61	4492,934-	2297,671-
OPERATING EXPENSES	13,360	24,958	53.53	65,213	99,616	65.46	270,227	205,014
NET OPERATING INCOME	656,445-	445,563-	147.33	2130,050-	1320,290-	161.33	4222,707-	2092,657-
NON OPERATING EXPENSES	1198,717		.00	3105,828		.00		3105,828-
NET INCOME	542,272	445,563-	121.70-	975,778	1320,290-	73.91-	4222,707-	5198,485-

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME			.00			.00		
NET INTEREST INCOME	1189,865-	804,314-	147.94	3358,705-	2419,903-	138.80	9476,702-	6117,997-
NET GRANT INCOME	285,850	333,793	85.64	929,231	999,997	92.92	4027,400	3098,169
AUTHORITY FEE INCOME			.00			.00	956,368	956,368
OTHER INCOME			.00			.00		
<b>TOTAL OPERATING INCOME</b>	<b>904,015-</b>	<b>470,521-</b>	<b>192.13</b>	<b>2429,474-</b>	<b>1419,906-</b>	<b>171.10</b>	<b>4492,934-</b>	<b>2063,460-</b>
SALARY & BENEFITS			.00			.00		
TRAVEL & EDUCATION			.00			.00		
OFFICE SUPPLIES AND POSTAGE			.00			.00		
TELEPHONE & DATA FACILITIES			.00			.00		
EQUIPMENT & SOFTWARE DEPRECIATION			.00			.00		
STATE INDIRECT MARKETING			.00			.00		
MARKETING - CONFERENCE HOSTING			.00			.00		
PS - ACCOUNTING			.00			.00		
PS - LEGAL			.00		5,093	.00	5,093	5,093
PS - COMPLIANCE			.00			.00		
PS - LIHTC MARKET STUDY			.00			.00		
PS - BANKING	10,860	18,541	58.57	30,713	42,301	72.61	132,538	101,825
PS - TG FIELD ISSUE FEE			.00			.00		
PS - IT CONSULTING			.00			.00		
PS - MISC CONSULTING			.00			.00		
PS - S8 SERVICES			.00			.00		
PS - STATE AUDITOR			.00		400	.00	400	400
PS - MISC	2,500	4,750	52.63	34,500	46,821	73.68	112,192	77,692
PROVISION FOR LOSSES			.00			.00		
MISC EXPENSES		1,667	.00		5,001	.00	20,004	20,004
INDIRECT COST TRANSFER			.00			.00		
<b>TOTAL OPERATING EXPENSES</b>	<b>13,360</b>	<b>24,958</b>	<b>53.53</b>	<b>65,213</b>	<b>99,616</b>	<b>65.46</b>	<b>270,227</b>	<b>205,014</b>
<b>NET OPERATING INCOME</b>	<b>890,655-</b>	<b>445,563-</b>	<b>199.89</b>	<b>2364,261-</b>	<b>1320,290-</b>	<b>179.07</b>	<b>4222,707-</b>	<b>1858,446-</b>
INTERAGENCY GRANTS			.00			.00		
FMVA	1198,717		.00	3105,828		.00		3105,828-
OTHER NON-OPERATING			.00			.00		
<b>NET INCOME</b>	<b>308,062</b>	<b>445,563-</b>	<b>69.14-</b>	<b>741,567</b>	<b>1320,290-</b>	<b>56.17-</b>	<b>4222,707-</b>	<b>4964,274-</b>

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH					
CASH EQUIVALENTS	75,520,479.69	335,938.35-	75,184,541.34	80,243,130.07	93.70
INVESTMENTS	6,693,534.54	542,427.42	7,235,961.96	1,047,196.46	690.98
INV FMVA	326,014.44	78,299.42-	247,715.02	5,696.52	4,348.53
MORTGAGE BACKED SECURITIES	407,439,514.41	6,814,784.45-	400,624,729.96	486,720,532.10	82.31
MBS FMVA	32,863,454.25	1,245,417.66-	31,618,036.59	32,687,452.21	96.73
OTHER HOUSING LOANS	4,266,791.34	23,824.38-	4,242,966.96	4,246,799.73	99.91
SRF LOANS					
INTEREST RECEIVABLE	1,779,568.64	34,711.22	1,814,279.86	2,072,640.51	87.53
CAPITAL ASSETS					
PROVISION FOR ACCUMULATED DEPRECIATION					
TRADE ACCOUNTS RECEIVABLE					
OTHER ASSETS	35,413,657.17	11,453.09-	35,402,204.08	35,745,930.36	99.04
DEFERRED OUTFLOWS	9,740,326.49	4,435,680.10-	5,304,646.39	14,550,054.01	36.46
<b>TOTAL ASSETS</b>	<b>574,043,340.97</b>	<b>12,368,258.81-</b>	<b>561,675,082.16</b>	<b>657,319,431.97</b>	<b>85.45</b>
BOND PAYABLE	369,133,429.65-	8,451,449.94	360,681,979.71-	456,656,030.77-	78.98
INTEREST PAYABLE	1,867,614.06-	696,040.05-	2,563,654.11-	3,495,699.41-	73.34
DEFERRED INCOME					
REBATES OWED					
RESERVE FOR LOSSES					
ACCOUNTS PAYABLE & OTHER CURR LIAB	3,162,196.41-	365,104.17-	3,527,300.58-	325,219.30-	1,084.59
DERIVATIVE LIABILITY	40,595,784.39-	3,785,209.39	36,810,575.00-	41,333,502.96-	89.06
<b>TOTAL LIABILITIES</b>	<b>414,759,024.51-</b>	<b>11,175,515.11</b>	<b>403,583,509.40-</b>	<b>501,810,452.44-</b>	<b>80.43</b>
FUND BALANCE	159,717,822.24-	884,681.16	158,833,141.08-	157,939,908.10-	100.57
TRANSFER BETWEEN FUNDS				403.62-	
CURRENT YEAR EARNINGS	433,505.78	308,062.54	741,568.32	2,431,332.19	30.50
<b>TOTAL NET ASSETS</b>	<b>159,284,316.46-</b>	<b>1,192,743.70</b>	<b>158,091,572.76-</b>	<b>155,508,979.53-</b>	<b>101.66</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>574,043,340.97-</b>	<b>12,368,258.81</b>	<b>561,675,082.16-</b>	<b>657,319,431.97-</b>	<b>85.45</b>

\*\*\* INVESTOR SUMMARY \*\*\*

Investor Pool	Count	Principal Balance	Escrow Balance	Suspense Balance	Late Fees
100034 CST SF Construction Loans	2	175,017.00	0.00	0.00	0.00
100034 EQT SF Equity Equivalent Loans	0	0.00	0.00	0.00	0.00
100034 HFH SF Habitat for Humanity	20	3,952,260.84	0.00	0.00	0.00
100034 REH SF Rehabilitation Revolving	5	124,689.12	0.00	0.00	0.00
Total For Segment 034	27	4,251,966.96	0.00	0.00	0.00
Total For Investor 100	27	4,251,966.96	0.00	0.00	0.00
* Totals *	27	4,251,966.96	0.00	0.00	0.00

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YEAR BALANCE	% VAR
1051-050	CE - PROGRAM	22,706,697.15	746,518.31	23,453,215.46	13,983,855.88	67
1080-000	ACCR INT - INV	30,198.82	1,664.60-	28,534.22	36,858.04	22
1080-001	ACCR INT - LOAN SERV	10,772.07	165.87	10,937.94	11,169.48	2
1101-001	INV - PREM & DIS	159.87	5.50-	154.37	196.47	21
1101-010	INV - LONG TERM	400,000.00	0.00	400,000.00	900,000.00	55
1105-000	INV - FMVA	5,524.13	1,236.50-	4,287.63	5,696.53	24
1150-000	MBS - LONG TERM	6,825,790.91	211,974.13-	6,613,816.78	7,814,376.43	15
1150-001	MBS - PREM & DIS	4,296.18	20.60-	4,275.58	4,923.71	13
1155-000	MBS - FMVA	722,854.86	19,229.27-	703,625.59	701,552.94	0
1200-000	LOANS - LONG TERM	4,275,791.34	23,824.38-	4,251,966.96	4,159,804.73	2
1200-021	LOANS - REAL ESTATE	0.00	0.00	0.00	96,995.00	100
1207-029	LOANS - RESERVE	9,000.00-	0.00	9,000.00-	10,000.00-	10
1260-001	DTDF - GENERAL FUND	175,663.00	0.00	175,663.00	1,444,095.00	87
1260-134	DTDF - SF SECURITY	0.00	0.00	0.00	1,867,324.10	100
1260-153	DTDT - SF PROGRAM	1,165.00-	165.00	1,000.00-	67,597.75-	98
1502-000	DEFERRED DERIVATIVE	27,914,760.90	0.00	27,914,760.90	26,255,000.00	6
1510-000	DEF DPA	203,544.95	2,076.75-	201,468.20	197,146.56	2
1511-000	DEFERRED SRP	508,901.52	114,086.40	622,987.92	0.00	
1520-000	DEF DERIVATIVE	9,740,326.49	0.00	9,740,326.49	14,550,054.01	33
	TOTAL ASSETS	73,515,117.19	600,903.85	74,116,021.04	71,951,451.13	3
2235-000	DERIVATIVE LIABILITY	9,860,575.00-	0.00	9,860,575.00-	15,733,502.96-	37
2250-010	DEF INC - MIL DPA GR	2,349,401.19-	158,672.00	2,190,729.19-		
2400-010	ACCR LIAB - MISC	609,276.15-	455,030.21-	1,064,306.36-	0.00	
2700-000	DERIVATIVE LIABILITY	26,950,000.00-	0.00	26,950,000.00-	25,600,000.00-	5
2700-001	NOVATION LIABILITY	3,785,209.39-	0.00	3,785,209.39-	0.00	
	TOTAL LIABILITIES	43,554,461.73-	296,358.21-	43,850,819.94-	41,333,502.96-	6
4000-100	RESTRICTED FUND BAL	29,471,366.27-	0.00	29,471,366.27-	31,932,523.84-	7
4000-101	GASB53 PRIOR YEAR EQ	0.00	0.00	0.00	866,064.29	100
4100-200	TRANSFERS TO/FROM SF	0.00	0.00	0.00	219,524.43	100
	TOTAL EQUITY	29,471,366.27-	0.00	29,471,366.27-	30,846,935.12-	4
5000-000	INT INC - INV	980.23-	492.37-	1,472.60-	2,858.25-	48
5000-001	INT INC - P/D AMORT	55.92	26.10	82.02	238.78	65
5000-100	INT INC - GAIN/LOSS	964,701.16-	490,757.84-	1,455,459.00-	702,537.20-	107
5000-110	INT INC - G/L PAIR	48,562.66	17,280.00	65,842.66	4,368.93-	1,407
5000-111	INT INC - TBA BUY U	45,286.01	22,125.86	67,411.87	60,461.27	11
5015-000	INT INC - FMVA	51.00	1,236.50	1,287.50	2,357.85-	45
5050-000	INT INC - MBS	58,196.89-	28,037.97-	86,234.86-	157,680.97-	45
5055-000	INT INC - FMVA MBS	47,731.97	19,229.27	66,961.24	29,881.48	124
5100-010	INT INC - LOANS	20,224.36-	9,777.89-	30,002.25-	29,980.04-	0
5210-000	FEE INC- SERVICE ACQ	11,538.17-	8,405.64-	19,943.81-	688,718.54-	97
5650-010	GRT INC - MIL DPA	360,394.00-	158,672.00-	519,066.00-		
	TOTAL REVENUE	1,274,347.25-	636,245.98-	1,910,593.23-	1,497,920.25-	27
7000-010	INT EXP - DEBT	0.00	0.00	0.00	21,137.00	100
7100-103	PROF SERV - LEGAL	0.00	0.00	0.00	5,092.50	100
7100-120	PROF SERV - BANKING	1,000.00	2,400.00	3,400.00	5,050.00	32

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YEAR BALANCE	% VAR
7100-190	PROF SERV - MISC	16,000.00	0.00	16,000.00	43,543.74	63
7200-006	GRT EXP - PLUS DPA	406,571.30	168,684.75	575,256.05	668,570.74	14
7200-009	GRT EXP - SRP	1,092.76	1,943.59	3,036.35	983,513.22	99
7200-010	GRT EXP - MIL DPA	360,394.00	158,672.00	519,066.00		
	TOTAL EXPENSES	785,058.06	331,700.34	1,116,758.40	1,726,907.20	35

GRAND TOTALS	ASSETS	74,116,021.04	REVENUE	1,910,593.23-
	LIABILITY	43,850,819.94-	EXPENSES	1,116,758.40
	EQUITY	29,471,366.27-	ESTIMATED INCOME	793,834.83-

**Sales Volume Difference**

Budgeted Sales	33,507,600.00	
Actual Sales	<u>36,867,820.00</u>	
Difference	3,360,220.00	
Budgeted 2.5%		84,005.50

**Rate of Return Difference**

2.5% of Actual Sales	921,695.50	
Actual Gain (3.95%)	1,455,459.00	<u>533,763.50</u>
		617,769.00
Pair Out Fees		(65,843.00)
BU/BD Fees		<u>(67,412.00)</u>
Difference Due to Gain on Sales		484,514.00
Difference Due to Investment Interest		40,041.00
Difference Due to MBS Interest		(988.00)
Difference Due to Other Loan Interest		652.00
Difference Due to Bonds		<u>414,585.00</u>
		<u><u>938,804.00</u></u>



To: IFA Board Members

From: Mark Hutchison

Date: October 15, 2014

Subject: Multifamily Narrative –September, 2014

**Performance Target:** Increase the Multifamily loan portfolio by \$5 million.

**YTD Net Interest Income of \$1,028,570** is unfavorable to budget by \$7,703 or 0.7%.

**YTD Operating Expenses of \$9,339** are \$9,930 or 51.5% favorable to budget. Professional Services is about \$4,000 unfavorable and Provision for Losses is \$14,000 favorable.

**YTD Operating Income of \$1,019,231** is favorable to budget by \$2,227 or 0.2%.

MF Portfolio Analysis	#	6/30/2014	Additions	Reductions	End Bal	CHG	#
Multifamily Endowment Loans	57	31,051,556	613,077	(118,885)	31,545,748	2%	56
Multifamily Real Estate Owned	0	0	0	0	0	N/A	0
Multifamily Loans	7	41,037,702	0	(145,788)	40,891,914	0%	7
Loan Reserves		(879,000)	8,000		(871,000)	-1%	
<b>Total Portfolio</b>	<b>64</b>	<b>71,210,258</b>	<b>621,077</b>	<b>(264,672)</b>	<b>71,566,662</b>	<b>1%</b>	<b>63</b>

**Summary Financial Information**

Multi-Family	Current Month				Year to Date			
	Actual	Budget	Var	%	Actual	Budget	Var	%
Net Interest Income	331,629	345,950	(14,321)	-4.1%	1,028,570	1,036,273	(7,703)	-0.7%
Authority Fee Income	-	-	-	NA	-	-	-	NA
Operating Expenses	(4,141)	6,423	(10,564)	-164.5%	9,339	19,269	(9,930)	-51.5%
<b>Operating Income</b>	<b>335,770</b>	<b>339,527</b>	<b>(3,757)</b>	<b>-1.1%</b>	<b>1,019,231</b>	<b>1,017,004</b>	<b>2,227</b>	<b>0.2%</b>

### Multi Family Loan Commitments

	Original Commitment	Loan Balance as of 8/31/2014	Monthly Activity	Loan Balance 9/30/2014	Remaining Commitment
<b>Construction Loans</b>					
MF-11-001 - Russel Lamson LP	6,200,000	4,830,000	0	4,830,000	507,037
MF-12-001c - Harrison Lofts LP	3,750,000	3,297,650	0	3,297,650	452,351
MF-13-002c - Prairie Village	2,500,000	1,060,817	238,529	1,299,346	1,200,654
<b>Total Construction</b>	<b>12,450,000</b>	<b>9,188,466</b>	<b>238,529</b>	<b>9,426,996</b>	<b>2,160,041</b>
<b>Permanent Loans</b>					
MF-13-002 - Prairie Village	115,000	0	0	0	115,000
MF-14-001 - Valley View	133,098	133,098	0	133,098	0
<b>Total Permanent</b>	<b>248,098</b>	<b>133,098</b>	<b>0</b>	<b>133,098</b>	<b>115,000</b>
<b>Totals</b>	<b>12,698,098</b>	<b>9,321,564</b>	<b>238,529</b>	<b>9,560,094</b>	<b>2,275,041</b>

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
LOAN ORIGATION FEES								
ECONOMIC DEVELOPMENT BOND FEES								
MG FEES								
LIHTC FEES								
COMPLIANCE FEES - LIHTC, HOME, & 1602								
SECTION 8 FEES								
MISC FEES								
-----								
TOTAL FEE INCOME								
INVESTMENT INTERST INCOME	216,649-	215,516-	100.53	673,439-	649,149-	103.74	2598,205-	1924,766-
GAIN OR LOSS ON SALE			.00			.00		
REBATE EXPENSE								
MBS INTEREST INCOME								
LOAN INTEREST INCOME	261,302-	277,793-	94.06	797,575-	829,585-	96.14	3284,015-	2486,440-
OTHER INTEREST INCOME			.00			.00		
-----								
TOTAL INTEREST INCOME	477,951-	493,309-	96.89	1471,014-	1478,734-	99.48	5882,220-	4411,206-
BOND INTEREST EXPENSE	127,447	129,696	98.27	383,650	389,472	98.51	1548,059	1164,409
COST OF ISSUANCE EXPENSE			.00			.00		
DISCOUNT / PREMIUM AMORT			.00			.00		
REMARKETING FEES	1,959	2,046	95.75	6,029	6,138	98.22	24,552	18,523
LIQUIDITY FEES	14,416	15,617	92.31	45,097	46,851	96.26	187,404	142,307
OTHER INTEREST COSTS	2,500		.00	7,666		.00		7,666-
-----								
TOTAL INTEREST EXPENSE	146,322	147,359	99.30	442,442	442,461	100.00	1760,015	1317,573
-----								
NET INTEREST INCOME	331,629-	345,950-	95.86	1028,572-	1036,273-	99.26	4122,205-	3093,633-
NET GRANT EXPENSE (INC)			.00			.00		
AUTHORITY FEES			.00			.00	237,858	237,858
OTHER INCOME			.00			.00		
-----								
TOTAL OPERATING INCOME	331,629-	345,950-	95.86	1028,572-	1036,273-	99.26	3884,347-	2855,775-
=====								
OPERATING EXPENSES	4,141-	6,423	64.47-	9,340	19,269	48.47	77,076	67,736
-----								
NET OPERATING INCOME	335,770-	339,527-	98.89	1019,232-	1017,004-	100.22	3807,271-	2788,039-
-----								
NON OPERATING EXPENSES	66,806		.00	131,875		.00		131,875-
-----								
NET INCOME	268,964-	339,527-	79.22	887,357-	1017,004-	87.25	3807,271-	2919,914-
=====								

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME								
NET INTEREST INCOME	331,629-	345,950-	95.86	1028,570-	1036,273-	99.26	4122,205-	3093,635-
NET GRANT INCOME			.00			.00		
AUTHORITY FEE INCOME			.00			.00	237,858	237,858
OTHER INCOME			.00			.00		
<b>TOTAL OPERATING INCOME</b>	<b>331,629-</b>	<b>345,950-</b>	<b>95.86</b>	<b>1028,570-</b>	<b>1036,273-</b>	<b>99.26</b>	<b>3884,347-</b>	<b>2855,777-</b>
SALARY & BENEFITS								
TRAVEL & EDUCATION								
OFFICE SUPPLIES AND POSTAGE			.00			.00		
TELEPHONE & DATA FACILITIES			.00			.00		
EQUIPMENT & SOFTWARE DEPRECIATION								
STATE INDIRECT MARKETING			.00			.00		
MARKETING - CONFERENCE HOSTING								
PS - ACCOUNTING								
PS - LEGAL			.00			.00		
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY								
PS - BANKING	1,859	2,969	62.61	6,833	8,907	76.71	35,628	28,795
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING								
PS - MISC CONSULTING								
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC	2,000	1,454	137.55	10,506	4,362	240.85	17,448	6,942
PROVISION FOR LOSSES	8,000-	2,000	400.00-	8,000-	6,000	133.33-	24,000	32,000
MISC EXPENSES			.00			.00		
INDIRECT COST TRANSFER								
<b>TOTAL OPERATING EXPENSES</b>	<b>4,141-</b>	<b>6,423</b>	<b>64.47-</b>	<b>9,339</b>	<b>19,269</b>	<b>48.47</b>	<b>77,076</b>	<b>67,737</b>
<b>NET OPERATING INCOME</b>	<b>335,770-</b>	<b>339,527-</b>	<b>98.89</b>	<b>1019,231-</b>	<b>1017,004-</b>	<b>100.22</b>	<b>3807,271-</b>	<b>2788,040-</b>
INTERAGENCY GRANTS			.00			.00		
FMVA	66,806		.00	131,875		.00		131,875-
OTHER NON-OPERATING			.00			.00		
<b>NET INCOME</b>	<b>268,964-</b>	<b>339,527-</b>	<b>79.22</b>	<b>887,356-</b>	<b>1017,004-</b>	<b>87.25</b>	<b>3807,271-</b>	<b>2919,915-</b>

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH	458,421.62	172,310.17-	286,111.45	350,051.58	81.73
CASH EQUIVALENTS	35,292,043.91	910,987.81	36,203,031.72	33,603,093.85	107.74
INVESTMENTS	9,324,198.87	10,948.10	9,335,146.97	10,761,221.30	86.75
INV FMVA	1,057,330.89	66,806.28-	990,524.61	1,413,628.77	70.07
MORTGAGE BACKED SECURITIES					
MBS FMVA					
OTHER HOUSING LOANS	71,396,844.99	169,816.77	71,566,661.76	69,458,287.29	103.04
SRF LOANS					
INTEREST RECEIVABLE	1,339,217.96	870,882.84-	468,335.12	429,072.50	109.15
CAPITAL ASSETS					
PROVISION FOR ACCUMULATED DEPRECIATION					
TRADE ACCOUNTS RECEIVABLE					
OTHER ASSETS	9,663.42	64,572.19	74,235.61	75,043.17	98.92
DEFERRED OUTFLOWS	430,479.54		430,479.54	319,586.67	134.70
<b>TOTAL ASSETS</b>	<b>119,308,201.20</b>	<b>46,325.58</b>	<b>119,354,526.78</b>	<b>116,409,985.13</b>	<b>102.53</b>
BOND PAYABLE	48,687,015.06-	11,962.00	48,675,053.06-	50,619,047.06-	96.16
INTEREST PAYABLE	362,132.38-	101,808.53-	463,940.91-	499,884.61-	92.81
DEFERRED INCOME					
REBATES OWED	29,076.94-	11,132.39-	40,209.33-	29,076.94-	138.29
RESERVE FOR LOSSES					
ACCOUNTS PAYABLE & OTHER CURR LIAB	5,813,869.61-	323,617.54	5,490,252.07-	5,053,958.58-	108.63
DERIVATIVE LIABILITY	430,479.54-		430,479.54-	319,586.67-	134.70
<b>TOTAL LIABILITIES</b>	<b>55,322,573.53-</b>	<b>222,638.62</b>	<b>55,099,934.91-</b>	<b>56,521,553.86-</b>	<b>97.48</b>
FUND BALANCE	63,367,237.21-		63,367,237.21-	59,269,154.64-	106.91
TRANSFER BETWEEN FUNDS					
CURRENT YEAR EARNINGS	618,390.46-	268,964.20-	887,354.66-	619,276.63-	143.29
<b>TOTAL NET ASSETS</b>	<b>63,985,627.67-</b>	<b>268,964.20-</b>	<b>64,254,591.87-</b>	<b>59,888,431.27-</b>	<b>107.29</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>119,308,201.20-</b>	<b>46,325.58-</b>	<b>119,354,526.78-</b>	<b>116,409,985.13-</b>	<b>102.53</b>

\*\*\* INVESTOR SUMMARY \*\*\*

Investor Pool	Count	Principal Balance	Escrow Balance	Suspense Balance	Late Fees
200005 CF MF Cash Flow Loans	4	442,713.19	0.00	0.00	0.00
200005 CST MF Construction Loans	3	9,426,995.57	0.00	1,399.27-	0.00
200005 PDV Predevelopment Loans	0	0.00	0.00	0.00	0.00
200005 TM MF Term Loans	48	21,676,039.23	2,671,807.78	0.12	0.00
Total For Segment 005	55	31,545,747.99	2,671,807.78	1,399.15-	0.00
200006 TM MF Term Loans	2	5,348,658.18	1,291,623.96	0.00	0.00
Total For Segment 006	2	5,348,658.18	1,291,623.96	0.00	0.00
200007 TM MF Loans	2	20,907,172.15	117,311.74	0.00	0.00
Total For Segment 007	2	20,907,172.15	117,311.74	0.00	0.00
200009 MF Loan	1	3,551,031.17	179,298.07	0.00	0.00
Total For Segment 009	1	3,551,031.17	179,298.07	0.00	0.00
200011 MF FHLB B1	2	11,085,052.28	0.00	0.00	0.00
Total For Segment 011	2	11,085,052.28	0.00	0.00	0.00
Total For Investor 200	62	72,437,661.77	4,260,041.55	1,399.15-	0.00
* Totals *	62	72,437,661.77	4,260,041.55	1,399.15-	0.00

Loan Number	Loan Name	County Code	Prin Balance As Of 08/31/2014	Principal Disbursements	Principal Payments	Principal Adjustments	Date Loan Paid Off	Calculated New Balance	Prin Balance As Of 09/30/2014	Difference
MF-07-004	Area XV MultiCounty Hsg Agency	90	0.00	0.00	0.00	0.00		0.00	0.00	0.00
MF-11-001	SA Russell Lamson LP, SA Russell Lamson	7	4,830,000.00	0.00	0.00	0.00		4,830,000.00	4,830,000.00	0.00
MF-12-001c	Harrison Lofts, LP	82	3,297,649.50	0.00	0.00	0.00		3,297,649.50	3,297,649.50	0.00
MF-13-002	LPC 2013 Rehab Associates, L.P		1,060,816.72	238,529.35	0.00	0.00		1,299,346.07	1,299,346.07	0.00
	Total For Pool	200005 CST	9,188,466.22	238,529.35	0.00	0.00		9,426,995.57	9,426,995.57	
0.00										



To: IFA Board Members

From: Michelle Thomas

Date: October 14, 2014

Subject: Federal/State Programs - Narrative for September 2014

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

**Total Operating Income (YTD) of \$302,985 is \$9,316 or 3.0% unfavorable to budget:**

- Fee income which is mainly TCAP/S1602 Management Fees is unfavorable to budget by \$1,000. Net interest income is unfavorable to budget by \$19,813.

Net Grant Income is favorable to budget by \$11,497. SAF, Housing Assistance Program, and HOME were favorable to budget in the amounts of \$21,065, \$6,660, and \$142,975 respectively. No budget amount was established for the Housing Assistance Program as grant income is from repayments of Jumpstart and Iowans Helping Iowans funding. The HOME variance is the result of the use of prior year program income and unfavorable to budget grant expense.

- ESG and State Housing Trust Fund were unfavorable to budget in the amounts of \$18,558 and \$140,645 respectively. The State Housing Trust Fund variance is due to grant expense being unfavorable to budget while real estate trust deposits and real estate transfer taxes were favorable to budget.

**Total Operating Expenses (YTD) of \$356,709 is \$45,744 or 11.4% favorable to budget:**

- Salary and Benefits was favorable to budget by \$24,395. Professional Services was unfavorable to budget in the amount of \$43,422. Provision for Losses was favorable to budget in the amount of \$69,210.

**Net Operating Income (Loss) of (\$53,724) is \$36,428 or 40.4% unfavorable to budget.**

Performance Targets	6/30/2012	6/30/2013	6/30/2014	9/30/2014	YTD Increase
Increase FSP Loan Portfolio	150,700,214	157,608,559	164,582,596	163,359,451	-0.7%

FSP Loan Portfolio	June 30, 2014		Year to Date		September 30, 2014			
	#	Balance	Additions	Reductions	Balance	CHG	#	3 Mo Delq
500-047 SHTF - Lns	26	5,694,481	-	(346,610)	5,347,871	-6%	24	1
500-047 SHTF - Cash Flow Lns	6	720,934	-	(3,871)	717,063	-1%	6	0
500-049 Senior Living Trust Lns	6	3,088,900	-	(30,506)	3,058,394	-1%	6	0
500-050 Home & Comm Tr Lns	4	1,664,929	-	(216,980)	1,447,949	-13%	4	0
500-051 Transitional Housing Lns	2	1,117,282	-	(8,935)	1,108,347	-1%	2	0
500-057 TCAP Lns	12	18,978,542	-	-	18,978,542	0%	12	0
500-058 HOME Lns	242	121,191,319	1,434,875	(417,160)	122,209,034	1%	242	17
500-060 OEI Lns	16	12,013,476	1,562,267	(3,195,274)	10,380,469	-14%	17	0
500-062 CHS Lns	1	112,733	-	(950)	111,783	-1%	1	0
Loan Reserves		(97,503,178)	-	(943,715)	(98,446,893)	1%		
<b>Total Portfolio</b>	<b>315</b>	<b>\$ 67,079,418</b>	<b>\$ 2,997,142</b>	<b>\$ (5,164,002)</b>	<b>\$ 64,912,559</b>	<b>-3.2%</b>	<b>314</b>	<b>18</b>

**Summary Financial Information:**

Federal/State Programs	Current Month				Year to Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Fee Income	-	1,000	(1,000)	-100.0%	2,000	3,000	(1,000)	-33.3%
Net Interest Income	18,398	30,092	(11,694)	-38.9%	72,028	91,841	(19,813)	-21.6%
Net Grant Income	844,525	507,897	336,628	66.3%	228,957	217,460	11,497	5.3%
Total Operating Income	862,923	538,989	323,934	60.1%	302,985	312,301	(9,316)	-3.0%
Total Operating Expenses	49,654	112,714	(63,060)	-55.9%	356,709	402,453	(45,744)	-11.4%
Net Operating Income (Loss)	813,269	426,275	386,994	90.8%	(53,724)	(90,152)	36,428	40.4%

	State Housing Trust Fund	Senior Living Trust	Home and Community	Transitional Housing	Office of Energy Independence	Community Housing & Services
Funds Available (Cash, Cash Equiv & Invest)	11,279,663	3,429,437	858,425	2,015,891	35,189	2,714,728
Commitments						
2011 SHT Round	(43,440)					
2012 SHT Round	(57,912)					
2013 SHT Round	(1,483,037)					
2014 SHT Round	(5,665,713)					
2015 SHT Round	(20,000)					
City of Perry					(293,134)	
Coe College					(2,215,611)	
Dordt College					(59,106)	
Simpson College					(500,677)	
University of Northern Iowa					(71,825)	
Net Funds Available	4,009,561	3,429,437	858,425	2,015,891	(3,105,164)	2,714,728

**Summary of FSP Loans 90 days delinquent**

Borrower	Indenture - Series	P&I Amount Delinquent	Loan Balance
Twin Oaks Manor LPI	500-047	155,995.67	156,910.98
821 Jackson LLLP	500-058	6,500.00	900,289.71
Clinton Partners LLC	500-058	14,505.00	377,935.83
Community Housing Initiatives	500-058	2,450.00	276,485.26
Community Housing Initiatives	500-058	2,018.45	214,362.02
Community Housing Initiatives	500-058	3,150.00	347,955.98
Community Housing Initiatives	500-058	3,000.00	162,447.75
Community Housing Initiatives	500-058	7,212.11	735,699.83
Community Housing Initiatives	500-058	2,900.00	292,900.00
Council Bluffs Hsg Homeless	500-058	2,000.00	287,579.28
Grinnell Hsg Partners LLC	500-058	9,686.64	281,694.98
Kellogg Hsg Partners LLC	500-058	3,874.66	112,677.99
Metro Area Housing Program	500-058	28,536.89	275,542.90
Mid Sioux Opportunity	500-058	2,600.00	284,358.17
Monroe Hsg Partners LLC	500-058	3,874.66	112,677.99
Newton Hsg Partners LLC	500-058	9,686.64	281,694.98
Pella Hsg Partners LLC	500-058	9,686.64	281,694.98
Riverview Place Partners LP	500-058	22,095.00	421,613.29
		289,772.36	5,804,521.92

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
LOAN ORIGATION FEES			.00			.00		
ECONOMIC DEVELOPMENT BOND FEES								
TG FEES								
LIHTC FEES								
COMPLIANCE FEES - LIHTC, HOME, & 1602		1,000-	.00	2,000-	3,000-	66.67	12,000-	10,000-
SECTION 8 FEES								
MISC FEES								
TOTAL FEE INCOME		1,000-	.00	2,000-	3,000-	66.67	12,000-	10,000-
INVESTMENT INTERST INCOME	1,896-	4,069-	46.60	13,169-	12,704-	103.66	49,380-	36,211-
GAIN OR LOSS ON SALE			.00			.00		
REBATE EXPENSE								
MBS INTEREST INCOME			.00			.00		
LOAN INTEREST INCOME	16,502-	26,023-	63.41	58,859-	79,137-	74.38	312,334-	253,475-
OTHER INTEREST INCOME			.00			.00		
TOTAL INTEREST INCOME	18,398-	30,092-	61.14	72,028-	91,841-	78.43	361,714-	289,686-
BOND INTEREST EXPENSE			.00			.00		
COST OF ISSUANCE EXPENSE								
DISCOUNT / PREMIUM AMORT								
REMARKETING FEES								
LIQUIDITY FEES								
OTHER INTEREST COSTS								
TOTAL INTEREST EXPENSE			.00			.00		
NET INTEREST INCOME	18,398-	30,092-	61.14	72,028-	91,841-	78.43	361,714-	289,686-
NET GRANT EXPENSE (INC)	844,525-	507,897-	166.28	228,957-	217,460-	105.29	641,946-	412,989-
AUTHORITY FEES								
OTHER INCOME			.00			.00		
TOTAL OPERATING INCOME	862,923-	538,989-	160.10	302,985-	312,301-	97.02	1015,660-	712,675-
OPERATING EXPENSES	49,654	112,714	44.05	356,709	402,453	88.63	1398,980	1042,271
NET OPERATING INCOME	813,269-	426,275-	190.79	53,724	90,152	59.59	383,320	329,596
NON OPERATING EXPENSES	336	376,392-	.09-	570	376,392-	.15-	932,807-	933,377-
NET INCOME	812,933-	802,667-	101.28	54,294	286,240-	18.97-	549,487-	603,781-

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME		1,000-	.00	2,000-	3,000-	66.67	12,000-	10,000-
NET INTEREST INCOME	18,398-	30,092-	61.14	72,028-	91,841-	78.43	361,714-	289,686-
NET GRANT INCOME	844,525-	507,897-	166.28	228,957-	217,460-	105.29	641,946-	412,989-
AUTHORITY FEE INCOME								
OTHER INCOME			.00			.00		
<b>TOTAL OPERATING INCOME</b>	<b>862,923-</b>	<b>538,989-</b>	<b>160.10</b>	<b>302,985-</b>	<b>312,301-</b>	<b>97.02</b>	<b>1015,660-</b>	<b>712,675-</b>
SALARY & BENEFITS	54,025	83,572	64.64	226,317	250,712	90.27	998,901	772,584
TRAVEL & EDUCATION	1,126	1,379	81.65	5,858	4,137	141.60	16,548	10,690
OFFICE SUPPLIES AND POSTAGE	219	224	97.77	753	672	112.05	2,688	1,935
TELEPHONE & DATA	679	501	135.53	2,063	1,503	137.26	6,012	3,949
FACILITIES	213	697	30.56	2,048	2,091	97.94	8,364	6,316
EQUIPMENT & SOFTWARE	438	465	94.19	1,475	1,393	105.89	5,574	4,099
DEPRECIATION	1,008	2,000	50.40	3,017	6,000	50.28	24,000	20,983
STATE INDIRECT	288	286	100.70	853	858	99.42	3,432	2,579
MARKETING		70	.00		210	.00	840	840
MARKETING - CONFERENCE HOSTING			.00			.00		
PS - ACCOUNTING			.00			.00		
PS - LEGAL			.00			.00		
PS - COMPLIANCE	16,562	4,018	412.20	23,036	12,054	191.11	48,216	25,180
PS - LIHTC MARKET STUDY								
PS - BANKING	234	1,484	15.77	7,203	6,452	111.64	6,308	895-
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING			.00			.00		
PS - MISC CONSULTING		441	.00		1,323	.00	5,292	5,292
PS - S8 SERVICES								
PS - STATE AUDITOR			.00	62,317	62,317	100.00	62,317	
PS - MISC		1,159	.00	36,489	3,477	1049.44	13,908	22,581-
PROVISION FOR LOSSES	39,210-	10,000	392.10-	39,210-	30,000	130.70-	120,000	159,210
MISC EXPENSES	14		.00	93		.00		93-
INDIRECT COST TRANSFER	14,060	6,418	219.07	24,393	19,254	126.69	76,580	52,187
<b>TOTAL OPERATING EXPENSES</b>	<b>49,656</b>	<b>112,714</b>	<b>44.05</b>	<b>356,705</b>	<b>402,453</b>	<b>88.63</b>	<b>1398,980</b>	<b>1042,275</b>
<b>NET OPERATING INCOME</b>	<b>813,267-</b>	<b>426,275-</b>	<b>190.78</b>	<b>53,720</b>	<b>90,152</b>	<b>59.59</b>	<b>383,320</b>	<b>329,600</b>
INTERAGENCY GRANTS		376,392-	.00		376,392-	.00	932,807-	932,807-
FMVA	336		.00	570		.00		570-
OTHER NON-OPERATING			.00			.00		
<b>NET INCOME</b>	<b>812,931-</b>	<b>802,667-</b>	<b>101.28</b>	<b>54,290</b>	<b>286,240-</b>	<b>18.97-</b>	<b>549,487-</b>	<b>603,777-</b>

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH	14,215,865.61	666,866.73	14,882,732.34	14,162,421.43	105.09
CASH EQUIVALENTS	7,082,981.33	576,015.50-	6,506,965.83	6,102,544.62	106.63
INVESTMENTS	575,976.44	586.98-	575,389.46	4,057,203.08	14.18
INV FMVA	2,006.71	335.32-	1,671.39	1,405.27	118.94
MORTGAGE BACKED SECURITIES					
MBS FMVA					
OTHER HOUSING LOANS	67,539,369.98	423,689.47	67,963,059.45	63,108,470.62	107.69
SRF LOANS					
INTEREST RECEIVABLE	30,622.59	567.75-	30,054.84	37,797.02	79.52
CAPITAL ASSETS					
PROVISION FOR ACCUMULATED DEPRECIATION					
TRADE ACCOUNTS RECEIVABLE					
OTHER ASSETS	444,694.27-	279,371.68	165,322.59-	35,276.68	468.65-
DEFERRED OUTFLOWS					
<b>TOTAL ASSETS</b>	<b>89,002,128.39</b>	<b>792,422.33</b>	<b>89,794,550.72</b>	<b>87,505,118.72</b>	<b>102.62</b>
BOND PAYABLE	636,674.42-	8,670.45	628,003.97-	732,049.37-	85.79
INTEREST PAYABLE					
DEFERRED INCOME	740,332.67-		740,332.67-	742,618.24-	99.69
REBATES OWED					
RESERVE FOR LOSSES	463,823.53-		463,823.53-	463,823.53-	100.00
ACCOUNTS PAYABLE & OTHER CURR LIAB	11,806,251.01-	11,841.76	11,794,409.25-	11,699,295.44-	100.81
DERIVATIVE LIABILITY					
<b>TOTAL LIABILITIES</b>	<b>13,647,081.63-</b>	<b>20,512.21</b>	<b>13,626,569.42-</b>	<b>13,637,786.58-</b>	<b>99.92</b>
FUND BALANCE	76,222,274.90-		76,222,274.90-	74,260,272.27-	102.64
TRANSFER BETWEEN FUNDS					
CURRENT YEAR EARNINGS	867,228.14	812,934.54-	54,293.60	392,940.13	13.82
<b>TOTAL NET ASSETS</b>	<b>75,355,046.76-</b>	<b>812,934.54-</b>	<b>76,167,981.30-</b>	<b>73,867,332.14-</b>	<b>103.11</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>89,002,128.39-</b>	<b>792,422.33-</b>	<b>89,794,550.72-</b>	<b>87,505,118.72-</b>	<b>102.62</b>

To: IADD Board  
 From: Tim Jansen  
 Date: October 13, 2014  
 Subject: Iowa Agriculture Development Division Narrative – September, 2014



**Strategic Goal:** Provide financing opportunities for beginner farmers.

**Performance Target:** Look for growth opportunities in FY 2015.

***Iowa Agricultural Development Division financial results - YTD***

YTD operating income of \$140,822 is \$300 or 0.2% unfavorable to budget.

YTD operating expense of \$124,168 is \$4,272 or 3.6% unfavorable to budget.

As the result, YTD net operating income of \$16,654 is \$4,572 or 21.5% unfavorable to budget.

**Summary Financial Information:**

Iowa Agriculture Division Summary Financial Information September 30, 2014									
Income Statement	Current Month				Year to date				
	Actual	Budget	Variance	%	Actual	Budget	Variance	%	
LPP Fees	2,175	1,975	200	10.1%	2,175	1,975	200	10.1%	
BFLP Fees	5,222	11,500	(6,278)	-54.6%	14,210	34,500	(20,290)	-58.8%	
BFTC Fees	65,850	46,400	19,450	41.9%	99,450	80,000	19,450	24.3%	
Investment Interest Income	798	1,048	(250)	-23.9%	3,770	3,207	563	17.6%	
Loan Interest Income	7,016	7,082	(66)	-0.9%	21,217	21,440	(223)	-1.0%	
Other income	-	-	-	0.0%	-	-	-	0.0%	
<b>Total operating income</b>	<b>81,061</b>	<b>68,005</b>	<b>13,056</b>	<b>19.2%</b>	<b>140,822</b>	<b>141,122</b>	<b>(300)</b>	<b>-0.2%</b>	
Direct employee expense	16,752	16,942	(190)	-1.1%	50,144	50,824	(680)	-1.3%	
Indirect operating expense	1,416	1,810	(394)	-21.8%	6,658	5,430	1,228	22.6%	
Marketing expense	84	2,155	(2,071)	-96.1%	5,405	6,465	(1,060)	-16.4%	
Professional service expense	36,247	30,899	5,348	17.3%	61,961	57,177	4,784	8.4%	
Provision for losses	-	-	-	0.0%	-	-	-	0.0%	
Miscellaneous	-	-	-	0.0%	-	-	-	0.0%	
<b>Total operating expense</b>	<b>54,499</b>	<b>51,806</b>	<b>2,693</b>	<b>5.2%</b>	<b>124,168</b>	<b>119,896</b>	<b>4,272</b>	<b>3.6%</b>	
<b>Net operating income (loss)</b>	<b>26,562</b>	<b>16,199</b>	<b>10,363</b>	<b>64.0%</b>	<b>16,654</b>	<b>21,226</b>	<b>(4,572)</b>	<b>-21.5%</b>	
<b>Balance Sheet</b>					<b>Total</b>				
Cash - State Funds					3,918,613				
Investments					203,468				
LPP Loans					1,871,637				
Interest Receivable					49,383				
Other Assets					(32,027)				
<b>Total Assets</b>					<b>6,011,074</b>				
Accrued Expenses - Mabsco					29,620				
Fund Balance					5,964,800				
Current year earnings (loss)					16,654				
<b>Total Liabilities and Equity</b>					<b>6,011,074</b>				

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
<b>Income</b>								
BFLP Fees	5,222-	11,500-	45.41	14,210-	34,500-	41.19	138,000-	123,790-
BFTC Fees	65,850-	46,400-	141.92	99,450-	80,000-	124.31	110,000-	10,550-
BFCF Fees			.00			.00	15,000-	15,000-
LPP Fees	2,175-	1,975-	110.13	2,175-	1,975-	110.13	6,425-	4,250-
Other Fees								
<b>Total Fee Income</b>	<b>73,247-</b>	<b>59,875-</b>	<b>122.33</b>	<b>115,835-</b>	<b>116,475-</b>	<b>99.45</b>	<b>269,425-</b>	<b>153,590-</b>
Investment Interest	403-	401-	100.50	1,246-	1,231-	101.22	4,883-	3,637-
State Pooled Interest	396-	647-	61.21	2,524-	1,976-	127.73	7,634-	5,110-
LPP Interest	7,016-	7,082-	99.07	21,217-	21,440-	98.96	90,036-	68,819-
Other Interest								
<b>Total Interest Income</b>	<b>7,815-</b>	<b>8,130-</b>	<b>96.13</b>	<b>24,987-</b>	<b>24,647-</b>	<b>101.38</b>	<b>102,553-</b>	<b>77,566-</b>
Other Income			.00			.00		
<b>Total Operating Income</b>	<b>81,062-</b>	<b>68,005-</b>	<b>119.20</b>	<b>140,822-</b>	<b>141,122-</b>	<b>99.79</b>	<b>371,978-</b>	<b>231,156-</b>
<b>Expenses</b>								
Salaries & Benefits	15,490	16,108	96.16	47,159	48,324	97.59	192,985	145,826
Travel & Education	1,261	834	151.20	3,488	2,500	139.52	10,000	6,512
Office Supplies and Postage	159	225	70.67	487	675	72.15	2,700	2,213
Dues & Memberships			.00			.00		
Telephone & Data	266	166	160.24	781	498	156.83	1,992	1,211
Facilities	107	357	29.97	1,024	1,071	95.61	4,284	3,260
Equipment & Software	236	294	80.27	1,925	882	218.25	3,528	1,603
Depreciation	504	625	80.64	1,508	1,875	80.43	7,500	5,992
State Indirect	144	143	100.70	426	429	99.30	1,716	1,290
Marketing	84	2,155	3.90	5,405	6,465	83.60	25,860	20,455
Prof Serv - Acctg	215	218	98.62	646	654	98.78	2,616	1,970
Prof Serv - Legal	4,671	2,841	164.41	11,394	8,523	133.69	34,092	22,698
Prof Serv - Mabsco	31,360	27,840	112.64	49,920	48,000	104.00	82,760	32,840
Prof Serv - State Audit Fees			.00			.00		
Misc Expenses			.00			.00		
<b>Total Operating Expenses</b>	<b>54,497</b>	<b>51,806</b>	<b>105.19</b>	<b>124,163</b>	<b>119,896</b>	<b>103.56</b>	<b>370,033</b>	<b>245,870</b>
<b>Net Operating Income</b>	<b>26,565-</b>	<b>16,199-</b>	<b>163.99</b>	<b>16,659-</b>	<b>21,226-</b>	<b>78.48</b>	<b>1,945-</b>	<b>14,714</b>

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH	4,035,803.37	117,189.81-	3,918,613.56	3,506,016.04	111.77
CASH EQUIVALENTS					
INVESTMENTS	203,468.02		203,468.02	498,755.24	40.80
INV FMVA					
MORTGAGE BACKED SECURITIES					
MBS FMVA					
OTHER HOUSING LOANS	1,717,369.47	154,268.39	1,871,637.86	1,970,776.14	94.97
SRF LOANS					
INTEREST RECEIVABLE	45,032.53	4,350.81	49,383.34	50,966.24	96.89
CAPITAL ASSETS					
PROVISION FOR ACCUMULATED DEPRECIATION					
TRADE ACCOUNTS RECEIVABLE					
OTHER ASSETS	39,682.52-	7,654.53	32,027.99-	15,581.43-	205.55
DEFERRED OUTFLOWS					
<b>TOTAL ASSETS</b>	<b>5,961,990.87</b>	<b>49,083.92</b>	<b>6,011,074.79</b>	<b>6,010,932.23</b>	<b>100.00</b>
BOND PAYABLE					
INTEREST PAYABLE					
DEFERRED INCOME					
REBATES OWED					
RESERVE FOR LOSSES					
ACCOUNTS PAYABLE & OTHER CURR LIAB	7,100.00-	22,520.00-	29,620.00-	35,380.00-	83.72
DERIVATIVE LIABILITY					
<b>TOTAL LIABILITIES</b>	<b>7,100.00-</b>	<b>22,520.00-</b>	<b>29,620.00-</b>	<b>35,380.00-</b>	<b>83.72</b>
FUND BALANCE	5,964,800.10-		5,964,800.10-	5,931,551.60-	100.56
TRANSFER BETWEEN FUNDS				31,132.68-	
CURRENT YEAR EARNINGS	9,909.23	26,563.92-	16,654.69-	12,867.95-	129.43
<b>TOTAL NET ASSETS</b>	<b>5,954,890.87-</b>	<b>26,563.92-</b>	<b>5,981,454.79-</b>	<b>5,975,552.23-</b>	<b>100.10</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>5,961,990.87-</b>	<b>49,083.92-</b>	<b>6,011,074.79-</b>	<b>6,010,932.23-</b>	<b>100.00</b>



To: IFA  
 From: Tim Jansen  
 Date: October 15, 2014  
 Subject: State Revolving Fund Narrative – September, 2014

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

**Performance Target:** Close \$200 million construction loans in FY 2015 (\$100 million CW loans and \$100 million DW loans).

**State Revolving Fund financial results - YTD** (See Summary Financial Information for more detail)

YTD operating income of \$1,932,874 is \$23,559 or 1.2% unfavorable to budget as fee income trails budget by \$60,830, or by 6.0%.

YTD operating expense of \$2,124,921 is \$53,051 or 2.6% unfavorable to budget as DNR expenses exceeds budget by \$65,091, or by 3.7%.

As the result, YTD net operating loss of \$192,047 is \$76,610 or 66.4% unfavorable to budget.

**Cash Position**

- We have \$164.6 million of cash available for SRF construction projects funded thru the Master Trust Agreement (MTA).
- We have \$32.1 million of cash available for planning & design, CW general nonpoint source, and DW source water protection loans funded thru the Program Fund.
- We have \$20.9 million of cash available for SRF administrative expenses. We also have \$6.0 million of federal cap grants available for Drinking Water Set-asides.
- We need to provide \$6.1 million of state match to receive the 2014 capitalization grants of \$32.2 million.

Equity/Admin Cash Balances				
Program	Account	Balance at 6/30/2014	Net Cash Inflows (Outflows)	Balance at 9/30/2014
<b>MTA</b>				
Clean Water	12069250/1	98,866,283	(5,853,982)	93,012,301
Drinking Water	12069253/4	74,843,116	(3,240,232)	71,602,885
		173,709,400	(9,094,214)	164,615,186
<b>Program</b>				
Clean Water	22546000	16,808,587	31,667	16,840,254
Drinking Water	22546001	15,227,675	(4,202)	15,223,473
		32,036,262	27,465	32,063,727
<b>Administration</b>				
Clean Water	22546002	11,574,116	(1,105,559)	10,468,557
Drinking Water	22546003	10,664,205	(190,437)	10,473,768
		22,238,321	(1,295,996)	20,942,325

Federal Capitalization Grants						
As of 9/30/2014						
Grant Award Year	Clean Water		Drinking Water		Total SRF	
	EPA Awards	Remaining	EPA Awards	Remaining	EPA Awards	Remaining
Prior Years	441,214,459	0	212,609,500	0	653,823,959	0
2011	19,985,000	0	16,077,000	99,028	36,062,000	99,028
2012	19,128,000	0	15,322,000	1,506,015	34,450,000	1,506,015
2013	18,069,000	0	14,375,000	4,381,874	32,444,000	4,381,874
2014*	18,976,000	18,976,000	13,229,000	13,229,000	32,205,000	32,205,000
	517,372,459	18,976,000	271,612,500	19,215,917	788,984,959	38,191,917
					Total federal capitalization grants received to date:	\$ 750,793,042
<b>Available for Loan Draws</b>						
	Clean Water	Drinking Water	Total	Available for Setasides		
2013	0	0	0	Clean Water	0	
2014* State Match Required	0	0	0	Drinking Water	5,986,917	
	0	0	0		5,986,917	

**SRF loans**

- Loan portfolio increases by 1% with loan disbursements made of \$22.2 million and total loan commitments of \$117.6 million.
- Water quality linked deposit programs of \$61.5 million decreases slightly as we have net principle in of 452,682 for the year.

SRF Portfolio Analysis	June 30, 2014		Year to Date		September 30, 2014			
	#	Balance	Additions	Subtractions	Balance	CHG	#	CHG
Clean Water Loans	528	984,159,265	13,547,518	(204,853)	997,501,930	1%	535	7
Loan Reserves-Forg portion		(2,304,921)	(194,063)	387,857	(2,111,128)			
ARRA Forgivable	2	1,575,000	-	-	1,575,000	0%	2	0
Loan Reserves		(1,575,000)	-	-	(1,575,000)			
Clean Water GNPS	29	21,285,325	-	(74,700)	21,210,625	0%	29	0
Planning & Design	59	8,218,367	909,096	(402,999)	8,724,465	6%	56	-3
<b>Total Clean Water</b>	<b>618</b>	<b>1,011,358,035</b>	<b>14,262,551</b>	<b>(294,695)</b>	<b>1,025,325,891</b>	<b>1%</b>	<b>622</b>	<b>4</b>
Drinking Water Loans	324	379,970,869	7,269,190	297,784	387,537,843	2%	329	5
Loan Reserves-Forg portion		(2,973,387)	(830,202)	-	(3,803,589)			
Loan Reserves-Xenia		(1,443,168)	-	-	(1,443,168)			
ARRA Forgivable	3	2,735,000	-	-	2,735,000	0%	3	0
Loan Reserves		(2,735,000)	-	-	(2,735,000)			
Planning & Design	16	8,367,412	439,560	(411,106)	8,395,867	0%	17	1
<b>Total Drinking Water</b>	<b>343</b>	<b>383,921,725</b>	<b>6,878,549</b>	<b>(113,322)</b>	<b>390,686,952</b>	<b>2%</b>	<b>349</b>	<b>6</b>
<b>Total SRF Portfolio</b>	<b>961</b>	<b>1,395,279,760</b>	<b>21,141,099</b>	<b>(408,016)</b>	<b>1,416,012,844</b>	<b>1%</b>	<b>971</b>	<b>10</b>
<b>Loan Commitments</b>								
		Commitments	New loans	Disbursements	Noncash	Commitments	Vs	
		Jun 30, 2014	Closed in FY15	Made in FY15	Transactions	Sep 30, 2014	Target	
					Made in FY15			
Clean Water Loans		79,407,508	16,578,000	(13,547,518)	(3,279,300)	79,158,690	17%	
CW Planning & Design		9,298,964	2,470,200	(909,096)	(94,061)	10,766,007		
Drinking Water Loans		22,879,242	3,968,000	(7,269,190)	(850,222)	18,727,830	4%	
DW Planning & Design		9,207,998	191,000	(439,560)	(328,894)	8,630,543		
Clean Water GNPS		317,388	-	-	-	317,388		
<b>Total SRF</b>		<b>121,111,101</b>	<b>23,207,200</b>	<b>(22,165,364)</b>	<b>(4,552,478)</b>	<b>117,600,459</b>	<b>10%</b>	

Clean Water Nonpoint Source Set-aside programs for water quality protection efforts- thru linked deposits								
Program	June 30, 2014		Year to Date		September 30, 2014			
	#	Balance	Prin Out	Prin In	Balance	CHG	#	CHG
Local Water Protection (LWPP)	1,576	20,203,728	620,253	(842,097)	19,981,884	-1%	1561	-15
Livestock Water Quality (LWQP)	324	36,966,505	500,302	(892,820)	36,573,986	-1%	322	-2
Onsite Wastewater Assistance (OSWAP)	715	4,116,674	382,550	(220,869)	4,278,355	4%	730	15
Stormwater (SWP)	8	631,591	-	-	631,591	0%	8	0
<b>Total</b>	<b>2,623</b>	<b>61,918,498</b>	<b>1,503,105</b>	<b>(1,955,786)</b>	<b>61,465,816</b>	<b>-1%</b>	<b>2,621</b>	<b>-2</b>
			Net Principal Out (In)					
			(452,682)					

**Iowa Finance Authority**  
**Summary Financial Information**  
**September 30, 2014**

State Revolving Fund	Current Month				Year to date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Fee income	313,326	338,812	(25,486)	-7.5%	948,548	1,009,378	(60,830)	-6.0%
Net Interest Income	287,736	399,200	(111,464)	-27.9%	1,059,311	1,047,178	12,133	1.2%
Net Grant Income	(144,788)	(229,444)	84,656	-36.9%	(74,985)	(100,123)	25,138	-25.1%
Other Income	-	-	-	0.0%	-	-	-	0.0%
<b>Total Operating Income</b>	<b>456,274</b>	<b>508,568</b>	<b>(52,294)</b>	<b>-10.3%</b>	<b>1,932,874</b>	<b>1,956,433</b>	<b>(23,559)</b>	<b>-1.2%</b>
Marketing expense	1,734	3,020	(1,286)	-42.6%	4,202	9,060	(4,858)	-53.6%
Professional service expense	21,154	26,287	(5,133)	-19.5%	108,882	79,834	29,048	36.4%
IFA Expenses	66,183	78,242	(12,059)	-15.4%	197,693	233,923	(36,230)	-15.5%
DNR expenses	779,792	683,355	96,437	14.1%	1,814,144	1,749,053	65,091	3.7%
<b>Total Operating Expenses</b>	<b>868,863</b>	<b>790,904</b>	<b>77,959</b>	<b>9.9%</b>	<b>2,124,921</b>	<b>2,071,870</b>	<b>53,051</b>	<b>2.6%</b>
<b>Net operating income</b>	<b>(412,589)</b>	<b>(282,336)</b>	<b>(130,253)</b>	<b>46.1%</b>	<b>(192,047)</b>	<b>(115,437)</b>	<b>(76,610)</b>	<b>66.4%</b>

Clean Water	Current Month				Year to date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Fee income	234,573	249,334	(14,761)	-5.9%	693,483	742,836	(49,353)	-6.6%
Net Interest Income	236,534	313,245	(76,711)	-24.5%	797,479	832,672	(35,193)	-4.2%
Net Grant Income	(192,361)	(100,000)	(92,361)	92.4%	(194,063)	(300,000)	105,937	-35.3%
Other Income	-	-	-	0.0%	-	-	-	0.0%
<b>Total Operating Income</b>	<b>278,746</b>	<b>462,579</b>	<b>(183,833)</b>	<b>-39.7%</b>	<b>1,296,899</b>	<b>1,275,508</b>	<b>21,391</b>	<b>1.7%</b>
Marketing expense	1,369	2,180	(811)	-37.2%	3,614	6,540	(2,926)	-44.7%
Professional service expense	15,391	18,650	(3,259)	-17.5%	78,395	56,616	21,779	38.5%
IFA Expenses	45,110	47,714	(2,604)	-5.5%	135,880	142,604	(6,724)	-4.7%
DNR expenses	334,709	301,826	32,883	10.9%	914,780	905,478	9,302	1.0%
<b>Total Operating Expenses</b>	<b>396,579</b>	<b>370,370</b>	<b>26,209</b>	<b>7.1%</b>	<b>1,132,669</b>	<b>1,111,238</b>	<b>21,431</b>	<b>1.9%</b>
<b>Net operating income</b>	<b>(117,833)</b>	<b>92,209</b>	<b>(210,042)</b>	<b>-227.8%</b>	<b>164,230</b>	<b>164,270</b>	<b>(40)</b>	<b>0.0%</b>

Drinking Water	Current Month				Year to date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Fee income	78,754	89,478	(10,724)	-12.0%	255,065	266,542	(11,477)	-4.3%
Net Interest Income	51,201	85,955	(34,754)	-40.4%	261,831	214,506	47,325	22.1%
Net Grant Income	47,573	(129,444)	177,017	-136.8%	119,078	199,877	(80,799)	-40.4%
Other Income	-	-	-	0.0%	-	-	-	0.0%
<b>Total Operating Income</b>	<b>177,528</b>	<b>45,989</b>	<b>131,539</b>	<b>286.0%</b>	<b>635,974</b>	<b>680,925</b>	<b>(44,951)</b>	<b>-6.6%</b>
Marketing expense	364	840	(476)	-56.7%	587	2,520	(1,933)	-76.7%
Professional service expense	5,764	7,637	(1,873)	-24.5%	30,487	23,218	7,269	31.3%
IFA Expenses	21,074	30,528	(9,454)	-31.0%	61,808	91,319	(29,511)	-32.3%
DNR expenses	445,083	381,529	63,554	16.7%	899,364	843,575	55,789	6.6%
<b>Total Operating Expenses</b>	<b>472,285</b>	<b>420,534</b>	<b>51,751</b>	<b>12.3%</b>	<b>992,246</b>	<b>960,632</b>	<b>31,614</b>	<b>3.3%</b>
<b>Net operating income</b>	<b>(294,757)</b>	<b>(374,545)</b>	<b>79,788</b>	<b>-21.3%</b>	<b>(356,272)</b>	<b>(279,707)</b>	<b>(76,565)</b>	<b>27.4%</b>

Note - minor rounding errors may occur

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
LOAN ORIGATION FEES	30,065-	52,502-	57.26	102,730-	157,500-	65.23	1000,000-	897,270-
ECONOMIC DEVELOPMENT BOND FEES								
MG FEES								
LIHTC FEES								
COMPLIANCE FEES - LIHTC, HOME, & 1602								
SECTION 8 FEES								
MISC FEES	283,261-	286,310-	98.94	845,818-	851,878-	99.29	3530,821-	2685,003-
TOTAL FEE INCOME	313,326-	338,812-	92.48	948,548-	1009,378-	93.97	4530,821-	3582,273-
INVESTMENT INTERST INCOME	40,236-	58,075-	69.28	177,042-	197,310-	89.73	739,074-	562,032-
GAIN OR LOSS ON SALE			.00			.00		
REBATE EXPENSE			.00			.00		
MBS INTEREST INCOME			.00			.00		
LOAN INTEREST INCOME	3078,638-	3062,459-	100.53	9197,856-	9131,670-	100.72	37494,000-	28296,144-
OTHER INTEREST INCOME								
TOTAL INTEREST INCOME	3118,874-	3120,534-	99.95	9374,898-	9328,980-	100.49	38233,074-	28858,176-
BOND INTEREST EXPENSE	3204,074	3204,076	100.00	9748,622	9748,624	100.00	40295,044	30546,422
COST OF ISSUANCE EXPENSE			.00			.00	797,785	797,785
DISCOUNT / PREMIUM AMORT	491,734-	520,753-	94.43	1625,103-	1580,854-	102.80	6255,391-	4630,288-
REMARKETING FEES								
LIQUIDITY FEES								
OTHER INTEREST COSTS	118,798	38,011	312.54	192,068	114,032	168.43	456,127	264,059
TOTAL INTEREST EXPENSE	2831,138	2721,334	104.03	8315,587	8281,802	100.41	35293,565	26977,978
NET INTEREST INCOME	287,736-	399,200-	72.08	1059,311-	1047,178-	101.16	2939,509-	1880,198-
NET GRANT EXPENSE (INC)	144,788	229,444	63.10	74,985	100,123	74.89	20883,180-	20958,165-
AUTHORITY FEES			.00			.00		
OTHER INCOME			.00			.00		
TOTAL OPERATING INCOME	456,274-	508,568-	89.72	1932,874-	1956,433-	98.80	28353,510-	26420,636-
OPERATING EXPENSES	868,864	790,904	109.86	2124,925	2071,870	102.56	9470,301	7345,376
NET OPERATING INCOME	412,590	282,336	146.13	192,051	115,437	166.37	18883,209-	19075,260-
NON OPERATING EXPENSES	199,460		.00	180,598		.00		180,598-
NET INCOME	612,050	282,336	216.78	372,649	115,437	322.82	18883,209-	19255,858-

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	313,326-	338,812-	92.48	948,548-	1009,378-	93.97	4530,821-	3582,273-
NET INTEREST INCOME	287,736-	399,200-	72.08	1059,311-	1047,178-	101.16	2939,509-	1880,198-
NET GRANT INCOME	144,788	229,444	63.10	74,985	100,123	74.89	20883,180-	20958,165-
AUTHORITY FEE INCOME			.00			.00		
OTHER INCOME			.00			.00		
<b>TOTAL OPERATING INCOME</b>	<b>456,274-</b>	<b>508,568-</b>	<b>89.72</b>	<b>1932,874-</b>	<b>1956,433-</b>	<b>98.80</b>	<b>28353,510-</b>	<b>26420,636-</b>
SALARY & BENEFITS	53,875	61,191	88.04	157,505	182,776	86.17	725,159	567,654
TRAVEL & EDUCATION	362	500	72.40	831	1,500	55.40	6,000	5,169
OFFICE SUPPLIES AND POSTAGE	741	540	137.22	1,545	1,620	95.37	6,480	4,935
TELEPHONE & DATA	533	360	148.06	1,563	1,080	144.72	4,320	2,757
FACILITIES	213	700	30.43	2,048	2,100	97.52	8,400	6,352
EQUIPMENT & SOFTWARE	117	140	83.57	514	420	122.38	1,680	1,166
DEPRECIATION	4,688	5,060	92.65	14,059	15,180	92.62	60,720	46,661
STATE INDIRECT	288	290	99.31	853	870	98.05	3,480	2,627
MARKETING	1,734	3,020	57.42	4,202	9,060	46.38	36,240	32,038
MARKETING - CONFERENCE HOSTING								
PS - ACCOUNTING	431	440	97.95	1,293	1,320	97.95	5,280	3,987
PS - LEGAL		5,370	.00	45,864	16,110	284.69	64,440	18,576
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY								
PS - BANKING	20,722	20,367	101.74	61,724	62,074	99.44	261,547	199,823
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING		110	.00		330	.00	1,320	1,320
PS - MISC CONSULTING			.00			.00		
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC			.00			.00	2,500	2,500
PROVISION FOR LOSSES			.00			.00	25,000-	25,000-
MISC EXPENSES	779,503	683,065	114.12	1813,290	1748,183	103.72	8190,744	6377,454
INDIRECT COST TRANSFER	5,654	9,751	57.98	19,628	29,247	67.11	116,991	97,363
<b>TOTAL OPERATING EXPENSES</b>	<b>868,861</b>	<b>790,904</b>	<b>109.86</b>	<b>2124,919</b>	<b>2071,870</b>	<b>102.56</b>	<b>9470,301</b>	<b>7345,382</b>
<b>NET OPERATING INCOME</b>	<b>412,587</b>	<b>282,336</b>	<b>146.13</b>	<b>192,045</b>	<b>115,437</b>	<b>166.36</b>	<b>18883,209-</b>	<b>19075,254-</b>
INTERAGENCY GRANTS								
FMVA	199,460		.00	180,598		.00		180,598-
OTHER NON-OPERATING			.00			.00		
<b>NET INCOME</b>	<b>612,047</b>	<b>282,336</b>	<b>216.78</b>	<b>372,643</b>	<b>115,437</b>	<b>322.81</b>	<b>18883,209-</b>	<b>19255,852-</b>

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH	61,688,897.99	223,082.17-	61,465,815.82	62,664,602.56	98.09
CASH EQUIVALENTS	193,946,780.91	5,413,735.40-	188,533,045.51	189,417,060.43	99.53
INVESTMENTS	75,753,097.63	3,439,527.24-	72,313,570.39	156,063,939.25	46.34
INV FMVA	175,242.51	199,460.49-	24,217.98-	148,619.36-	16.30
MORTGAGE BACKED SECURITIES					
MBS FMVA					
OTHER HOUSING LOANS					
SRF LOANS	1,408,050,575.45	7,962,268.11	1,416,012,843.56	1,357,964,014.01	104.27
INTEREST RECEIVABLE	9,423,060.72	3,080,112.48	12,503,173.20	12,562,533.96	99.53
CAPITAL ASSETS	132,500.00		132,500.00	132,500.00	100.00
PROVISION FOR ACCUMULATED DEPRECIATION	69,930.64-	3,680.56-	73,611.20-	29,444.48-	250.00
TRADE ACCOUNTS RECEIVABLE	278,246.67	74,208.34	352,455.01	452,368.69	77.91
OTHER ASSETS	786,367.74	326,070.32	1,112,438.06	1,051,667.18	105.78
DEFERRED OUTFLOWS	3,093,973.64	118,797.64-	2,975,176.00	3,509,339.54	84.78
<b>TOTAL ASSETS</b>	<b>1,753,258,812.62</b>	<b>2,044,375.75</b>	<b>1,755,303,188.37</b>	<b>1,783,639,961.78</b>	<b>98.41</b>
BOND PAYABLE	940,164,378.08-	491,733.60	939,672,644.48-	988,781,822.08-	95.03
INTEREST PAYABLE	3,204,073.70-	3,204,073.53-	6,408,147.23-	7,115,705.26-	90.06
DEFERRED INCOME					
REBATES OWED					
RESERVE FOR LOSSES					
ACCOUNTS PAYABLE & OTHER CURR LIAB	876,233.38-	55,913.29	820,320.09-	726,524.63-	112.91
DERIVATIVE LIABILITY					
<b>TOTAL LIABILITIES</b>	<b>944,244,685.16-</b>	<b>2,656,426.64-</b>	<b>946,901,111.80-</b>	<b>996,624,051.97-</b>	<b>95.01</b>
FUND BALANCE	808,774,725.82-		808,774,725.82-	784,425,894.25-	103.10
TRANSFER BETWEEN FUNDS					
CURRENT YEAR EARNINGS	239,401.64-	612,050.89	372,649.25	2,590,015.56-	14.39-
<b>TOTAL NET ASSETS</b>	<b>809,014,127.46-</b>	<b>612,050.89</b>	<b>808,402,076.57-</b>	<b>787,015,909.81-</b>	<b>102.72</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>1,753,258,812.62-</b>	<b>2,044,375.75-</b>	<b>1,755,303,188.37-</b>	<b>1,783,639,961.78-</b>	<b>98.41</b>

DESCRIPTION	THIS MONTH CURRENT	BUDGET	% BDGT	THIS Y-T-D CURRENT	BUDGET	% BDGT	ANNUAL BUDGET (REFERENCE)	BUDGET (UNUTILIZED)
LOAN ORIGATION FEES	30,065-	41,668-	72.15	82,890-	125,000-	66.31	500,000-	417,110-
ECONOMIC DEVELOPMENT BOND FEES								
MG FEES								
LIHTC FEES								
COMPLIANCE FEES - LIHTC, HOME, & 1602								
SECTION 8 FEES								
MISC FEES	204,508-	207,666-	98.48	610,593-	617,836-	98.83	2552,392-	1941,799-
TOTAL FEE INCOME	234,573-	249,334-	94.08	693,483-	742,836-	93.36	3052,392-	2358,909-
INVESTMENT INTERST INCOME	5,462-	30,650-	17.82	84,374-	107,410-	78.55	412,070-	327,696-
GAIN OR LOSS ON SALE			.00			.00		
REBATE EXPENSE			.00			.00		
MBS INTEREST INCOME								
LOAN INTEREST INCOME	2231,681-	2226,578-	100.23	6671,770-	6636,505-	100.53	27074,683-	20402,913-
OTHER INTEREST INCOME								
TOTAL INTEREST INCOME	2237,143-	2257,228-	99.11	6756,144-	6743,915-	100.18	27486,753-	20730,609-
BOND INTEREST EXPENSE	2330,565	2330,567	100.00	7083,929	7083,931	100.00	28059,021	20975,092
COST OF ISSUANCE EXPENSE			.00			.00		
DISCOUNT / PREMIUM AMORT	378,171-	391,186-	96.67	1182,398-	1186,494-	99.65	4707,170-	3524,772-
REMARKETING FEES								
LIQUIDITY FEES								
OTHER INTEREST COSTS	48,214	4,602	1047.67	57,134	13,806	413.83	55,224	1,910-
TOTAL INTEREST EXPENSE	2000,608	1943,983	102.91	5958,665	5911,243	100.80	23407,075	17448,410
NET INTEREST INCOME	236,535-	313,245-	75.51	797,479-	832,672-	95.77	4079,678-	3282,199-
NET GRANT EXPENSE (INC)	192,361	100,000	192.36	194,063	300,000	64.69	15376,000-	15570,063-
AUTHORITY FEES			.00			.00		
OTHER INCOME			.00			.00		
TOTAL OPERATING INCOME	278,747-	462,579-	60.26	1296,899-	1275,508-	101.68	22508,070-	21211,171-
OPERATING EXPENSES	396,580	370,370	107.08	1132,674	1111,238	101.93	4440,810	3308,136
NET OPERATING INCOME	117,833	92,209-	127.79-	164,225-	164,270-	99.97	18067,260-	17903,035-
NON OPERATING EXPENSES	119,750		.00	116,296		.00		116,296-
NET INCOME	237,583	92,209-	257.66-	47,929-	164,270-	29.18	18067,260-	18019,331-

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	234,573-	249,334-	94.08	693,483-	742,836-	93.36	3052,392-	2358,909-
NET INTEREST INCOME	236,534-	313,245-	75.51	797,479-	832,672-	95.77	4079,678-	3282,199-
NET GRANT INCOME	192,361	100,000	192.36	194,063	300,000	64.69	15376,000-	15570,063-
AUTHORITY FEE INCOME			.00			.00		
OTHER INCOME			.00			.00		
<b>TOTAL OPERATING INCOME</b>	<b>278,746-</b>	<b>462,579-</b>	<b>60.26</b>	<b>1296,899-</b>	<b>1275,508-</b>	<b>101.68</b>	<b>22508,070-</b>	<b>21211,171-</b>
SALARY & BENEFITS	36,504	36,800	99.20	107,741	109,866	98.07	436,054	328,313
TRAVEL & EDUCATION	303	320	94.69	772	960	80.42	3,840	3,068
OFFICE SUPPLIES AND POSTAGE	525	370	141.89	1,095	1,110	98.65	4,440	3,345
TELEPHONE & DATA	378	250	151.20	1,109	750	147.87	3,000	1,891
FACILITIES	151	480	31.46	1,441	1,440	100.07	5,760	4,319
EQUIPMENT & SOFTWARE	84	100	84.00	363	300	121.00	1,200	837
DEPRECIATION	3,328	3,490	95.36	9,981	10,470	95.33	41,880	31,899
STATE INDIRECT	205	200	102.50	603	600	100.50	2,400	1,797
MARKETING	1,369	2,180	62.80	3,614	6,540	55.26	26,160	22,546
MARKETING - CONFERENCE HOSTING								
PS - ACCOUNTING	306	300	102.00	918	900	102.00	3,600	2,682
PS - LEGAL		3,300	.00	32,563	9,900	328.92	39,600	7,037
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY								
PS - BANKING	15,084	14,940	100.96	44,912	45,486	98.74	179,956	135,044
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING		110	.00		330	.00	1,320	1,320
PS - MISC CONSULTING			.00			.00		
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC			.00			.00	1,250	1,250
PROVISION FOR LOSSES								
MISC EXPENSES	334,503	301,626	110.90	914,176	904,878	101.03	3619,516	2705,340
INDIRECT COST TRANSFER	3,837	5,904	64.99	13,378	17,708	75.55	70,834	57,456
<b>TOTAL OPERATING EXPENSES</b>	<b>396,577</b>	<b>370,370</b>	<b>107.08</b>	<b>1132,666</b>	<b>1111,238</b>	<b>101.93</b>	<b>4440,810</b>	<b>3308,144</b>
<b>NET OPERATING INCOME</b>	<b>117,831</b>	<b>92,209-</b>	<b>127.79-</b>	<b>164,233-</b>	<b>164,270-</b>	<b>99.98</b>	<b>18067,260-</b>	<b>17903,027-</b>
INTERAGENCY GRANTS								
FMVA	119,750		.00	116,296		.00		116,296-
OTHER NON-OPERATING			.00			.00		
<b>NET INCOME</b>	<b>237,581</b>	<b>92,209-</b>	<b>257.65-</b>	<b>47,937-</b>	<b>164,270-</b>	<b>29.18</b>	<b>18067,260-</b>	<b>18019,323-</b>

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH	61,688,897.99	223,082.17-	61,465,815.82	62,664,602.56	98.09
CASH EQUIVALENTS	115,979,335.18	3,384,013.15-	112,595,322.03	121,422,399.60	92.73
INVESTMENTS	41,138,891.01	3,248,093.41-	37,890,797.60	101,261,977.38	37.42
INV FMVA	112,762.94	119,751.06-	6,988.12-	9,833.16-	71.07
MORTGAGE BACKED SECURITIES					
MBS FMVA					
OTHER HOUSING LOANS					
SRF LOANS	1,019,216,609.03	6,109,282.32	1,025,325,891.35	973,175,531.37	105.36
INTEREST RECEIVABLE	6,820,161.72	2,216,912.33	9,037,074.05	8,803,827.62	102.65
CAPITAL ASSETS	91,425.00		91,425.00	91,425.00	100.00
PROVISION FOR ACCUMULATED DEPRECIATION	48,399.43-	2,613.20-	51,012.63-	20,316.72-	251.09
TRADE ACCOUNTS RECEIVABLE				168,474.05	
OTHER ASSETS	545,643.52	234,901.46	780,544.98	728,089.86	107.20
DEFERRED OUTFLOWS	464,852.23	48,214.23-	416,638.00	515,190.43	80.87
<b>TOTAL ASSETS</b>	<b>1,246,010,179.19</b>	<b>1,535,328.89</b>	<b>1,247,545,508.08</b>	<b>1,268,801,367.99</b>	<b>98.32</b>
<b>BOND PAYABLE</b>	<b>688,794,796.73-</b>	<b>378,171.00</b>	<b>688,416,625.73-</b>	<b>722,203,471.93-</b>	<b>95.32</b>
<b>INTEREST PAYABLE</b>	<b>2,330,565.74-</b>	<b>2,330,565.75-</b>	<b>4,661,131.49-</b>	<b>5,270,137.09-</b>	<b>88.44</b>
<b>DEFERRED INCOME</b>					
<b>REBATES OWED</b>					
<b>RESERVE FOR LOSSES</b>					
<b>ACCOUNTS PAYABLE &amp; OTHER CURR LIAB</b>	<b>530,532.48-</b>	<b>166,306.73</b>	<b>364,225.75-</b>	<b>373,808.27-</b>	<b>97.44</b>
<b>DERIVATIVE LIABILITY</b>					
<b>TOTAL LIABILITIES</b>	<b>691,655,894.95-</b>	<b>1,786,088.02-</b>	<b>693,441,982.97-</b>	<b>727,847,417.29-</b>	<b>95.27</b>
<b>FUND BALANCE</b>	<b>554,055,597.09-</b>		<b>554,055,597.09-</b>	<b>538,641,223.50-</b>	<b>102.86</b>
<b>TRANSFER BETWEEN FUNDS</b>	<b>13,174.84-</b>	<b>13,174.84</b>			
<b>CURRENT YEAR EARNINGS</b>	<b>285,512.31-</b>	<b>237,584.29</b>	<b>47,928.02-</b>	<b>2,312,727.20-</b>	<b>2.07</b>
<b>TOTAL NET ASSETS</b>	<b>554,354,284.24-</b>	<b>250,759.13</b>	<b>554,103,525.11-</b>	<b>540,953,950.70-</b>	<b>102.43</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>1,246,010,179.19-</b>	<b>1,535,328.89-</b>	<b>1,247,545,508.08-</b>	<b>1,268,801,367.99-</b>	<b>98.32</b>

DESCRIPTION	THIS MONTH			THIS Y-T-D			ANNUAL BUDGET	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
LOAN ORIGATION FEES		10,834-	.00	19,840-	32,500-	61.05	500,000-	480,160-
ECONOMIC DEVELOPMENT BOND FEES								
MG FEES								
LIHTC FEES								
COMPLIANCE FEES - LIHTC, HOME, & 1602								
SECTION 8 FEES								
MISC FEES	78,754-	78,644-	100.14	235,225-	234,042-	100.51	978,429-	743,204-
TOTAL FEE INCOME	78,754-	89,478-	88.01	255,065-	266,542-	95.69	1478,429-	1223,364-
INVESTMENT INTERST INCOME	34,774-	27,425-	126.80	92,667-	89,900-	103.08	327,004-	234,337-
GAIN OR LOSS ON SALE			.00			.00		
REBATE EXPENSE			.00			.00		
MBS INTEREST INCOME			.00			.00		
LOAN INTEREST INCOME	846,956-	835,881-	101.32	2526,085-	2495,165-	101.24	10419,317-	7893,232-
OTHER INTEREST INCOME								
TOTAL INTEREST INCOME	881,730-	863,306-	102.13	2618,752-	2585,065-	101.30	10746,321-	8127,569-
BOND INTEREST EXPENSE	873,508	873,509	100.00	2664,692	2664,693	100.00	10526,265	7861,573
COST OF ISSUANCE EXPENSE			.00			.00		
DISCOUNT / PREMIUM AMORT	113,562-	129,567-	87.65	442,704-	394,360-	112.26	1560,472-	1117,768-
REMARKETING FEES								
LIQUIDITY FEES								
OTHER INTEREST COSTS	70,583	33,409	211.27	134,933	100,226	134.63	400,903	265,970
TOTAL INTEREST EXPENSE	830,529	777,351	106.84	2356,921	2370,559	99.42	9366,696	7009,775
NET INTEREST INCOME	51,201-	85,955-	59.57	261,831-	214,506-	122.06	1379,625-	1117,794-
NET GRANT EXPENSE (INC)	47,573-	129,444	36.75-	119,078-	199,877-	59.58	5507,180-	5388,102-
AUTHORITY FEES								
OTHER INCOME			.00			.00		
TOTAL OPERATING INCOME	177,528-	45,989-	386.02	635,974-	680,925-	93.40	8365,234-	7729,260-
OPERATING EXPENSES	472,284	420,534	112.31	992,251	960,632	103.29	5013,333	4021,082
NET OPERATING INCOME	294,756	374,545	78.70	356,277	279,707	127.38	3351,901-	3708,178-
NON OPERATING EXPENSES	79,709		.00	64,301		.00		64,301-
NET INCOME	374,465	374,545	99.98	420,578	279,707	150.36	3351,901-	3772,479-

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	78,754-	89,478-	88.01	255,065-	266,542-	95.69	1478,429-	1223,364-
NET INTEREST INCOME	51,201-	85,955-	59.57	261,831-	214,506-	122.06	1379,625-	1117,794-
NET GRANT INCOME	47,573-	129,444	36.75-	119,078-	199,877-	59.58	5507,180-	5388,102-
AUTHORITY FEE INCOME								
OTHER INCOME			.00			.00		
<b>TOTAL OPERATING INCOME</b>	<b>177,528-</b>	<b>45,989-</b>	<b>386.02</b>	<b>635,974-</b>	<b>680,925-</b>	<b>93.40</b>	<b>8365,234-</b>	<b>7729,260-</b>
SALARY & BENEFITS	17,372	24,391	71.22	49,764	72,910	68.25	289,105	239,341
TRAVEL & EDUCATION	59	180	32.78	59	540	10.93	2,160	2,101
OFFICE SUPPLIES AND POSTAGE	215	170	126.47	449	510	88.04	2,040	1,591
TELEPHONE & DATA	155	110	140.91	453	330	137.27	1,320	867
FACILITIES	62	220	28.18	606	660	91.82	2,640	2,034
EQUIPMENT & SOFTWARE	34	40	85.00	151	120	125.83	480	329
DEPRECIATION	1,360	1,570	86.62	4,077	4,710	86.56	18,840	14,763
STATE INDIRECT	83	90	92.22	250	270	92.59	1,080	830
MARKETING	364	840	43.33	587	2,520	23.29	10,080	9,493
MARKETING - CONFERENCE HOSTING								
PS - ACCOUNTING	125	140	89.29	375	420	89.29	1,680	1,305
PS - LEGAL		2,070	.00	13,300	6,210	214.17	24,840	11,540
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY								
PS - BANKING	5,638	5,427	103.89	16,811	16,588	101.34	65,433	48,622
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING			.00			.00		
PS - MISC CONSULTING			.00			.00		
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC			.00			.00	1,250	1,250
PROVISION FOR LOSSES			.00			.00	25,000-	25,000-
MISC EXPENSES	445,000	381,439	116.66	899,113	843,305	106.62	4571,228	3672,115
INDIRECT COST TRANSFER	1,817	3,847	47.23	6,249	11,539	54.16	46,157	39,908
<b>TOTAL OPERATING EXPENSES</b>	<b>472,284</b>	<b>420,534</b>	<b>112.31</b>	<b>992,244</b>	<b>960,632</b>	<b>103.29</b>	<b>5013,333</b>	<b>4021,089</b>
<b>NET OPERATING INCOME</b>	<b>294,756</b>	<b>374,545</b>	<b>78.70</b>	<b>356,270</b>	<b>279,707</b>	<b>127.37</b>	<b>3351,901-</b>	<b>3708,171-</b>
INTERAGENCY GRANTS								
FMVA	79,709		.00	64,301		.00		64,301-
OTHER NON-OPERATING								
<b>NET INCOME</b>	<b>374,465</b>	<b>374,545</b>	<b>99.98</b>	<b>420,571</b>	<b>279,707</b>	<b>150.36</b>	<b>3351,901-</b>	<b>3772,472-</b>

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH					
CASH EQUIVALENTS	77,967,445.73	2,029,722.25-	75,937,723.48	67,994,660.83	111.68
INVESTMENTS	34,614,206.62	191,433.83-	34,422,772.79	54,801,961.87	62.81
INV FMVA	62,479.57	79,709.43-	17,229.86-	138,786.20-	12.41
MORTGAGE BACKED SECURITIES					
MBS FMVA					
OTHER HOUSING LOANS					
SRF LOANS	388,833,966.42	1,852,985.79	390,686,952.21	384,788,482.64	101.53
INTEREST RECEIVABLE	2,602,899.00	863,200.15	3,466,099.15	3,758,706.34	92.22
CAPITAL ASSETS	41,075.00		41,075.00	41,075.00	100.00
PROVISION FOR ACCUMULATED DEPRECIATION	21,531.21-	1,067.36-	22,598.57-	9,127.76-	247.58
TRADE ACCOUNTS RECEIVABLE	278,246.67	74,208.34	352,455.01	283,894.64	124.15
OTHER ASSETS	240,724.22	91,168.86	331,893.08	323,577.32	102.57
DEFERRED OUTFLOWS	2,629,121.41	70,583.41-	2,558,538.00	2,994,149.11	85.45
<b>TOTAL ASSETS</b>	<b>507,248,633.43</b>	<b>509,046.86</b>	<b>507,757,680.29</b>	<b>514,838,593.79</b>	<b>98.62</b>
BOND PAYABLE	251,369,581.35-	113,562.60	251,256,018.75-	266,578,350.15-	94.25
INTEREST PAYABLE	873,507.96-	873,507.78-	1,747,015.74-	1,845,568.17-	94.66
DEFERRED INCOME					
REBATES OWED					
RESERVE FOR LOSSES					
ACCOUNTS PAYABLE & OTHER CURR LIAB	345,700.90-	110,393.44-	456,094.34-	352,716.36-	129.31
DERIVATIVE LIABILITY					
<b>TOTAL LIABILITIES</b>	<b>252,588,790.21-</b>	<b>870,338.62-</b>	<b>253,459,128.83-</b>	<b>268,776,634.68-</b>	<b>94.30</b>
FUND BALANCE	254,719,128.73-		254,719,128.73-	245,784,670.75-	103.64
TRANSFER BETWEEN FUNDS	13,174.84	13,174.84-			
CURRENT YEAR EARNINGS	46,110.67	374,466.60	420,577.27	277,288.36-	151.68-
<b>TOTAL NET ASSETS</b>	<b>254,659,843.22-</b>	<b>361,291.76</b>	<b>254,298,551.46-</b>	<b>246,061,959.11-</b>	<b>103.35</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>507,248,633.43-</b>	<b>509,046.86-</b>	<b>507,757,680.29-</b>	<b>514,838,593.79-</b>	<b>98.62</b>



## TITLE GUARANTY

To: TG and IFA Board Members

From: Michelle Thomas

Date: October 10, 2014

Subject: Title Guaranty – Narrative for September 2014

Mission Statement: To offer guaranties of real property titles to facilitate lenders' participation in the secondary market and to add to the integrity of the Iowa land-transfer system.

### **Revenue (YTD)**

Revenue is unfavorable to budget by \$554,729 due to Fee Income being unfavorable to budget by \$565,317. Refinance transactions make up 21% of Fee Income.

### **Expenses (YTD)**

Expenses are favorable to budget in the amount of \$308,225. The variance results from Professional Services being favorable to budget, mainly due to Professional Services – TG Field Issue Fee being favorable to budget by \$256,002.

### **Provision for Losses (YTD)**

Provision for Losses is favorable to budget by \$75,298.

### **Net Operating Income (YTD)**

Net Operating Income is \$171,206 unfavorable to budget.

### **Transfers (YTD)**

No funds have been transferred year to date. Board approval was received to transfer \$512,000 during October. There are additional funds available to transfer of \$104,000.

### **Performance Targets:**

	6/30/2012	6/30/2013	6/30/2014	9/30/2014	Budget 6/30/2015
Revenue	6,027,953	8,347,435	6,582,561	5,298,096	6,347,000
Transfer to Housing Programs Fund	2,302,679	2,517,000	1,169,000	2,464,000	932,900

### **Summary Financial Information:**

Title Guaranty	Current Month				Year to Date			
	Actual	Budget	Var	%	Actual	Budget	Var	%
Revenue	453,329	565,660	(112,331)	-19.9%	1,324,524	1,879,253	(554,729)	-29.5%
Expenses	342,622	434,298	(91,676)	-21.1%	1,077,787	1,386,012	(308,225)	-22.2%
Provision for Losses	7,060	33,332	(26,272)	-78.8%	41,548	116,846	(75,298)	-64.4%
Net Operating Income	103,647	98,030	5,617		205,189	376,395	(171,206)	

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
LOAN ORIGATION FEES								
ECONOMIC DEVELOPMENT BOND FEES								
TG FEES	437,049-	560,497-	77.98	1298,451-	1863,768-	69.67	6285,096-	4986,645-
LIHTC FEES								
COMPLIANCE FEES - LIHTC, HOME, & 1602								
SECTION 8 FEES								
MISC FEES								
TOTAL FEE INCOME	437,049-	560,497-	77.98	1298,451-	1863,768-	69.67	6285,096-	4986,645-
INVESTMENT INTERST INCOME			.00			.00		
GAIN OR LOSS ON SALE								
REBATE EXPENSE								
MBS INTEREST INCOME								
LOAN INTEREST INCOME								
OTHER INTEREST INCOME								
TOTAL INTEREST INCOME			.00			.00		
BOND INTEREST EXPENSE								
COST OF ISSUANCE EXPENSE								
DISCOUNT / PREMIUM AMORT								
REMARKETING FEES								
LIQUIDITY FEES								
OTHER INTEREST COSTS								
TOTAL INTEREST EXPENSE								
NET INTEREST INCOME			.00			.00		
NET GRANT EXPENSE (INC)			.00			.00		
AUTHORITY FEES								
OTHER INCOME	16,280-	5,163-	315.32	26,073-	15,485-	168.38	61,940-	35,867-
TOTAL OPERATING INCOME	453,329-	565,660-	80.14	1324,524-	1879,253-	70.48	6347,036-	5022,512-
OPERATING EXPENSES	349,682	467,630	74.78	1119,335	1502,858	74.48	5414,229	4294,894
NET OPERATING INCOME	103,647-	98,030-	105.73	205,189-	376,395-	54.51	932,807-	727,618-
NON OPERATING EXPENSES		376,392	.00		376,392	.00	932,807	932,807
NET INCOME	103,647-	278,362	37.23-	205,189-	3-9633.33			205,189

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	437,049-	560,497-	77.98	1298,451-	1863,768-	69.67	6285,096-	4986,645-
NET INTEREST INCOME			.00			.00		
NET GRANT INCOME			.00			.00		
AUTHORITY FEE INCOME								
OTHER INCOME	16,280-	5,163-	315.32	26,073-	15,485-	168.38	61,940-	35,867-
TOTAL OPERATING INCOME	453,329-	565,660-	80.14	1324,524-	1879,253-	70.48	6347,036-	5022,512-
SALARY & BENEFITS	156,643	171,452	91.36	492,461	513,986	95.81	2041,946	1549,485
TRAVEL & EDUCATION	547	543	100.74	6,869	1,425	482.04	33,800	26,931
OFFICE SUPPLIES AND POSTAGE	1,032	4,880	21.15	4,179	16,406	25.47	75,802	71,623
TELEPHONE & DATA	2,866	1,209	237.06	8,016	3,627	221.01	14,508	6,492
FACILITIES	1,065	3,116	34.18	9,930	9,334	106.39	38,527	28,597
EQUIPMENT & SOFTWARE	612	5,523	11.08	3,194	13,000	24.57	66,742	63,548
DEPRECIATION	5,086	700	726.57	15,233	2,100	725.38	8,400	6,833-
STATE INDIRECT	1,443	1,315	109.73	4,191	3,943	106.29	15,775	11,584
MARKETING	1,860	6,683	27.83	14,031	18,085	77.58	73,140	59,109
MARKETING - CONFERENCE HOSTING			.00			.00	25,000	25,000
PS - ACCOUNTING		4,200	.00	1,375	12,600	10.91	50,400	49,025
PS - LEGAL		2,000	.00	7,586	6,000	126.43	24,000	16,414
PS - COMPLIANCE		1,000	.00		3,000	.00	12,000	12,000
PS - LIHTC MARKET STUDY								
PS - BANKING	975	742	131.40	3,379	2,222	152.07	8,889	5,510
PS - TG FIELD ISSUE FEE	156,160	216,700	72.06	482,220	738,222	65.32	2399,958	1917,738
PS - IT CONSULTING		4,217	.00		12,651	.00	50,606	50,606
PS - MISC CONSULTING		103	.00	711	309	230.10	1,236	525
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC	786	600	131.00	1,512	1,800	84.00	7,200	5,688
PROVISION FOR LOSSES	7,060	33,332	21.18	41,548	116,846	35.56	355,883	314,335
MISC EXPENSES	13,548	9,315	145.44	22,893	27,302	83.85	110,417	87,524
INDIRECT COST TRANSFER								
TOTAL OPERATING EXPENSES	349,683	467,630	74.78	1119,328	1502,858	74.48	5414,229	4294,901
NET OPERATING INCOME	103,646-	98,030-	105.73	205,196-	376,395-	54.52	932,807-	727,611-
INTERAGENCY GRANTS		376,392	.00		376,392	.00	932,807	932,807
FMVA								
OTHER NON-OPERATING			.00			.00		
NET INCOME	103,646-	278,362	37.23-	205,196-	3-9866.67			205,196

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
LOAN ORIGATION FEES								
ECONOMIC DEVELOPMENT BOND FEES								
TG FEES	393,733-	508,878-	77.37	1111,605-	1723,837-	64.48	5688,301-	4576,696-
LIHTC FEES								
COMPLIANCE FEES - LIHTC, HOME, & 1602								
SECTION 8 FEES								
MISC FEES								
TOTAL FEE INCOME	393,733-	508,878-	77.37	1111,605-	1723,837-	64.48	5688,301-	4576,696-
INVESTMENT INTERST INCOME			.00			.00		
GAIN OR LOSS ON SALE								
REBATE EXPENSE								
MBS INTEREST INCOME								
LOAN INTEREST INCOME								
OTHER INTEREST INCOME								
TOTAL INTEREST INCOME			.00			.00		
BOND INTEREST EXPENSE								
COST OF ISSUANCE EXPENSE								
DISCOUNT / PREMIUM AMORT								
REMARKETING FEES								
LIQUIDITY FEES								
OTHER INTEREST COSTS								
TOTAL INTEREST EXPENSE								
NET INTEREST INCOME			.00			.00		
NET GRANT EXPENSE (INC)			.00			.00		
AUTHORITY FEES								
OTHER INCOME	2,775-		.00	2,775-		.00		2,775
TOTAL OPERATING INCOME	396,508-	508,878-	77.92	1114,380-	1723,837-	64.65	5688,301-	4573,921-
OPERATING EXPENSES	300,228	413,538	72.60	978,021	1342,215	72.87	4767,847	3789,826
NET OPERATING INCOME	96,280-	95,340-	100.99	136,359-	381,622-	35.73	920,454-	784,095-
NON OPERATING EXPENSES		376,392	.00		376,392	.00	932,807	932,807
NET INCOME	96,280-	281,052	34.26-	136,359-	5,230-2607.25		12,353	148,712

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
LOAN ORIGATION FEES								
ECONOMIC DEVELOPMENT BOND FEES								
TG FEES	43,315-	51,619-	83.91	186,845-	139,931-	133.53	596,795-	409,950-
LIHTC FEES								
COMPLIANCE FEES - LIHTC, HOME, & 1602								
SECTION 8 FEES								
MISC FEES								
TOTAL FEE INCOME	43,315-	51,619-	83.91	186,845-	139,931-	133.53	596,795-	409,950-
INVESTMENT INTERST INCOME			.00			.00		
GAIN OR LOSS ON SALE								
REBATE EXPENSE								
MBS INTEREST INCOME								
LOAN INTEREST INCOME								
OTHER INTEREST INCOME								
TOTAL INTEREST INCOME			.00			.00		
BOND INTEREST EXPENSE								
COST OF ISSUANCE EXPENSE								
DISCOUNT / PREMIUM AMORT								
REMARKETING FEES								
LIQUIDITY FEES								
OTHER INTEREST COSTS								
TOTAL INTEREST EXPENSE								
NET INTEREST INCOME			.00			.00		
NET GRANT EXPENSE (INC)								
AUTHORITY FEES								
OTHER INCOME	13,505-	5,163-	261.57	23,298-	15,485-	150.46	61,940-	38,642-
TOTAL OPERATING INCOME	56,820-	56,782-	100.07	210,143-	155,416-	135.21	658,735-	448,592-
OPERATING EXPENSES	49,454	54,092	91.43	141,314	160,643	87.97	646,382	505,068
NET OPERATING INCOME	7,366-	2,690-	273.83	68,829-	5,227	1316.80-	12,353-	56,476
NON OPERATING EXPENSES								
NET INCOME	7,366-	2,690-	273.83	68,829-	5,227	1316.80-	12,353-	56,476

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	393,733-	508,878-	77.37	1111,605-	1723,837-	64.48	5688,301-	4576,696-
NET INTEREST INCOME			.00			.00		
NET GRANT INCOME			.00			.00		
AUTHORITY FEE INCOME								
OTHER INCOME	2,775-		.00	2,775-		.00		2,775
<b>TOTAL OPERATING INCOME</b>	<b>396,508-</b>	<b>508,878-</b>	<b>77.92</b>	<b>1114,380-</b>	<b>1723,837-</b>	<b>64.65</b>	<b>5688,301-</b>	<b>4573,921-</b>
SALARY & BENEFITS	128,079	133,845	95.69	405,389	401,166	101.05	1591,834	1186,445
TRAVEL & EDUCATION	547	400	136.75	4,681	1,000	468.10	32,100	27,419
OFFICE SUPPLIES AND POSTAGE	812	4,253	19.09	3,246	14,527	22.34	68,283	65,037
TELEPHONE & DATA	2,233	900	248.11	6,353	2,700	235.30	10,800	4,447
FACILITIES	852	2,601	32.76	7,999	7,789	102.70	32,347	24,348
EQUIPMENT & SOFTWARE	494	5,240	9.43	2,298	12,151	18.91	63,343	61,045
DEPRECIATION	4,070	200	2035.00	12,187	600	2031.17	2,400	9,787-
STATE INDIRECT	1,154	1,100	104.91	3,376	3,300	102.30	13,200	9,824
MARKETING	495	5,015	9.87	10,836	13,085	82.81	53,140	42,304
MARKETING - CONFERENCE HOSTING			.00			.00	25,000	25,000
PS - ACCOUNTING		4,200	.00	1,375	12,600	10.91	50,400	49,025
PS - LEGAL		2,000	.00	7,584	6,000	126.40	24,000	16,416
PS - COMPLIANCE		1,000	.00		3,000	.00	12,000	12,000
PS - LIHTC MARKET STUDY								
PS - BANKING	515	200	257.50	1,509	600	251.50	2,400	891
PS - TG FIELD ISSUE FEE	156,160	216,700	72.06	482,220	738,222	65.32	2399,958	1917,738
PS - IT CONSULTING		4,200	.00		12,600	.00	50,400	50,400
PS - MISC CONSULTING			.00	711		.00		711-
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC	686	600	114.33	1,412	1,800	78.44	7,200	5,788
PROVISION FOR LOSSES	3,858	30,494	12.65	26,500	109,948	24.10	323,325	296,825
MISC EXPENSES	275	590	46.61	340	1,127	30.17	5,717	5,377
INDIRECT COST TRANSFER								
<b>TOTAL OPERATING EXPENSES</b>	<b>300,230</b>	<b>413,538</b>	<b>72.60</b>	<b>978,016</b>	<b>1342,215</b>	<b>72.87</b>	<b>4767,847</b>	<b>3789,831</b>
<b>NET OPERATING INCOME</b>	<b>96,278-</b>	<b>95,340-</b>	<b>100.98</b>	<b>136,364-</b>	<b>381,622-</b>	<b>35.73</b>	<b>920,454-</b>	<b>784,090-</b>
INTERAGENCY GRANTS		376,392	.00		376,392	.00	932,807	932,807
FMVA								
OTHER NON-OPERATING			.00			.00		
<b>NET INCOME</b>	<b>96,278-</b>	<b>281,052</b>	<b>34.26-</b>	<b>136,364-</b>	<b>5,230-2607.34</b>		<b>12,353</b>	<b>148,717</b>

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
FEE INCOME	43,315-	51,619-	83.91	186,845-	139,931-	133.53	596,795-	409,950-
NET INTEREST INCOME			.00			.00		
NET GRANT INCOME								
AUTHORITY FEE INCOME								
OTHER INCOME	13,505-	5,163-	261.57	23,298-	15,485-	150.46	61,940-	38,642-
TOTAL OPERATING INCOME	56,820-	56,782-	100.07	210,143-	155,416-	135.21	658,735-	448,592-
SALARY & BENEFITS	28,563	37,607	75.95	87,071	112,820	77.18	450,112	363,041
TRAVEL & EDUCATION		143	.00	2,188	425	514.82	1,700	488-
OFFICE SUPPLIES AND POSTAGE	220	627	35.09	932	1,879	49.60	7,519	6,587
TELEPHONE & DATA	633	309	204.85	1,663	927	179.40	3,708	2,045
FACILITIES	213	515	41.36	1,931	1,545	124.98	6,180	4,249
EQUIPMENT & SOFTWARE	118	283	41.70	896	849	105.54	3,399	2,503
DEPRECIATION	1,017	500	203.40	3,046	1,500	203.07	6,000	2,954
STATE INDIRECT	289	215	134.42	815	643	126.75	2,575	1,760
MARKETING	1,365	1,668	81.83	3,195	5,000	63.90	20,000	16,805
MARKETING - CONFERENCE HOSTING								
PS - ACCOUNTING								
PS - LEGAL			.00	2		.00		2-
PS - COMPLIANCE								
PS - LIHTC MARKET STUDY								
PS - BANKING	461	542	85.06	1,870	1,622	115.29	6,489	4,619
PS - TG FIELD ISSUE FEE								
PS - IT CONSULTING		17	.00		51	.00	206	206
PS - MISC CONSULTING		103	.00		309	.00	1,236	1,236
PS - S8 SERVICES								
PS - STATE AUDITOR								
PS - MISC	100		.00	100		.00		100-
PROVISION FOR LOSSES	3,202	2,838	112.83	15,048	6,898	218.15	32,558	17,510
MISC EXPENSES	13,273	8,725	152.13	22,553	26,175	86.16	104,700	82,147
INDIRECT COST TRANSFER								
TOTAL OPERATING EXPENSES	49,454	54,092	91.43	141,310	160,643	87.97	646,382	505,072
NET OPERATING INCOME	7,366-	2,690-	273.83	68,833-	5,227	1316.87-	12,353-	56,480
INTERAGENCY GRANTS								
FMVA								
OTHER NON-OPERATING								
NET INCOME	7,366-	2,690-	273.83	68,833-	5,227	1316.87-	12,353-	56,480

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH	8,287,674.77	455,029.45-	7,832,645.32	10,296,903.74	76.07
CASH EQUIVALENTS					
INVESTMENTS					
INV FMVA					
MORTGAGE BACKED SECURITIES					
MBS FMVA					
OTHER HOUSING LOANS					
SRF LOANS					
INTEREST RECEIVABLE					
CAPITAL ASSETS	78,573.57		78,573.57	78,573.57	100.00
PROVISION FOR ACCUMULATED DEPRECIATION	78,427.52-	48.94-	78,476.46-	77,889.18-	100.75
TRADE ACCOUNTS RECEIVABLE	144,463.00	2,818.30-	141,644.70	136,655.00	103.65
OTHER ASSETS	26,711.02	45,289.45-	18,578.43-	22,753.10-	81.65
DEFERRED OUTFLOWS					
<b>TOTAL ASSETS</b>	<b>8,458,994.84</b>	<b>503,186.14-</b>	<b>7,955,808.70</b>	<b>10,411,490.03</b>	<b>76.41</b>
BOND PAYABLE					
INTEREST PAYABLE					
DEFERRED INCOME					
REBATES OWED					
RESERVE FOR LOSSES	5,097,137.80-	7,059.61-	5,104,197.41-	4,922,143.32-	103.70
ACCOUNTS PAYABLE & OTHER CURR LIAB	1,948,918.87-	613,892.64	1,335,026.23-	3,796,735.63-	35.16
DERIVATIVE LIABILITY					
<b>TOTAL LIABILITIES</b>	<b>7,046,056.67-</b>	<b>606,833.03</b>	<b>6,439,223.64-</b>	<b>8,718,878.95-</b>	<b>73.85</b>
FUND BALANCE	1,311,395.67-		1,311,395.67-	1,108,422.97-	118.31
TRANSFER BETWEEN FUNDS					
CURRENT YEAR EARNINGS	101,542.50-	103,646.89-	205,189.39-	584,188.11-	35.12
<b>TOTAL NET ASSETS</b>	<b>1,412,938.17-</b>	<b>103,646.89-</b>	<b>1,516,585.06-</b>	<b>1,692,611.08-</b>	<b>89.60</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>8,458,994.84-</b>	<b>503,186.14</b>	<b>7,955,808.70-</b>	<b>10,411,490.03-</b>	<b>76.41</b>

Iowa Finance Authority - Title Guaranty Division  
Calculation of Claim Reserves - Combined  
September 30, 2014

	FY11	FY12	FY13	FY14	7/31/2014	8/31/2014	9/30/2014
Premium Income	6,424,933.33	6,023,148.89	8,191,037.30	6,375,108.55	469,864.50	868,599.00	1,295,105.00
Reinsurance	136,447.77	141,099.00	111,848.42	129,818.60	35,763.59	42,709.99	48,867.16
Net	6,288,485.56	5,882,049.89	8,079,188.88	6,245,289.95	434,100.91	825,889.01	1,246,237.84
Statutory Reserve Additions	628,848.56	588,204.99	807,918.89	624,529.00	43,410.09	82,588.90	124,623.78
FY87	-	-	-	-	-	-	-
FY88	-	-	-	-	-	-	-
FY89	-	-	-	-	-	-	-
FY90	-	-	-	-	-	-	-
FY91	-	-	-	-	-	-	-
FY92	-	-	-	-	-	-	-
FY93	-	-	-	-	-	-	-
FY94	-	-	-	-	-	-	-
FY95	-	-	-	-	-	-	-
FY96	-	-	-	-	-	-	-
FY97	-	-	-	-	-	-	-
FY98	-	-	-	-	-	-	-
FY99	(13,563.64)	-	-	-	-	-	-
FY00	(19,223.57)	-	-	-	-	-	-
FY01	(14,866.60)	-	-	-	-	-	-
FY02	(26,047.22)	-	-	-	-	-	-
FY03	(28,576.29)	-	-	-	-	-	-
FY04	(33,653.74)	-	-	-	-	-	-
FY05	(23,491.46)	(10,607.18)	-	-	-	-	-
FY06	(19,859.99)	(19,859.99)	(19,859.99)	(662.65)	-	-	-
FY07	(18,426.78)	(18,426.78)	(18,426.78)	(18,426.78)	(1,535.57)	(3,071.13)	(4,606.70)
FY08	(17,895.92)	(17,895.92)	(17,895.92)	(17,719.72)	(1,432.59)	(2,865.19)	(4,297.78)
FY09	(18,536.56)	(18,536.56)	(18,536.56)	(18,338.44)	(1,478.68)	(2,957.35)	(4,436.03)
FY10	(27,516.19)	(27,516.19)	(27,516.19)	(27,118.31)	(2,160.39)	(4,320.78)	(6,481.17)
FY11	(31,442.43)	(31,442.43)	(31,442.43)	(30,998.04)	(2,472.07)	(4,944.15)	(7,416.22)
FY12	-	(29,410.25)	(29,410.25)	(28,953.80)	(2,298.70)	(4,597.41)	(6,896.11)
FY13	-	-	(40,395.94)	(39,949.68)	(3,217.57)	(6,435.15)	(9,652.72)
FY14	-	-	-	(30,698.14)	(2,438.04)	(4,876.08)	(7,314.11)
FY15	-	-	-	-	(1,701.41)	(3,537.11)	-
Statutory Excess Reserves Release	(1,498,000.00)	(750,000.00)	-	-	-	-	-
Statutory Reserves Released	(1,791,100.39)	(923,695.30)	(203,484.07)	(212,865.56)	(18,735.02)	(37,604.34)	(56,579.62)
Statutory Reserves Balance	2,771,545.30	2,436,054.99	3,040,489.81	3,452,153.24	3,476,828.31	3,497,137.80	3,520,197.41
Known Claim Reserves	604,003.31	441,000.00	616,140.00	616,000.00	604,000.00	600,000.00	584,000.00
Closing Protection Letter Reserves	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Total Claim Reserves	4,375,548.61	3,877,054.99	4,656,629.81	5,068,153.24	5,080,828.31	5,097,137.80	5,104,197.41

Iowa Finance Authority - Title Guaranty Division  
 Calculation of Claim Reserves - Residential  
 September 30, 2014

	FY11	FY12	FY13	FY14	7/31/2014	8/31/2014	9/30/2014
Premium Income	5,933,253.83	5,517,554.79	7,723,252.61	5,852,249.55	340,596.50	708,023.00	1,096,509.00
Reinsurance	279.75	663.30	1,075.05	958.22	314.76	600.51	753.51
Net	5,932,974.08	5,516,891.49	7,722,177.56	5,851,291.33	340,281.74	707,422.49	1,095,755.49
Statutory Reserve Additions	593,297.41	551,689.15	772,217.76	585,129.13	34,028.17	70,742.25	109,575.55
FY87							
FY88							
FY89							
FY90							
FY91							
FY92							
FY93							
FY94							
FY95							
FY96							
FY97							
FY98							
FY99	(13,563.64)						
FY00	(19,223.57)						
FY01	(14,866.60)						
FY02	(26,047.22)						
FY03	(28,576.29)						
FY04	(33,653.74)						
FY05	(23,491.46)	(10,607.18)					
FY06	(19,859.99)	(19,859.99)	(19,859.99)	(662.65)			
FY07	(18,426.78)	(18,426.78)	(18,426.78)	(18,426.78)	(1,535.57)	(3,071.13)	(4,606.70)
FY08	(17,191.12)	(17,191.12)	(17,191.12)	(17,191.12)	(1,432.59)	(2,865.19)	(4,297.78)
FY09	(17,744.11)	(17,744.11)	(17,744.11)	(17,744.11)	(1,478.68)	(2,957.35)	(4,436.03)
FY10	(25,924.66)	(25,924.66)	(25,924.66)	(25,924.66)	(2,160.39)	(4,320.78)	(6,481.17)
FY11	(29,664.87)	(29,664.87)	(29,664.87)	(29,664.87)	(2,472.07)	(4,944.15)	(7,416.22)
FY12		(27,584.46)	(27,584.46)	(27,584.46)	(2,298.70)	(4,597.41)	(6,896.11)
FY13			(38,610.89)	(38,610.89)	(3,217.57)	(6,435.15)	(9,652.72)
FY14				(29,256.46)	(2,438.04)	(4,876.08)	(7,314.11)
FY15					(1,701.41)	(3,537.11)	(5,478.78)
Statutory Excess Reserves Release	(1,498,000.00)	(750,000.00)					
Statutory Reserves Released	(1,786,234.06)	(917,003.18)	(195,006.89)	(205,066.00)	(18,735.02)	(37,604.34)	(56,579.62)
<b>Statutory Reserves Balance</b>	<b>2,684,375.87</b>	<b>2,319,061.83</b>	<b>2,896,272.70</b>	<b>3,276,335.83</b>	<b>3,291,628.99</b>	<b>3,309,473.74</b>	<b>3,329,331.77</b>
Known Claim Reserves	604,003.31	441,000.00	616,140.00	616,000.00	604,000.00	600,000.00	584,000.00
Closing Protection Letter Reserves	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
<b>Total Claim Reserves</b>	<b>4,288,379.18</b>	<b>3,760,061.83</b>	<b>4,512,412.70</b>	<b>4,892,335.83</b>	<b>4,895,628.99</b>	<b>4,909,473.74</b>	<b>4,913,331.77</b>

Iowa Finance Authority - Title Guaranty Division  
Calculation of Claim Reserves - Commercial  
September 30, 2014

	FY11	FY12	FY13	FY14	7/31/2014	8/31/2014	9/30/2014
Premium Income	491,679.50	505,594.10	467,784.69	522,859.00	129,268.00	160,576.00	198,596.00
Reinsurance	136,168.02	140,435.70	110,773.37	128,860.38	35,448.83	42,109.48	48,113.65
Net	355,511.48	365,158.40	357,011.32	393,998.62	93,819.17	118,466.52	150,482.35
Statutory Reserve Additions	35,551.15	36,515.84	35,701.13	39,399.86	9,381.92	11,846.65	15,048.24
FY87							
FY88							
FY89							
FY90							
FY91							
FY92	-						
FY93	-	-					
FY94	-	-	-				
FY95	-	-	-	-			
FY96	-	-	-	-			
FY97	-	-	-	-			
FY98	-	-	-	-			
FY99	-	-	-	-			
FY00	-	-	-	-			
FY01	-	-	-	-			
FY02	-	-	-	-			
FY03	-	-	-	-			
FY04	-	-	-	-			
FY05	-	-	-	-			
FY06	-	-	-	-			
FY07	-	-	-	-			
FY08	(704.79)	(704.79)	(704.79)	(528.59)			
FY09	(792.45)	(792.45)	(792.45)	(594.34)			
FY10	(1,591.53)	(1,591.53)	(1,591.53)	(1,193.65)			
FY11	(1,777.56)	(1,777.56)	(1,777.56)	(1,333.17)			
FY12		(1,825.79)	(1,825.79)	(1,369.34)			
FY13			(1,785.06)	(1,338.79)			
FY14				(1,441.68)			
FY15							
Statutory Excess Reserves Release							
Statutory Reserves Released	(4,866.33)	(6,692.12)	(8,477.18)	(7,799.56)	-	-	-
<b>Statutory Reserves Balance</b>	<b>87,169.43</b>	<b>116,993.15</b>	<b>144,217.11</b>	<b>175,817.41</b>	<b>185,199.32</b>	<b>187,664.06</b>	<b>190,865.64</b>
Known Claim Reserves	-	-	-	-	-	-	-
Closing Protection Letter Reserves	-	-	-	-	-	-	-
<b>Total Claim Reserves</b>	<b>87,169.43</b>	<b>116,993.15</b>	<b>144,217.11</b>	<b>175,817.41</b>	<b>185,199.32</b>	<b>187,664.06</b>	<b>190,865.64</b>



**IOWA FINANCE**  
AUTHORITY

To: Iowa Finance Authority Board of Directors

From: Tim Morlan

Date: November 5, 2014

Re: Community Living Opportunities (Hope Haven), Burlington, IA

**Background:** Hope Haven, a non-profit, provides residential homes, activity centers, and other services for persons having physical and/or mental disabilities. Hope Haven continues to strive to close their residential care facilities and move those individuals into homes in the Burlington community to meet the new standards and guidelines for integrated community living.

**Recommendation:** Two Community Housing and Services for Persons with Disabilities Revolving Loans will help Hope Haven acquire and remodel a house that will allow four residents to move from a residential care facility. The house is located at 2534 Surrey Road in Burlington. Hope Haven will provide over \$83,000 of their own funds to complete the purchase and rehab of the house. This house will have four bedrooms and two and a half bathrooms with many accessibility features throughout. The service staff of Hope Haven will provide support to the individuals living in this home and will handle most of the routine aspects of building and grounds maintenance. The Department of Human Services has approved the plan for supportive services of this project.

**Borrower:** Hope Haven Area Development Center Corporation

**1<sup>st</sup> Loan Amount:** \$25,500

**Term & Amortization:** 10 years

**Rate:** 0%

**Debt Service Coverage Ratio:** 1.25:1

**Forgivable Loan Amount:** \$141,223

**Term:** 5 years

**Rate:** 0%

**Loan to Value (both loans):** 82%

**IFA Fees:** 3.5%

**Community Living Opportunities**

**Source of Funds**

IFA 1st Mortgage - 10 year term	\$25,500.00	
IFA forgivable loan - 5 year term	\$141,223.00	
Donations, HHADC Funding	\$83,342.00	
GAP Needs	\$0.00	
<b>Total Source of Funds</b>		<b>\$250,065.00</b>

**Use of Funds**

IFA Fee (3% of funds)	\$4,887.00	
Construction inspection fee (.5%)	\$834.00	
Title Guaranty	\$337.00	
Recording and Other closing costs	\$1,347.00	
Third party reports(PNA, Phase I, and appraisal)	\$2,000.00	
Borrower legal	\$3,000.00	
Construction & Rehab costs	\$40,000.00	
House purchase	\$193,000.00	
Contingencies	\$4,660.00	
<b>Total Use of Funds</b>		<b>\$250,065.00</b>

Name: **Hope Haven Area Development Center Corporation**

Address: 828 North 7th Street Burlington, IA 52601  
 Northwood COMMUNITY LIVING OPPORTUNITIES  
 4 bedroom home

Escalators: Income: 2.00%  
 Expenses: 2.50%  
 Reserves: 2.50%

Vacancy Rate: 3.00%

Mortgage: \$25,500      Rate 0.00%      Years 10.00

	Historical			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2011	2012	2013	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Income:													
Rental Income from residents	0	0	0	8,088	8,250	8,415	8,583	8,755	8,930	9,108	9,291	9,476	9,666
Rental Income Subsidies	0	0	0		0	0	0	0	0	0	0	0	0
Sub-Total	0	0	0	8,088	8,250	8,415	8,583	8,755	8,930	9,108	9,291	9,476	9,666
Other Revenue*	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Vacancies				(243)	(247)	(252)	(257)	(263)	(268)	(273)	(279)	(284)	(290)
Net Revenue (NR)	0	0	0	7,845	8,002	8,162	8,326	8,492	8,662	8,835	9,012	9,192	9,376
Operating Expenses:													
Labor & Benefits	0	0	0	2,932	3,005	3,080	3,157	3,236	3,317	3,400	3,485	3,572	3,662
Consulting Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Licenses and Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Advertising/Marketing	0	0	0	0	0	0	0	0	0	0	0	0	0
Office Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
Telephone	0	0	0	121	124	127	130	134	137	140	144	147	151
Occupancy Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
Equipment Repair	0	0	0	172	176	181	185	190	195	199	204	210	215
Physical Plant	0	0	0	0	0	0	0	0	0	0	0	0	0
Pest Control	0	0	0	168	172	177	181	185	190	195	200	205	210
Snow Removal	0	0	0	250	256	263	269	276	283	290	297	305	312
Grounds Maintenance	0	0	0	462	474	485	498	510	523	536	549	563	577
Insurance	0	0	0	564	578	593	607	623	638	654	670	687	704
Total Operating Expenses	0	0	0	4,669	4,786	4,905	5,028	5,154	5,283	5,415	5,550	5,689	5,831
Net Operating Income	0	0	0	3,176	3,217	3,257	3,298	3,338	3,379	3,421	3,462	3,503	3,545
Replacement Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted N.O.I.	0	0	0	3,176	3,217	3,257	3,298	3,338	3,379	3,421	3,462	3,503	3,545
1st Mortgage Debt Service	0	0	0	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550
**Debt Service Ratio - 1st Mortgage	#DIV/0!	#DIV/0!	#DIV/0!	1.25	1.26	1.28	1.29	1.31	1.33	1.34	1.36	1.37	1.39
Net Cash Flow	0	0	0	626	667	707	748	788	829	871	912	953	995

\* Exclusive of Financial Revenue

\*\*Must be 1.25 or higher



**FRONT VIEW OF  
SUBJECT PROPERTY**

Appraised Date: October 3, 2014  
Appraised Value: \$ 202,800



**REAR VIEW OF  
SUBJECT PROPERTY**



**STREET SCENE**



**Dining Room**

Comment:



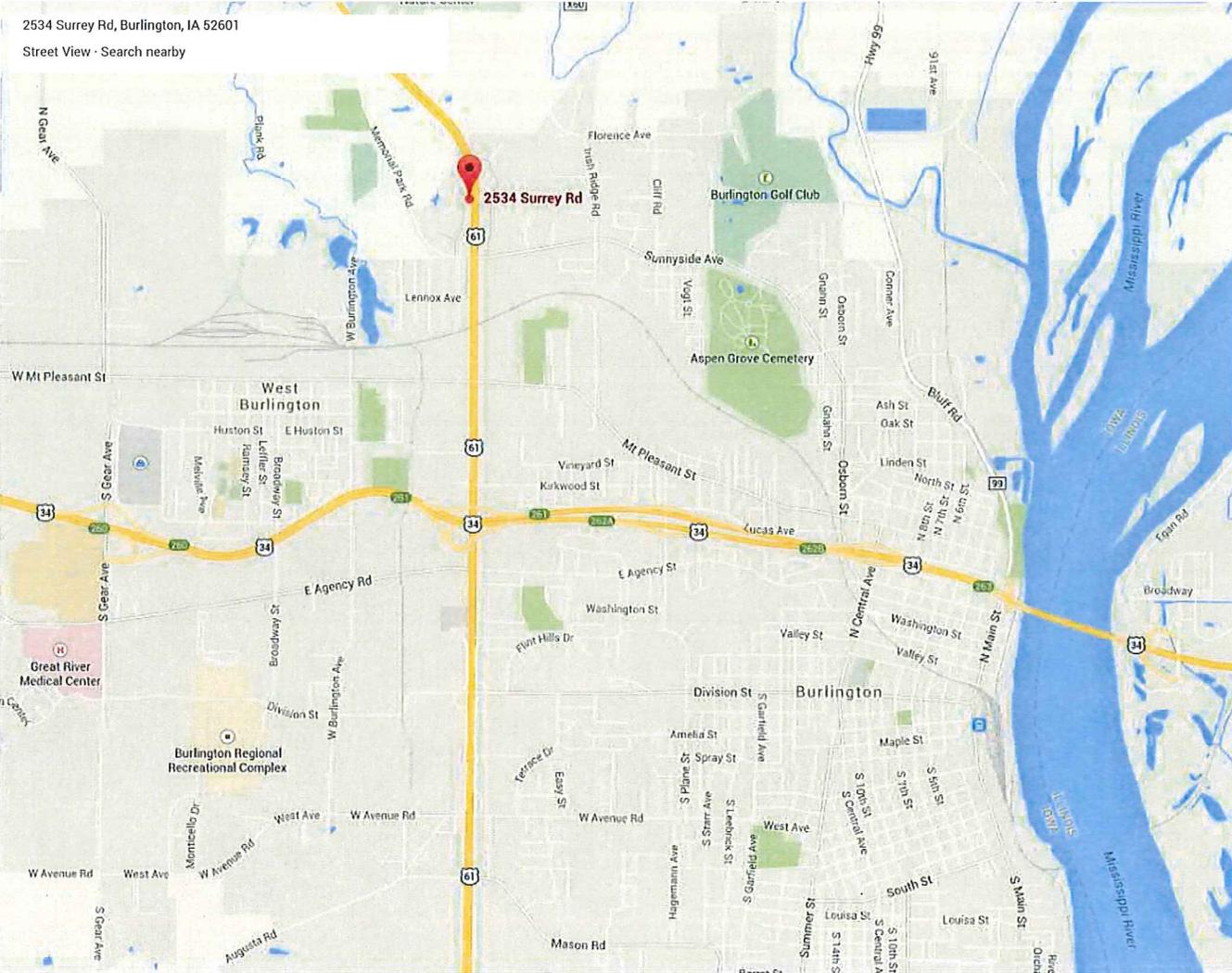
**Bedroom**

Comment:



**Bedroom**

Comment:



**RESOLUTION**  
**FIN 14-07**

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

WHEREAS, Iowa Code section 16.185 creates the Community Housing and Services for Persons with Disabilities Revolving Loan Program Fund (the “Community Housing and Services Fund”) within the Authority; and

WHEREAS, Hope Haven Area Development Center Corporation (the “Owner”), has applied to the Authority for one or more loans from the Community Housing and Services Fund to acquire and rehab a three bedroom house located in Burlington, Iowa (the “Project”); and

WHEREAS, the Authority desires to approve a first mortgage loan and a forgivable loan (the “Loans”) from the Community Housing and Services Fund, on the terms and conditions described below, to fund the request from the Owner;

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

SECTION 1. The Board authorizes the Authority to work with the Owner and any other necessary parties to provide these Community Housing and Services Fund Loans in the manner described herein.

SECTION 2. The Board authorizes the Authority to commit to and fund a first mortgage loan to the Owner (or to an entity controlled by the Owner), in an amount not to exceed \$25,500, with a maturity of not to exceed ten years, such loan to be secured by a first mortgage on the Project, together with such other security as the Executive Director, working with Authority staff, deems necessary and appropriate.

SECTION 3. The Board authorizes the Authority to commit to and fund the forgivable loan to the Owner (or to an entity controlled by the Owner), in an amount not to exceed \$141,223, with a maturity not to exceed five years, such loan to be secured by a subordinate mortgage on the Project, together with such other security as the Executive Director, working with Authority staff, deems necessary and appropriate.

SECTION 4. The Board authorizes the Executive Director, working with Authority staff, to finalize the terms (including the interest rate) of the Loans described herein, and to fund said Loans from the Community Housing and Services Fund, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

PASSED AND APPROVED this 5th day of November, 2014.

---

David D. Jamison, Secretary

(Seal)



**To:** Iowa Finance Authority Board

**From:** Cindy Harris, Chief Financial Officer

**Date:** November 5, 2014

**Subject:** Reimbursement Resolution for the Single Family Program

---

**Recommendation**

Approve the proposed Resolution authorizing the use of up to \$50 million of tax exempt bond proceeds to reimburse the Authority for purchases of mortgage backed securities (“MBS”).

**Background**

The purpose of this resolution is to allow the Authority to reimburse itself for MBS purchases temporarily financed by the Restricted Housing Fund (1991 Indenture), the Security Fund (2009 Indenture) or other source of Authority funds. It allows the Authority to use internal funds to purchase the MBS, and then subsequently reimburse the Funds with proceeds from a future tax-exempt bond issue.

The Board has approved several prior Single Family Reimbursement resolutions:

1. September 2005– up to \$10 million
2. February 2008 – up to \$30 million
3. August 2008 – up to \$75 million
4. January 2010 – up to \$100 million
5. August 2011 – up to \$75 million

**REIMBURSEMENT RESOLUTION**  
**FIN 14-08**

WHEREAS, the Iowa Finance Authority (the “Authority”), through its FirstHome Program (the “Program”), purchases certain loans on single family residences or mortgage-backed securities formed by pooling such loans (the “Loans”); and

WHEREAS, the Iowa Finance Authority obtains funds to purchase Loans by issuing bonds under its (i) Single Family Mortgage Bond Resolution adopted July 10, 1991, as amended (the “1991 Bond Resolution”) and (ii) Single Family Mortgage Revenue Bond Resolution adopted November 20, 2009 (the “2009 Bond Resolution”) and, together with the 1991 Bond Resolution, the “General Bond Resolutions”); and

WHEREAS, the Authority has created the Restricted Housing Fund (the “Housing Fund”) under the 1991 Bond Resolution and the Security Fund (the “Security Fund”) and, together with the Housing Fund, the “Funds”) under the 2009 Bond Resolution, with moneys held in the Funds to be used to make or purchase loans, make grants, and provide other subsidies and assistance in connection with the Program; and

WHEREAS, the Authority desires to purchase Loans using, in whole or in part, moneys held in the Funds and, at a later date as determined in the discretion of the Executive Director, and in compliance with Section 1.150-2 of the Income Tax Regulations (the “Regulations”), reimburse the Housing Fund, the Security Fund, or such other source of funds used, as applicable, for such expenditures from the proceeds of a subsequent bond issue issued under the General Bond Resolutions, as applicable;

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

Section 1. Reimbursement of Funds for purchases of Loans. The Authority is authorized to reimburse the Housing Fund, the Security Fund, or such other source of funds used, as applicable, from the proceeds of bonds issued under either or both of the General Bond Resolutions, for payments made for purchases of Loans. Subject to Section 2 of this resolution, the Board authorizes the Executive Director or Chief Financial Officer to determine the timing of such reimbursement and from which subsequent bond issues under the General Bond Resolutions such reimbursement shall be made.

Section 2. Timing and Amount of Reimbursement. Reimbursement allocations made under the provisions of this resolution shall be made within 18 months of the date of the related expenditure and shall not exceed \$50,000,000 in aggregate principal amount. The Chief Financial Officer shall be responsible for making the “reimbursement allocations” described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the reimbursement bonds to reimburse the source of temporary financing used by the Authority to make prior payment of the authorized expenditures. Each allocation shall be evidenced by an entry on the official books and records of the

Authority maintained with respect to the bonds and shall specifically identify the actual prior authorized expenditures being reimbursed.

Section 3. Implementation. The Executive Director and Authority staff are authorized to implement this Resolution in the manner deemed necessary and appropriate by the Executive Director, upon advice from Authority staff and Bond Counsel.

Section 4. Prior Resolutions. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 5<sup>th</sup> day of November, 2014.

---

David D. Jamison, Secretary

(Seal)



TO: Iowa Finance Authority Board  
FROM: Deb Haugh, Director Single Family Production  
DATE: November 5, 2014  
SUBJECT: Mortgage Credit Certificates

Each year, IFA receives an allocation of federally tax exempt private activity bond volume cap from U.S. Treasury and this allocation can be used either by issuing tax exempt bonds to fund mortgages or by issuing Mortgage Credit Certificates (MCCs). Any tax exempt bond volume cap that has not been used within 3 years expires and the associated capacity reverts to U.S. Treasury. For the past two years, IFA has elected to convert its expiring private activity bonding capacity to MCCs in order to preserve its value for Iowans. This year staff recommends the conversion of volume cap from 2011, which expires on December 31, 2014, since there is no opportunity to issue tax exempt bonds by the end of the year to fund single family mortgages profitably in the current market.

A resolution is before the board requesting approval of the 2014A Mortgage Credit Certificate Program, including the necessary election not to issue qualified mortgage bonds, authorization of the execution and delivery of necessary elections. This resolution contemplates filing a notice of election with the IRS of the Iowa Finance Authority's (IFA's) intent to issue Mortgage Credit Certificates (MCCs) in lieu of issuing up to \$84,000,069 of expiring private activity bond volume cap.

## **What is a Mortgage Credit Certificate?**

The Mortgage Credit Certificate ("MCC") was authorized by Congress in the 1984 Tax Reform Act and essentially functions like a federal income tax credit. Subject to certain restrictions set forth under Section 25 of the Internal Revenue Code, which governs the administration and issuance of MCCs, an issuer of tax exempt bonds has the authority to issue MCCs to eligible homeowners, through participating lenders. The homeowner in turn may apply the credit against their federal income tax liability on an annual basis for the life of the qualified mortgage. The amount of the tax credit is based on the amount of mortgage interest paid by a borrower multiplied by the applicable credit rate (set by the Authority) and may be capped at \$2,000.<sup>i</sup>

## **Who qualifies for a MCC?**

Eligibility for MCCs is restricted to first-time homebuyers with income and purchase price limits that are the same as those used in the tax exempt bond mortgage financing program.



## What is the value of the MCC for an individual borrower?

As part of its policies and procedures for the program, an issuer is required to establish a “credit rate” between 10% and 50%. The issuer may establish multiple credit rates for borrowers based on criteria set forth in its policies and procedures. The credit rate is multiplied by the annual mortgage interest to compute the amount of the MCC for an individual borrower.

Example:

\$103,000 Loan @ 4.0% fixed interest for 30-years

Year 1 Interest = \$4,087 x Credit Rate of 50%\*  **Homeowner Gets Year 1 Credit of \$2,000**

*\*For credit rates above 20% the credit is capped at \$2,000 annually.*

NOTE: The average loan amount in IFA’s 2014 MCC Program was \$103,000.

## How do certificates that are issued get applied to the Authority’s MCC maximum?

Each borrower receiving a mortgage credit certificate will use up a portion of the authority’s MCC capacity. The amount to be deducted is equal to the certified indebtedness (typically the mortgage loan amount) multiplied by the credit rate. For each \$103,000 loan which IFA issues a MCC at a credit rate of 50%, \$51,500 would be deducted from the \$21 million of available credits.

Example:

Loan Amount = \$103,000 X Credit Rate of 50%  Uses \$51,500 of IFA’s MCC capacity.

Therefore, using last year’s average loan amount of \$103,000 and a 50% credit rate, the \$84 million of unissued bond volume cap proposed to be converted to MCCs provides MCC capacity for \$70 million of mortgages and approximately 408 new homebuyers.

## What is the cost of offering a MCC program?

The most significant financial implication of offering a MCC program is the requirement that the issuer must give up some of its private activity bond volume cap, a limited amount of which is allocated to each state on a per capita basis annually. The amount of bond volume that must be given up by the issuer is \$4 for every \$1 in MCCs issued. (Federal Treasury Regulations limit the MCC amount to no more than 25% of the amount of bonds the authority elected not to issue.)

Example:

IFA elects NOT to issue \$84 million x 25%  Max MCCs = \$21 million



When the demand for tax exempt bonds is strong, an issuer usually benefits more by issuing bonds, as the issuer can capture a federally-permitted spread between the rates on mortgage loans and the underlying costs on the bonds; however, when demand is weak or the bond markets are not functioning efficiently, the bond volume cap may expire before it can be used. Currently, IFA has approximately \$84 million of volume cap that will expire as of 12/31/14. If the Authority files a Notice of Election with the IRS before the end of this year stating its intent to forego issuance of bonds in this amount, it will preserve the ability to use this volume cap for MCC purposes through 12/31/16. If the volume cap expires, the resource will be lost in its entirety as of the end of 2014.

### **What are the next steps to make MCCs available?**

If the Board approves this resolution, staff recommends the following implementation timeline:

- File election not to issue bonds with the IRS specifying the amount of bonds IFA is electing not to issue. This must be done prior to the expiration of bond volume cap on 12/31/14.
- Update program policies and procedures, including a Program Manual, Lender Participation Agreement, and policies regarding the credit rate to be applied. Scheduled to be completed during the month of November 2014.
- Develop and implement program marketing, education, and outreach plans. Scheduled to be completed during the month of December 2014
- Announce the availability of funds and start accepting online reservations. Scheduled to be completed during the month of January 2015.

---

<sup>i</sup> The \$2,000 cap applies only if the credit rate exceeds 20%.

Authorization Proceedings

Resolution FIN 14-09

Des Moines, Iowa

November 5, 2014

The Board of the Iowa Finance Authority (the "Authority") met on November 5, 2014 at 11:00 o'clock a.m. at the Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa. The meeting was called to order and there were present in person or by telephonic conference Ruth Randleman, in the Chair, and the following named Board Members:

\_\_\_\_\_  
\_\_\_\_\_

Absent: \_\_\_\_\_

Matters were discussed concerning the Mortgage Credit Certificate Program, including the necessary election not to issue qualified mortgage bonds. Whereupon Board Member \_\_\_\_\_ introduced a resolution entitled:

Resolution Adopting and Approving the 2014A Mortgage Credit Certificate Program, including the necessary election not to issue qualified mortgage bonds and Authorizing the Execution and Delivery of necessary elections; and Delegating Certain Responsibilities to the Executive Director for Finalizing Certain Matters, Forms and Contents of Certain Documents

and moved its adoption, seconded by Board Member \_\_\_\_\_. After due consideration of said Resolution by the Board, the Chair put the question on the motion, the following named Board Members voted:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Whereupon, the Chair declared said Resolution duly adopted and approval was signed thereto.

•••••

Upon motion and vote the meeting adjourned.

\_\_\_\_\_  
Ruth Randleman, Chair

Attest:

(Seal)

\_\_\_\_\_  
David D. Jamison  
Executive Director/Secretary

STATE OF IOWA    )  
                          ) ss.  
COUNTY OF POLK )

I, the undersigned, do hereby depose and certify that I am the duly appointed, qualified and acting Secretary of the aforementioned Iowa Finance Authority and that as such I have in my possession or have access to the complete corporate records of said Authority; that I have carefully compared the transcript hereto attached with the aforesaid corporate records; and that said transcript attached hereto is a true, correct and complete copy of all the corporate records in relation to the adoption of the Resolution referred to therein.

Witness my hand and the seal of the Iowa Finance Authority this 5<sup>th</sup> day of November, 2014.

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

(Seal)

Resolution Adopting and Approving the 2014A Mortgage Credit Certificate Program, including the necessary election not to issue qualified mortgage bonds and Authorizing the Execution and Delivery of necessary elections; and Delegating Certain Responsibilities to the Executive Director for Finalizing Certain Matters, Forms and Contents of Certain Documents

BE IT RESOLVED BY THE IOWA FINANCE AUTHORITY (the “Authority”), as follows:

Section 1. Mortgage Credit Certificate Program. The federal government has authorized the several states and their political subdivisions to issue mortgage credit certificates pursuant to Section 25 of the Internal Revenue Code of 1986, as amended, and the accompanying Treasury Regulations (together, the “Code”), which mortgage credit certificates entitle qualifying individuals to a credit against their individual federal income tax. Consistent with and in furtherance of its statutory purposes, pursuant to a Resolution adopted on September 5, 2012 and a Resolution adopted on November 14, 2012, the Authority determined to proceed with the establishment of its mortgage credit certificate program (the “Program”).

Section 2. Authority for Election Not to Issue Qualified Mortgage Bonds. Pursuant to the Program and the Code, the Authority hereby determines to authorize issuance of its 2014A Mortgage Credit Certificates (the “2014A MCCs”), by electing not to issue up to \$84,000,069 of qualified mortgage bonds (as defined in Section 143(a) of the Code) (the “Non-issued Bond Amount”) which the Authority is otherwise authorized to issue, and for which the Authority has available volume cap (as described in Section 146 of the Code). As provided by and as defined in the Code, the sum of the products determined by multiplying (i) the “certified indebtedness amount” of each of the 2014A MCCs by (ii) each applicable “certificate credit rate,” shall not exceed twenty-five percent (25%) of the Non-issued Bond Amount. Consistent with this Resolution, the Executive Director is authorized to file the necessary election not to issue qualified mortgage bonds with the Internal Revenue Service, on or before the earlier of (i) December 31, 2014 or (ii) the date on which any 2014A MCCs are issued, with such election to be in substantially the form attached as Exhibit A hereto.

Section 3. General and Specific Authorizations. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Authority hereby (1) authorizes and directs all of the officers, employees and agents of the Authority to carry out or cause to be carried out, and to perform such obligations of the Authority and such other actions as they, or any one of them, in consultation with counsel, shall consider necessary, advisable, desirable or appropriate in connection with this Resolution, the Program and the issuance of mortgage credit certificates including without limitation and whenever appropriate, the execution and delivery thereof and of all other related documents, instruments, certifications and opinions including but not limited to agreements with participating lenders, and (2) delegates the right, power and authority to the Executive Director of the Authority to exercise his own independent judgment

and discretion upon advice of counsel in determining and finalizing the terms, provisions, form and contents of the Program. The execution and delivery by the Executive Director or by any such other officer, officers, agent or agents of the Authority of any such documents, instruments, certifications, reports, agreements and opinions, or the doing by them of any act in connection with any of the matters which are the subject of this Resolution, shall constitute conclusive evidence of both the Authority's and their approval of all changes, modifications, amendments, revisions and alterations made therein and shall conclusively establish their absolute, unconditional and irrevocable authority with respect thereto from the Authority and the authorization, approval and ratification by the Authority of the documents, instruments, certifications and opinions so executed and the action so taken.

Section 5. Prior Resolutions. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 5<sup>th</sup> day of November, 2014.

---

Ruth Randleman, Chair

Attest:

---

David D. Jamison  
Executive Director/Secretary

(Seal)

## Exhibit A – Form of Mortgage Credit Certificate Election

### Mortgage Credit Certificate Election

by

Iowa Finance Authority

By this Mortgage Credit Certificate Election (the “MCC Election”) pursuant to Section 25 of the Internal Revenue Code of 1986, as amended (the “Code”), the Iowa Finance Authority hereby states as follows:

- (i) The issuer is the Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312. The Authority’s TIN is 52-1699886.
- (ii) The Authority’s “applicable limit” for calendar year 2014 is \$582,219,316 (which consists of an aggregate of \$489,506,836 in prior carryforward for qualified mortgage bonds or mortgage credit certificates, and \$92,712,480 in 2014 volume cap allocation for qualified mortgage bonds or mortgage credit certificates).
- (iii) The Authority has issued \$0 of qualified mortgage bonds in 2014.
- (iv) The Authority has surrendered \$0 of its applicable limit to other issuers in 2014.
- (v) The Authority has not made any previous elections for issuance of mortgage credit certificates in 2014.
- (vi) Pursuant to this MCC Election, the Authority has determined not to issue \$84,000,069 of qualified mortgage bonds.
- (vii) Attached hereto is the Governor’s “State Certification.”

Elected on this \_\_ day of \_\_\_\_\_, 2014

By: \_\_\_\_\_

David D. Jamison  
Executive Director  
Iowa Finance Authority

# IOWA FINANCE AUTHORITY[265]

## Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 17A.3(1)“b,” and 16.5(1)“r,” the Iowa Finance Authority proposes to amend Chapter 1, “General,” Iowa Administrative Code.

The purpose of these amendments is to update the implementation reference[s].

The Authority does not intend to grant waivers under the provisions of these rules, other than as may be allowed under the Authority’s general rules concerning waivers.

The Authority will receive written comments on the proposed amendments until 4:30 p.m. on December 30, 2014. Comments may be addressed to Mark Thompson, Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312. Comments may also be faxed to Mark Thompson at (515)725-4901 or e-mailed to [mark.thompson@iowa.gov](mailto:mark.thompson@iowa.gov).

The Authority anticipates that it may make changes to the proposed amendments based on comments received from the public.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement 2014 Iowa Code, section 16.5.

The following amendments are proposed.

ITEM 1. Amend 265—Chapter 1, implementation sentence, as follows:

These rules are intended to implement Iowa Code sections 17A.3(1) and ~~16.5(17)~~. 16.5(1)“r.”

Respectfully submitted,

\_\_\_\_\_

\_\_\_\_\_, 2014

David D. Jamison, Executive Director  
By Authority of the Board of the Iowa Finance Authority

# IOWA FINANCE AUTHORITY[265]

## Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 17A.3(1)“b,” 16.5(1) “r,” and 16.5C, the Iowa Finance Authority proposes to amend Chapter 2, “Loan Programs,” Iowa Administrative Code.

The purpose of these amendments is to update the implementation reference[s].

The Authority does not intend to grant waivers under the provisions of these rules, other than as may be allowed under the Authority’s general rules concerning waivers.

The Authority will receive written comments on the proposed amendments until 4:30 p.m. on December 30, 2014. Comments may be addressed to Mark Thompson, Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312. Comments may also be faxed to Mark Thompson at (515)725-4901 or e-mailed to [mark.thompson@iowa.gov](mailto:mark.thompson@iowa.gov).

The Authority anticipates that it may make changes to the proposed amendments based on comments received from the public.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement 2014 Iowa Code sections 16.5 and 16.5C and 2014 Iowa Acts, Chapter 1080, sections 19, 38, and 39 (2015 Iowa Code sections 16.5C, 16.38, and 16.39).

The following amendments are proposed.

ITEM 1. Amend rule 265—2.1(16), implementation sentence, as follows:

This rule is intended to implement Iowa Code sections ~~16.5(5), 16.14(4), 16.5(15).~~ 16.5 and 16.5C.

ITEM 2. Amend rule 265—2.2(16), implementation sentence, as follows:

This rule is intended to implement Iowa Code sections ~~16.12(4), 16.14(4), 16.5(15), 16.5 and 16.5C.~~

ITEM 3. Amend rule 265—2.4(16), implementation sentence, as follows:

This rule is intended to implement Iowa Code sections ~~16.5(9), 16.12(4), 16.18, 16.18(2), 16.5 and 16.5C.~~

ITEM 4. Amend rule 265—2.5(16), implementation sentence, as follows:

This rule is intended to implement Iowa Code sections ~~16.5(15), 16.5 and 16.5C.~~

ITEM 5. Amend rule 265—2.6(16), implementation sentence, as follows:

This rule is intended to implement Iowa Code sections ~~section 16.12, 16.14, 16.17(3), 16.18(2), 16.20 and 16.21, 16.5C.~~

ITEM 6. Amend rule 265—2.9(16), implementation sentence, as follows:

This rule is intended to implement Iowa Code sections ~~16.20 to 16.22, 16.5C, 16.38, and 16.39.~~

ITEM 7. Amend rule 265—2.10(16), implementation sentence, as follows:

This rule is intended to implement Iowa Code sections ~~section 16.22 and 16.38.~~

Respectfully submitted,

\_\_\_\_\_

\_\_\_\_\_, 2014

David D. Jamison, Executive Director  
By Authority of the Board of the Iowa Finance Authority

# IOWA FINANCE AUTHORITY[265]

## Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 17A.3(1)“b,” 16.5, and 16.5C, the Iowa Finance Authority proposes to amend Chapter 3, “Multifamily Housing,” Iowa Administrative Code.

The purpose of these amendments is to update the implementation references.

The Authority does not intend to grant waivers under the provisions of these rules, other than as may be allowed under the Authority’s general rules concerning waivers.

The Authority will receive written comments on the proposed amendments until 4:30 p.m. on December 30, 2014. Comments may be addressed to Mark Thompson, Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312. Comments may also be faxed to Mark Thompson at (515)725-4901 or e-mailed to [mark.thompson@iowa.gov](mailto:mark.thompson@iowa.gov).

The Authority anticipates that it may make changes to the proposed amendments based on comments received from the public.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement 2014 Iowa Code section 16.5 and 16.5C.

The following amendments are proposed.

ITEM 1. Amend 265—Chapter 3, implementation sentence, as follows:

These rules are intended to implement Iowa Code sections ~~16.5(17), 16.18(1) and 16.18(2).~~ 16.5(1)“r” and 16.5C.

Respectfully submitted,

\_\_\_\_\_

\_\_\_\_\_, 2014

David D. Jamison, Executive Director  
By Authority of the Board of the Iowa Finance Authority

# IOWA FINANCE AUTHORITY[265]

## Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 17A.3(1)“b” and 16.5(1)“r,” 16.1, and 16.5C the Iowa Finance Authority proposes to amend Chapter 11, “Iowa Main Street Loan Program,” Iowa Administrative Code.

The purpose of these amendments is to update the implementation references.

The Authority does not intend to grant waivers under the provisions of these rules, other than as may be allowed under the Authority’s general rules concerning waivers.

The Authority will receive written comments on the proposed amendments until 4:30 p.m. on December 30, 2014. Comments may be addressed to Mark Thompson, Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312. Comments may also be faxed to Mark Thompson at (515)725-4901 or e-mailed to [mark.thompson@iowa.gov](mailto:mark.thompson@iowa.gov).

The Authority anticipates that it may make changes to the proposed amendments based on comments received from the public.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement 2014 Iowa Code 16.5C and 2014 Iowa Acts, Chapter 1080, section 2 (2015 Iowa Code sections 16.1, 16.4, 16.4D, and 16.19).

The following amendments are proposed.

ITEM 1. Amend rule 265—11.4(16) as follows:

“*Housing*” means housing as defined in Iowa Code section ~~16.1(16)“a.”~~ 16.1(14).

ITEM 2. Amend subrule 11.7(6), implementation sentence, as follows:

These rules are intended to implement Iowa Code sections ~~16.12, 16.18,~~ 16.1, 16.4,  
16.4D, 16.5C, 16.19, and 16.51,~~16.100 and 16.101.~~

Respectfully submitted,

\_\_\_\_\_

\_\_\_\_\_, 2014

David D. Jamison, Executive Director  
By Authority of the Board of the Iowa Finance Authority

# IOWA FINANCE AUTHORITY [265]

## Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 17A.3(1)“b” and 16.5(1)“r,” the Iowa Finance Authority proposes to rescind Chapter 5, “Small Business Loan Program,” Iowa Administrative Code, in its entirety.

The Authority will receive written comments on the proposed amendment until 4:30 p.m. on December 2, 2014. Comments may be addressed to Mark Thompson, General Counsel, Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312. Comments may also be faxed to Mark Thompson at (515) 725-4937 or E-mailed to [mark.thompson@iowa.gov](mailto:mark.thompson@iowa.gov).

After analysis and review of this rule making, no impact on jobs is foreseen.

The following amendment is proposed.

ITEM 1. Rescind chapter 5, “Small Business Loan Program,” Iowa Administrative Code, in its entirety.

Respectfully submitted,

\_\_\_\_\_

\_\_\_\_\_, 2014

David D. Jamison, Executive Director  
By Authority of the Board of the Iowa Finance Authority

# IOWA FINANCE AUTHORITY [265]

## Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 17A.3(1)“b” and 16.5(1)“r,” the Iowa Finance Authority proposes to rescind Chapter 6, “Group Home Facilities Loan Program,” Iowa Administrative Code, in its entirety.

The Authority will receive written comments on the proposed amendment until 4:30 p.m. on December 2, 2014. Comments may be addressed to Mark Thompson, General Counsel, Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312. Comments may also be faxed to Mark Thompson at (515) 725-4937 or E-mailed to [mark.thompson@iowa.gov](mailto:mark.thompson@iowa.gov).

After analysis and review of this rule making, no impact on jobs is foreseen.

The following amendment is proposed.

ITEM 1. Rescind chapter 6, “Group Home Facilities Loan Program,” Iowa Administrative Code, in its entirety.

Respectfully submitted,

\_\_\_\_\_

\_\_\_\_\_, 2014

David D. Jamison, Executive Director  
By Authority of the Board of the Iowa Finance Authority

To: Iowa Finance Authority Board

From: Ashley Jared, Emily Toribio

Date: October 24, 2014

Re: November 2014 Communications Report

---

### **National Council of State Housing Agencies Award**

IFA received an award for the 2014 HousingIowa Conference from the National Council of State Housing Agencies (NCSHA) at their annual conference in Boston!

The NCSHA awards program mission is to share information about the most successful housing programs, identify industry best practices, recognize exemplary Housing Finance Agency (HFA) efforts, and encourage HFA innovation. The winning programs were judged on originality, innovation, a proven track record in the marketplace, cost/benefit ratio and measurable benefits provided to targeted customers.

The winning programs were chosen from entries from across the country, and programs will serve as models for other HFAs.



### **MEDIA RELATIONS**

October 20: [Iowa Finance Authority honored with National Housing Award for Annual HousingIowa Conference](#)

October 10: [27 Iowa Communities to save a total of \\$1.3 million through State Revolving Fund Interest Rate Reduction](#)

October 10: [Iowa Finance Authority Awards \\$50,000 Grant to Habitat for Humanity of Marion County to Assist in Construction of Affordable Homes in Knoxville and Pella](#)

### **UPCOMING EVENTS**

Nov. 8: Immigrant Entrepreneurs Summit, Ankeny

Nov. 2, 4, 11: Iowa Society of CPAs Tax Update Workshop, West Des Moines

Nov. 10: ISU CALT Farm Income Tax School, Sheldon

Nov. 11: ISU CALT Farm Income Tax School, Red Oak

Nov. 13: ISU CALT Farm Income Tax School, Ottumwa

Nov. 14-15: Women, Food & Ag Network, Women, Food & Ag Network, Fairfield, TBD

Nov. 17: ISU CALT Farm Income Tax School, Mason City

Nov. 16-17: Iowa Organic Conference, Iowa State University, Ames, TBD

Nov. 20: Beginning Farmer Workshop, Graceland University, Lamoni

Dec. 2: Beginning Farmer Workshop, Kirkwood Community College, Cedar Rapids



### [Many call for halt to N.E. D.M. housing projects](#)

October 22, 2014 - The Des Moines Register

...Conlin Properties as a necessary step for requesting state low-income **housing tax credits** for a new apartment complex near Hubbell Avenue. The...

### [Iowa Finance Authority Honored with National Housing Award for Annual HousingIowa Conference](#)

October 21, 2014 - Technology News

**Iowa Finance Authority** Honored with National Housing Award for Annual HousingIowa Conference (Targeted News Service Via Acquire Media NewsEdge)

### [3 southwest Iowa cities will get lower rates for water projects](#)

October 17, 2014 - Omaha.com

...cities will save a total of \$1.3 million through the **state revolving fund** interest rate reduction program, according to the **Iowa Finance Authority**...

### [Register building could become R&T Lofts](#)

October 17, 2014 - The Des Moines Register

...plans to apply for state historic tax credits, state workforce **housing tax credits** and brownfield tax credits, which are awarded for cleaning...

### [3 SWI cities will receive lowered interest rates on water projects](#)

October 17, 2014 - The Daily Nonpareil

...cities will save a total \$1.3 million through the **state revolving fund** interest rate reduction program, according to **Iowa Finance Authority** and...

### [Iowa cities save \\$1.3 million as state cuts interest rate - Business Record](#)

October 13, 2014 - Business Record

...\$1.3 million as state cuts interest rate - Business Record **The Iowa Finance Authority** and the Iowa Department of Natural Resources cut the interest...

### [State Housing Trust Fund Grant to Assist with Affordable Housing in Marion County](#)

October 13, 2014 - KNIA / KRLS

...is receiving a grant from the state to assist with local projects. **The Iowa Finance Authority** Board of Directors recently approved a \$50,000...

### [Attorney general contender would push for sharing resources](#)

October 13, 2014 - TheGazette.com

...more than \$40 million for Iowa homeowners and funded the **Iowa Mortgage Help** Hotline to help thousands with mortgage foreclosure issues. Miller...

### [Iowa Finance Authority Awards \\$50,000 Grant to Habitat for Humanity of Marion County to Assist in Construction of Affordable Homes in Knoxville and...](#)

October 09, 2014 - TMCnet.com

**Iowa Finance Authority** Awards \$50,000 Grant to Habitat for Humanity of Marion County to Assist in Construction of Affordable

Homes in Knoxville...

### [Ask the Times: Agencies help seniors with home repairs](#)

October 09, 2014 - Quad-City Times

...Exemption. Other related sites include: Homepath, FreddieMac, **Iowa Finance Authority**, HUD, State Historic Preservation Office. Other organizations...

### [City Council, GSB meet to discuss housing, CyRide](#)

October 09, 2014 - Iowa State Daily

...to IowaHousingSearch.org, a free rental housing locator sponsored by the **Iowa Finance Authority**. Students are able to see the address, landlord...

### [Simmons Perrine Moyer Bergman PLC hires two](#)

September 28, 2014 - TheGazette.com

...(319) 431-4574 or [crworkshops@scorevolunteer.org](mailto:crworkshops@scorevolunteer.org). KUDOS **The Iowa Finance Authority** has recognized 24 outstanding lenders for efforts in advancing...

## *Print Clips*

### [Iowa Finance Authority honors Peoples, U.S. Bank](#)

October 23, 2014 - newzgroup.com

Sat, 18 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-23/45225-10-18\\_03002.pdf](http://newzgroup.com/PDFs/10-23/45225-10-18_03002.pdf) -- Delivered by Feed43 service ...

### [3 debate in battle for Hatch's seat](#)

October 22, 2014 - newzgroup.com

Thu, 16 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-22/43647-10-16\\_010002.pdf](http://newzgroup.com/PDFs/10-22/43647-10-16_010002.pdf) -- Delivered by Feed43 service ...

### [Old Register building being transformed into apartments](#)

October 22, 2014 - newzgroup.com

Sat, 18 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-22/43647-10-18\\_014002.pdf](http://newzgroup.com/PDFs/10-22/43647-10-18_014002.pdf) -- Delivered by Feed43 service ...

### [Supervisors updated on Crow Creek assessment](#)

October 22, 2014 - newzgroup.com

Mon, 20 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-22/42728-10-20\\_1003.pdf](http://newzgroup.com/PDFs/10-22/42728-10-20_1003.pdf) -- Delivered by Feed43 service ...

### [Discussion of housing culture stirs emotions](#)

October 22, 2014 - newzgroup.com

Tue, 21 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-22/43647-10-21\\_007002.pdf](http://newzgroup.com/PDFs/10-22/43647-10-21_007002.pdf) -- Delivered by Feed43 service ...

### [YMCA housing program will hold Saturday fundraiser](#)

October 22, 2014 - newzgroup.com

Tue, 21 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-22/43647-10-21\\_001004.pdf](http://newzgroup.com/PDFs/10-22/43647-10-21_001004.pdf) -- Delivered by Feed43 service ...

### [Council will consider rental housing project agreement](#)

October 22, 2014 - newzgroup.com

Wed, 15 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-22/45222-10-15\\_03001.pdf](http://newzgroup.com/PDFs/10-22/45222-10-15_03001.pdf) -- Delivered by Feed43 service ...

### [State Revolving Fund Interest Rate Reductions Helps Iowa Communities Save](#)

October 21, 2014 - newzgroup.com

Thu, 16 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-21/45102-10-16\\_10002.pdf](http://newzgroup.com/PDFs/10-21/45102-10-16_10002.pdf) -- Delivered by Feed43 service ...

### [Waukon Housing Rehab grant application due by Nov. 4](#)

October 21, 2014 - newzgroup.com

Wed, 08 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-21/44357-10-08\\_3001.pdf](http://newzgroup.com/PDFs/10-21/44357-10-08_3001.pdf) -- Delivered by Feed43 service ...

Waukon Housing Rehab grant application due by Nov. 4

### Multifamily housing under City Council scrutiny

October 21, 2014 - newzgroup.com

Sun, 19 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-21/43647-10-19\\_004002.pdf](http://newzgroup.com/PDFs/10-21/43647-10-19_004002.pdf) -- Delivered by Feed43 service ...

### Ten first time homebuyers to get assistance in Oelwein

October 18, 2014 - newzgroup.com

Tue, 07 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-18/41093-10-07\\_1001.pdf](http://newzgroup.com/PDFs/10-18/41093-10-07_1001.pdf) -- Delivered by Feed43 service ...

### Iowa Finance Authority awards \$50K grant to Habitat

October 18, 2014 - newzgroup.com

Thu, 16 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-18/43135-10-16\\_02003.pdf](http://newzgroup.com/PDFs/10-18/43135-10-16_02003.pdf) -- Delivered by Feed43 service ...

### City moves forward on long-term water supply plan

October 18, 2014 - newzgroup.com

Thu, 16 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-18/43135-10-16\\_11001.pdf](http://newzgroup.com/PDFs/10-18/43135-10-16_11001.pdf) -- Delivered by Feed43 service ...

### Pocahontas benefits from revolving loan interest change

October 18, 2014 - newzgroup.com

Tue, 14 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-18/45273-10-14\\_2A001.pdf](http://newzgroup.com/PDFs/10-18/45273-10-14_2A001.pdf) -- Delivered by Feed43 service ...

### Interest rate lowered for two area loans

October 18, 2014 - newzgroup.com

Sat, 18 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-18/41982-10-18\\_03002.pdf](http://newzgroup.com/PDFs/10-18/41982-10-18_03002.pdf) -- Delivered by Feed43 service ...

### Ames water plant groundbreaking set for Oct. 16

October 17, 2014 - newzgroup.com

Thu, 09 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-17/44437-10-09\\_003001.pdf](http://newzgroup.com/PDFs/10-17/44437-10-09_003001.pdf) -- Delivered by Feed43 service ...

### Levee projects remain fiscally sound

October 16, 2014 - newzgroup.com

Sat, 13 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-15/42512-09-13\\_3001.pdf](http://newzgroup.com/PDFs/10-15/42512-09-13_3001.pdf) -- Delivered by Feed43 service ...

Levee projects remain fiscally sound

### Dubuque to renovate, sell homes near downtown

October 16, 2014 - newzgroup.com

Thu, 25 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-15/44545-09-25\\_3002.pdf](http://newzgroup.com/PDFs/10-15/44545-09-25_3002.pdf) -- Delivered by Feed43 service ...

Dubuque to renovate, sell homes near downtown

### Candidates embrace roles as advocates

October 16, 2014 - newzgroup.com

Mon, 13 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-15/42530-10-13\\_003001.pdf](http://newzgroup.com/PDFs/10-15/42530-10-13_003001.pdf) -- Delivered by Feed43 service ...

### Agencies help seniors with home repairs

October 14, 2014 - newzgroup.com

Thu, 09 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-14/41617-10-09\\_02001.pdf](http://newzgroup.com/PDFs/10-14/41617-10-09_02001.pdf) -- Delivered by Feed43 service ...

### Monona Council approves \$125,000 Planning and Design Loan for sewer system improvements

October 14, 2014 - newzgroup.com

Wed, 24 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-13/44150-09-24\\_2001.pdf](http://newzgroup.com/PDFs/10-13/44150-09-24_2001.pdf) -- Delivered by Feed43 service ...

Monona Council approves \$125,000 Planning and Design Loan for sewer system improvements

### Housing rehab funds available

October 12, 2014 - newzgroup.com

Wed, 01 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-11/41704-10-01\\_4001.pdf](http://newzgroup.com/PDFs/10-11/41704-10-01_4001.pdf) -- Delivered by Feed43 service ...

### [Down payment assistance available for Nevada first-time homebuyers](#)

October 12, 2014 - newzgroup.com

Thu, 02 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-11/44054-10-02\\_008001.pdf](http://newzgroup.com/PDFs/10-11/44054-10-02_008001.pdf) -- Delivered by Feed43 service ...

### [State Revolving Fund honors First Iowa State Bank, Reed family](#)

October 12, 2014 - newzgroup.com

Tue, 16 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-11/43415-09-16\\_6001.pdf](http://newzgroup.com/PDFs/10-11/43415-09-16_6001.pdf) -- Delivered by Feed43 service ...

State Revolving Fund honors First Iowa State Bank, Reed family

### [After sluggish years, Grinnell housing market heats up](#)

October 12, 2014 - newzgroup.com

Thu, 25 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-11/43786-09-25\\_1002.pdf](http://newzgroup.com/PDFs/10-11/43786-09-25_1002.pdf) -- Delivered by Feed43 service ...

After sluggish years, Grinnell housing market heats up

### [Northeast Iowa Regional Housing Trust Fund accepting applications](#)

October 12, 2014 - newzgroup.com

Tue, 16 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-11/44150-09-16\\_4001.pdf](http://newzgroup.com/PDFs/10-11/44150-09-16_4001.pdf) -- Delivered by Feed43 service ...

Northeast Iowa Regional Housing Trust Fund accepting applications

### [Lights out for West Liberty residents](#)

October 12, 2014 - newzgroup.com

Thu, 09 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-11/42045-10-09\\_03001.pdf](http://newzgroup.com/PDFs/10-11/42045-10-09_03001.pdf) -- Delivered by Feed43 service ...

West Liberty wastewater project

### [Housing project proposed](#)

October 12, 2014 - newzgroup.com

Wed, 01 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-9/45222-10-01\\_01001.pdf](http://newzgroup.com/PDFs/10-9/45222-10-01_01001.pdf) -- Delivered by Feed43 service ...

### [Vote 'yes' to help support affordable housing](#)

October 12, 2014 - newzgroup.com

Tue, 07 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-9/42868-10-07\\_007002.pdf](http://newzgroup.com/PDFs/10-9/42868-10-07_007002.pdf) -- Delivered by Feed43 service ...

### [Don't fall for the 'affordable housing' myths](#)

October 12, 2014 - newzgroup.com

Tue, 07 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-9/42868-10-07\\_007003.pdf](http://newzgroup.com/PDFs/10-9/42868-10-07_007003.pdf) -- Delivered by Feed43 service ...

### [Waukon housing rehabilitation grant applications are due by November 4](#)

October 12, 2014 - newzgroup.com

Wed, 01 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-8/44357-10-01\\_4001.pdf](http://newzgroup.com/PDFs/10-8/44357-10-01_4001.pdf) -- Delivered by Feed43 service ...

Waukon housing rehabilitation grant applications are due by November 4

### [Hull to get more low-income housing](#)

October 12, 2014 - newzgroup.com

Thu, 25 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-8/45659-09-25\\_1001.pdf](http://newzgroup.com/PDFs/10-8/45659-09-25_1001.pdf) -- Delivered by Feed43 service ...

Hull to get more low-income housing

### [Locals discuss affordable housing](#)

October 12, 2014 - newzgroup.com

Fri, 03 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-7/42865-10-03\\_002001.pdf](http://newzgroup.com/PDFs/10-7/42865-10-03_002001.pdf) -- Delivered by Feed43 service ...

### [Affordable housing at the fore](#)

October 12, 2014 - newzgroup.com

Fri, 03 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-7/42865-10-03\\_004001.pdf](http://newzgroup.com/PDFs/10-7/42865-10-03_004001.pdf) -- Delivered by Feed43 service ...

### [Low to Moderate Income Study to Begin](#)

October 12, 2014 - newzgroup.com

Wed, 17 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-7/44467-09-17\\_1001.pdf](http://newzgroup.com/PDFs/10-7/44467-09-17_1001.pdf) -- Delivered by Feed43 service ...

Low to Moderate Income Study to Begin

### WHAT THEY PUT IN WHAT THEY GET OUT

October 12, 2014 - newzgroup.com

Sat, 04 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-7/42868-10-04\\_001002.pdf](http://newzgroup.com/PDFs/10-7/42868-10-04_001002.pdf) -- Delivered by Feed43 service ...

### Officials want to ensure affordable housing in I.C.

October 12, 2014 - newzgroup.com

Sat, 04 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-7/42868-10-04\\_003001.pdf](http://newzgroup.com/PDFs/10-7/42868-10-04_003001.pdf) -- Delivered by Feed43 service ...

### South gets reprieve

October 05, 2014 - newzgroup.com

Wed, 24 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-5/45276-09-24\\_6003.pdf](http://newzgroup.com/PDFs/10-5/45276-09-24_6003.pdf) -- Delivered by Feed43 service ...

### Homeward Housing offering needed assistance

October 05, 2014 - newzgroup.com

Wed, 01 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-4/44108-10-01\\_4003.pdf](http://newzgroup.com/PDFs/10-4/44108-10-01_4003.pdf) -- Delivered by Feed43 service ...

### State Revolving Fund honors First Iowa State Bank, Reed Family

October 05, 2014 - newzgroup.com

Wed, 01 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-4/49447-10-01\\_09003.pdf](http://newzgroup.com/PDFs/10-4/49447-10-01_09003.pdf) -- Delivered by Feed43 service ...

### C1st named outstanding lender

October 05, 2014 - newzgroup.com

Fri, 19 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-3/42120-09-19\\_5001.pdf](http://newzgroup.com/PDFs/10-3/42120-09-19_5001.pdf) -- Delivered by Feed43 service ...

C1st named outstanding lender

### Farmers Trust & Savings Bank named 'Top Iowa Lender'

October 05, 2014 - newzgroup.com

Wed, 01 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-3/45264-10-01\\_09001.pdf](http://newzgroup.com/PDFs/10-3/45264-10-01_09001.pdf) -- Delivered by Feed43 service ...

### Support the local-option tax

October 05, 2014 - newzgroup.com

Wed, 01 Oct 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-3/42865-10-01\\_004001.pdf](http://newzgroup.com/PDFs/10-3/42865-10-01_004001.pdf) -- Delivered by Feed43 service ...

### Spencer named 2014 All-Star Community

October 05, 2014 - newzgroup.com

Sat, 27 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/10-3/45261-09-27\\_01001.pdf](http://newzgroup.com/PDFs/10-3/45261-09-27_01001.pdf) -- Delivered by Feed43 service ...

### Iowa City needs to say 'yes' to affordable housing

October 05, 2014 - newzgroup.com

Sat, 27 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-30/42868-09-27\\_011003.pdf](http://newzgroup.com/PDFs/9-30/42868-09-27_011003.pdf) -- Delivered by Feed43 service ...

### Central State Bank recognized as Leading Lender

October 05, 2014 - newzgroup.com

Sat, 27 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-30/42045-09-27\\_07002.pdf](http://newzgroup.com/PDFs/9-30/42045-09-27_07002.pdf) -- Delivered by Feed43 service ...

### Sweeney honored by Wallaces Farmer

October 05, 2014 - newzgroup.com

Wed, 17 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-30/44838-09-17\\_1001.pdf](http://newzgroup.com/PDFs/9-30/44838-09-17_1001.pdf) -- Delivered by Feed43 service ...

Sweeney honored by Wallaces Farmer

### Iowa home sale prices increase, sales decrease

October 05, 2014 - newzgroup.com

Mon, 22 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-30/44676-09-22\\_5001.pdf](http://newzgroup.com/PDFs/9-30/44676-09-22_5001.pdf) -- Delivered by Feed43 service ...

Iowa home sale prices increase, sales decrease

### [SMU moving on with water treatment facility overhaul](#)

October 05, 2014 - newzgroup.com

Fri, 26 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-29/45261-09-26\\_01002.pdf](http://newzgroup.com/PDFs/9-29/45261-09-26_01002.pdf) -- Delivered by Feed43 service ...

### [Bancroft to apply for CDBG Housing Grant](#)

October 05, 2014 - newzgroup.com

Wed, 03 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-29/44467-09-03\\_1001.pdf](http://newzgroup.com/PDFs/9-29/44467-09-03_1001.pdf) -- Delivered by Feed43 service ...

Bancroft to apply for CDBG Housing Grant

### [Park Towers renovation project is good fit for city](#)

October 05, 2014 - newzgroup.com

Fri, 26 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-28/41354-09-26\\_006001.pdf](http://newzgroup.com/PDFs/9-28/41354-09-26_006001.pdf) -- Delivered by Feed43 service ...

### [Budget Inn option signed](#)

October 05, 2014 - newzgroup.com

Wed, 10 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-28/43321-09-10\\_1002.pdf](http://newzgroup.com/PDFs/9-28/43321-09-10_1002.pdf) -- Delivered by Feed43 service ...

Budget Inn option signed

### [City Council votes to hold on CDBG grants](#)

October 05, 2014 - newzgroup.com

Wed, 10 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-28/44683-09-10\\_1001.pdf](http://newzgroup.com/PDFs/9-28/44683-09-10_1001.pdf) -- Delivered by Feed43 service ...

City Council votes to hold on CDBG grants

### [Mosaic honored with HousingIowa Award](#)

October 05, 2014 - newzgroup.com

Wed, 10 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-28/45949-09-10\\_6001.pdf](http://newzgroup.com/PDFs/9-28/45949-09-10_6001.pdf) -- Delivered by Feed43 service ...

Mosaic honored with HousingIowa Award

### [MidWestOne Bank Named Top Lender](#)

September 28, 2014 - newzgroup.com

Wed, 24 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-27/43237-09-24\\_10001.pdf](http://newzgroup.com/PDFs/9-27/43237-09-24_10001.pdf) -- Delivered by Feed43 service ...

### [Incentives approved for Park Towers renovation](#)

September 28, 2014 - newzgroup.com

Wed, 24 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-27/41354-09-24\\_003001.pdf](http://newzgroup.com/PDFs/9-27/41354-09-24_003001.pdf) -- Delivered by Feed43 service ...

### [Housing boom shows no sign of slowdown](#)

September 28, 2014 - newzgroup.com

Thu, 25 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-27/42914-09-25\\_12001.pdf](http://newzgroup.com/PDFs/9-27/42914-09-25_12001.pdf) -- Delivered by Feed43 service ...

### [City plans to buy houses](#)

September 28, 2014 - newzgroup.com

Thu, 25 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-27/43647-09-25\\_006001.pdf](http://newzgroup.com/PDFs/9-27/43647-09-25_006001.pdf) -- Delivered by Feed43 service ...

### [Des Moines receives federal money for housing](#)

September 28, 2014 - newzgroup.com

Thu, 25 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-27/43647-09-25\\_017002.pdf](http://newzgroup.com/PDFs/9-27/43647-09-25_017002.pdf) -- Delivered by Feed43 service ...

### [Grant offers help to rehab SL homes](#)

September 28, 2014 - newzgroup.com

Fri, 26 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-27/45276-09-26\\_4002.pdf](http://newzgroup.com/PDFs/9-27/45276-09-26_4002.pdf) -- Delivered by Feed43 service ...

### [Input sought on transportation, housing plans](#)

September 28, 2014 - newzgroup.com

Tue, 23 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-26/43647\\_09-23\\_007002.pdf](http://newzgroup.com/PDFs/9-26/43647_09-23_007002.pdf) -- Delivered by Feed43 service ...

### TSB donates to CVRHTE

September 28, 2014 - newzgroup.com

Thu, 18 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-25/42533\\_09-18\\_3002.pdf](http://newzgroup.com/PDFs/9-25/42533_09-18_3002.pdf) -- Delivered by Feed43 service ...

### Report finds less housing for poor in Iowa City area

September 28, 2014 - newzgroup.com

Tue, 23 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-25/42530\\_09-23\\_007001.pdf](http://newzgroup.com/PDFs/9-25/42530_09-23_007001.pdf) -- Delivered by Feed43 service ...

### Iowa's first co-housing community may be coming to Iowa City

September 28, 2014 - newzgroup.com

Fri, 19 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-24/42045\\_09-19\\_10001.pdf](http://newzgroup.com/PDFs/9-24/42045_09-19_10001.pdf) -- Delivered by Feed43 service ...

### Housing sprouts

September 28, 2014 - newzgroup.com

Fri, 19 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-24/45276\\_09-19\\_6003.pdf](http://newzgroup.com/PDFs/9-24/45276_09-19_6003.pdf) -- Delivered by Feed43 service ...

### Input sought on housing, transportation plans

September 28, 2014 - newzgroup.com

Fri, 19 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-23/43647\\_09-19\\_002001.pdf](http://newzgroup.com/PDFs/9-23/43647_09-19_002001.pdf) -- Delivered by Feed43 service ...

### Habitat for Humanity earns housing honor

September 28, 2014 - newzgroup.com

Fri, 19 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-23/43647\\_09-19\\_003001.pdf](http://newzgroup.com/PDFs/9-23/43647_09-19_003001.pdf) -- Delivered by Feed43 service ...

### Britt tries to reduce housing shortage

September 28, 2014 - newzgroup.com

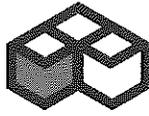
Sun, 21 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-23/44997\\_09-21\\_4001.pdf](http://newzgroup.com/PDFs/9-23/44997_09-21_4001.pdf) -- Delivered by Feed43 service ...

### Plan for low-income, high rise condos faces review

September 28, 2014 - newzgroup.com

Fri, 05 Sep 2014 12:00:00 EST [http://newzgroup.com/PDFs/9-23/44994-09-05\\_5001.pdf](http://newzgroup.com/PDFs/9-23/44994-09-05_5001.pdf) -- Delivered by Feed43 service ...

Plan for low-income, high rise condos faces review



IOWA FINANCE  
AUTHORITY

To: IFA Board of Directors  
From: Lori Beary, Community Development Director  
Date: 10/24/14  
Re: Economic Development and Water Quality

---

## **Economic Development Bond Program**

### **Authorizing Resolution**

#### **ED Loan #14-06, Castlewood Apartments Project**

This is a resolution authorizing the issuance of an amount not to exceed \$9,250,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds or Notes for the Castlewood Apartments Project in Davenport. The bonds will be used for the acquisition and rehabilitation of an existing multifamily complex with 64 two-bedroom apartment units and 36 three-bedroom townhome units. The facility has a Section 8 project-based contract. This project will also use 4% LIHTC and will need an allocation of Private Activity Bond Cap.

The inducement resolution was adopted on August 6, 2014 and the public hearing was held on October 8, 2014.

- **Need Board action on Resolution ED 14-06B**

RESOLUTION  
ED 14-06B

Authorizing the Issuance of not to exceed \$9,250,000  
Iowa Finance Authority Multifamily Housing Revenue Bonds or Notes  
(Castlewood Apartments Project)

Resolution authorizing the issuance of not to exceed \$9,250,000 Iowa Finance Authority Multifamily Housing Revenue Bonds or Notes (Castlewood Apartments Project) in one or more series for the purpose of making loans to assist the borrower in the acquisition, renovation 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 or notes; authorizing the sale of the bonds or notes; authorizing the appointment of a trustee; 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 finance in whole or in part the acquisition of housing by construction or purchase pursuant to the Act; and

WHEREAS, the Authority has been requested by Davenport MAHC LLLP (the "Borrower") to issue Iowa Finance Authority Multifamily Housing Revenue Bonds (Castlewood Apartments Project), in one or more series (the "Senior Bonds"), and Iowa Finance Authority Subordinate Multifamily Housing Revenue Note (Castlewood Apartments Project) (the "Subordinate Note" and, together with the Senior Bonds, the "Bonds") in an aggregate principal amount not to exceed \$9,250,000 for the purpose of loaning the proceeds thereof to the Borrower to finance the costs of (i) acquiring, renovating and equipping an apartment complex known as Castlewood Apartments including, without limitation, approximately 64 two-bedroom apartment units and 32 three-bedroom townhome units, located at 2130 Emerald Drive, Davenport, Iowa (the "Project"); (ii) funding reserve funds; and (iii) paying for costs associated with the issuance of the Bonds; and

WHEREAS, the Authority on the 6th day of August, 2014 has heretofore approved an application, attached hereto as Exhibit A, of the Borrower requesting the approval of the Project; and

WHEREAS, pursuant to published notice of intention (a copy of which notice is attached hereto as Exhibit B) the Authority has conducted a public hearing on the 8th day of October, 2014 at 8:30 a.m. on a proposal to issue the Bonds in an amount not to exceed \$9,250,000 to finance the Project as required by Section 147 of the Internal Revenue Code of 1986, as amended (the "Code") and this Board deems 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 \$9,250,000 as authorized and permitted by the Act to finance the funding of the Project and certain reserves, and the costs incurred in connection with the foregoing; and

WHEREAS, the Senior Bonds are to be issued pursuant to the provisions of an Indenture of Trust (the "Indenture") between the Authority and U.S. Bank National Association or another trustee selected by the Borrower and approved by the Executive Director (the "Trustee"); and

WHEREAS, the Authority will loan the proceeds of the Senior Bonds to the Borrower pursuant to the provisions of a Loan Agreement (the "Senior Loan Agreement") between the Authority and the Borrower; and

WHEREAS, the Borrower has arranged for the sale of the Senior Bonds to Dougherty & Company LLC (the "Underwriter") pursuant to a Bond Purchase Agreement among the Borrower, the Authority and the Underwriter (the "Bond Purchase Agreement"); and

WHEREAS, the Authority will issue the Subordinate Note and loan the proceeds of the Subordinate Note to the Borrower pursuant to the provisions of a Subordinate Loan Agreement (the "Subordinate Loan Agreement" and, together with the Senior Loan Agreement, the "Loan Agreements") between the Issuer and the Borrower; and

WHEREAS, the Authority will assign certain of its rights in the Subordinate Loan Agreement to Davenport MAHC LLC or another entity selected by the Borrower and approved by the Executive Director (the "Lender") pursuant to the provisions of an Assignment and Pledge Agreement (the "Pledge Agreement") between the Authority and the Lender;

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

Section 1. Qualified Project. It is hereby determined that the financing of the Project 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 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, the Bonds shall be and the same are hereby authorized and ordered to be issued by the

Authority pursuant to the Indenture and the Subordinate 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 an aggregate principal amount not exceeding \$9,250,000 and (i) the Senior Bonds to bear interest at rates as determined by the Borrower and the Underwriter which rates shall result in a yield not to exceed 6.50% per annum on or prior to the date of issuance and delivery of such Senior Bonds, and (ii) the Subordinate Note to bear interest at rates as determined by the Borrower and the Lender which rates shall result in a yield not to exceed 6.25% per annum on or prior to the date of issuance and delivery of the Subordinate Note, 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 deliver (a) the Senior Bonds to the Trustee for authentication and (b) the Subordinate Note to the Lender.

Section 5. Trustee. U.S. Bank National Association or another trustee selected by the Borrower and approved by the Executive Director is hereby appointed Trustee under the Indenture and the form and content of the Indenture, the provisions of which are incorporated herein by reference, and the assignment of the Authority's rights and interest in and to the Senior Loan Agreement (with certain exceptions as stated in the Indenture), be and the same hereby are in all respects authorized, approved and confirmed, and the Executive Director is authorized, empowered and directed to execute, seal and deliver the Indenture for and on behalf of the Authority to the Trustee for the security of the Senior Bonds and the interest thereon, including necessary counterparts in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as shall be approved by counsel to the Authority, and that from and after the execution and delivery of the Indenture, the Executive Director is 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 Indenture as executed.

Section 6. Senior Loan Agreement. The Authority shall loan the proceeds of the Senior Bonds to the Borrower pursuant to the Senior Loan Agreement and the form and content of the Senior 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 Senior 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 Senior 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 Senior Loan Agreement as executed.

Section 7. Subordinate Loan Agreement. The Authority shall loan the proceeds of the Subordinate Note to the Borrower pursuant to the Subordinate Loan Agreement and the form and content of the Subordinate 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 Subordinate 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 Subordinate 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 Subordinate Loan Agreement as executed.

Section 8. Pledge Agreement. The assignment of the Authority's rights and interest in the Subordinate Loan Agreement (with certain exceptions as described therein) to the Lender pursuant to the Pledge Agreement and the form and content of the Pledge Agreement, the provisions of which are incorporated herein by reference, are hereby authorized, approved and confirmed. The Executive Director is authorized and directed to execute, seal and deliver the Pledge 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 Pledge Agreement, the Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Pledge Agreement as executed.

Section 9. Purchase of Senior Bonds. The sale of the Senior Bonds to the Underwriter subject to the terms and conditions set forth in the Bond Purchase Agreement, is authorized, approved and confirmed, and that the form and content of the Bond Purchase Agreement is authorized, approved and confirmed. The Executive Director is authorized and directed to execute and deliver the Bond Purchase Agreement in substantially the form before this meeting, in all respects, but with appropriate insertions and revisions to reflect marketing of the Senior Bonds and revisions approved by Counsel to the Authority.

Section 10. Execution of Documents. The Executive Director and the Chairperson are authorized to execute and deliver for and on behalf of the Authority any and all additional agreements (including without limitation any tax exemption agreements or tax regulatory agreements), certificates, documents, 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 Agreements and the execution of all closing documents as may be required by Bond Counsel and approved by Counsel to the Authority, 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 11. Use of Official Statement. The use by the Underwriter of a document used to market the Senior Bonds (the "Official Statement"), in connection with the sale of the Senior Bonds is hereby authorized and approved, subject to approval by Counsel to the Authority; provided such authorization and approval shall not be deemed to include authorization and approval of information contained in such Official Statement other than information describing the Authority or its litigation, and only as the same relates to the Authority, but nothing contained in this Resolution shall be construed as prohibiting or limiting the Underwriter and the Borrower from including such information as they reasonably deem appropriate. The Official Statement as of its date will be, by approval thereof by the Executive Director, deemed final by the Authority within the meaning of Rule 15c2-12(b)(1) of the Securities and Exchange

Commission and the Executive Director is authorized to execute and deliver such certificates as required to indicated such approval and to comply with SEC Rule 15c2-12 in connection with the offer, sale and issuance of the Senior Bonds.

Section 12. Payments Under the Loan Agreements. The Senior 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 Senior Bonds when and as due, and the payment of such amounts by the Borrower to the Trustee pursuant to the Senior Loan Agreement is hereby authorized, approved and confirmed. The Subordinate 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 Subordinate Note when and as due, and the payment of such amounts by the Borrower to the Lender pursuant to the Subordinate Loan Agreement is hereby authorized, approved and confirmed.

Section 13. 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 Agreements and, with respect to the Senior Bonds, as provided in the Indenture, and are secured pursuant to and in accordance with provisions of the Loan Agreements. 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 14. 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 15. 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 5th day of November, 2014.

---

David D. Jamison, Secretary

(Seal)



IOWA FINANCE  
AUTHORITY

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

07-15 (1P) 2/15-11  
FOR IFA USE ONLY

Project No. ED14-0p

Application Received 7/16/14

Application Fee Received?

Volume Cap?  Yes  No

Amount of Request \$ 9,250,000

Application forms can be obtained from the Authority's website at [www.IowaFinanceAuthority.gov](http://www.IowaFinanceAuthority.gov)

**ECONOMIC DEVELOPMENT BOND APPLICATION**

**Part A - Borrower Information**

1. Project Name: Castlewood Apartments
2. Contact Person/Title: Nick Andersen, Senior Development Associate  
Company: Davenport Affordable Housing Partners I, LLLP  
Address: 2905 Northwest Blvd. Ste. 150  
City, State, Zip: Plymouth, MN, 55441  
Telephone: 763-354-5500 E-mail: [nandersen@dominiuminc.com](mailto:nandersen@dominiuminc.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.  
General Partner - Davenport MAHC, LLC  
Limited Partner - To Be Determined
6. If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose: Not Applicable
7. Is the Borrower currently qualified to transact business within the State of Iowa? Yes  No
8. If project is a Nursing Facility, is state certificate of need required:  Yes  No  
If yes, attach copy.
9. Total current FTE's of Borrower: 0  
Number of permanent FTE's created by the project: 3

**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:            \$9,250,000

Amount to be used for refunding:    \$N/A

4. Address/Location of Project

Street/City/State:    2130 Emerald Drive, Davenport, Iowa, 52804

County:                Scott

5. General Project Description:

Castlewood Apartments is an existing multifamily apartment and townhome complex that has 64 two-bedroom apartment units and 36 three-bedroom townhome units. The project was constructed in 1980 and currently has a project-based Section 8 housing assistance payment contract covering 100% of the units. Davenport Affordable Housing Partners I, LLLP plans to acquire and rehabilitate the entire multifamily project with the use of tax-exempt bonds issued by the Iowa Finance Authority and tax credit equity generated from the syndication of Low Income Housing Tax Credits. In addition, the Project will be funded by a HOME loan from the City of Davenport and Enterprise Zone Tax Credit Equity. The total amount of rehabilitation is approximately \$4,000,000 and will be completed over 10 months. The rehabilitation will cover a wide range of items from in-unit replacement of cabinets, flooring, and appliances to the seal coating of the parking lot and replacements of siding and roofs on some of the buildings. When completed the project

is expected to revitalize the outdated apartment complex that currently exists, and offer a more suitable affordable housing for current and future residents of Castlewood Apartments.

**Part B - Project Information continued**

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

7. Parties related to the Project:

- a. Principal User will be: Davenport Affordable Housing Partners I, LLLP
- b. Seller (if any) of the Project: Davenport Leased Housing Associates, LP
- c. Purchaser (if any) or Owner or Lessee of the Project: Davenport Affordable Housing Partners I, LLLP
- d. Relationship of Project Seller and Purchaser, if any: None

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

Sources:		Amount	Uses:		Amount
Series A – TE Bonds		\$ 3,450,000	Acquisition		\$ 6,700,000
Series B – TE Bonds		5,800,000	Construction Costs		4,100,000
LIHTC Equity		3,850,000	Cash Reserves		540,000
Enterprise Zone Credit Equity		835,000	Soft Costs		1,616,000
City HOME Funds		300,000	Contingency		850,000
Release of Reserves		371,000	Developer/Contractor Fees		1,500,000
Developer Equity		700,000			
		\$ 15,306,000			\$ 15,306,000
	<b>Total</b>			<b>Total</b>	

\*Approximately 15% of the LIHTC equity will be available at closing and 85% will be bridged by a construction loan. The construction loan is expected to be in the approximate amount of \$3.5 million.

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 L. Claypool  
Firm Name: Dorsey and Whitney  
Address: 801 Grand Avenue, Suite 4100  
City/State/Zip Code: Des Moines, IA 50309  
Telephone: 515-699-3265 E-mail: [claypool.david@dorsey.com](mailto:claypool.david@dorsey.com)

**2. Counsel to the Borrower:**

Name: Jon Peterson  
Firm Name: Winthrop & Weinstein  
Address: 225 South 6<sup>th</sup> Street, Suite 3500  
City/State/Zip Code: Minneapolis, MN 55402  
Telephone: 612-604-6736 E-mail: [jpeterson@winthrop.com](mailto:jpeterson@winthrop.com)

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

Name: Frank Hogan  
Firm Name: Dougherty & Company, LLC  
Address: 90 South Seventh Street, Suite 4400  
City/State/Zip Code: Minneapolis, MN 55402  
Telephone: 612-376-4042 E-mail: [fhogan@doughertymarkets.com](mailto:fhogan@doughertymarkets.com)

**4. Counsel to the Underwriter:**

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

**5. Trustee: (if needed)**

Name: TBD  
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.

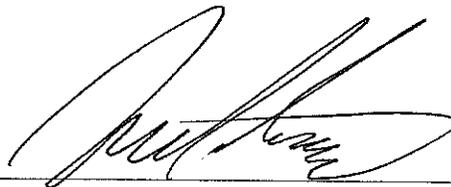
Submit application to the Authority at the following address:

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 15<sup>TH</sup> day of JULY, 2014

Borrower: \_\_\_\_\_



By: MARK S. MOORHOUSE  
Title: SENIOR VICE PRESIDENT

EXHIBIT B

COPY OF NOTICE  
EXHIBIT "A"

AFFIDAVIT OF PUBLICATION

NOTICE of Hearing on Iowa  
Finance Authority  
Economic Development  
Loan Program Bonds

A public hearing will be held on the 8th day of October, 2014, 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 Multi-family Housing Revenue Bonds (Castlewood Apartments Project), Series 2014, one or more series, in an aggregate principal amount not to exceed \$9,250,000 (the "Bonds") and to loan the proceeds thereof to Davenport MAHC LLLP, a Minnesota limited liability limited partnership (the "Borrower"), for the purpose of financing the costs of (i) acquiring, renovating and equipping an apartment complex known as Castlewood Apartments including, without limitation, approximately 64 two-bedroom apartment units and 32 three-bedroom townhome units, located at 2130 Emerald Drive, Davenport, Iowa (the "Project"); (ii) funding reserve funds; and (iii) paying for costs associated with the issuance of the Bonds. The Project will be owned and operated by the Borrower and managed by Dominium Management Services, LLC. 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  
9505454v2

STATE OF IOWA }  
SCOTT COUNTY, } ss.

The undersigned, being first duly sworn, on oath does say that he/she is an authorized employee of THE QUAD-CITY TIMES, morning edition, a daily newspaper printed and published by Lee Enterprises, Incorporated, in the City of Davenport, Scott County, Iowa, and that a notice, a printed copy of which is hereto annexed as Exhibit "A" and made a part of this affidavit, was published in said THE QUAD-CITY TIMES, on the following dates:

9-24-14

The affiant further deposes and says that all of the facts set forth in the foregoing affidavit are true as he/she verily believes.

*Kim Cooperman*

Subscribed and sworn to before me by said affiant this

24<sup>th</sup>

day of

September

20

14



STEPHEN H. THOR  
Commission Number 168839  
My Commission Expires  
3-24-15

*Stephen H Thor*

Notary Public in and for Scott County, Iowa



To: IFA Board of Directors  
From: Tammy Nebola, Iowa Ag Program Specialist  
Lori Beary, Community Development Director  
Date: October 24, 2014  
Re: Iowa Agricultural Division Beginning Farmer Loan Program

---

## **Agenda**

### **Iowa Agricultural Development Division**

#### **Authorizing Resolutions**

##### **04030 Bryan D. and Deborah D. Long**

This is a resolution authorizing the issuance of \$250,000 for Bryan D. and Deborah D. Long. The bond will be used: To refinance the construction of a 4,000 Hd hog finishing building in Clay County. The lender is Iowa State Bank in Ruthven.

- **Need Board action on Resolution 04030B**

##### **AG 14-031 Brian L. and Darcy L. Fritz**

This is a resolution authorizing the issuance of \$165,000 for Brian L. and Darcy L. Fritz. The bond will be used: To construct a 1,300 Hd baby pig nursery in O'Brien County. The lender is Savings Bank in Primghar.

- **Need Board action on Resolution AG 14-031B**

##### **AG 14-041 Paul and Jennifer VanderWaal**

This is a resolution authorizing the issuance of \$250,000 for Paul and Jennifer VanderWaal. The bond will be used: To construct a 1,200 Hd Hog Barn in Sioux County. The lender is American State Bank in Hull.

- **Need Board action on Resolution AG 14-041B**

##### **AG 14-042 Phillip J. and Angela A. Pena**

This is a resolution authorizing the issuance of \$162,000 for Phillip J. and Angela A. Pena. The bond will be used: To purchase approximately 66.11 acres of agricultural land in Clinton County. The lender is First Trust & Savings Bank in Grand Mound.

- **Need Board action on Resolution AG 14-042B**

##### **AG 14-043 John C. Naylor**

This is a resolution authorizing the issuance of \$91,665 for John C. Naylor. The bond will be used: To purchase approximately 110 acres of agricultural land in Decatur County. The lender is Libertyville Savings Bank in Keota.

- **Need Board action on Resolution AG 14-043B**

**AG 14-044 Brian K. Harms**

This is a resolution authorizing the issuance of \$490,000 for Brian K. Harms. The bond will be used: To purchase approximately 40 acres of agricultural land in Lyon County. The lender is Peoples Bank in Rock Valley.

- **Need Board action on Resolution AG 14-044B**

**AG 14-045 Paul N. and Michelle M. Reicks**

This is a resolution authorizing the issuance of \$265,200 for Paul N. and Michelle M. Reicks. The bond will be used: To purchase approximately 53.3 acres of agricultural land in Chickasaw County. The lender is Bank Iowa in Lawler.

- **Need Board action on Resolution AG 14-045B**

**AG 14-046 Spencer P. Spain**

This is a resolution authorizing the issuance of \$375,474 for Spencer P. Spain. The bond will be used: To purchase approximately 275 acres of agricultural land in Clayton County. The lender is Luana Savings Bank in Ossian.

- **Need Board action on Resolution AG 14-046B**

**AG 14-047 Taylor Block**

This is a resolution authorizing the issuance of \$166,500 for Taylor Block. The bond will be used: To purchase approximately 40 acres of agricultural land in Osceola County. The lender is United Community Bank in Lake Park.

- **Need Board action on Resolution AG 14-047B**

**AG 14-048 Brian T. Block**

This is a resolution authorizing the issuance of \$166,500 for Brian T. Block. The bond will be used: To purchase approximately 40 acres of agricultural land in Osceola County. The lender is United Community Bank in Lake Park.

- **Need Board action on Resolution AG 14-048B**

**AG 14-049 Jesse M. Gingerich**

This is a resolution authorizing the issuance of \$65,426 for Jesse M. Gingerich. The bond will be used: To purchase approximately 18.43 acres of agricultural land in Washington County. The lender is Federation Bank in Wellman.

- **Need Board action on Resolution AG 14-049B**

**RESOLUTION  
04030B**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number: 04030**
- 2. Beginning Farmer: Bryan D. and Deborah D. Long  
1007 Gowrie Street  
Ruthven, IA 51358**
- 3. Bond Purchaser: Iowa State Bank  
1108 Gowrie St., PO Box 322  
Ruthven, IA 51358**
- 4. Principal Amount: \$250,000**
- 5. Initial Approval Date: 9/28/2005**
- 6. Public Hearing Date: 10/22/2014**
- 7. Bond Resolution Date: 11/05/2014**
- 8. Project: To refinance the construction of a 4,000 head hog  
finishing building**

**RESOLUTION  
AG 14-031B**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 14-031
- 2. Beginning Farmer:** Brian L. and Darcy L. Fritz  
3934 Vine Ave  
Hartley, IA 51346
- 3. Bond Purchaser:** Savings Bank  
185 S Green Ave, PO Box 457  
Primghar, IA 51245
- 4. Principal Amount:** \$165,000
- 5. Initial Approval Date:** 8/6/2014
- 6. Public Hearing Date:** 10/22/2014
- 7. Bond Resolution Date:** 11/5/2014
- 8. Project:** To construct a 1,300 Hd baby pig nursery

**RESOLUTION  
AG 14-041B**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number: AG 14-041**
- 2. Beginning Farmer: Paul and Jennifer VanderWaal  
2883 Harrison Ave  
Hull, IA 51239-7577**
- 3. Bond Purchaser: American State Bank  
624 Main St, PO Box 806  
Hull, IA 51239-0806**
- 4. Principal Amount: \$250,000**
- 5. Initial Approval Date: 11/5/2014**
- 6. Public Hearing Date: 10/22/2014**
- 7. Bond Resolution Date: 11/5/2014**
- 8. Project: To construct a 1,200 Hd Hog Barn**

**RESOLUTION**  
**AG 14-042B**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 14-042
- 2. Beginning Farmer:** Phillip J. and Angela A. Pena  
1570 235th St  
Calamus, IA 52729-9644
- 3. Bond Purchaser:** First Trust & Savings Bank  
601 Smith St, PO Box 227  
Grand Mound, IA 52751-0227
- 4. Principal Amount:** \$162,000
- 5. Initial Approval Date:** 11/5/2014
- 6. Public Hearing Date:** 10/22/2014
- 7. Bond Resolution Date:** 11/5/2014
- 8. Project:** To purchase approximately 66.11 acres of agricultural land

**RESOLUTION  
AG 14-043B**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number: AG 14-043**
- 2. Beginning Farmer: John C. Naylor  
1125 Saint Andrews Dr  
North Liberty, IA 52317-9788**
- 3. Bond Purchaser: Libertyville Savings Bank  
225 E Broadway, PO Box 68  
Keota, IA 52248-0068**
- 4. Principal Amount: \$91,665**
- 5. Initial Approval Date: 11/5/2014**
- 6. Public Hearing Date: 10/22/2014**
- 7. Bond Resolution Date: 11/5/2014**
- 8. Project: To purchase approximately 110 acres of agricultural land**

**RESOLUTION  
AG 14-044B**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 14-044
- 2. Beginning Farmer:** Brian K. Harms  
1215 7th St NE, Apt 1B  
Sioux Center, IA 51250-1662
- 3. Bond Purchaser:** Peoples Bank  
1230 Valley Dr, PO Box 158  
Rock Valley, IA 51247-1538
- 4. Principal Amount:** \$490,000
- 5. Initial Approval Date:** 11/5/2014
- 6. Public Hearing Date:** 10/22/2014
- 7. Bond Resolution Date:** 11/5/2014
- 8. Project:** To purchase approximately 40 acres of agricultural land

**RESOLUTION  
AG 14-045B**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number: AG 14-045**
- 2. Beginning Farmer: Paul N. and Michelle M. Reicks  
1549 Stevens Ave  
Lawler, IA 52154-9510**
- 3. Bond Purchaser: Bank Iowa  
308 Grove St, PO Box 269  
Lawler, IA 52154-9710**
- 4. Principal Amount: \$265,200**
- 5. Initial Approval Date: 11/5/2014**
- 6. Public Hearing Date: 10/22/2014**
- 7. Bond Resolution Date: 11/5/2014**
- 8. Project: To purchase approximately 53.3 acres of agricultural land**

**RESOLUTION**  
**AG 14-046B**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 14-046
- 2. Beginning Farmer:** Spencer P. Spain  
29738 Eastern Rd  
Castalia, IA 52133-7713
- 3. Bond Purchaser:** Luana Savings Bank  
123 E Main St, PO Box 312  
Ossian, IA 52161
- 4. Principal Amount:** \$375,474
- 5. Initial Approval Date:** 11/5/2014
- 6. Public Hearing Date:** 10/22/2014
- 7. Bond Resolution Date:** 11/5/2014
- 8. Project:** To purchase approximately 275 acres of agricultural land

**RESOLUTION**  
**AG 14-047B**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 14-047
- 2. Beginning Farmer:** Taylor Block  
120 10th Ave NE  
Sibley, IA 51249-1414
- 3. Bond Purchaser:** United Community Bank  
113 Market St, PO Box 157  
Lake Park, IA 51347
- 4. Principal Amount:** \$166,500
- 5. Initial Approval Date:** 11/5/2014
- 6. Public Hearing Date:** 10/22/2014
- 7. Bond Resolution Date:** 11/5/2014
- 8. Project:** To purchase approximately 40 acres of agricultural land

**RESOLUTION  
AG 14-048B**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number:** AG 14-048
- 2. Beginning Farmer:** Brian T. Block  
4905 Highway 9  
Sibley, IA 51249-7592
- 3. Bond Purchaser:** United Community Bank  
113 Market St, PO Box 157  
Lake Park, IA 51347
- 4. Principal Amount:** \$166,500
- 5. Initial Approval Date:** 11/5/2014
- 6. Public Hearing Date:** 10/22/2014
- 7. Bond Resolution Date:** 11/5/2014
- 8. Project:** To purchase approximately 40 acres of agricultural land

**RESOLUTION  
AG 14-049B**

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 Chapters 16 and 175 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 5<sup>th</sup> day of November, 2014.

(Seal)

---

David D. Jamison, Secretary

**EXHIBIT A**

- 1. Project Number: AG 14-049**
- 2. Beginning Farmer: Jesse M. Gingerich  
2025 140th St  
Kalona, IA 52247**
- 3. Bond Purchaser: Federation Bank  
813 3rd St, PO Box 69  
Wellman, IA 52356**
- 4. Principal Amount: \$65,426**
- 5. Initial Approval Date: 11/5/2014**
- 6. Public Hearing Date: 10/22/2014**
- 7. Bond Resolution Date: 11/5/2014**
- 8. Project: To purchase approximately 18.43 acres of agricultural land**

To: IFA Board Members  
From: Title Guaranty Division  
Date: October 22, 2014  
Re: September Board Report

---

### **Production/Title Guaranty Overview**

September 2014 Commitments and Certificates totaled 9164 compared to 11,029 in FY14. 93% of all Certificates and Commitments were field issued compared to 92% in FY 14. Volume continues to lag FY13. Purchase business is comparable to FY14, however refinance volume is down 60%. Staff presented at five regional Iowa Land Title Association meetings.

### **Compliance and Claims**

During the month of September, we received 1 new claim, 4 were closed. Currently there are 30 open claims, 7 are watch waiting.

Four compliance audits were conducted in September with no significant issues or findings.

### **Marketing**

- Advertising – *The Iowa Lawyer*, *BluePrint*, *Iowa HomeBuilders*, Iowa Association of Realtors *Benchmark* magazine
- Commercial – *Iowa Business Record* Commercial Edition
- Developed brochure for Mortgage Release Certificate Program

### **Business Development**

- Housing Iowa Conference
- Iowa Association of Realtors annual convention
- Iowa Bankers Association annual convention
- Iowa Commercial Real Estate Association Annual Expo
- 5 ALTA Regional meetings
- Matt Veldey – speaker at Housing Iowa Conference (Commercial)
- Tara Lawrence – speaker at National Business Institute seminar

### **Commercial**

The Commercial Department has continued to stay busy with closings and construction loan draws and predicts this business will continue to increase through the end of the calendar year. The Commercial Department staff have increased marketing efforts and are actively promoting its commercial services. For example, staff hosted a booth at the Iowa Commercial Real Estate Association Expo. Additionally, a request for proposals for a new reinsurance treaty is being prepared and will be sent out in November.

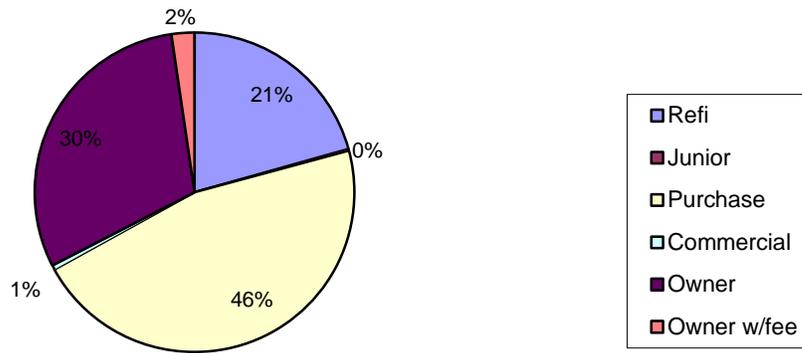
### **Mortgage Release**

For Fiscal Year 2014, we have received a total of 112 requests. Of those, 71 were in conjunction with the Rapid Certificate program. The remaining 41 requests included the \$100 fee. Since inception, 4387 mortgages have been released through this program. We have received the completed Mortgage Release Program brochure and we are now distributing.

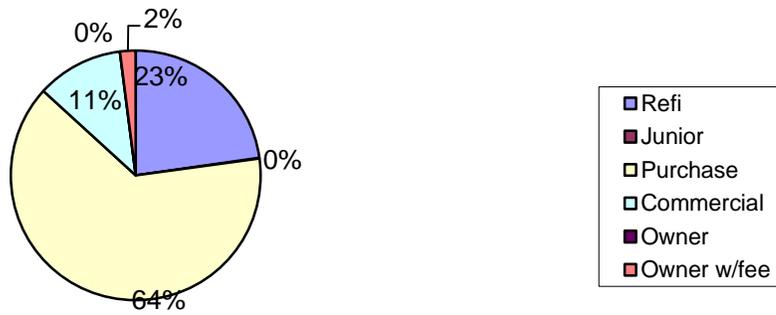
### September 2014 Transaction Breakdown

Refi	1099	Refi	\$100,335
Junior	9	Junior	\$385
Purchase	2460	Purchase	\$281,953
Commercial	24	Commercial	\$49,320
Owner	1611	Owner	\$ -
Owner w/fee	124	Owner w/fee	\$8,931
	5327		\$440,924

### September 2014 Certificate Breakdown

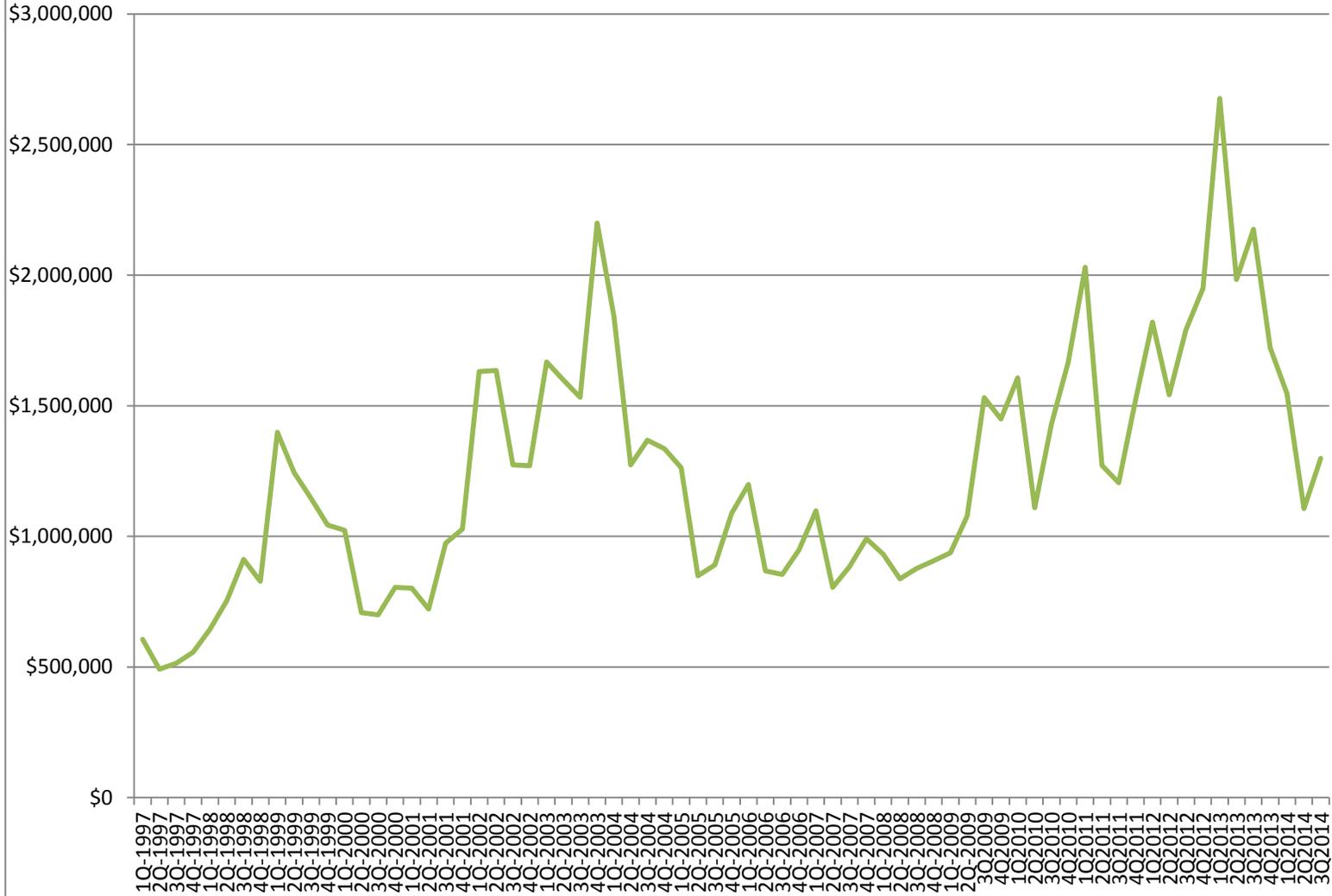


### September 2014 Revenue Breakdown



Total Coverage volume for September \$864,824,725.00

# Title Guaranty Quarterly Premiums





To: Board of Directors of the Iowa Finance Authority  
From: Tim Morlan & Derek Folden  
Date: November 5, 2014  
Re: Multifamily Loan Program Review

---

**Production Status**

Loans in Process:

<u>Project</u>	<u>Loan Program</u>	<u>Target Closing</u>	<u>Amount</u>	<u>Loan Type</u>
None				

Applications in Process:

<u>Project</u>	<u>Loan Program</u>	<u>Amount</u>	<u>Loan Type</u>
Pebble Creek I, Mason City	Multifamily	\$405,000	P
Greenhill Townhomes, Waterloo	Multifamily	\$1,200,000	P
Wabash Place, Council Bluffs	Multifamily	\$1,200,000	C/P
Community Living Opportunities, Burlington	Community Housing	\$205,000	P

**Multifamily Loan Program - Portfolio Information**

<u>Program Type</u>	<u>Loans Outstanding</u>	<u>Funds Available</u>	<u>Average Loan Rate</u>	<u>Average Debt Service Coverage Ratio</u>	<u>Profitability Spread</u>	<u>Amount of Non-Performing Loans (30+ days)</u>
Bonds	\$ 40,891,914	-	3.78%	1.57	1.25	none
State Housing Trust	\$ 5,347,871	-	1.91%	-	0.56	none
HAF Loans and loans prior to 2002	\$ 1,599,880	-	.89%	-	-0.46	none
Workforce Housing	\$ 4,500,000	-	3.00%	n/a	1.65	none
MF 2002-2014 FY	\$ 16,847,718	-	5.64%	0.86	4.29	none
MF 2015 FY	\$ -	-	0.00%	n/a	n/a	none
MF Construction Loans	\$ 9,426,996	\$ 13,346,997	3.70%	n/a	1.50	none
Senior Living	\$ 3,058,394	\$ 3,429,621	3.65%	2.26	n/a	none
Home and Community Based Services	\$ 1,447,949	\$ 858,474	1.00%	3.67	n/a	none
Transitional Housing	\$ 1,108,347	\$ 2,010,595	1.00%	0.6	n/a	none
Community Housing and Services	\$ 111,783	\$ 2,714,728	0.00%	-	n/a	none
Main Street	\$ 1,079,243	-	6.15%	-	1.35	none
HOME	\$ 122,209,034	-	1.00%	-	-0.35	17 loans- \$133,777
<b>Totals</b>	<b>\$207,629,129</b>	<b>\$22,360,415</b>	<b>2.37%</b>	<b>1.79</b>	<b>1.09</b>	<b>17 loans - \$133,777</b>
<b><u>MF Potential Loans</u></b>						
MF Construction loans	\$1,200,000					
MF Permanent loans	\$2,805,000					



To: Iowa Finance Authority Board of Directors  
From: Brian Sullivan, Director, Section 8  
Date: October 23, 2014  
Re: Section 8 Summary FY 2015 Quarter 1

---

IFA holds a performance-based contract with HUD to provide oversight of select Section 8 Housing Assistance Payments (HAP) contracts in Iowa. Our current ACC covers 222 HAP contracts that provide housing assistance to 11,978 individuals and families in 71 counties. This change to the previous report is due to the opt-out of two properties.

McBurney Apartments, located in Belmond, Iowa. The property was removed from IFA's active portfolio effective August 31, 2014. This change reduces the total number of contracts by one (1) and the total number of units by twenty-one (21).

Mason City Group Home, located in Mason City, Iowa. The property removed from IFA's active portfolio effective August 31, 2014. This change reduces the total number of contracts by one (1) and the total number of units by twelve (12).

This month's board package contains a report covering all work performed by Section 8 Contract Administration for the Quarter ending September 30, 2014. In FY 2015 Q1, there were 52 Management and Occupancy Reviews (MORs) conducted; 60 requests for contract rent adjustments processed; 694 HAP vouchers reviewed, approved, and paid; 20 full HAP contract renewals completed; and 2 Opt-Outs processed.

It is anticipated that staff will perform 49 on-site MOR's, will process 63 requests for HAP contract renewals and contract rent adjustments, and review and approve 666 HAP voucher requests during the next quarter ending December 31, 2014.

### **One Congressional Inquiry were received during FY 2015 Q1:**

#### **Autumn Park Apartments, Cherokee**

A Congressional Inquiry was received from U.S. Senator Tom Harkin on August 25, 2014. A resident was concerned with water leaking in her apartment and whether or not it was creating a mold problem. Follow-up with management conducted by IFA staff found that management was aware of the water problem in the resident's unit and had hired a roofing contractor to correct the issue. Management indicated there was no evidence of mold in the apartment. A satisfactory resolution was reported to the Des Moines Multifamily HUD office on September 5, 2014.

### **Noteworthy Meetings**

Compliance Officer, Karla Martinez, attended a HUD Occupancy Change 4 Update and TRACS 202D & EIV Advanced Topics training course presented by Mary Ross of Ross Business Development. The two-day workshop was held in Kansas City, MO from July 18 to July 19, 2014.



Section 8 Director Brian Sullivan, Quality Control Coordinator Mike Sharp, Housing Compliance Specialists Scott McClure and Melody Berns participated in the Iowa Finance Authority 2014 HousingIowa Conference held at the Des Moines Marriott Hotel on September 3-5. The Quality Control Coordinator facilitated an educational and professional development course that was presented by Zeffert & Associates. The two-day HUD Occupancy course explained practical information as well as provided a certification opportunity for Section 8 Owners and Agents.

### **Staffing**

Section 8 Contract Renewal Division Manager Dan Brown retired on August 28, 2014 after more than 14 years with the IFA Section 8 department. Dan was a member of the start-up team since inception of the contract in July 2000. Dan worked as a compliance officer and later the contract renewal division, where he worked closely with owners and agents processing budget-based rent increases. His career culminated as the Contract Renewal Division Manager, where he has served the past five years. Dan's attention to detail, broad knowledge of contract renewal process, and his steady demeanor will be greatly missed by his fellow team members. Cynthia Thompson, Housing Compliance/Budget Specialist was offered and has accepted the position of Contract Renewal Division Manager.

**Section 8 Project Based HAP Administration**

**Quarter Ending  
September 30, 2014**

	# Events Completed		Basic Fee Earned		Incentive Fees Earned		Disincentives	FYTD		FYTD	FYTD
<b>PBT Requirements-(New ACC Effective 10/11/2011)</b>	Current Qrt.	FYTD	Current Qrt.	FYTD	Current Qrt.	FYTD					
01. Management and Occupancy Reviews	52	52	\$107,656.75	\$107,656.75	\$5,382.84	\$5,382.84	\$0.00	\$113,039.59			
02. Adjust Contract Rents	60	60	\$53,828.39	\$53,828.39	\$5,382.84	\$5,382.84	\$0.00	\$59,211.23			
03. Review and Pay Monthly Vouchers	694	694	\$107,656.75	\$107,656.75	\$5,382.84	\$5,382.84	\$0.00	\$113,039.59			
04. Renew HPA Contracts and Process Terminations	15	15	\$107,656.75	\$107,656.75	\$5,382.84	\$5,382.84	\$0.00	\$113,039.59			
05. Tenant Health, Safety & Maintenance Issues	5	5	\$53,828.39	\$53,828.39	\$5,382.84	\$5,382.84	\$0.00	\$59,211.23			
06. Administration - Monthly and Quarterly Reports	7	7	\$53,828.39	\$53,828.39	\$0.00	\$0.00	\$0.00	\$53,828.39			
07. Administration-ACC Year End Reports & Certifications	3	3	\$43,062.69	\$43,062.69	\$0.00	\$0.00	\$0.00	\$43,062.69			
08. Annual Financial Reports - PHA FYE	2	2	\$10,765.67	\$10,765.67	\$0.00	\$0.00	\$0.00	\$10,765.67			
<b>PBTs #1-8-(New ACC Eff. 10/1/2011)</b>	<b>838</b>	<b>838</b>	<b>\$538,283.78</b>	<b>\$538,283.78</b>	<b>\$26,914.20</b>	<b>\$26,914.20</b>	<b>\$0.00</b>	<b>\$565,197.98</b>			
<b>Customer Service - Annual Incentive Fee</b>	N/A	N/A	N/A	N/A	<b>\$26,914.20</b>	<b>\$26,914.20</b>	N/A	<b>\$26,914.20</b>			
<b>TOTAL:</b>	<b>838</b>	<b>838</b>	<b>538,283.78</b>	<b>538,283.78</b>	<b>53,828.40</b>	<b>53,828.40</b>	<b>0.00</b>	<b>\$592,112.18</b>	*	\$600,495	-\$8,383

# Contracts            222  
 # Units                11,978  
 # Counties            71