



**R.J. Augustine and Associates, CPA's**  
Innovative Paths To Your Financial Future.

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## Plant expansion challenge

### How one company eased its growing pains

When a client came to us with a plan to expand their plant and equipment footprint, they were concerned that they may have to alter their plans. With the project cost over \$10 million, the financing options were cost-prohibitive.

#### **Solution**

RJA created a team to research lower cost financing alternatives. The goal was to make the plan work efficiently while easing cash flow requirements. We weighed each possibility carefully.

Despite a favorable lending rate, the issuance costs of an individual municipal bond were too high. But RJA found a great participation program for low rate municipal bond financing through the Illinois Development Finance Authority. By partnering with the IDFA, we helped our client get funding at reasonable issuance costs and a favorable rate.

#### **Results**

Success! The client expanded both space and equipment at the plant to accommodate its growth. What's more, the company used the same type of financing in several future expansions, two of which were in different states.