

REPORT DIGEST

ILLINOIS HOUSING DEVELOPMENT AUTHORITY FINANCIAL AND COMPLIANCE AUDIT (In Accordance with the Single Audit Act of 1984 and OMB Circular A-128) For The Year Ended June 30, 1995

INTRODUCTION

This report concerns our Compliance Single Audit of the Authority for the year ended June 30, 1995. Our financial audit of the Authority for the year ended June 30, 1995 was previously issued.

The Illinois Housing Development Authority is a public corporation created by the Illinois Housing Development Act to help finance low- and moderate-income housing in the State. For this purpose, it issues bonds and notes. These debt instruments, which are exempt from both State and federal income taxes, constitute the Authority's direct and general obligations, not State debts.

Proceeds from bond and note sales provide housing grants and non-interest-bearing advances to not-for-profit entities, loans to both not-for-profit and limited-profit entities to construct and rehabilitate housing, and loans to lending institutions for new residential mortgages.

Some housing developments are also eligible for federal subsidies to pay interest and rents. The Authority receives and disburses such subsidies through programs administered by the U.S. Department of Housing and Urban Development.

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

The five compliance findings in this report concern procedural matters that are being properly addressed by Authority management. We will review progress made toward corrective action in our next audit of the Authority.

AUDITORS OPINION

In our auditors' opinion, the June 30, 1995 financial statements of the Authority are fairly presented.

_____ **WILLIAM G. HOLLAND**, Auditor General

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SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	57	
Repeated findings	30	
Prior recommendations implemented or not repeated	40	

SPECIAL ASSISTANT AUDITORS

KPMG Peat Marwick LLP were our special assistant auditors for this audit.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
COMPLIANCE AUDIT
For The Year Ended June 30, 1995

GOVERNMENTAL FUND REVENUE AND EXPENDITURES	FY 1995	FY 1994	FY 1993
● Total Governmental Fund Revenue	\$43,456,787	\$22,345,611	\$15,248,344
<u>OPERATIONS TOTAL</u>	\$43,456,787	\$22,345,611	\$15,248,344
% of Total Revenues	100%	100.0%	100.0%
Real Estate Transfer Taxes	\$16,634,465	\$17,578,344	\$14,265,545
% of Total Revenue	38.3%	78.7%	93.6%
Federal Home Funds	\$24,327,480	\$ 3,475,465	-----
% of Total Revenue	56.0%	15.6%	-----
Investment, Interest and Other Income	\$ 2,494,842	\$1,291,802	\$982,799
% of Total Revenue	5.7%	5.7%	6.4%
● Total Expenditures	\$14,836,536	\$5,983,250	\$2,769,640
<u>OPERATIONS TOTAL</u>	\$14,836,536	\$5,983,250	\$2,769,640
% of Total Expenditures	100%	100.0%	100.0%
Grants	\$ 8,282,975	\$4,706,306	\$2,289,550
% of Total Expenditures	55.8%	78.7%	82.7%
General and Administrative	\$ 6,553,561	\$1,276,944	\$480,090
% of Total Expenditures	44.2%	21.3%	17.3%
PROPRIETARY FUND REVENUE AND EXPENSES (ADMINISTRATIVE)			
● Total Administrative Fund Revenue	\$18,292,200	\$13,652,186	\$20,669,558
<u>OPERATIONS TOTAL</u>	\$18,292,200	\$13,652,186	\$20,669,558
% of Total Revenue	100%	100.0%	100.0%
Development and Financing Fees	\$ 779,460	-----	\$1,184,121
% of Total Revenue	4.3%	-----	5.7%
Service Fees	\$ 6,733,378	\$6,420,990	\$6,243,869
% of Total Revenue	36.8%	47.0%	30.2%
Other Income	\$10,779,362	\$7,231,196	\$13,241,568
% of Total Revenue	58.9%	53.0%	64.1%
● Total Administrative Expenses	\$13,134,800	\$11,536,728	\$11,269,752
<u>OPERATIONS TOTAL</u>	\$13,134,800	\$11,536,728	\$11,269,752
% of Total Operations	100%	100.0%	100.0%
Salaries and Benefits	\$ 6,315,119	\$6,213,920	\$5,885,038
% of Operations Expenses . .	48.1%	\$53.9%	52.2%
Average No. of Employees	167	161	158
Contractual Services .	\$ 2,171,486	\$1,878,451	\$1,362,660
% of Operations Expenses	16.5%	16.3%	12.1%
All Other Operations Items	\$ 4,648,195	\$3,444,357	\$4,022,054
% of Operations Expenses	35.4%	29.8%	35.7%
● Net Value of Property and Equipment	\$ 1,218,242	\$1,356,003	\$3,614,632
SELECTED ACTIVITY MEASURES	FY 1995	FY 1994	FY 1993
● Total Number of Bond Issues	67	60	57
● Total Bond Issue Value (in millions)	\$1,880	\$1,752	\$2,307
AGENCY DIRECTOR(S)			
During Audit Period: Pamela A. Lenane, Acting Director Currently: John Varones, Director			

*Note: Statistics do not include bond activity not reflected in the Authority's financial statements.