

FINANCIAL AUDIT

Montana Board of Housing

For the Fiscal Year Ended June 30, 2011

NOVEMBER 2011

11-07

REPORT SUMMARY

The Montana Board of Housing provides decent, safe, sanitary and affordable housing for lower income individuals and families in the state of Montana by issuing tax exempt bonds, administering federal housing programs and working in partnership with other housing programs and providers throughout Montana.

Context

The Montana Board of Housing (board) operates within the Department of Commerce for administrative purposes. Under the Montana Housing Act of 1975, the board does not receive appropriations from the State's general fund and is completely self-supporting. Substantially all of the funds for the board's operations and programs are provided by the private sector through the sale of tax-exempt bonds.

The powers of the board are vested in a seven member board, appointed by the Governor, subject to the confirmation of the State Senate. The board provides policy direction to the agency staff, authorizes bond issues, approves development financing and evaluates board housing programs. These programs include the Single Family Program, Recycled Single Family Program, Multifamily Loan Programs, Low Income Housing Tax Credit Program and the Reverse Annuity Mortgage (RAM) Program.

In fiscal year 2011 the board purchased 251 single family mortgages for \$33 million. Low Income Tax Credits totaling \$2.6 million were allocated, providing approximately \$20 million of equity to produce or preserve 164 units of affordable rental housing. The board retired \$142 million of bonded debt while bonded debt outstanding decreased from \$878 million to \$777 million during the fiscal year.

Results

Our audit report did not contain any recommendations to the board

Recommendation Concurrence	
Concur	0
Partially Concur	0
Do Not Concur	0

Source: Agency audit response included in final report.