Local Government Short-term Loan Program

I am delighted to offer short-term financing to Illinois Funds participants. This is a unique service designed to bring state and local governments together in partnership with local financial institutions, to provide financial assistance through short-term, low-cost financing for all sorts of cash flow needs.

The goal of the Illinois Funds Short-term Loan Program is to bridge the gap between immediate needs and the time when additional revenues can be realized. This service provides an additional source of low-cost funding and may be used in conjunction with competitive bidding among financial institutions for tax anticipation warrants; to secure funding in advance of grant, bond, or revenue sources.

Investing in Illinois is priority number one for my administration. I can do that by investing state funds in the market and by investing in our communities with the cooperation of Illinois’ finest financial institutions.

My staff and I look forward to working with you to help your community meet the needs you have to meet during good times and bad…everyday.

Sincerely,

Judy Baar Topinka
Illinois State Treasurer

Program Guidelines

Eligible Applicants:
To qualify for funding through the Illinois Funds Short-term Loan Program, the applicant must be an eligible participant of the Illinois Funds Money Market Fund excluding agencies of the State Government, including, but not limited to the following categories of public services:

Governments
- Municipalities
- Townships
- Counties

Public Utilities
- Water & Sewer
- Water Reclamation
- Electric & Gas

Public Transportation
- Tollway Authorities
- Mass Transit Districts
- Road & Bridge Districts
- Airport Authorities
- Highway Departments
- Port Authorities

Public Education
- School Districts
- School and Public Libraries
- Community Colleges
- Education Service Centers
- Regional Offices of Education

Recreation & Agriculture
- Soil & Water Conservation Dist.
- Park & Recreation Districts
- Farm Drainage / Levee Districts
- Forest Preserve Districts

Public Health & Safety
- Hospitals
- Nursing Homes
- Fire Departments
- Police Departments
- Sanitary Districts
- Mosquito Abatement Dist.
- E9-1-1 Phone Systems
- Sheriff’s Departments

Other Public Agencies
- Cemetery Districts
- Intergovernmental Agencies
- Planning Commissions
- Building Commissions
- Housing Authorities
- …and many more
Eligible Use of Funds:

There are probably too many scenarios to develop a complete list of possibilities, but we are providing the following examples of possible uses of funds.

Governments
A township could use a TI loan to replace an old road grater; a town wants to fix a leak in the city pool; a county has to meet some emergency and has no time to budget, or levy for it until the new fiscal year.

Public Health
A county nursing home could use low cost funds to replace old wheel chairs; a public hospital could meet payroll; a city health department might need to purchase more child immunizations than normal and won’t have the cash until the state reimburses for the purchase.

Public Safety
A fire department could go ahead and buy the fire truck they have their eye on before it sells; the 9-1-1 Emergency Phone System Board needs to install a new enhanced phone system; the county sheriff wants to provide weather alert radios in all county schools.

Public Transportation
A Mass Transit District needs a new bus; a County Senior Citizen rural transportation needs a new van; the Regional Airport Authority wants to build a new hangar.

Recreation and Agriculture
A farm drainage district needs to lay new tile and has no time to levy for it until next year; the Forest Preserve needs to repair restroom facilities; the Mosquito Abatement District needs a new sprayer.

Program Rates:
For each approved project, the State Treasurer’s Office will deposit funds at a below market rate of interest into the applicant’s participating financial institution. The participating financial institution will then lend the money at a rate of interest that is no more than 2.5% above the Treasurer’s deposit rate.

Terms & Conditions:
Loans are made for 3-month, 6-month or 9-month terms. Loans are not made from the Illinois Funds assets, or from the State Treasurer’s Office directly.

Loans must be made by local financial institutions chosen by Illinois Funds Participants. Loans are made by local financial institutions based upon the creditworthiness of the participant and the participant’s ability to repay within the term of the loan. The loan will be direct deposited by the lending institution into the participants Illinois Funds Account.

Participants and financial institutions may use this program in conjunction with competitive bids for funding.

Application Period is Year-Round:
Applications for funding may be submitted throughout the year.

Evaluation of Application:
Once the application has been received, we will review the application. The application, along with the required attachments, will be submitted to the State Treasurer’s Deposit Review Committee.

Each loan application is approved or denied at the discretion of the State Treasurer’s Office. Each applicant will be notified of the determination of the Deposit Review Committee.
How to Apply for the Program:

Section 1.0
APPLICATION DEPOSIT TO PARTICIPATE IN THE ILLINOIS FUNDS LOCAL GOVERNMENT SHORT-TERM LOAN PROGRAM

This form is to be completed by an existing Illinois Funds participant, or potential participant, seeking to borrow funds from a financial institution for a 3-month, 6-month, or 9-month period sponsored by the Office of the Illinois State Treasurer Judy Baar Topinka. This form should, also, be completed with the assistance of the financial institution that will be the lender. The information on this form will allow the Treasurer’s Office to determine eligibility for participation. PLEASE TYPE ALL REQUESTED INFORMATION.

1.1 Describe the use of funds: ________________________________________________________________
________________________________________________________________

1.2 Borrower Information:
   Borrower’s Name: ________________________________________________________________
   FEIN: _______________________
   Address: ________________________________________________________________
   _______________________
   Phone Number: ___________________________  Fax Number: _________________________
   Contact Person: ___________________________  E-mail: ______________________________

1.3 Financial Institution:
   Lender’s Name: ___________________________________________________
   Address: ___________________________________________________
   _______________________
   Phone Number: ___________________________________________________
   Contact Person: ___________________________________________________
   Signature/Title: ___________________________________________________

a) Is this institution a current Authorized State Depository? ____Yes           ____No (If not, lender will need to apply for depository authorization by phoning us at 1-800-346-7414 for authorization documents to be Emailed.)
b) Lender will comply with Loan Deposit transfer instructions in Section 3.1 of this application the day the loan is made, transferring the Loan funds to the Borrower’s Illinois Funds account for further distribution.

1.4 Participant Financial Information:
   Amount of funding requested:  $_______________________________
   Date when funds are needed:  _________________________________
   Length of term of loan:
   _______3-month       _______6-month       _______9-month (maximum term)

1.5 Repayment Information - Describe source(s) & amount(s) of anticipated revenue/funds to repay the loan:
________________________________________________________________________________________

1.6 Grant Fund “But For” Clause: If grant funds are intended to repay this loan, will this loan disqualify you for the grant funding? ____NO       ____YES (If yes, you may not want to participate in this funding source.)
Section 2.0

LOAN INFORMATION
Please type the following information on separate sheets in the following format. Use the section numbers provided:

2.1 Funding Information: (Write this information using the following format and section numbers.)
   2.1.1 A detailed description of use/purpose of funds.
   2.1.2 The location of project (Street, City, County and Zip Code – if applicable).
   2.1.3 A description of the benefit to the citizens you serve.
   2.1.4 An itemized breakdown of proposed expenditure(s) of the funds.
   2.1.5 The negative implications if this short-term funding is not available.
   2.1.6 A detailed map showing the general location of any construction, if applicable
   2.1.7 Name, address, contact information of the vendor/supplier/contractor.
   2.1.8 An explanation of the need for short-term funding.
   2.1.9 A description of all other funding sources to be used for repayment of the loan.
   2.1.10 A certified copy of the resolution/ordinance of the governing board vote to approve completion of
        this application and participation in the Illinois Funds Short-Term Loan Program.
   2.1.11 A description of the plan to repay this loan in the event funding described in section 1.5 is not
        received as anticipated.

2.2 Borrower Certifications:
By signing below, the borrower agrees and certifies as follows:

- All of the representations that the participant has made and the documentation that the participant has
  provided are true and correct to the best of the participant’s knowledge.
- The State Treasurer’s Office may withdraw the deposit and the financial institution may accelerate
  repayment of the loan if the borrower fails to satisfy all of the requirements of the program.
- The Participant understands that all information regarding the program is public information. The
  Treasurer’s Office may release any information provided to it by the participant and may also release any
  information regarding the approval or rejection of applications for deposit.
- The Participant understands that the Treasurer’s Office may reject any application for any reason at its
  sole discretion, including for lack of available funds.
- Borrower will be sure that their financial institution will deposit loan proceeds into the Illinois Funds
  account for disbursement.

Call us if you have questions or need assistance:
Please call us if you have questions, or need assistance in participating in the Illinois Funds Local Government
Short-term Loan Program. The Treasurer’s Office staff stands ready to meet with you, your financial institutions,
governing board, or others – to assist you in the benefits of this financial assistance.
Our toll-free number is 1-800-346-7414.
ACCOUNT APPLICATION

If you are an existing Illinois Funds Participant, please complete sections 3.1, 3.2, & 3.7 – and update any necessary information in the remaining sections, if applicable. New Illinois Funds participants will need to complete all sections below.

The Local Government/Public Agency listed above, (“Participant”), seeks to participate in the Illinois Funds Short-term Loan Program and open an Illinois Funds Money Market Fund Account, or use an existing Illinois Funds Account, for the direct deposit receipt of the loan funds, or other purposes as indicated below.

3.1 Loan Deposit Instructions (these instructions are to be used by the Lender):
Loan funds must be transferred to the Borrower’s Illinois Funds account for further distribution. These instructions are to be used by the lender. This information will be completed once a new account is opened. This information may be completed now for an existing Illinois Funds account.

Custodial Bank: US Bank ABA routing numbers: for Wire transfers: 081000210 for ACH transfers: 081225707

For Further Credit to Illinois Funds account number: __________________________________________
Illinois Funds account title: __________________________________________

3.2 Withdrawal Options:
______Checks (standard) ______Wire transfer ______ACH transfer

To Bank: __________________________________ ABA routing number:___________________________
Further credit to account number: _________________________________________________________
Account Title: _________________________________________________________

3.3 Optional Rapid Revenue Program (direct deposit-plus services):
______Please provide more information to be considered later
______No; We are not interested in Rapid Revenue
______Yes; Enroll the following funds in the Rapid Revenue program for direct deposit in this account.
______We already have Illinois Funds direct deposit services.

From Dept. of Revenue:
______Sales Tax
______Income Tax
______PPRT
______Auto Rental Tax
______Gaming Funds
______ALL DOR FUNDS

From Dept. of Transportation:
______Motor Fuel Tax

From State Board of Education:
______All School Payments

From Community College Board:
______Funds

From Dept. of Aging:
______AAA Payment

From Illinois Student Assistance Commission:
______Funds

From Secretary of State:
______Library/Library Systems Payments

From State Universities:
______Funds
______Funds

From Dept. of Veterans Affairs:
______Funds

Other (describe):
________________________________________
________________________________________
________________________________________
3.4 Account Contact Person:

Name:__________________________________________Title:______________________________
Phone:________________________________________Fax:______________________________
Email address:____________________________________

3.5 Person(s) authorized to execute electronic transfers and/or sign checks: (use separate sheet if needed)
Participant is responsible to notify the Illinois Funds, in writing, of any changes in authorized persons.

Authorized Signature
 Printed Name
 Checks
 Transfers

a)________________________________________________________

b)___________________________________________________________________________

c)____________________________________________________________________________

d)_____________________________________________________________________________

3.6 **Participant accepts** the terms and conditions of the administration of the Illinois Funds as determined by the
State Treasurer and understands that no changes will occur in the administration without prior written notice.

3.7 Application signature:
The undersigned certifies that he/she has been authorized by Participant’s governing body, or by statutory authority
to execute this application for the Illinois Funds Short-term Loan Program and Account.

Signature: ________________________________________Title: ___________________________________
Print Name: ________________________________________Date: ____________________________

Privacy Act Notice: You previously provided your Taxpayer Identification Number (TIN), i.e. your Federal employer identification number (FEIN),
to the State of Illinois upon becoming a State of Illinois payee. Section 6109 of the Internal Revenue Code requires you to give your TIN to
persons, such as the State of Illinois, who must file information returns with the IRS to report interest, dividends, and certain other income paid to
you. The Illinois State Treasurer’s Office, as administrator of The Illinois Funds Direct Deposit program, requests verification of your TIN on the
Application for Direct Deposit of Payments. Your TIN verification enables proper payee identification and corresponding direction of payments as
specified on your completed Illinois Funds Application for Direct Deposit of Payments. While not mandatory, failure to provide your TIN on the
Application precludes your participation in The Illinois Funds Rapid Revenue program.

Payment of interest may be available if the State fails to comply with the State Prompt Payment Act [30 ILCS 540].

Please return the completed application and written Funding Information (from Section 2.0) to:
The Honorable Judy Baar Topinka • Illinois State Treasurer
The Illinois Funds Local Government Short-term Loan Program
Division of Economic Opportunity
300 West Jefferson • Springfield, Illinois 62702

Direct questions or documents to:
Phone: 1-800-346-7414 • Fax: (217) 524-1269

Revised December 2, 2004
LOCAL GOVERNMENT SHORT-TERM LOAN PROGRAM

Loan Funds Transfer Instructions:

This form is to be delivered to the Lender Financial Institution. The loan funds must be transferred to an Illinois Funds account. This form will instruct the lending institution as to which Illinois Funds account you wish to have the funds transferred. This form should be completed now if using an existing Illinois Funds account. If opening a new Illinois Funds account the form must be completed once a new account is opened. A copy must be forwarded to the State Treasurer’s office at the address on the Loan Program application.

Custodial Bank: US Bank

ABA routing number: For Wire transfers: 081000210
For ACH transfers: 081225707

For Further Credit to Illinois Funds account number:______________________________

Illinois Funds account title:__________________________________________________

Signature/Title of Borrower: ______________________________ Date: ____________

Acknowledgement of Lending Institution:

Name of Institution: ______________________________

Signature/Title: ______________________________ Date: ____________