



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

ENVIRONMENTAL PROTECTION AGENCY

**Financial Audit of the Water Revolving Fund
For the Year Ended June 30, 2016**

Release Date: June 27, 2017

FINDINGS THIS AUDIT:	0
FINDINGS LAST AUDIT:	0

INTRODUCTION

This digest covers the financial audit of the Agency's Water Revolving Fund as of and for the year ended June 30, 2016. The Agency's compliance examination for the two years ended June 30, 2016, will be issued at a later date.

There were no findings disclosed during our audit of the Water Revolving Fund.

AUDITOR'S OPINION

The auditors stated the financial statements of the Agency's Water Revolving Fund as of and for the year ended June 30, 2016, are fairly stated in all material respects.

This financial audit was conducted by the Office of the Auditor General's staff.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

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

**ENVIRONMENTAL PROTECTION AGENCY
FINANCIAL AUDIT - WATER REVOLVING FUND
For the Year Ended June 30, 2016**

STATEMENT OF NET POSITION (in thousands)	2016	2015
Assets		
Current Assets		
Cash and Cash Equivalents.....	\$ 4,716	\$ 269,117
Securities lending collateral equity with State Treasurer.....	10,326	132,000
Loans and notes receivable.....	83,933	64,551
Other receivables.....	14,546	10,150
Due from federal government.....	285	55,904
Due from other funds.....	3,355	-
Due from component unit.....	3,320	6,398
Restricted assets - accrued interest receivable.....	3,778	4,108
Restricted assets - loans receivable	112,485	110,026
Total current assets.....	<u>236,744</u>	<u>652,254</u>
Noncurrent Assets		
Loans and notes receivable, net of current portion.....	1,572,867	1,055,954
Restricted assets - loans receivable.....	1,367,490	1,480,810
Capital assets, net of accumulated depreciation.....	45	67
Total noncurrent assets.....	<u>2,940,402</u>	<u>2,536,831</u>
Deferred Outflows of Resources		
Deferred amount of pension liability.....	11,145	13,521
Deferred amount on refunding of long-term obligation.....	807	1,145
Total deferred outflows of resources.....	<u>11,952</u>	<u>14,666</u>
Total Assets and Deferred Outflows of Resources.....	<u>3,189,098</u>	<u>3,203,751</u>
Liabilities		
Total Current liabilities.....	12,090	132,738
Total Noncurrent liabilities.....	100,912	118,018
Total Liabilities.....	<u>113,002</u>	<u>250,756</u>
Deferred Inflows of Resources		
Deferred amount on pension liability.....	4,139	2,235
Deferred amount on refunding of long-term obligation.....	230	378
Total deferred inflows of resources.....	<u>4,369</u>	<u>2,613</u>
Total Liabilities and Deferred Inflows of Resources.....	<u>117,371</u>	<u>253,369</u>
Net Position		
Net investment in capital assets.....	19	41
Restricted for:		
Debt Service.....	1,484,330	1,595,711
Other Purposes.....	1,634,819	1,374,700
Unrestricted.....	(47,441)	(20,070)
Total Net Position.....	<u>\$ 3,071,727</u>	<u>\$ 2,950,382</u>

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (in thousands)	2016	2015
Operating Revenues.....	\$ 51,881	\$ 46,568
Operating Expenses.....	36,901	41,394
Operating Income.....	<u>14,980</u>	<u>5,174</u>
Nonoperating Revenues.....	108,664	142,135
Nonoperating Expenses.....	2,299	2,486
Change in Net Position.....	121,345	144,823
Net Position, Beginning of Year	2,950,382	2,805,559
Net Position, End of Year.....	<u>\$ 3,071,727</u>	<u>\$ 2,950,382</u>

AGENCY DIRECTOR

During Engagement Period: Lisa Bonnett (through 06/30/16) and Alec Messina (effective 07/01/16)

Currently: Alec Messina