

This report is intended for the information of the Board of Trustees and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Smith, Havel & Associates, L.L.C.

January 3, 1998

Smith, Huval & Associates, L.L.C.

A LIMITED LIABILITY COMPANY

Credit/Public Accountants

P.O. Box 1462

Covington, Louisiana 70404-1462

Smith & Huval, CPAs
Federal "Type" Firm, LLP

004902-0001-1-1-000000
(504)902-0001 FAX

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Trustees
St. Tammany Public Trust Financing Authority

We have audited the financial statements of the St. Tammany Public Trust Financing Authority, as of and for the year ended August 31, 1997, and have issued our report thereon dated January 3, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether St. Tammany Public Trust Financing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered St. Tammany Public Trust Financing Authority internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

St. Tammany Public Trust Financing Authority

NOTES TO FINANCIAL STATEMENTS

August 31, 1997

NOTE D - BONDS PAYABLE -Continued

Program after the repayment of the 1991B Bonds Payable. The bonds payable are also secured by a zero coupon U. S. Government Security with a face amount of \$11,890,000 which matures on July 5, 2004, held by the 1991B Program until after the repayment of the 1991B Program Bonds Payable. The 1991C Program bonds are structured such that the bonds accrete value semi-annually at 7.5% until payment in full of the 1991B Program Bonds, at which time the Bonds will convert to pay principal and interest monthly at the rate of 7.5%. The bonds are scheduled to mature on July 20, 2014, and are not subject to optional redemption prior to maturity.

It is not possible to project the bond principal payments for the 1990A Program Class A-1 Bonds, the 1990B Program Bonds, the 1990 Multifamily Program Bonds, the 1991A Program Bonds, the 1991B Program Bonds and the 1991C Program Bonds for the next five years due to the repayment structuring and the redemption procedures of the Trust indentures.

NOTE E - PROGRAM DEFICITS

The 1991C Program has a deficit in retained earnings at August 31, 1997 in the amount of \$3,287 and the Unreserved Program has a deficit in retained earnings at August 31, 1997 in the amount of \$9.

NOTE F - COOPERATIVE UNDEVELOP AGREEMENT

On September 14, 1995, the Authority signed a Cooperative Undevelop Agreement with the Louisiana Housing Finance Agency (the Agency). The Agency and the Authority have agreed to cooperate in the financing of single family mortgage loans through a pool financing by the Agency on behalf of the Authority and other local public trusts.

The Authority allowed the Agency to utilize the Authority's available 1995 bond allocation of \$4 million in exchange for the Agency's agreement to reserve the Authority's share of the Agency's 1995 Single Family Housing Bond Issue for a period of about ten months.

Based upon the December 1995 issue, the Agency has reserved approximately \$4,000,000 for use in St. Tammany Parish. All transactions for this issue are accounted for on the books of the Agency. The Authority is not liable for any bonds issued by the Agency.

NOTES TO FINANCIAL STATEMENTS

August 31, 1997

NOTE D - BONDS PAYABLE -Continued

The bond principal and interest requirements of the 1990A Program Class A-1 Bonds Payable are secured by the pledge of the FHLMC Certificates of the 1990A Program. The 1990A Program Class A-1 Bonds pay interest semi-annually and are structured such that the monthly principal remittances received from the FHLMC certificates are passed through to bondholders as semi-annual principal redemptions of bonds payable. The bonds are scheduled to mature on May 30, 2011, and are subject to optional redemption after March 30, 2000 in accordance with the 1990A Program Bond Indenture.

The 1990A Program Class A-2 Bonds Payable were paid off during the year ended August 31, 1994.

The bond principal and interest requirements of the 1990B Program Bonds Payable are secured by the pledge of all assets of the 1990B Program. The 1990B Program bonds pay interest monthly at the rate of 7.25%. The bonds are structured such that the monthly principal remittances received from the mortgage loans are passed through to bondholders as monthly principal redemptions of bonds payable. The bonds are scheduled to mature on July 25, 2011, and are not subject to optional redemption prior to maturity.

The bond principal and interest requirements to the 1990 Multifamily Program Bonds Payable are secured by the pledge of the Mortgage Loans Receivable of the 1990 Multifamily Program. The 1990 Multifamily Program bonds pay interest monthly and are structured such that the monthly principal remittances received from the mortgage loans are passed through to bondholders as monthly principal redemptions of bonds payable. The bonds are scheduled to mature on October 1, 2008, and are subject to optional redemption in accordance with the 1990 Multifamily Program Bond Indenture.

The bond principal and interest requirements of the 1991A Program Bonds Payable are secured by the pledge of the FNMA Certificates of the 1991A Program. The 1991A Program bonds pay interest monthly and are structured such that the monthly principal remittances received from the FNMA certificates are passed through to bondholders as monthly principal redemptions of bonds payable. The bonds are scheduled to mature on June 1, 2002.

The bond principal and interest requirements of the 1991B Program Bonds Payable are secured by the pledge of the Mortgage Loans Receivable of the 1991B Program. The 1991B Program bonds pay interest monthly and are structured such that the monthly principal remittances received from the mortgage loans are passed through to bondholders as monthly principal redemptions of bonds payable. The bonds are scheduled to mature on July 1, 2014, and are subject to optional redemption after April 1, 2000, in accordance with the 1991B Bond Indenture.

The bond principal and interest requirements of the 1991C Program Bonds Payable are secured by the pledge of all assets of the 1991C Program and by pledge of the mortgage loans receivable of the 1991B

St. Tammany Public Trust Financing Authority

NOTES TO FINANCIAL STATEMENTS

August 31, 1997

NOTE D - BONDS PAYABLE

Outstanding bonds payable are due on a term and serial basis and bear interest at rates as follows as of August 31, 1997 (in thousands):

1996A Program:

Taxable Refunding Bonds Class A-1, due May 28, 2011, 7.50% stated rate, 9.42% effective yield	\$ 80,010
Less related discount	(1,285)

1996B Program:

Tax Exempt Convertible Capital Appreciation Refunding Bonds, due July 25, 2013, 7.25% stated rate, 9.89% effective yield	2,330
Less related discount	(450)

1999 Multifamily Program:

Multifamily Housing Revenue Refunding Bonds, due October 1, 2020, 10.00%	2,332
---	-------

1991A Program:

Single Family Mortgage Revenue Refunding Bonds, due June 1, 2020, 7.00%	884
--	-----

1991D Program:

Taxable Refunding Bonds, due July 1, 2014, 8.25% stated rate, 10.61% effective yield	124
Less related discount	(14)

1991C Program:

Tax Exempt Capital Appreciation Refunding Bonds, due July 28, 2014, zero stated rate, 7.58% effective yield	11,850
Less related discount	(8,436)

Combined Total	<u>\$ 97,366</u>
----------------	------------------

St. Tammany Public Trust Financing Authority

NOTES TO FINANCIAL STATEMENTS

August 31, 1997

NOTE C - MORTGAGE LOANS RECEIVABLE - Continued

interest when due. These securities, which bear a 7.5% interest rate and have maturity dates of January 1, 2010 to August 1, 2010, are collateralized by the related loans and securities the 1990A Program Series A-1 Bonds Payable. The remainder of the mortgage loans securities the 1990B Program Bonds Payable. These mortgage loans were transferred to the 1990B Program during the year ended August 31, 1994, after the 1990A Program Series A-2 Bonds were paid off.

In conjunction with the issuance of the 1991A Program and 1991B Program Bonds Payable, the remaining balance of mortgage loans receivable acquired by the Authority under the 1990 Program in the amounts of approximately \$3,769,800 and \$2,108,000 was transferred to the 1991A Program and the 1991B Program, respectively. Upon receipt of the mortgage notes, the 1991A Program pooled the loans and sold them to the Federal National Mortgage Association (FNMA) in exchange for FNMA securities on which FNMA guarantees payment of principal and interest when due. These securities, which bear interest of 8.75% and 9.75% and have maturity dates of January 1, 2002 to May 1, 2002, are collateralized by the related loans and securities the 1991A Program Bonds Payable. The loans transferred to the 1991B Program securities the 1991D Program Bonds Payable and the 1991C Program Bonds Payable.

Upon transfer to the 1991B Program, the interest rate on the Mortgage Loans Receivable was reduced to 9.58%.

The Mortgage Loans Receivable made through the 1990 Multifamily Program bear an interest rate of 10.58% and are secured by first mortgages on the related real property. There are five loans outstanding in this program.

Participating mortgage lenders service the mortgage loans for the Authority and receive monthly compensation based upon the unpaid principal balances of the mortgage loans.

In addition to the customary insurance required of the mortgagors, the mortgage loans in the 1990B and 1990C programs are insured by the Authority under a supplemental hazard policy and a master trust policy for mortgagor default.

The mortgage loans were made through conventional, FHA, and VA programs sponsored by the various participating mortgage lenders.

St. Tammany Public Trust Financing Authority

NOTES TO FINANCIAL STATEMENTS

August 31, 1997

NOTE B - CASH AND INVESTMENTS - Continued

UNRESTRICTED FUND

Cash equivalents	\$ 54	\$ 54	0
------------------	-------	-------	---

U. S. Government securities and guaranteed investment contracts are carried at amortized cost.

The Authority does not anticipate a requirement to sell any of the U. S. Government and Federal Agency Securities it holds, prior to maturity, because such securities are invested to mature as funds are required. Substantially all the U. S. Government securities are restricted for debt service on the respective program's bonds and payment of various program expenses.

Securities held-to-maturity consist of the following (in thousands):

	December 31, 1997			
	Amortized Cost	Gross Unrealized Gain	Gross Unrealized Losses	Fair Value
Mortgage-backed securities:				
FHLMC (1990A Program)	\$ 9,677	\$ 102	\$ -	\$ 9,779
FNMA (1991A Program)	88	42	-	130
	<u>\$ 9,765</u>	<u>\$ 144</u>	<u>\$ -</u>	<u>\$ 9,909</u>

NOTE C - MORTGAGE LOANS RECEIVABLE

Mortgage loans receivable acquired by the Authority from participating mortgage lenders under the 1979 and 1988 Programs have stated interest rates of 3.875% and 12.5%, respectively, have scheduled maturities of thirty and twenty years, respectively, and are secured by first mortgages on the related real property.

In conjunction with the issuance of the 1990A Program Bonds Payable, the remaining balance of mortgage loans receivable acquired by the Authority under the 1979 Program in the amount of approximately \$29,923,080 was transferred to the 1990A Program. Upon receipt of the mortgage notes, the 1990A Program pooled the qualifying loans and sold them to the Federal Home Loan Mortgage Corporation (FHLMC) in exchange for FHLMC securities on which FHLMC guarantees payment of principal and

St. Tammany Public Trust Financing Authority

NOTES TO FINANCIAL STATEMENTS

August 31, 1997

NOTE B - CASH AND INVESTMENTS

The Authority's programs maintain deposits at the Trustor bank. The balances of these deposits at August 31, 1997 were \$731. The Authority's cash equivalents represent interests in money market mutual funds. Its investments included guaranteed investment contracts and U. S. Government securities.

The Authority's cash equivalents and investments at August 31, 1997 are categorized below (in thousands) to give an indication of the level of risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the Authority or its agent in the Authority's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the Authority's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Authority's name.

	Carrying Value	Market Value	Category
COMBINED			
Cash equivalents	\$ 731	\$ 731	2
Guaranteed investment contracts	1,514	1,514	2
U. S. Government securities	<u>2,899</u>	<u>2,807</u>	2
	<u>\$ 3,144</u>	<u>\$ 3,052</u>	
1991A PROGRAM			
Guaranteed investment contracts	<u>\$ 1,180</u>	<u>\$ 1,180</u>	2
1991B PROGRAM			
Cash equivalents	\$ 109	\$ 109	2
Guaranteed investment contracts	134	134	2
U. S. Government securities	<u>95</u>	<u>113</u>	2
	<u>\$ 242</u>	<u>\$ 255</u>	2
1991 MULTIFAMILY PROGRAM			
Cash equivalents	<u>\$ 185</u>	<u>\$ 185</u>	2
1991A PROGRAM			
Cash equivalents	<u>\$ 285</u>	<u>\$ 285</u>	2
1991B PROGRAM			
Cash equivalents	\$ 180	\$ 180	2
U. S. Government securities	<u>2,880</u>	<u>2,695</u>	2
	<u>\$ 2,960</u>	<u>\$ 2,875</u>	2

St. Tammany Public Trust Financing Authority

NOTES TO FINANCIAL STATEMENTS

August 31, 1993

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

1. Combined Totals

The accompanying combined and individual financial statements include the totals of the similar accounts of the Authority's bond programs. Because the assets of each program are restricted by the related bond resolutions, the totaling of the accounts, including assets therein, is for convenience only and does not indicate that the combined assets are available in any manner other than that provided for in the resolutions of the separate programs.

4. Cash and Cash Equivalents

Under state law, the municipality may invest in United States bonds, treasury notes, or certificates. Those are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

For purposes of the statement of cash flows, the Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

5. Amortization

Bond issuance costs, including underwriters' discount on bonds sold, are being amortized ratably over the life of the bonds, based upon the principal amounts outstanding.

6. Deferred Financing Costs

Such costs related to bonds called in accordance with the early redemption provisions as described in the Bond Trust Instruments are charged to expense in the year that such bonds are called.

7. Discounts

Discounts resulting from the purchase of U. S. Government securities and the sale of bonds are amortized over the lives of the securities under the effective interest method.

8. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

St. Tammany Public Trust Financing Authority

NOTES TO FINANCIAL STATEMENTS

August 31, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

1. History of the Authority - Continued

On April 25, 1991, the Authority issued \$3,780,000 Single Family Mortgage Revenue Refunding Bonds Series 1991A, dated April 1, 1991 (the 1991A Program) \$2,095,000 Taxable Refunding Bonds Series 1991B, dated April 1, 1991 (the 1991B Program) and \$11,850,000 Tax-Exempt Capital Appreciation Refunding Bonds Series 1991C dated May 1, 1991 (the 1991C Program). The Series 1991A bonds bear an interest rate of 7.08% and mature on June 1, 2000. The Series 1991B bonds bear an interest rate of 8.25% and mature on July 1, 2014. The Series 1991C Bonds bear no interest and mature on July 20, 2014. The proceeds from the issuance of these bonds were used to pay bond issuance costs of the program and, along with funds from the 1980 Program, were used to retire the 1980 Program's outstanding Bonds Payable, the 1980 Program's Mortgage Loans Receivable were transferred to the 1991A and 1991B Programs' as collateral for the respective Bonds Payable. The 1991C Program's Bonds Payable are secured by a second lien on the Mortgage Loans Receivable of the 1991A and 1991B Programs.

The bonds issued by the Authority are general obligations for the Authority and are not an obligation of the State of Louisiana or any other political subdivision thereof. The Authority's Board of Trustees is empowered under the trust indentures and the bond program agreements to contract with outside parties to conduct the day-to-day operations of the programs it initiates. Under each of the programs the Authority utilizes one financial institution as originator and service for the mortgage loans and notes acquired. In addition, a bank has been designated as Trustee for each of the bond programs and has the fiduciary responsibility for the custody and investment of funds.

2. Basis of Accounting and Reporting

The Authority follows the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when the related liability is incurred. The Authority sponsors certain funds established by the Bond Trust Indentures. The funds, which are maintained by the Trustee, provide for the accounting for bonds issued, debt service and bond redemption requirements, investments, and related revenues and expenses. The individual funds within each bond program are aggregated in the accompanying individual and combined financial statements. Because the 1979 Program was in substance defunct during the year ending August 31, 1990, it is no longer presented with the individual and combined financial statements.

St. Tammany Public Trust Financing Authority

NOTES TO FINANCIAL STATEMENTS

August 31, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the St. Tammany Public Trust Financing Authority conform to generally accepted accounting principles as applicable to governments. The following is a summary of certain significant accounting policies:

I. History of the Authority

The St. Tammany Public Trust Financing Authority (the Authority) was created through a Trust Indenture dated March 6, 1979 pursuant to provisions of Chapter 2-A of the Louisiana Revised Statutes of 1950, as amended. The initial legislation and subsequent amendments granted the Authority the power to obtain funds and to use the proceeds to promote the financing and development of any essential program conducted in the public interest within the boundaries of St. Tammany Parish, Louisiana.

The Authority's operations consist of the following programs. Two are single family mortgage revenue bond programs whereby the Authority promotes residential home ownership through the acquisition of mortgage loans secured by first mortgage liens on single family residential housing. The funds for these programs were obtained through the issuance of \$50,800,000 of 1979 Single Family Mortgage Revenue Bonds, dated July 1, 1979, (the 1979 Program) and \$77,508,000 of 1980 Single Family Mortgage Revenue Bonds, dated December 1, 1980 (the 1980 Program). In addition, the Authority had a collateralized loans-to-leases program whereby the Authority provided funds to participating savings and loan associations for the purpose of making loans to developers for the acquisition, construction and ownership of multi-family rental properties. The funds for this program were obtained through the issuance of \$28,913,080 of 1982 Collateralized Loans-to-Leases Housing Revenue Bonds, dated May 1, 1982 (the 1982 Program).

On March 8, 1990, the Authority issued \$26,471,000 in Taxable Refunding Bonds Series 1990A dated March 1, 1990 (the 1990A Program) and on April 17, 1990 issued \$3,543,000 Tax-Exempt Convertible Capital Appreciation Refunding Bonds Series 1990B dated April 1, 1990 (the 1990B Program) for the purpose of providing for the repayment of the outstanding bonds of the 1979 program. The Authority entered into an Escrow Deposit Agreement with a local bank pursuant to which there have been deposited sufficient funds and Government Obligations (as defined in the 1979 Indenture) to provide for repayment of the 1979 bonds pursuant to the 1979 Indenture. Simultaneously, the mortgage loans receivable and certain funds of the 1979 Program were transferred to the 1990A Program and to the Authority's Unrestricted Fund.

On October 1, 1990, the Authority issued \$2,446,000 in Multifamily Housing Revenue Refunding Bonds bearing 10% interest and maturing October 1, 2020. The funds from this issuance were used to provide for the refinancing of certain moderate to low income multifamily residential development projects previously financed by the 1982 Program.

E. Finance Panel - Total Financing Activity
ACCORD AND CREDITORS' STATEMENTS OF FINANCE

As of the First Fiscal Month (F.Y.) 1997
 (in thousands)

	1996		1997		1998		1999		2000		2001	
Amounts	Exp.	Revs.	Exp.	Revs.	Exp.	Revs.	Exp.	Revs.	Exp.	Revs.	Exp.	Revs.
Cash flow from operating activities:												
Net income (loss)	(57)	(84)	9	10	1	34	1	24	1	20	1	(1)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:												
Amortization of intangible assets	17	14	23	9	21	7	1	7	1	1	1	(1)
Accretion of debt discount	(2)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Provision for uncollectible accounts	(10)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Asset impairment charges	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)
Effect of stock awards	4	9	9	9	9	9	9	9	9	9	9	9
Effect of stock repurchases	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Effect of investment in Intertec Capital	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Net cash provided by operating activities	(33)	(60)	(23)	(14)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Other financing activities:												
Interest on 5% convertible securities	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Business combinations	13	(1)	4	1	19	(1)	1	(1)	1	(1)	1	(1)
Business transactions	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Issuance of convertible securities	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Interest on convertible securities	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Interest on convertible securities	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Net cash provided by financing activities	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Other financing activities:												
Debt from non-recourse financing activities	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Debt maturities	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Debt on debt issues	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Debt on debt	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Net cash used in financing activities	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Net income (loss) from operating activities:												
Net cash and cash equivalents at beginning of year	12	12	12	12	12	12	12	12	12	12	12	12
Net cash and cash equivalents at end of year	10	10	10	10	10	10	10	10	10	10	10	10

The accompanying notes are an integral part of these statements.

B. Training Public Trust/Trustee Activity

STATE OF MICHIGAN DEPARTMENT OF TREASURY AND FINANCIAL SERVICES
 DEPARTMENT OF REVENUE, EMPLOYMENT AND CORRECTIONAL INSTITUTIONS
 PUBLIC TRUST FIDUCIARY ACT COURSE MATERIALS (EMERSON COLLEGE)

For the Year Ended August 31, 1987
 (in thousands)

	Combined Revenues (200)	1986		1987		1988		1989		1990	
		Program	Exp.	Program	Exp.	Program	Exp.	Program	Exp.	Program	Exp.
Revenues											
Interest on mortgage loans	100	1	2	1	2	1	2	1	2	1	2
Interest on mortgage certificates	20	1	1	1	1	1	1	1	1	1	1
Interest on investments	10	1	1	1	1	1	1	1	1	1	1
Total revenues	<u>130</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>4</u>
Expenses											
Salaries	100	10	10	10	10	10	10	10	10	10	10
Books fees	20	1	1	1	1	1	1	1	1	1	1
Investigation of interest-bearing rates	10	1	1	1	1	1	1	1	1	1	1
Investigation of discounts on investments	10	1	1	1	1	1	1	1	1	1	1
Printing expenses	10	1	1	1	1	1	1	1	1	1	1
Total expenses	<u>150</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>
Net income from public trust/Trustee	80	1	1	1	1	1	1	1	1	1	1
Nonoperational (loss)											
Operating expenses (loss)											
Transfer to (from)											
Total nonoperating activities (loss)											
NET INCOME (LOSS)	80	1	1	1	1	1	1	1	1	1	1
Retained earnings (initial) at beginning of year	100	100	100	100	100	100	100	100	100	100	100
Retained earnings (final) at end of year	<u>180</u>	<u>101</u>	<u>101</u>	<u>101</u>	<u>101</u>	<u>101</u>	<u>101</u>	<u>101</u>	<u>101</u>	<u>101</u>	<u>101</u>

The accompanying notes are integral parts of these statements.

ix. Temporary Engineering activity
RESOURCES AND COMBINED BALANCE SHEETS

August 31, 1967
(in thousands)

	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	1026	1025	1024	1023	1022	1021	1020	1019	1018	1017	1016	1015	1014	1013	1012	1011	1010	1009	1008	1007	1006	1005	1004	1003	1002	1001	1000	999	998	997	996	995	994	993	992	991	990	989	988	987	986	985	984	983	982	981	980	979	978	977	976	975	974	973	972	971	970	969	968	967	966	965	964	963	962	961	960	959	958	957	956	955	954	953	952	951	950	949	948	947	946	945	944	943	942	941	940	939	938	937	936	935	934	933	932	931	930	929	928	927	926	925	924	923	922	921	920	919	918	917	916	915	914	913	912	911	910	909	908	907	906	905	904	903	902	901	900	899	898	897	896	895	894	893	892	891	890	889	888	887	886	885	884	883	882	881	880	879	878	877	876	875	874	873	872	871	870	869	868	867	866	865	864	863	862	861	860	859	858	857	856	855	854	853	852	851	850	849	848	847	846	845	844	843	842	841	840	839	838	837	836	835	834	833	832	831	830	829	828	827	826	825	824	823	822	821	820	819	818	817	816	815	814	813	812	811	810	809	808	807	806	805	804	803	802	801	800	799	798	797	796	795	794	793	792	791	790	789	788	787	786	785	784	783	782	781	780	779	778	777	776	775	774	773	772	771	770	769	768	767	766	765	764	763	762	761	760	759	758	757	756	755	754	753	752	751	750	749	748	747	746	745	744	743	742	741	740	739	738	737	736	735	734	733	732	731	730	729	728	727	726	725	724	723	722	721	720	719	718	717	7
--	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	---

Smith, Huvall & Associates, L.L.C.

(a limited liability company)

Certified Public Accountant

P.O. Box 1480

Covington, Louisiana 70414-0980

Samuel E. Smith, CPA
David "Huvall" Huvall, CPA

ISSN 1933-8651 - U.S. GOVERNMENT
ISSN 1933-8650 - CAN.

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
St. Tammany Public Trust Financing Authority

We have audited the accompanying individual and combined balance sheets of St. Tammany Public Trust Financing Authority (the Authority) as of August 31, 1997 and the related individual and combined statements of revenues, expenses and changes in retained earnings (deficit) and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the St. Tammany Public Trust Financing Authority and its programs as August 31, 1997 and the results of its operations and cash flows for the year then ended in conformity with generally accepted accounting principles.

Smith, Huvall & Associates, L.L.C.

January 5, 1998

CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	3
FINANCIAL STATEMENTS	
INDIVIDUAL AND COMBINED BALANCE SHEETS	4
INDIVIDUAL AND COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT)	5
INDIVIDUAL AND COMBINED STATEMENTS OF CASH FLOWS	6
NOTES TO FINANCIAL STATEMENTS	7
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	16

8282

**OFFICIAL
FILE COPY**
DO NOT REPRODUCE

RECEIVED
LEGISLATIVE AUDITOR
99 FEB 17 AM 9:34

*(When necessary
insert name and
copy and place
mark in file)*

**ST. TAMMANY PUBLIC TRUST
FINANCING AUTHORITY**
**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORTS**
August 31, 1997

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date ~~Mar 0 4 1998~~