
REPORT DIGEST

ILLINOIS RURAL BOND BANK

FINANCIAL AND COMPLIANCE AUDIT

For the Year Ended:
June 30, 1996

Summary of Findings:

Total this audit:	2
Total last audit:	3
Repeated from last audit:	0

Release Date:

April 15, 1997



State of Illinois
Office of the Auditor General

WILLIAM G. HOLLAND
AUDITOR GENERAL

Iles Park Plaza
740 E. Ash Street
Springfield, IL 62703
(217) 782-6046

SYNOPSIS

- ◆ The Illinois Rural Bond Bank's annual report was not filed in a timely manner. This is a violation of the Rural Bond Bank Act.

{Expenditures and Activity Measures are summarized on the next page.}

ILLINOIS RURAL BOND BANK

FINANCIAL AND COMPLIANCE AUDIT
For The Year Ended June 30, 1996

EXPENSE AND REVENUE STATISTICS	FY 1996	FY 1995
! Total Expenditures (All Funds).....	\$3,490,621	\$3,238,856
<u>OPERATIONS TOTAL</u> (General and Special Reserve Funds).....		
	\$523,869	\$568,738
% of Total Expenditures	15.0%	17.6%
Personal Services.....	\$235,271	\$213,263
% of Operations Expenditures.....	44.9%	37.5%
Average No. of Employees.....	5	5
Other Payroll Costs (FICA, Retirement)...	\$56,663	\$60,565
% of Operations Expenditures.....	10.8%	10.7%
Professional Services.....	\$45,450	\$45,732
% of Operations Expenditures.....	8.7%	8.0%
All Other Operations Items.....	\$87,742	\$88,285
% of Operations Expenditures.....	16.8%	15.5%
Financing Costs.....	\$98,667	\$160,893
% of Operations Expenditures.....	18.8%	28.3%
<u>OPERATIONS TOTAL</u> (Bond Funds).....	\$14,414	\$0
% of Total Expenditures4%	0
<u>INTEREST EXPENSE</u> (Bond Funds).....	\$2,952,338	\$2,670,118
% of Total Expenditures	84.6%	82.4%
! Total Revenue (All Funds).....	\$3,336,990	\$3,068,655

SELECTED ACTIVITY MEASURES	FY 1996	FY 1995
! Revenue Bonds Outstanding.....	\$50,605,000	\$48,105,000
! Loans Made During Year.....	\$3,960,000	\$8,260,000

AGENCY OFFICIAL(S)
Chairman: Bob Kustra, Lieutenant Governor Executive Director: Tim G. Bobinsky

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**LATE FILING OF THE ILLINOIS RURAL BOND
BANK'S ANNUAL REPORT**

**The annual report was not
filed in a timely manner
which is in violation of
statute**

The Illinois Rural Bond Bank's (Bank) annual report was not filed in a timely manner which is in violation of the Rural Bond Bank Act (Act). The Bank's 1995 annual report was due to the Governor and General Assembly by September 30, 1995, but was not filed until January 1996.

We recommended the Bank adhere to the requirements of the Act and file the annual report on a timely basis, or seek legislation to change the time requirements to become more suitable. (Finding #1, page 11)

The Bank responded that the audited financial statements are not available for distribution within 90 days of fiscal year end. The Bank's staff will either seek to amend the statute extending the 90-day period or distribute an annual report without audited financial statements within the 90 day period.

OTHER FINDINGS

The remaining finding is less significant and is being given appropriate attention by the Bank. We will review progress toward implementing our recommendations during our next audit.

Mr. Tim Bobinsky, Executive Director, provided responses to our recommendations.

AUDITORS' OPINION

Our auditors state the Bank's financial statements for the year ended June 30, 1996 are fairly presented.

WILLIAM G. HOLLAND, Auditor General

WGH:BAR:pp

SPECIAL ASSISTANT AUDITORS

Kyle E. McGinnis, CPA was our special assistant auditor for this audit.

