

RECEIVED

JUN 14 1999

---

LOUISIANA HOUSING FINANCE AGENCY

COMBINED FINANCIAL STATEMENTS

JUNE 30, 1999

---

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, 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 \_\_\_\_\_





LOUISIANA HOUSING FINANCE AGENCY

COMBINED FINANCIAL STATEMENTS

JUNE 30, 1999



**LOUISIANA HOUSING FINANCE AGENCY**

**C O N T E N T S**

	<b>Page</b>
<i>Independent Auditors' Report</i>	1 - 2
<i>Combined Balance Sheet, June 30, 1999</i>	3 - 4
<i>Combined Statement of Revenues, Expenses and Changes in Fund Balances, Year ended June 30, 1999</i>	5 - 6
<i>Combined Statement of Cash Flows, Year Ended June 30, 1999</i>	7 - 8
<i>Notes to Combined Financial Statements, June 30, 1999</i>	9 - 27
<i>Independent Auditors' Report on Supplemental Information</i>	28
<i>Required Supplemental Information</i>	
<i>Disclosures Regarding Year 2000 Readiness</i>	29
<i>Supplementary Combining Information</i>	
<i>Combining Balance Sheets, June 30, 1999</i>	30 - 33
<i>Combining Statements of Revenues, Expenses and Changes in Fund Balances, Year Ended June 30, 1999</i>	34 - 45
<i>Combining Statements of Cash Flows, Year Ended June 30, 1999</i>	46 - 61





**Pratt & Norton**  
*A Division of Deloitte & Touche*

1140 United Plaza Blvd., Suite 1001 • Baton Rouge, Louisiana 70804  
 Telephone (225) 383-4400 • FAX (225) 383-4411  
[www.pnna.com](http://www.pnna.com)

**INDEPENDENT AUDITORS' REPORT**

To the Board of Commissioners  
 Louisiana Housing Finance Agency  
 Baton Rouge, Louisiana

We have audited the accompanying combined financial statements of the Louisiana Housing Finance Agency, a component unit of the State of Louisiana, as of June 30, 1998. These financial statements are the responsibility of the Agency'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.

The Agency has not adopted Governmental Accounting Standards Board Statement No. 31, "Accounting and Financial Reporting for Certain Investments and External Revenue Funds" for its Mortgage Revenue Bond Funds. The adoption of this statement is necessary for conformity with generally accepted accounting principles. The effect on assets, liabilities, revenues and expenses is not known.

In our opinion, except for the effect on the combined financial statements of the omission described in the preceding paragraph, the combined financial statements referred to in the first paragraph present fairly, in all material respects, the combined financial position of the Louisiana Housing Finance Agency as of June 30, 1998 and its combined results of operations and its combined cash flows for the year then ended in conformity with generally accepted accounting principles.



In accordance with Government Auditing Standards, we have also issued a report dated September 17, 1999, on our consideration of the Louisiana Housing Finance Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Real Estate ! Natchitoches*

Baton Rouge, Louisiana  
September 17, 1999

**LOUISIANA HOUSING FINANCE AGENCY**

**COMBINED BALANCE SHEET**

**JUNE 30, 1998**

**(INTERCOMPARATIVE MEMORANDUM TOTALS FOR JUNE 30, 1998)**

**(IN THOUSANDS OF DOLLARS)**

**ASSETS**

	General Fund	Combined Mortgage Revenue Bond Programs	Combined Totals	
			1998	1998
			Month-End Total	
CASH AND CASH EQUIVALENTS	\$ 3,258	\$ 12,611	\$ 15,869	\$ 15,869
INVESTMENTS	21,971	128,649	150,620	309,120
MORTGAGE LOANS RECEIVABLE (net of reserve of \$ 421)	18,179	260,284	368,983	495,671
ACCRUED INTEREST RECEIVABLE	450	4,946	5,799	4,889
DEFERRABLE FINANCING COSTS (net of accumulated amortization of \$5,000)	-	8,178	8,178	7,276
OTHER ASSETS	1,280	548	1,630	1,760
DEFERRED OTHER FUNDS	608	-	608	686
	<u>25,746</u>	<u>784,276</u>	<u>152,887</u>	<u>699,663</u>
<b>RESTRICTED ASSETS</b>				
Cash and cash equivalents	4,493	-	4,493	4,138
Investments	882	-	882	882
Mortgage loans receivable (net of reserve of \$8,764)	37,484	-	37,484	71,698
Accrued interest receivable	5,735	-	5,735	1,500
Property and equipment - apartment units	1,937	-	1,937	2,042
Other assets - apartment units	61	-	61	34
	<u>48,232</u>	<u>-</u>	<u>48,232</u>	<u>42,994</u>
<b>TOTAL ASSETS</b>	<u>\$ 74,024</u>	<u>\$ 784,276</u>	<u>\$ 800,389</u>	<u>\$ 773,812</u>

The accompanying notes are an integral part of this statement.



## LIABILITIES AND FUND BALANCES

	General Fund	Combined Mortgage Revenue Fund Programs	Combined Totals	
			1995	1996
			Millions of Dollars Only	
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	\$ 243	\$ 988	\$ 1,231	\$ 1,823
ACCRUED INTEREST PAYABLE	75	6,134	6,209	6,834
NOTES AND BONDS PAYABLE	19,080	678,567	697,647	811,871
DEFERRED INCOME ON MORTGAGE LOANS	1,083	-	1,083	1,773
DUO TO OTHER FUNDS	-	608	608	686
	<u>20,401</u>	<u>679,098</u>	<u>699,708</u>	<u>813,763</u>
PAYABLE FROM RESTRICTED ASSETS				
Due to governments	228	-	228	268
Deferred income	73	-	73	88
Short-term liabilities - apartment units	211	-	211	692
Accounts payable	36	-	36	36
	<u>548</u>	<u>-</u>	<u>548</u>	<u>1,044</u>
TOTAL LIABILITIES	<u>21,138</u>	<u>679,098</u>	<u>699,708</u>	<u>814,871</u>
COMMITMENTS AND CONTINGENCIES	-	-	-	-
Restricted - Federal Programs	41,521	-	41,521	37,478
Restricted - Mortgage Revenue Fund Programs	-	26,638	26,638	18,794
Restricted - Apartment Units	5,073	-	5,073	6,971
Unrestricted	<u>20,791</u>	<u>-</u>	<u>20,791</u>	<u>22,280</u>
	<u>71,085</u>	<u>26,638</u>	<u>97,723</u>	<u>80,523</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 92,223</u>	<u>\$ 705,736</u>	<u>\$ 800,229</u>	<u>\$ 715,812</u>





## LOUISIANA HOUSING FINANCE AGENCY

Page 1 of 2

## COMBINED STATEMENT OF REVENUES, EXPENSES

## AND CHANGES IN FUND BALANCES

YEAR ENDING JUNE 30, 1999

GRAND COMPARATIVE YEAR-TO-DATE TOTALS FOR JUNE 30, 1999

(IN THOUSANDS OF DOLLARS)

	General Fund	Combined Mortgage Revenue Fund Program	Combined Totals	
			1998	1999
			Miscellaneous Code	
<b>REVENUES</b>				
Investments	\$ 3,368	\$ 11,473	\$ 12,998	\$ 11,293
Mortgage loans	(415)	36,764	36,271	33,088
Commitment fee income	798	434	732	437
Federal program administrative fees	5,809	-	1,889	1,055
Tax credit program fees	807	-	807	479
Fines	337	1,718	2,083	1,828
Total revenues	<u>9,564</u>	<u>50,367</u>	<u>53,978</u>	<u>50,140</u>
<b>EXPENSES</b>				
Interest	401	47,635	44,051	48,881
Amortization of deferred financing costs	-	685	685	840
General and administrative	1,486	438	1,924	5,851
Provision for credit losses	-	-	-	180
Total expenses	<u>2,887</u>	<u>48,758</u>	<u>47,660</u>	<u>55,752</u>
<b>EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS</b>				
REVENUE INTERFUND TRANSFERS	330	3,618	5,970	6,358
Operating interfund transfers	<u>1,045</u>	<u>(1,045)</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS</b>				
	<u>1,375</u>	<u>4,573</u>	<u>8,970</u>	<u>6,158</u>

The accompanying notes are an integral part of this statement.



## LOUISIANA HOUSING FINANCE AGENCY

Page 1 of 1

**COMBINED STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 1999  
(WITH COMPARATIVE MEMORANDUM DETAILS FOR JUNE 30, 1998)  
(IN THOUSANDS OF DOLLARS)**

	General Fund	Combined Interagency Revenue Bond Programs	Combined Totals	
			1999	1998
			Memorandum Only	
<b>NON OPERATING REVENUES</b>				
<b>DISPOSITION</b>				
Interest income on restricted loans	1,250	-	1,250	993
Miscellaneous income	179	-	179	281
Federal Program grant revenue	18,758	-	18,758	9,999
Federal grant funds passed through	(2,155)	-	(2,155)	(1,000)
Provision for loan losses	(396)	-	(396)	(599)
Contributions to other housing authorities	(417)	-	(417)	(118)
Net income from apartment units	3,431	-	3,431	1,889
Homebuyer assistance	(24,189)	-	(24,189)	(4,766)
	<u>8,171</u>	<u>-</u>	<u>8,171</u>	<u>7,489</u>
<b>REVENUES FROM OPERATIONS</b>				
CONTRIBUTIONS	7,530	4,578	12,108	11,902
<b>FUND BALANCES - beginning of year</b>				
	64,384	24,794	89,178	71,115
Revised equity transfers	<u>2,714</u>	<u>(2,714)</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES - end of year</b>				
	<u>\$ 74,828</u>	<u>\$ 26,658</u>	<u>\$ 101,486</u>	<u>\$ 89,915</u>

The accompanying notes are an integral part of this statement.



## LOUISIANA HOUSING FINANCE AGENCY

Page 1 of 3

## COMBINED STATEMENT OF CASH FLOWS

YEAR ENDING JUNE 30, 2000

(WITH COMPARATIVE MEMORANDUM TOTALS FOR JUNE 30, 1999)

(DOLLARS IN MILLIONS)

	General Fund	Combined Mortgage Revenue Fund Programs	Combined Totals	
			1999 Memorandum Only	2000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Custom services user expenses				
User operations	\$ 1,192	\$ 4,578	\$ 5,670	\$ 6,700
Adjustments to economic events				
revenues user expenses to user cash				
net in operating activities:				
Amortization of deferred financing costs	-	871	871	548
Amortization of mortgage loan discount	-	(379)	(379)	(314)
Amortization of bond discount/premium	-	(148)	(148)	(213)
Amortization of deferred income (losses)	(154)	47	(22)	(58)
Depreciation	99	-	99	86
Gain on sale of securities	-	(1,716)	(1,716)	(1,833)
Provision for loan loss	-	-	-	128
Changes in:				
Accrued interest receivable	(85)	(342)	(427)	197
Accrued interest payable	74	185	259	343
Accounts payable and accrued expenses	(28)	(482)	(428)	136
Due from governments	629	-	629	36
Mortgage loans purchased	(25,294)	(21,483)	(46,803)	(45,891)
Mortgage loan principal payments received	865	79,818	80,683	76,583
Net change in restricted loan on investments and securitized mortgage loans	1,556	-	1,556	(34)
Net change in inter-fund accounts and other	184	(272)	(28)	(149)
Net cash used in operating activities	(21,476)	(20,799)	(42,222)	(45,884)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Dividends received in other funds				
	-	(288)	(288)	(7,682)
Investment purchases				
	(28,318)	(23,594)	(56,182)	(49,041)
Investment redemptions				
	27,457	99,750	261,208	419,074
Net cash flow from rental properties				
	665	-	665	133
Net cash (used in) provided by investing activities	(1,196)	21,862	20,799	11,584

The accompanying notes are an integral part of this statement.



## LOUISIANA INDUSTRIAL FINANCE AGENCY

Page 2 of 3

**COMBINED STATEMENT OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 1999**  
**(WITH COMPARATIVE MEMORANDUM TOTALS FOR JUNE 30, 1998)**  
**(DOLLARS IN THOUSANDS)**

	General Fund	Combined Mortgage Revenue Fund Programs	Combined Totals	
			1999	1998
			Memorandum Only	
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>				
Purchase of property and equipment	(956)	-	(956)	(173)
Net cash used in capital financing activities	(956)	-	(956)	(173)
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>				
Federal financing costs	-	(1,875)	(1,875)	(1,837)
Cash receipts from federal grants	38,090	-	38,090	9,625
Cash disbursements of federal grants	(6,794)	-	(6,794)	(6,511)
Proceeds from bond issues	-	150,980	150,980	176,234
Change in short term borrowing	19,790	-	19,790	-
Disbursements to other financing activities and deposits	(21)	-	(21)	(168)
Other non operating income	-	-	-	781
Retirement of notes and bonds payable	-	(128,111)	(128,111)	(141,776)
Net capital equity transfer under conversion	1,794	(6,730)	-	-
Net cash provided by financing activities	51,959	12,274	64,233	45,776
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,310</b>	<b>4,500</b>	<b>5,810</b>	<b>1,310</b>
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<b>8,412</b>	<b>8,110</b>	<b>16,522</b>	<b>12,776</b>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b>\$ 7,102</b>	<b>\$ 12,610</b>	<b>\$ 22,332</b>	<b>\$ 14,086</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>				
Cash paid during the year for interest	\$ 500	\$ 40,774	\$ 41,274	\$ 16,600

The accompanying notes are an integral part of this statement.



## LOUISIANA HOUSING FINANCE AGENCY

### NOTES TO COMBINED FINANCIAL STATEMENTS

#### 1. Organization of the Agency

The Louisiana Housing Finance Agency (the Agency) is a political subdivision and instrumentality of the State of Louisiana established in 1980 pursuant to the Louisiana Housing Finance Act contained in Chapter 3-A of Title 40 of the Louisiana Revised Statutes of 1950, as amended. The initial enabling legislation and subsequent amendments grant the Agency the authority to undertake various programs to assist in the financing of housing needs in the State of Louisiana for persons of low and moderate incomes by issuing evidence of indebtedness to obtain funds for accomplishing its authorized public functions.

In accordance with the above legislation, the powers of the Agency are vested in a Board of Commissioners which is empowered to contract with outside parties to conduct the operations of the programs it initiates. For the mortgage revenue bond programs it initiates, the Agency utilizes mortgage lenders in the State of Louisiana to originate and service mortgage and construction loans acquired under its single family and multi-family programs. The Agency also utilizes various banking institutions to serve as trustee for each of its programs and such trustee banks have the fiduciary responsibility for the custody and investment of bond program funds.

The bonds issued by the Agency are limited obligations of the Agency payable only from the income, revenues and receipts derived from the mortgage loans and other investments held under and pursuant to the trust indentures and pledged therefor. The bonds do not constitute an obligation, either general or special, of the State of Louisiana, any municipality or any other political subdivision of the State.

#### 2. Significant Accounting Policies

##### a. Basis of accounting and reporting

The Agency complies with Generally Accepted Accounting Principles (GAAP). The Agency applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. As the Agency and its mortgage revenue bond programs are considered to be proprietary funds, the Agency also applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and has defined the governmental reporting entity to be the State of Louisiana. Under these criteria, only the Agency's "General Fund" has been determined to be a component unit of the State of Louisiana. The Agency's General Fund as used here refers to the Agency's general operations and is not meant to denote a governmental type general fund of a primary government. The Agency's General Fund, as well as its Mortgage Revenue Bond Program Funds, are considered to be proprietary type funds, as discussed below.

Proprietary funds are used to account for governmental activities that are similar to those found in the private sector where the determination of net income is necessary or useful to sound financial administration. The generally accepted accounting principles ("GAAP") used for proprietary funds are generally those applicable



## LOUISIANA HOUSING FINANCE AGENCY

### NOTES TO COMBINED FINANCIAL STATEMENTS

#### 2. Significant Accounting Policies (continued)

##### a. Basis of accounting and reporting (continued)

to similar businesses in the private sector (several basis accounting). Under the accrual basis of accounting, revenues are recognized in the accounting period in which they were earned and expenses are recognized in the period incurred.

The financial statements of the individual Mortgage Revenue Bond Programs have been presented on a combined basis. The assets of the funds are restricted by the related trust indentures; consequently, amounts shown in the "Total (Miscellaneous Only)" columns are presented only for analytical purposes and the totaling of the accounts and do not indicate that the combined assets are available in any manner other than that provided for in the trust indentures for the separate funds.

The following funds are maintained by the Agency in accordance with the authorizing legislation and bond and state resolutions:

#### **General Fund**

- **General Fund** - This fund provides for the accounting of general and administrative expenses of the Agency, any allowable transfers from other funds, investment interest income, various types of fees and Federal program transactions. Funds transferred from the Agency's mortgage revenue bond programs are generally unrestricted and may be utilized for any lawful purpose of the Agency.

The following sub-funds of the General Fund have been combined with the General Fund for financial reporting:

- **Housing Assistance** - This fund accounts for the pass-through Federal funds of the Section 8 Housing Assistance Payments Program, which the Agency administers on behalf of the U.S. Department of Housing and Urban Development (HUD).
- **Rental Properties** - This fund provides for the accounting of the operations of low income multifamily projects which are owned by the Agency.

All interfund balances and activities between these sub-funds and the General Fund have been eliminated.

#### **Combined Mortgage Revenue Bond Funds**

- **Multifamily Mortgage Revenue Bond Program Funds** - These funds are established under the multifamily mortgage revenue bond trust indentures to account for the proceeds of the issuance of the multifamily mortgage revenue bonds, the debt service requirements of the bond indebtedness, and mortgage loans purchased with bond proceeds. Mortgage loans of these programs provide permanent financing of construction and rehabilitation of multifamily residential housing.

## LOUISIANA HOUSING FINANCE AGENCY

### NOTES TO COMBINED FINANCIAL STATEMENTS

#### 2. Significant Accounting Policies (continued)

- Single Family Mortgage Revenue Bond Program Funds - These funds are established under the single family mortgage revenue bond trust indentures to account for the proceeds from the issuance of the single family mortgage revenue bonds, the debt service requirements of the bond indentures, and mortgage loans purchased with bond proceeds. The single family mortgage revenue bond programs promote residential home ownership through the acquisition of mortgage loans that are originated by participating financial institutions for the Agency.

#### b. Costs of Issuance

Note and bond issuance costs, including underwriters' discount on notes and bonds sold, are deferred and amortized over the life of the indebtedness based upon the principal amounts of the bonds outstanding, a method which approximates the effective interest method.

#### c. Loan fees

Loan fees are deferred and amortized using a method that approximates the interest method over the contractual life of the related loans, except for single family fixed-rate mortgage loans. Due to anticipated prepayments, fixed rate single family loans (generally made for a contractual 30-year term) are amortized over an estimated 12-year economic life. In the event an extraordinary mandatory redemption occurs due to mortgage loans not being originated, deferred commitment fees (on a pro-rata share of unfunded mortgage loans) are recognized immediately as revenue.

#### d. Bond Discounts and Premiums

Discounts and premiums incurred upon issuance of bonds are deferred and amortized to interest expense using a method that approximates the interest method.

#### e. Investments

Guaranteed Investment Contracts - These contracts are nonparticipating contracts as defined by Governmental Accounting Standards Board Statement 31, "Accounting and Financial Reporting for Certain Investments and External Investment Pools" and are carried at cost.

Debt Securities - Investments in debt securities consist of primarily U.S. Treasury securities. During the year ended June 30, 1998, the Agency adopted Governmental Accounting Standards Board Statement 31, "Accounting and Financial Reporting for Certain Investments and External Investment Pools" for its General Fund (only) which requires certain types of investment securities to be carried at fair value as defined by the premeasurement. Under this premeasurement, the Agency carries all debt securities of its General Fund with an original term of greater than 90 days at fair value. The change in fair value of such securities is recognized as a component of investment income in the Statement of Revenues, Expenses and Changes in Fund Balance.



**LOUISIANA HOUSING FINANCE AGENCY**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**

**2. Significant Accounting Policies (continued)**

**f. Allowance for Loan Losses**

The allowance is maintained at a level adequate to absorb probable losses. Management determines the adequacy of the allowance based upon reviews of groups of assets, loss experience of similar type loans, current and future estimated economic conditions, the risk characteristics of the various categories of loans and other pertinent factors. Credits deemed uncollectible are charged to the allowance. Provisions for credit losses and recoveries on loans previously charged off are added to the allowance.

**g. Program Mortgage Loans**

**Whitt Loans** - Carried at original cost less principal collections less allowance for loan losses.

**GNMA and FHMA Securitized Mortgage Loans**

**Mortgage Revenue Bond Funds** - Carried at amortized cost less principal collections. Accretion of discounts related to the purchase is recognized in income over the life of the certificates using the interest method.

**General Fund** - Carried at fair value as prescribed by Governmental Accounting Standards Board Statement No. 31. Changes in fair value are recognized as a component of mortgage loan income.

**h. Fixed Assets**

The Agency's major classes of fixed assets consist of equipment, automobiles, and land. Equipment and autos are recorded at cost less accumulated depreciation and are depreciated over their estimated useful lives using the straight-line method. Land is recorded at cost.

**i. Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**j. Debt Refundings**

The Agency accounts for debt refundings in accordance with GASB No. 23, "Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities". This statement requires accounting gains and losses that result from debt refundings to be deferred and amortized over the life of the new debt or the original debt, whichever is the shorter period, using the effective interest method.



**LOUISIANA HOUSING FINANCE AGENCY**

**NOTES TO COMBINED FINANCIAL STATEMENTS**

**1. Cash and Investments**

**Cash and Cash Equivalents**

For reporting purposes, cash and cash equivalents include cash on hand, demand deposits, and all highly liquid investments with an original maturity of three months or less. Cash and cash equivalents are stated at cost which approximates market value. Under state law the Louisiana Housing Finance Agency may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the Agency may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificates amounts of Federally or state chartered credit unions.

The Louisiana Housing Finance Agency had cash and cash equivalents totaling approximately \$20,762,600 at June 30, 1999 which included bank deposits of \$1,720,133. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or collateral bank in the form of safekeeping receipts held by the State Treasurer. Deposits at June 30, 1999, were secured as follows:

Carrying amount	<u>\$ 1,720,133</u>
<b>Bank Balances</b>	
Insured (FDIC) or collateralized with securities held by the entity or its agent <u>in the entity's name</u>	\$ 457,960
Collateralized with securities held by pledging financial institution or its department or agent <u>in the entity's name</u>	<u>1,262,173</u>
<b>Total Bank Balances</b>	<u>\$ 1,720,133</u>

Investment securities classified as cash equivalents of approximately \$18.6 million, consist primarily of highly liquid money market funds whose primary assets are U.S. Government securities.

**LOUISIANA HOUSING FINANCE AGENCY**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**

**3. Cash and Investments (continued)**

**Investments**

Under Louisiana Revised Statute of 1958, as amended, the Agency's General Fund may invest in obligations of the U. S. Treasury, agencies, and instrumentalities, repurchase agreements, and other investments as provided by the statute mentioned above. Permissible types of investments for the bond funds are stipulated in the various bond and rate resolutions.

At June 30, 1999, investments totaling approximately \$116,080,800 consisted of guaranteed investment contracts (GIC) and U. S. Treasury bills and notes. The GICs totaling approximately \$126,890,800 have no secondary market and are deposits in various entities with guaranteed interest rates over the life of the respective bond issues. These investments are measured and redemption of the investments depends solely on the financial condition of the companies which provide the contracts, and their ability to pay their obligations.

All U. S. Treasury securities, and FNMA and GNMA securities (recorded as mortgage loans on the balance sheet) are held by the broker or dealer's trust department or agent, but not in the Agency's name (GASB Category 3). Guaranteed Investment Contracts are not considered securities and are not subject to classification of their credit risk under GASB Statement No. 3. Interest rates on investments ranged from 4.0% to 7.65% at June 30, 1999.

Components of investment income include: (in thousands)

	<u>General Fund</u>	<u>Combined MBF Funds</u>
Interest earnings	\$ 1,481	\$ 11,413
Net change in fair value recognized in accordance with GASB statement No. 31 (General Fund Only)	( 1,329)	-
	<u>\$ 1,152</u>	<u>\$ 11,413</u>

The net unrealized loss on investment securities owned by the General Fund was \$200,588 at June 30, 1999.

**4. Program Mortgage Loans Receivable**

Mortgage loans acquired by the Agency under the various mortgage revenue bond programs are secured by first mortgages on the related property.

**LOUISIANA HOUSING FINANCE AGENCY**

**NOTES TO COMBINED FINANCIAL STATEMENTS**

**4. Program Mortgage Loans Receivable (continued)**

With certain exceptions, loans acquired under the single family programs are pooled and packaged into GNMA or FNMA securities. Certain "whole loans" of the 1992, 1995C, 1C2 and the 1995A1-A3 Single Family Programs have not been securitized, and are insured by a private primary mortgage insurance policy, as well as a mortgage pool insurance policy. Under the terms of the insurance agreements for "whole loans", the foreclosed property must be restored to its original condition before payment is made. The insurance policies will pay for "normal wear and tear" on the homes; however, the policies do not cover any excessive damage. Also under the terms of the insurance agreements, foreclosure proceedings must be filed on a timely basis in order to be fully insured regarding principal and interest. The Agency has evaluated the single family portfolio and has established a reserve for any potential uninsured principal, interest, and cost of repairs of \$421,800 which may result from untimely filings, unanticipated collection problems or excessive damages.

The pass-through interest rates on loans of these family programs range from 4.75% to 8.5% with maturities of such loans ranging from 30 to 33 years.

Mortgage loans outstanding in the Multi-family Programs for 1988 Preservation Homes, 1990 Westview, 1991 Westview Phase II, 1991 A & B, 1992 Laissez Pointe and 1993 Tall Timber loans are insured by the Federal Housing Administration. 1988 New Orleans, 1988 Kristie Cove, and 1989 Tiffany Arms Phase II are insured by qualified credit instruments. The Multifamily 1992 New Orleans Homes, 1993A&B, 1993 IRC Assisted Living, 1995A&B Pleasant/Contoury, 1995A&B Lakelaine/Wedgewood, and 1998 Southside Villa programs are private placement loans and do not have insurance. The 1993 Woodward Night, 1993 Villa Maria, 1994 St. Joseph Manor, 1995 St. Dominic and 1997 Media Square program loans have been securitized into GNMA certificates.

Interest rates on these multi-family loans range from 7.18% to 13.5% with maturities ranging from 30 to 45 years. The Agency has evaluated the multifamily loan portfolio and has determined no reserve for loans loss is necessary for the multifamily projects.

Components of mortgage loan income consist of: (in millions)

	<u>General Fund</u>	<u>Combined MBR Funds</u>
Interest income	\$ 724	\$ 26,784
Change in fair value of mortgage backed securities, recognized in accordance with GAAP 31 (General fund only)	( 3,217)	-
	<u>\$ 721</u>	<u>\$ 26,784</u>

The net unrealized loss on securitized mortgage loans of the General Fund was \$1,216,193 at June 30, 1999.



**LOUISIANA HOUSING FINANCE AGENCY**

**NOTES TO COMBINED FINANCIAL STATEMENTS**

**3. Notes and Bonds Payable**

The Agency issues revenue bonds to assist in the financing of housing needs in the State of Louisiana. The bonds are limited obligations of the Agency, payable only from the income, revenues and receipts derived from the mortgage loans and other investments held under and pursuant to the trust indentures and pledged therefor. The issuance of debt for the financing of projects by the Agency is subject to the approval of the Louisiana State Bond Commission. Bonds are issued under various bond resolutions adopted by the Agency to provide financing for qualified single family and multifamily projects.

The assets generated with the proceeds of each series of bonds issued on "program" are pledged as collateral for the payment of principal and interest on bond and note indebtedness of only that program. The ability of the programs to meet the debt service requirements on the bonds is dependent upon the ability of the mortgagors in each program to generate sufficient funds to meet their respective mortgage repayments.

At June 30, notes and bonds payable outstanding were as follows:

	1999
	(In thousands)
<b>Single Family Mortgage Revenue Bonds:</b>	
<b>Series 1988:</b>	
Dated December 1, 1988, due December 1, 2029, priced to yield 7.57% at maturity	\$ 81,883
<b>Series 1990:</b>	
Dated September 14, 1990, due September 1, 2021 bearing interest at approximately 7.8%	27,984
<b>Series 1990B:</b>	
Dated November 27, 1991, due September 1, 2023 bearing interest at 6.9%	1,000
<b>Series 1992:</b>	
Dated June 30, 1992, due serially and term from March, 1995 to September 2013, priced to yield from 6.8% to 7.575% at maturity	3,060
<b>Series 1993A/B (Home I):</b>	
Dated June 2, 1994, due serially and term from June 1, 1998, to December 1, 2015, bearing interest at 6.40% to 6.85%	3,640

**LOUISIANA HOUSING FINANCE AGENCY**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**

**3. Debt and Bonds Payable (continued)**

	1998
	(in thousands)
Series 1992A (1)(1) (Home II): Dated September 23, 1994, due serially and term from December 1, 1995 to December 1, 2025, bearing interest at 4.65% to 6.80%	8 10,825
Series 1992A <sub>2</sub> (1)(2) (Home III): Dated June 3, 1995, due serially and term from June 3, 1996 to December 1, 2025, bearing interest at 4.55% to 6.50%	11,138
Series 1994B (Access I): Dated September 1, 1994, due serially and term from September 1, 1995 to March 1, 2025, bearing interest at 4.30% to 6.80%	6,650
Series 1995A <sub>1</sub> (A <sub>2</sub> ) (Access II): Dated April 1, 1995, due serially and term from December 1, 1996 to December 1, 2026, bearing interest at 4.55% to 7.80%	15,138
Series 1995C (C): Dated December 1, 1995, term bonds due December 1, 2010 and June 1, 2027, bearing interest at 5.125% to 6.45%	41,548
Series 1996B <sub>1</sub> (B): Dated April 13, 1996, due serially and term from December 1, 1997 to December 1, 2027, bearing interest at 4.1% to 6.5%	32,973
Series 1998B <sub>1</sub> (B): Dated September 1, 1998, due serially and term from December 1, 1998 to December 1, 2027, bearing interest at 4.45% to 6.00%	32,634



**LOUISIANA HOUSING FINANCE AGENCY**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**

**5. Notes and Bonds Payable (continued)**

	<u>1998</u>
	<u>(In thousands)</u>
Series 1993A <sub>2</sub> -A <sub>3</sub> : Dated March 1, 1993, due variably and term from December 1, 1998 to March 1, 2012, bearing interest at 3.75% to 6.75%	\$ 29,889
Series 1993B <sub>1</sub> -B <sub>2</sub> : Dated August 20, 1997, due variably and term from December 1, 1998 to December 1, 2008, bearing interest at 4.8% to 6.75%	41,524
Series 1993C <sub>1</sub> -C <sub>2</sub> : Dated November 1, 1997, due variably and term from June 1, 1999 to December 1, 2008, bearing interest at 4.2% to 5.75%	44,622
Series 1998A <sub>1</sub> -A <sub>2</sub> : Dated May 5, 1998, due variably and term from June 5, 1999 to December 1, 2008, bearing interest at 4.00% to 6.02%	48,765
Series 1998 B <sub>1</sub> -B <sub>2</sub> : Dated September 5, 1998, due variably and term from December 1, 2001 to December 1, 2009, bearing interest at 4.8% to 6.25%	73,253
Series 1998 Draw Down: Dated November 18, 1998, with a nominal maturity date of November 1, 2000 and a mandatory tender date of March 31, 2000, bearing interest at an initial rate of 5.18% and a variable rate thereafter not to exceed 8%. Initial amount authorized of \$50,000,000, available for issuance in incremental draws as needed. Approximately \$28,482,000 drawn to date, \$21,518,000 available for issuance.	10,847
Series 1999 A <sub>1</sub> -A <sub>2</sub> : Dated February 15, 1999 Due variably and term from December 1, 2000 to December 1, 2030, bearing interest at 3.4% to 5.0%	26,231
Capital Appreciation bonds, due June 1, 2027, priced to yield 5.5%	1,622
Total single family mortgage revenue bonds	180,332



**LOUISIANA HOUSING FINANCE AGENCY**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**

3. **Notes and Bonds Payable** (continued)

1999  
 (\$ in thousands)

**Multifamily Mortgage Revenue Bonds:**

**Series 1988 New Orleans:**

Dated April 11, 1988, due serially from March 1, 1989 to December 1, 2025, bearing interest at its own monthly rate determined by the remarketing agent which approximated 5.6% at June 30, 1999 \$ 10,100

**Series 1988 Kralake Cove:**

Dated June 12, 1988, due on August 1, 2013, bearing interest at 9% 683

**Series 1988 Preservation Homes:**

Dated December 1, 1988, due serially from December, 1992, to December 1, 2028, bearing interest at 8.75% to 8.0% 1,190

**Series 1989 Tiffany Arms:**

Dated September 1, 1989, due on July 1, 2018, bearing interest at 7.5% of a local bank's prime rate which approximated 7.11% at June 30, 1999 348

**Series 1990 Wheatville:**

Dated April 1, 1990 and due serially from October 1, 1990 to April 1, 2020, bearing interest at 7.8% 3,312

**Series 1991 Westview II:**

Dated January 1, 1991, due serially and term from January 1, 2000 to 2022, bearing interest at 7.6% to 7.81% 2,685

**Series 1991 A & B:**

Dated December 1, 1991, due serially and term from January, 1993 to July, 2023 bearing interest at 7.5% to 8.9% 8,720

**Series 1992 New Orleans Towers:**

Dated March 1, 1992, due serially and term from April, 1994 to April, 2002, bearing interest at 5.8% to 10.8% 16,000



**LOUISIANA HOUSING FINANCE AGENCY**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**

**3. Notes and Bonds Payable (continued)**

		1999
		(in thousands)
Series 1992 Emerald Pointe Project: Dated July 1, 1992, due serially from November, 1997 to November, 2003 bearing interest at 5.5% to 7.1%	5	1,478
Series 1993 A & B Woodward Wight: Dated May 1, 1993, due serially from December, 1994 to June, 2008 bearing interest at 4.275% to 6.2%		9,099
Series 1993 Tall Timbers: Dated December 1, 1993, due serially from June, 1995 to December, 2004 bearing interest at 5.58% to 6.98%		7,587
Series 1993 Wild Manic: Dated July 28, 1993, due serially and term from July, 2000 to January, 2003 bearing interest at 7.1%		3,180
Series 1994 St. Joseph Mason: Dated June 1, 1994, due serially from December, 1994 to December, 2010 bearing interest at 7.88%		5,120
Series 1995A&B LaBelle Acre/Wedgewood: Dated April 1, 1995, due serially and term from October 1, 1996 to 2020, bearing interest at 4.8% to 9.15% None payable		6,288 293
Series 1995A St. Dominic Assisted Living: Dated March 1, 1995, due serially and term from September 1, 1996 to 2016, bearing interest at 5.88% to 8.95%		8,787
Series 1995 Assisted Living: Dated March 30, 1995, term bonds due March 1, 2023, bearing interest at 9.0%		18,183
Series 1997 Malta Square: Dated March 1, 1997, due serially and term from March, 2000 to September, 2018 bearing interest at 5.25% to 6.5% None payable		5,882 68



**LOUISIANA HOUSING FINANCE AGENCY**

**MEMORANDUM TO COMBINED FINANCIAL STATEMENTS**

**3. Notes and Bonds Payable (continued)**

**Series 1995A Plantation/Constitution**

Dated February 1, 1998, due serially and term from January 1, 1999 to January 1, 2028, bearing interest at 7.12% to 9.05%

\$ 9,418

**Series 1998 Southeast Hills**

Dated August 1, 1998, due serially and term from July 1, 2001 to July 1, 2028, bearing interest at 5.15% to 8.5%

4,120

Total Multifamily mortgage revenue bonds

135,134

Total notes and bonds payable

\$ 670,367

In connection with the 1995A (A) and 1995A (B) single family programs, \$28 million and \$13.5 million, respectively of forward delivery bonds are held in trust within the accounts designated for the bonds. These bonds are scheduled to be sold to third parties on December 1, 1999.

During the year ended June 30, 1998, the mortgage loan payments of the Series 1995A Plantation/Constitution Multifamily Bond Issues were insufficient to service the debt. Consequently, draws were made on the debt service reserve account of approximately \$110,000. This is considered to be an event of default. The significant bondholder has waived the remedial to default under the trust instrument, subject to the right to sue.

The debt principal maturities and sinking fund requirements during the five years ending June 30, 2004 and thereafter are as follows (in thousands):

Ending June 30,	Single Family Mortgage Revenue Bonds	Multifamily Mortgage Revenue Bonds	Combined Totals
2000	\$ 15,088	\$ 1,415	\$ 16,503
2001	5,176	1,340	6,516
2002	8,914	1,838	10,752
2003	3,417	2,877	6,294
2004	7,111	2,294	9,405
Years thereafter	<u>261,262</u>	<u>119,821</u>	<u>381,083</u>
	\$ <u>341,111</u>	\$ <u>129,134</u>	\$ <u>470,245</u>



**LOUISIANA HOUSING FINANCE AGENCY**

**NOTES TO COMBINED FINANCIAL STATEMENTS**

**5. Notes and Bonds Payable (Continued)**

As stated in Note 1, the Agency accounts for debt refundings in accordance with GASB No. 23, "Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities". The Agency carried deferred losses on bond refundings of approximately \$1,309,000 at June 30, 1999, as a reduction of the balance of bonds outstanding. During the year ended June 30, 1999, the Agency issued approximately \$100,000,000 principal amount of refunding bonds among its single family reverse bond programs. The proceeds of these issues were used to refund partial refundings of various previously existing single family programs of LHA, and of other housing authorities throughout the State.

The refundings did not result in any significant economic gains or losses.

In accordance with the extraordinary mandatory redemption provisions of the bond trust indentures, approximately \$189 million of bonds were called by the Agency during the fiscal year ending June 30, 1999. The mandatory redemptions occur as a result of prepayments of single family mortgage loans, foreclosures of single family and multifamily mortgage loans or bond refundings. In connection with these redemptions, approximately \$265,000 of deferred financing costs relating to the redeemed bonds were expensed and approximately \$812,000 of loss was delivered in accordance with GASB 23. Bond calls were as follows:

**Fiscal year ending June 30, 1999 (in Thousands)**

**Single Family Mortgage Revenue Bonds**

Series 1992	5	1,618
Series 1992A(20) Home II		1,000
Series 1995C (C2)		4,325
Series 1996D(11A)		1,310
Series 1999		2,134
Series 1996B (8A)		1,465
Series 1998B		295
Series 1999		808
Series 1992A (B) Home II		1,780
Series 1992AB Home I		490
Series 1994B		1,585
Series 1995A (A2)		2,345
Series 1998		31,635
Series 1997B(10)		1,570
Series 1997A(1-A2)		1,585
Series 1997 (C1)-(C2)		1,380
Series 1998 A <sub>1</sub> -A <sub>3</sub>		36,140
Series 1998 Down Down		9,626
Series 1998 A <sub>1</sub> -A <sub>3</sub>		1,082
	<u>\$</u>	<u>108,678</u>

**Multifamily Mortgage Revenue Bonds**

1991 Tail Timbers		70
	<u>\$</u>	<u>70</u>



LOUISIANA HOUSING FINANCE AGENCY

NOTES TO COMBINED FINANCIAL STATEMENTS

5. Notes and Funds Payable (continued)

Borrowed Funds

The Agency has entered into an agreement with the Federal Home Loan Bank (FHLB) which allows advances, up to \$50 million to be obtained for the purpose of funding the purchase of securitized mortgage loans of the 1998A<sub>1</sub>A<sub>2</sub> and 1998A<sub>2</sub>A<sub>3</sub> Single Family programs. These borrowed funds, which totaled \$19,190,808 on June 30, 1999, and mature on December 1, 1999, are intended as an interim source of funds that will be repaid with the proceeds of delivery of the 1998A<sub>1</sub>A<sub>2</sub> and 1998A<sub>2</sub>A<sub>3</sub> forward delivery bonds on December 1, 1999. All advances bear interest at the overnight liquidity rate of the FHLB which ranged from 4.895% to 5.28% during the fiscal year ended 1999. Mortgage backed securities with a market value of \$19,178,641 belonging to the Agency's general fund are pledged as collateral against these borrowings.

6. Federal Financial Assistance

Section 8 Program

In connection with the Series 1998A<sub>2</sub>B Multi-Family Mortgage Revenue Bond Program, the Agency entered into a Housing Assistance Program (HAP) contract with the Department of Housing and Urban Development (HUD) as authorized under Section 8 of the United States Housing Act of 1937, as amended. Under the contract, the Agency serves as an agent for HUD by distributing HAP funds to the housing project owners. HAP program grant revenues were \$2,059,865 and pass-through distributions were \$1,826,686 for the year ended June 30, 1999.

HOME Program

The Agency has also entered into a partnership agreement on behalf of the State of Louisiana with HUD under the HOME Incentive Partnership Program as authorized by Title II of the National Affordable Housing Act. Under the agreement, the Agency administers and distributes funding to be used for a variety of low income housing activities. These activities and the form of funding provided are as follows:

Activity	Funding Form
a) Rehabilitation and new construction of low-income multi-family rental complexes	Low interest bearing loans.
b) Rehabilitation of structures for low-income homeowners	Grants
c) First year operating expenses for community housing development organizations (CHDOs)	Grants
d) Single Family homebuyer assistance	Low interest and non interest bearing loans and grants.

The Agency received \$9,887,867 in grant revenue and disbursed a total of \$10,056,693 in connection with the HOME Program during the fiscal year ended June 30, 1999. Of the amounts received, \$3,180,842 represents fees earned by the Agency to cover costs of administration of the program.

**LOUISIANA HOUSING FINANCE AGENCY**

**NOTES TO COMBINED FINANCIAL STATEMENTS**

**7. Restricted Loans**

As part of its HOHSA program, the Agency makes loans to single family homebuyers and to developers of low income multi-family projects. These loans are insured as a supplement to primary financing which is obtained from sources outside of the Agency. The loans are collateralized by a second mortgage on the property and payments on these loans are deferred until the time that the primary loan is paid out. Additionally, these loans are uninsured. The loan portfolio at June 30, is as follows:

	1999	Interest Rate
Multi-Family Mortgage Loans	\$ 33,794,447	11%-6%
Single Family Mortgage Loans	12,363,318	Non-interest Bearing
Reserve for credit losses	<u>( 8,791,279)</u>	
	<u>\$ 37,366,486</u>	

The Agency has restricted the repayments of these loans to funding future housing programs and, as such, principal and interest due on these loans is included in restricted assets.

The increase in the reserve for credit losses was a result of charges totaling \$186,198 to the provision for credit losses accounts.

**8. Board of Commissioners Expenses**

The appointed members of the Agency's Board of Commissioners receive a per diem payment for meetings attended and services rendered, and are also reimbursed for their actual expenses incurred in the performance of their duties as Commissioners. For the year ended June 30, 1999, the following per diem payments were made to the members of the Agency's Board and are included in general and administrative expenses:

Robert Austin	\$ 418
David Bell	500
Michael Domingue	610
Eberle Hunter	110
Delora White Luskwood	518
Louis C. McKnight, III	600
Philip Miller	418
Gregory Monier	500
Albert S. Pappalardo	600
W. G. Tucker, Jr.	500
	<u>\$ 4,818</u>



LOUISIANA HOUSING FINANCE AGENCY

NOTES TO COMBINED FINANCIAL STATEMENTS

9. Retirement Benefits

Substantially all of the employees of the Agency belong to the Louisiana State Employees' Retirement System, a single employer, defined benefit pension plan. The System is a statewide public employee retirement system and is available to all eligible employees. The System publishes annual financial reports which include detailed historical, financial, and actuarial information. The Agency contributed approximately \$121,800 to the system during 1999.

10. Commitments and Contingencies

In the ordinary course of business, the Agency has various outstanding commitments and contingent liabilities that are not reflected in the accompanying financial statements. In addition, the Agency is a defendant in certain claims and legal actions arising in the ordinary course of business. In the opinion of management, after consultation with legal counsel, the ultimate disposition of these matters is not expected to have a material adverse effect on the financial condition of the Agency.

The Agency currently leases its operating location. The original lease term was for three years with an option to renew for five one year periods. In July 1995, the lease term was amended to month-to-month. The Agency will be required to give thirty days notice prior to ending the lease.

Rent expense to the Agency for the year ended June 30, 1999 totaled \$116,000.

The Agency has purchased land for \$887,016, upon which it intends to construct a building to be used as an operating location. Plans are currently being designed by architects; however, no contract has been executed for construction.

Cooperative Endorse Agreements

The Agency has entered into Cooperative Endorse Agreements with several local housing authorities within Louisiana whereby the Agency may refinance scheduled maturities and redemptions due to prepayment for previously issued bonds of the local authority. In return, the Agency receives a like sum of funds from the local authority that would have been used to fund the bond calls and redemptions and uses those funds to originate new mortgage loans in the respective geographic region. Bonds refunded under the Cooperative Endorse Agreements for the fiscal year ended June 30, 1999 were as follows:

Dunham Springs Housing Finance Authority	\$ 1,345,000
Stateport Home Mortgage Authority	2,219,827
Lafayette Public Trust Authority	1,400,000
Minors Housing Authority	833,000
	<u>\$ 5,897,827</u>



**LOUISIANA HOUSING FINANCE AGENCY**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**

**11. Concentration of Credit Risk**

The Agency's HOME program loans of the general fund are issued to single family borrowers and multi-family low income housing project developers residing and located in Louisiana. A substantial portion of the multi-family low income housing project loans are issued to produce twenty three units.

**12. Risk Management**

The Agency is exposed to various risks of loss related to theft, theft of, damage to, and destruction of assets; fires and explosions and injuries to employees. To provide coverage for these risks, the Agency participates with the State of Louisiana's Office of Risk Management (ORM), a public entity risk pool currently operating as a common risk management and insurance program for branches of state government. The Agency pays an annual premium to ORM for this coverage.

**13. HUD Acquisition Properties**

The Agency was the owner of five low income multifamily rental properties during the year ended June 30, 1998. These properties were originally purchased from the U.S. Department of Housing and Urban Development (HUD) at a cost of \$1 each. Included in the tenant population are Section 8 qualified persons for which the Agency receives housing assistance payments. As owner of these properties, the Agency assumes all rights and responsibilities with regard to rents, maintenance and compliance with federal regulations.

As mentioned in Note 2, these rental properties' assets, liabilities and activities are accounted for in separate funds but are combined with the Agency's General Fund in the accompanying financial statements. Assets and liabilities of the properties are considered to be restricted and the net income to be into operating revenue to the Agency.

In May of 1999, the Agency sold the Woodvale rental property for \$1. The net equity of the property as of the date of sale of \$180,342, along with \$51,080 of net assets funds earmarked for repairs for the property was transferred to the purchaser. These transfers are reported as contributions under non operating income and expense. This transaction fulfills the Agency's obligation to rehabilitate this rental property for HUD.

**LOUISIANA HOUSING FINANCE AGENCY**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**

**14. 1988 Taxable Municipal Bond Program**

The 1988 Multifamily Bond issue went into default during fiscal 1992 because the Guaranteed Investment Contract (GIC), purchased with the proceeds of the bond sale, went into default. The default was caused by the insolvency of the insurance company which issued the GIC, Executive Life Insurance of California (ELIC). ELIC was placed in conservatorship by the Superior Court of California on April 11, 1991. That insolvency proceeding has now been concluded and the trustee of the bonds, as the owner of the GIC, is a participant in the liquidation of Executive Life. The bondholders selected a payment option which allowed them to participate in the liquidation proceeds. Most of the assets available for distribution have been liquidated and distributed. Future distributions are possible but not guaranteed. Additionally, amounts are likely to be nominal, and accordingly, the assets, liabilities and activities of this bond issue are not included in these financial statements.

**15. Subsequent Events**

The following bonds were issued subsequent to year end:

<u>Mortgage Revenue</u> <u>Bond Program</u>	<u>Date Issued</u>	<u>Amount</u>
1989 H.C. Single Family	7/31/89	\$ 76,915,000

On September 19, 1989, the Agency sold all GPMMA guaranteed loans held in trust by the 1989 Single Family Program. These loans had an aggregate carrying value of \$33,934,871 as of the date of disposition. Proceeds from the sale of the securities, along with proceeds from the redemptions of GICs and other investments, were placed into trust accounts designated for retirement of the Series 1989 Single Family Bonds scheduled to occur on December 1, 1989.

On September 16, 1989, the Agency sold two of its HUD Disposition Rental properties for \$1 each. The combined net equity of these properties as of June 30, 1989 was \$999,606. Restricted cash earmarked for repairs and maintenance of these properties of \$47,308 was transferred to the purchaser. This transaction fulfills the Agency's obligation to rehabilitate these properties.



**Pastelthumrite & Natterville**  
A Professional Accounting Corporation

8000 United Plaza Blvd., Suite 1001 - Baton Rouge, Louisiana 70802  
Telephone (225) 733-4400 - FAX (225) 733-4411  
www.pnps.com

**INDEPENDENT AUDITORS' REPORT ON**  
**SUPPLEMENTAL INFORMATION**

To the Board of Commissioners  
Louisiana Housing Finance Agency  
Baton Rouge, Louisiana

Our audit was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the combined financial statements of the Louisiana Housing Finance Agency. Such information has been subjected to the auditing procedures applied in the audit of the combined financial statements and, in our opinion, is fairly presented in all material respects in relation to the combined financial statements taken as a whole.

The Year 2000 supplemental information on page 79 is not a required part of the basic financial statements, but supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that the Agency is or will become Year 2000 compliant, that the Agency's Year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Agency does business are or will become Year 2000 compliant.

*Pastelthumrite & Natterville*

Baton Rouge, Louisiana  
September 17, 1999





**REQUIRED SUPPLEMENTAL INFORMATION**



## LOUISIANA HOUSING FINANCE AGENCY

### ENCLOSURES REGARDING YEAR 2000 READINESS

The State of Louisiana and particularly the Louisiana Housing Finance Agency is proactively approaching year 2000 readiness and currently developing and implementing a comprehensive year 2000 plan. We are firmly committed to addressing all internal and external issues that may affect our year 2000 readiness.

Through executive orders issued in 1996 and 1998, Governor Murphy J. Foster has directed all State entities, departments, and agencies to:

1. Evaluate the impact of the Year 2000 date change on their current information systems;
2. Determine which systems must be corrected or replaced; and
3. Initiate corrective action that will be in effect on or before July 3, 1999, to assure that their services or operations will not be interrupted due to the Year 2000 date change.

As a result, the LHFA has a plan underway to become year 2000 ready for our mission critical systems by mid 1999. The LHFA has identified a six phase process for becoming Y2K ready. The phases are: planning, inventory, evaluation, testing, implementation, and contingency planning. As of September 17, 1999, the Agency has completed five of the six phases and is currently working on the contingency planning phase. Nevertheless, even the most conscientious efforts cannot guarantee that every problem will be found and remedied prior to January 1, 2000. LHFA is focusing on critical operating and business systems and will have contingency plans in place to deal with any problems that may occur.

While management believes its planning efforts are adequate to address its Year 2000 concerns, there can be no guarantee that the systems of the Agency or the systems of other agencies/companies on which the Agency's systems and operations rely, will be converted on a timely basis and that the Year 2000 issue will not have a material impact.



**SUPPLEMENTAL COMBINING INFORMATION**

**JUNE 30, 1999**



EUROPLANNING INVESTMENT SERVICES  
 CONSOLIDATED BALANCE SHEETS  
 SUPPLEMENTARY CONSOLIDATED INFORMATION  
 2010 to 2012  
 (All figures in EUR million)

	2012 Mutifamily Strategy	2012 P&N Mutifamily Strategy	2012 Euro P&N Mutifamily Strategy	2012 Euro P&N Mutifamily Strategy	2012 Euro P&N Mutifamily Strategy
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	0	0	1	1	43
INVESTMENTS - at cost, which approximate market value	0	0	10,000	0	1,000
MORTGAGE LOANS RECEIVABLE	0	0	1	664	1,000
ACCRUED INTEREST RECEIVABLE	0	0	0	1	0
DEFERRED FINANCING COSTS - net of accumulated amortization	0	0	0	1	0
OTHER ASSETS	0	0	0	0	0
<b>TOTAL ASSETS</b>	<b>0</b>	<b>0</b>	<b>10,002</b>	<b>676</b>	<b>1,143</b>
<b>LIABILITIES AND FUND BALANCES</b>					
ACCUMULATED DEFICITS AND DEFERRED INCOME	0	0	0	11	17
ACCRUED INTEREST PAYABLE	0	0	0	1	0
NOTES AND BONDS PAYABLE	0	0	10,000	664	1,000
EURO TREASURY STOCK FUNDS	0	0	0	0	0
<b>TOTAL LIABILITIES</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>676</b>	<b>1,117</b>
FUND BALANCES	0	0	1	(1)	26
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>0</b>	<b>0</b>	<b>10,001</b>	<b>675</b>	<b>1,143</b>

Talley Item 000 Unit/Line Group	Wynick 000 Unit/Line Group	Wynick B 000 Unit/Line Group	FRMAD Unit/Line Group	000 Colum Town Unit/Line Group	000 Linnell Town Unit/Line Group	000 Wooded Night Unit/Line Group
	0	75	100	1,000	500	20
	0	65	80	1,700	1,000	0
	100	1,470	1,700	1900	11,700	1,000
	0	10	20	80	100	0
	0	0	0	100	100	100
	0	0	0	0	0	0
	100	1,570	1,720	1,980	12,800	1,100
	0	100	0	0	0	0
	1	70	140	800	400	0
	100	1,500	1,600	1,700	1,000	1,000
	0	0	0	100	0	0
	100	1,500	1,600	1,800	1,000	1,000
	0	100	110	1,100	500	100
	100	1,600	1,710	1,900	1,500	1,100

THE PENNSYLVANIA FINANCE AGENCY  
 FUNDING BALANCE SHEET  
 SUPPLEMENTAL COMBINED INFORMATION  
 June 30, 1999  
 (IN MILLIONS OF DOLLARS)

	1997 Full Year Multiyear Mortgage	1998 Yield Mortg. Multiyear Mortgage	1999 to Sept. 2000 Multiyear Mortgage	UNPAID Funding Multiyear Mortgage	1997 to Decem- ber Multiyear Mortgage
<b>ASSETS</b>					
CASH AND/OR OTHER INVESTMENTS	50	30	100	673	0
DEFERRED - a net which approximates net value	907	846	0	123	200
REVERSE LOAN RECEIVABLE	1,100	1,044	1,000	6,214	6,260
ACQUISITION COST RECEIVABLE	40	11	10	121	10
DEFERRED FUNDING COSTS - net of accumulated amortization	30	104	60	113	117
OTHER ASSETS	0	0	0	64	0
<b>TOTAL ASSETS</b>	<b>1,217</b>	<b>1,931</b>	<b>1,170</b>	<b>7,101</b>	<b>6,577</b>
<b>LIABILITIES AND FUNDED BALANCES</b>					
ADVANCED LOAN RECEIVABLE (REVERSE LOAN)	0	0	0	0	0
ACCUMULATED INTEREST PAYABLE	30	60	10	40	107
OTHER LOAN RECEIVABLE	3,007	2,900	3,113	4,485	4,567
LOAN TO BE FUNDING COSTS	0	0	0	0	0
<b>Total LIABILITIES</b>	<b>3,037</b>	<b>2,960</b>	<b>3,123</b>	<b>4,525</b>	<b>4,674</b>
<b>FUND BALANCE</b>	<b>91</b>	<b>971</b>	<b>47</b>	<b>60</b>	<b>193</b>
<b>Total LIABILITIES and FUND BALANCE</b>	<b>3,128</b>	<b>3,931</b>	<b>3,170</b>	<b>4,585</b>	<b>4,867</b>



2007 Annual Living Multiunit Mortgage	2007 Mega Square Multiunit Mortgage	2008 Residential Multiunit Mortgage	2008 Residential VIE Multiunit Mortgage	Total Multiunit Mortgage
435	0	665	0	1,100
1,000	0	0	1,000	2,000
17,094	2,500	9,127	1,000	29,721
400	0	164	0	564
100	0	404	0	504
0	0	0	48	48
<u>21,029</u>	<u>2,500</u>	<u>10,256</u>	<u>1,048</u>	<u>35,033</u>
0	0	0	140	140
0	0	140	0	140
0	0	0	1,000	1,000
<u>0</u>	<u>0</u>	<u>140</u>	<u>1,140</u>	<u>1,280</u>
<u>21,029</u>	<u>2,500</u>	<u>10,396</u>	<u>1,188</u>	<u>35,113</u>
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>21,029</u>	<u>2,500</u>	<u>10,396</u>	<u>1,188</u>	<u>35,113</u>

LOUISIANA BUSINESS FINANCE SOURCE  
 COMMONS INC. AND SERIES  
 B LIMITED PARTNERSHIPS INFORMATION  
 JUNE 30, 1999  
 (THOUSANDS OF DOLLARS)

	1998	1999	1999	2000	2000
	Single	Single	Single	Single	Single
	Family	Family	Family	Family	Family
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	0	1,074	603	13	208
INVESTMENTS—at cost, which approximates market value	0	48,011	0	0	0
DEFERRED LOAN RECEIVABLE	0	11,703	17,549	1,049	1,662
RECEIVABLE DEFERRED RECEIVABLE	0	247	143	0	0
DEFERRED FINANCING COSTS— at cost of associated investments	0	0	0	0	0
OTHER ASSETS	0	0	0	0	0
<b>TOTAL ASSETS</b>	<b>0</b>	<b>61,035</b>	<b>18,295</b>	<b>1,072</b>	<b>1,870</b>
<b>LIABILITIES AND FUND BALANCES</b>					
ACCUMULATED DEFERRED DEFERRED INCOME	0	0	0	0	0
ACCUMULATED DEFERRED PAYABLE	0	173	0	10	11
NOTE AND BOND PAYABLE	0	55,093	17,984	1,000	1,668
DEF. TO FUNDING BODY FUND	0	0	0	0	0
<b>TOTAL LIABILITIES</b>	<b>0</b>	<b>55,266</b>	<b>17,984</b>	<b>1,010</b>	<b>1,679</b>
FUND BALANCES	0	61	140	0	1,991
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>0</b>	<b>61,327</b>	<b>18,124</b>	<b>1,010</b>	<b>1,991</b>





1992 (B)	1992 (FB)	1992 (FB)	1992 (B)	1992 (FB)
Single Family (House 1)	Single Family (House 1)	Single Family (House 1)	Single Family (House 1)	Single Family (House 1)
66	244	173	80	424
0	0	413	0	40
1,706	10,154	10,241	1,270	14,473
26	12	64	38	93
67	66	64	144	133
0	0	0	0	0
<b>1,796</b>	<b>10,466</b>	<b>11,294</b>	<b>1,422</b>	<b>14,760</b>

0	0	1	1	10
0	0	0	102	48
1,680	10,020	11,000	1,400	13,750
26	12	64	1	0
<b>1,686</b>	<b>10,032</b>	<b>11,065</b>	<b>1,404</b>	<b>13,808</b>
170	474	102	50	104
<b>1,856</b>	<b>10,506</b>	<b>11,167</b>	<b>1,454</b>	<b>13,912</b>

THE PRINCIPAL FINANCIAL AGENCY  
 COMBINED BALANCE SHEET  
 SUPPLEMENTARY COMBINING INFORMATION  
 PER 12/31/04  
 (DOLLARS IN THOUSANDS)

	2002-02	2003-04	2004-04	2004-04	2004-04
	Single	Single	Single	Single	Single
	Family	Family	Family	Family	Family
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	679	27	498	627	478
DEPOSITS - of which approximate 60% is FDIC	1,200	1,151	973	699	99
NET INVESTMENT RECEIVABLES	41,847	33,497	39,663	26,733	13,811
ACCRUED INTEREST RECEIVABLE	29	104	193	80	113
DEFERRED FINANCING COSTS - net of accumulated amortization	380	374	244	364	190
OTHER ASSETS	40	0	0	0	0
<b>TOTAL ASSETS</b>	<b>45,175</b>	<b>35,053</b>	<b>81,068</b>	<b>34,493</b>	<b>18,581</b>
<b>LIABILITIES AND OTHER BALANCES</b>					
ACCRUED LIABILITIES AND DEFERRED INCOME	49	50	0	93	0
ACCRUED INTEREST PAYABLE	100	87	171	151	80
NOTES AND BONDS PAYABLE	41,046	32,970	79,792	33,689	40,034
DEFERRED PORTFOLIO REVENUE	27	0	20	40	84
<b>TOTAL LIABILITIES</b>	<b>42,222</b>	<b>33,107</b>	<b>80,083</b>	<b>34,273</b>	<b>40,258</b>
<b>OTHER BALANCES</b>	<b>2,953</b>	<b>1,946</b>	<b>1,085</b>	<b>2,220</b>	<b>4,323</b>
<b>TOTAL LIABILITIES AND OTHER BALANCES</b>	<b>45,175</b>	<b>35,053</b>	<b>81,168</b>	<b>36,493</b>	<b>44,581</b>



2007-12	2006-12-31	2005-12-31	2004-12-31	2003-12-31	2002-12-31	2001-12-31	Total All Company Revenue (Best Case)
Single Family	Single Family	Single Family	Single Family	Single- Family Trusts	Single- Family Trusts	Single Family	
0	1	102	100	0	0	0,071	11,011
0	0	0,154	10,100	10,400	11,400	107,791	108,440
0	0	11,004	10,140	0	0	100,000	100,000
144	0	0	141	0	0	1,000	40,000
140	0	0	700	0	0	1,000	0,170
0	0	0	0	0	0	0	100
0	0	11,156	11,040	10,400	11,400	107,791	108,751
0	0	0	0	0	0	100	100
111	0	100	100	0	0	1,000	0,100
0	0	0,000	10,000	10,000	11,000	100,000	100,000
0	0	0	0	0	0	1,000	100
111	0	0,000	10,000	10,000	11,000	100,000	100,000
1,000	0	1,000	1,100	0	1,100	11,000	10,000
0	0	11,100	11,100	10,100	11,100	100,000	100,000

ILLINOIS ECONOMIC DEVELOPMENT AGENCY

FINANCIAL STATEMENTS OF RECEIPTS, EXPENSES, AND TRANSFERS BY FUND BALANCE

SUPPLEMENTARY COMPARATIVE INFORMATION

YEAR ENDED JUNE 30, 1999

(EXRESSED IN DOLLARS)

FUND	1998		1999		1999	
	Actual	Budget	Actual	Budget	Actual	Budget
Multi-Family	Multi-Family	Multi-Family	Multi-Family	Multi-Family	Multi-Family	Multi-Family
Single-Family	Single-Family	Single-Family	Single-Family	Single-Family	Single-Family	Single-Family
<b>REVENUE</b>						
Interest Income -						
Investments	0	104	60	0	0	0
Mortgage fees	0	0	0	44	40	24
Transfers for interest	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total revenue	0	104	60	44	40	24
<b>EXPENSES</b>						
Interest	0	104	60	44	40	24
Amortization of deferred financing costs	0	0	0	1	0	0
General and administrative	0	0	0	0	1	0
Provision for loan loss	0	0	0	0	0	0
Total expenses	0	104	60	45	41	24
<b>NET INCREASE (DECREASE) OF REVENUE</b>						
<b>OVER EXPENSES RECEIVED OPERATIONS</b>						
MULTIFAMILY TRANSFERS	0	0	0	0	0	0
<b>OPERATIONS AND FINANCIAL TRANSFERS</b>						
Interest free	0	0	0	0	0	0
<b>NET INCREASE (DECREASE) OF REVENUE</b>						
<b>OVER EXPENSES FINANCING COSTS</b>						
FINANCIAL ASSETS - Beginning of year	44	0	1	43	35	0
FINANCIAL ASSETS - Transfers	125	0	0	0	0	0
FINANCIAL ASSETS - Total year	0	0	1	43	35	0

Western 1991	Western 2 1991	1991-1992	1991 -Other Years	1991 General Funds	1991 Rural High
Monthly Mortgage	Monthly Mortgage	Monthly Mortgage	Monthly Mortgage	Monthly Mortgage	Monthly Mortgage
0	0	100	157	24	7
476	176	173	1,180	147	690
0	0	0	0	0	0
0	0	0	0	0	0
522	346	643	1,337	271	757
200	208	603	1,264	228	200
0	0	0	22	7	0
0	4	24	49	4	3
0	0	0	0	0	0
200	208	627	1,337	232	203
11	0	0	0	0	0
0	7	0	0	0	0
11	13	0	0	0	0
104	100	604	664	170	630
0	0	0	0	0	0
611	620	1,231	1,368	342	630



1997	1998	1999	Total
State Income	Provision/Con.	Excise Tax	Income
Multistate	Multistate	Multistate	Multistate
(\$/yr)	(\$/yr)	(\$/yr)	(\$/yr)
17	27	18	1,000
100	100	200	8,750
0	0	0	0
0	0	0	0
117	127	118	10,000
<hr/>			
100	100	200	9,400
7	27	18	170
10	0	17	450
0	0	0	0
117	127	117	10,000
<hr/>			
0	0	100	270
<hr/>			
0	0	0	20
<hr/>			
0	0	100	400
0	0	0	1,200
0	0	0	100
0	0	100	1,200
<hr/>			
0	0	100	1,200
<hr/>			

**LONG-TERM DEBTING FINANCIAL STATEMENTS**

**PERIODS ENDING YEAR ENDING, EXPENSES, AND FINANCIAL STATEMENTS**

**STATEMENT OF COMPREHENSIVE INCOME**

**STATEMENTS OF EQUITY**

(THOUSANDS OF DOLLARS)

	2024		2023		2022	
	Fourth Quarter	Year	Fourth Quarter	Year	Fourth Quarter	Year
<b>REVENUES</b>						
Interest income						
Investments	768	3,079	31	1	71	33
Foreign sales	454	2,076	1,537	527	449	174
Commodities income	404	0	0	0	0	0
Other	1,761	0	0	0	0	0
Total revenues	<u>3,397</u>	<u>5,155</u>	<u>1,568</u>	<u>528</u>	<u>520</u>	<u>207</u>
<b>EXPENSES</b>						
Interest	499	1,759	1,479	129	129	284
Amortization of debt (including zero)	0	0	0	0	24	13
Structural adjustments	0	0	0	0	54	4
Provision (benefit) for tax	0	0	0	0	0	0
Total expenses	<u>499</u>	<u>1,759</u>	<u>1,479</u>	<u>129</u>	<u>207</u>	<u>284</u>
<b>OTHER DEBITORS OF REVENUES</b>						
<b>OTHER EXPENSES BEFORE OPERATING</b>						
<b>INVESTMENT TRANSFERS</b>						
	2,121	0	0	1	400	14
<b>OPERATING INCOME (LOSS) BEFORE TAX</b>	<u>11</u>	<u>336</u>	<u>89</u>	<u>398</u>	<u>313</u>	<u>193</u>
<b>TAX EXPENSE (BENEFIT) BEFORE DEFERRED TAX</b>						
	0	0	0	0	0	0
<b>INCOME (LOSS) BEFORE DEFERRED TAX</b>	<u>11</u>	<u>336</u>	<u>89</u>	<u>398</u>	<u>313</u>	<u>193</u>
<b>DEFERRED TAX EXPENSE (BENEFIT)</b>						
	1,305	145	17	14	435	14
<b>INCOME (LOSS) AFTER DEFERRED TAX</b>	<u>1,316</u>	<u>191</u>	<u>72</u>	<u>384</u>	<u>848</u>	<u>179</u>
<b>FINANCIAL STATEMENTS - Beginning of year</b>						
<b>FINANCIAL STATEMENTS - End of year</b>	<u>1,887</u>	<u>0</u>	<u>100</u>	<u>7</u>	<u>1,493</u>	<u>283</u>
<b>FINANCIAL STATEMENTS - Beginning of year</b>						
<b>FINANCIAL STATEMENTS - End of year</b>	<u>(1,992)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,295</u>	<u>0</u>
<b>FINANCIAL STATEMENTS - Beginning of year</b>						
<b>FINANCIAL STATEMENTS - End of year</b>	<u>0</u>	<u>0</u>	<u>(100)</u>	<u>0</u>	<u>(1,295)</u>	<u>(179)</u>





2016 (R)	2015 (R)	2014	2013 (R)
Single Family	Single Family	Single Family	Single Family
Contract	Contract	Contract	Contract
41	47	45	40
400	449	214	1,000
0	0	0	0
0	0	0	0
441	496	159	1,040
135	140	400	1,040
10	20	14	10
0	0	0	0
0	0	0	0
145	160	414	1,050
70	100	0	100
75	60	0	100
10	44	97	100
104	104	100	100
0	0	0	0
114	144	97	100

LOUISIANA INDUSTRIAL FINANCE ASSOCIATION  
 CONDENSED STATEMENT OF REVENUES, EXPENSES, AND TRANSFER FROM BALANCE  
 SHEET FOR THE QUARTER ENDED 3/31/2004 AND 3/31/2003  
 (ALL FIGURES IN THOUSANDS, UNLESS  
 OTHERWISE INDICATED)

	3/31/04	3/31/04	3/31/03	3/31/03
	Single	Single	Single	Single
	Family	Family	Family	Family
<b>REVENUES:</b>				
<b>Interest Income:</b>				
Decrease	198	122	60	60
Mortgage loans	2,002	2,026	2,430	2,476
Transitions fee income	0	0	0	0
Other	0	0	0	0
<b>Total interest</b>	<u>2,199</u>	<u>2,148</u>	<u>2,490</u>	<u>2,936</u>
<b>EXPENSES:</b>				
Interest	1,000	1,007	1,000	1,000
Amortization of deferred financing costs	(4)	(2)	(2)	(2)
General and administrative	105	1	4	4
Provision (Credit for bad debt)	0	0	(2)	0
<b>Total expenses</b>	<u>1,099</u>	<u>1,005</u>	<u>1,002</u>	<u>1,006</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENSES OPERATING AND OTHER REVENUES</b>				
	100	143	488	930
<b>OPERATING AND OTHER TRANSFERS (Income)</b>				
	<u>24</u>	<u>(66)</u>	<u>(50)</u>	<u>(50)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS</b>				
	124	77	438	880
<b>FINANCIAL BALANCE - Beginning of year</b>				
	3,488	3,485	816	700
<b>FINANCIAL BALANCE - Transfers</b>				
	0	0	0	0
<b>FINANCIAL BALANCE - End of year</b>				
	<u>3,612</u>	<u>3,561</u>	<u>1,254</u>	<u>1,580</u>



1997-2000	1997-2000	1997-2000	1997-2000	1997-2000	1997-2000	1997-2000	Total	Total all
Single	Single	Single	Single	Single	Single	Single	Single	Single
Family	Family	Family	Family	Family	Family	Family	Family	Family
100	100	100	1,000	1,000	100	100	5,700	11,400
4,500	4,500	0	1,000	100	0	0	20,000	10,000
0	0	0	0	0	0	0	400	400
0	0	0	0	0	0	0	1,700	1,700
1,000	1,000	100	11,000	1,100	100	100	40,000	20,000
1,000	1,000	100	1,000	1,000	100	100	10,000	10,000
10	10	0	10	10	10	10	10	100
1	1	1	10	10	0	0	100	100
0	0	0	0	0	0	0	0	0
1,000	1,000	100	1,000	1,000	100	100	10,000	10,000
100	100	10	10	10	100	100	1,000	1,000
100	0	0	0	0	0	0	1,000	1,000
10	100	10	10	10	100	100	1,000	1,000
1,000	100	0	1,000	0	0	0	10,000	10,000
1,000	1,000	10	1,000	1,000	100	1,000	10,000	10,000
1,000	1,000	1	1,000	1,000	10	1,000	10,000	10,000

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**DEPARTMENT OF COMMERCE**  
**BUREAU OF ECONOMIC ANALYSIS**  
**UNITED STATES OF AMERICA**  
**DEPARTMENT OF COMMERCE**

	Assets	Net Liabilities	Net Worth	Reserves
1966	1965	1966	1965	1965
Millions	Millions	Millions	Millions	Millions
Change	Change	Change	Change	Change

**CASH AND CASH EQUIVALENTS**

**ACTIVITIES**

Assets obtained from operations					
net income from operations	0	0	0	10	0
adjustments to reconcile assets					
acquired net income to retained					
previously operating activities					
Amortization of deferred					
Intangibles	0	0	0	0	0
Amortization of acquisition intangibles					
Discount operations	0	0	0	0	0
Amortization of deferred financing costs	0	0	0	0	0
Amortization of deferred income taxes	0	0	0	0	0
Other in sale of securities	0	0	0	0	0
Dividends received from	0	0	0	0	0
Companies					
Interest income on	0	0	0	0	0
Interest income payable	0	0	0	0	0
Interest payable	0	0	0	0	0
Provision for income tax expense	0	0	0	0	0
Change in net pension	0	0	0	0	0
Change in net deferred income tax	0	0	0	0	0
Net change in cash and cash equivalents	0	0	0	10	0
Net cash provided by					
Operating activities	0	0	0	10	0

**CASH FLOWS FROM FINANCING ACTIVITIES**

Change in cash and cash equivalents	0	0	0	0	0
Net income provided	0	0	0	0	(10)
Net change in cash	0	0	0	0	0
Net cash provided by					
Financing activities	0	0	0	0	0



College Area 1980	Western 1980	Western II 1981	1981 1982	1982 1983	1983 1984	1984 1985
Multi-Entry Manager	Multi-Entry Manager	Multi-Entry Manager	Multi-Entry Manager	Multi-Entry Manager	Multi-Entry Manager	Multi-Entry Manager

0	17	13	160	0	10	0
---	----	----	-----	---	----	---

0	0	0	12	10	7	10
---	---	---	----	----	---	----

0	0	0	0	0	0	0
---	---	---	---	---	---	---

0	2	0	0	0	10	0
---	---	---	---	---	----	---

0	0	0	0	0	0	0
---	---	---	---	---	---	---

0	0	0	0	0	0	0
---	---	---	---	---	---	---

0	0	0	0	0	0	0
---	---	---	---	---	---	---

0	0	0	0	0	0	0
---	---	---	---	---	---	---

0	0	17	107	0	0	0
---	---	----	-----	---	---	---

0	10	10	10	70	10	0
---	----	----	----	----	----	---

0	1	0	10	0	0	0
---	---	---	----	---	---	---

0	0	0	0	0	0	0
---	---	---	---	---	---	---

0	0	0	0	0	0	0
---	---	---	---	---	---	---

10	10	10	10	100	10	100
----	----	----	----	-----	----	-----

10	10	10	10	10	10	10
----	----	----	----	----	----	----

0	0	0	0	100	0	0
---	---	---	---	-----	---	---

0	1000	1000	1000	1000	1000	0
---	------	------	------	------	------	---

0	10	10	10	100	10	0
---	----	----	----	-----	----	---

0	10	10	100	10	100	0
---	----	----	-----	----	-----	---



**INDUSTRY AND/OR FINANCIAL RISKY  
 PERFORMANCE RATING OF CASH FLOWS  
 SUPPLEMENTARY FINANCIAL INFORMATION  
 TO CONSOLIDATED FINANCIAL STATEMENTS  
 OF P&N ENERGY CORP.**

2017	2016	2015	2014	2013	2012
Total	Total	Total	Total	Total	Total
Operating	Operating	Operating	Operating	Operating	Operating
Investing	Investing	Investing	Investing	Investing	Investing
Financing	Financing	Financing	Financing	Financing	Financing

**CASH FLOW FROM OPERATIONS**

**2017 (in \$)**

**Operating activities**

**Income before provision for income taxes**

18      15      14      (10)      20      2

**Adjustments to reconcile income**

**before provision for income taxes**

**provided by operating activities:**

**Depreciation and amortization**

2      4      8      8      3      26

**Accumulated mortgage loan foreclosed**

**allowance (reversal)**

0      0      0      (10)      0      0

**Amortization of bond discount (premium)**

(2)      (2)      (2)      0      (4)      (7)

**Amortization of deferred (income) taxes**

0      0      0      0      0      0

**Gain (loss) on sale of assets**

0      0      0      0      0      0

**Provision for bad debts**

0      0      0      0      0      0

**Other (a):**

**Increased interest receivable**

0      0      1      (10)      0      (10)

**Increased interest payable**

0      0      0      (1)      0      0

**Increased prepaid**

0      0      0      0      0      (2)

**Increased accrued and other assets**

0      0      0      0      0      0

**Mortgage loan purchased**

0      0      0      0      0      0

**Mortgage loan principal payments received**

27      11      13      50      41      0

**Net cash provided (used)**

**operating activities**

18      27      25      11      21      21

**CASH FLOW FROM INVESTING AND FINANCING**

**2017 (in \$)**

**Investing activities**

**Acquisition of intangible assets**

0      0      0      (10)      0      0

**Investment in real estate**

(1,075)      (243)      0      (1,035)      (243)      (1,144)

**Business combination**

1,215      102      0      1,798      (64)      1,149

**Net cash provided (used)**

**investing activities**

140      (141)      0      753      (267)      25





LEXIPASS FORTUNE PLACER AGENCY  
 CONSOLIDATED FINANCIAL STATEMENTS  
 SUPPLEMENTAL CONDENSED FINANCIAL  
 STATEMENTS as of 2009  
 (CONTINUED OF TABLE)

	2008	2008	2008	2008	2008	2008
	Single	Single	Single	Single	Single	Single
	Family	Family	Family	Family	Family	Family
	DOLLAR					
	Thousands					
<b>CHAM PLAIN FROM OPERATING ACTIVITIES</b>						
Excess utilization of resources						
over expansion/completion	3,700	240	11	10	470	0
adjustment to resource usage						
on loans and expenses to net cash						
provided by financing activities						
Acquisition of Federal						
Financing asset	100	0	0	0	100	0
Amortization of mortgage loan investment						
Reconstruction	0	(80)	(30)	0	0	0
Amortization of bond discount (premium)	0	0	0	0	0	0
Amortization of deferred income taxes	0	0	(30)	0	1,700	0
Increase in allowance	1,700	0	0	0	0	0
Provision for loan loss	0	0	0	0	0	0
Change in						
Accrued interest receivable	100	70	50	1	21	0
Accrued interest payable	(400)	0	(70)	(0)	(40)	(7)
Accounts payable	(800)	(30)	0	0	100	0
Unsettled current and other assets	0	0	0	0	0	(20)
Mortgage loans purchased	0	0	0	0	0	100
Mortgage loan principal payments received	10,000	10,000	1,000	200	1,000	100
Net cash provided (used)						
operating activities	11,700	10,000	1,000	191	1,271	100
<b>FINANCING FROM OPERATING ACTIVITIES, ACQUISITIONS</b>						
Dividend payment to other assets	0	0	0	0	0	0
Investment purchased	0	11,700	0	0	0	0
Investment sold/repaid	1,000	11,000	0	0	0	0
Net cash provided (used) by						
financing activities	1,000	(1,000)	0	0	0	0





FORM 99	FORM 990	FORM	FORM 990
Single	Single	Single	Single
Family	Family	Family	Family
(Form 9)	(Form 9)	(Form 9)	(Form 9)

20	21	22	23
----	----	----	----

20	21	22	23
----	----	----	----

0	100	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

0	0	0	0
---	---	---	---

0	0	0	0
---	---	---	---

0	0	0	0
---	---	---	---

0	0	0	0
---	---	---	---

0	0	0	0
---	---	---	---

1,000	1,000	1,000	1,000
-------	-------	-------	-------

1,000	1,000	1,000	1,000
-------	-------	-------	-------

0	0	0	0
---	---	---	---

0	0	0	0
---	---	---	---

0	0	0	0
---	---	---	---

0	0	0	0
---	---	---	---



LABORERS' BUSINESS FINANCE AGENCY  
 CONSOLIDATED BALANCE SHEETS OF FUNDS PLACED  
 IN RESERVE FOR FUNDING OPERATIONS  
 YEAR ENDED JUNE 30, 1999  
 (IN THOUSANDS OF DOLLARS)

	1998-99	1998-98	1998-97	1998-96	1997-96
	Single Funds	Single Funds	Single Funds	Single Funds	Single Funds
<b>LIABILITIES AND FUND OPERATIONS</b>					
<b>ACTIVITIES</b>					
Transfers (to)/from operations					
net expenses from operations	168	194	100	105	99
adjustments to account for					
accounting net expenses not fully provided by operating activities					
Amortization of debt					
Banking costs	48	14	26	31	48
Amortization of mortgage loan (increased/ decreased) (prepaid)	71	(17)	(109)	(187)	(70)
Amortization of bond discount (prepaid)	(24)	0	(88)	(29)	(8)
Amortization of defined pension costs	11	7	0	21	22
Other non-cash activities	0	0	0	0	0
Net change for the year	0	0	0	0	0
<b>Other items</b>					
Accrued interest receivable	55	44	0	4	14
Accrued interest payable	(84)	(24)	(9)	(27)	(40)
Accrued payroll	40	40	0	(7)	0
Accrued account payable credit	17	11	10	30	18
Mortgage loan principal payments received	0	0	0	0	(1,370)
Mortgage loan principal payments received	1,487	1,170	2,476	1,827	1,491
Net cash provided/(used) by operating activities	4,081	4,088	2,480	1,886	2,070
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Dividend income on the cash	0	0	0	0	0
Investments purchased	(1,680)	(1,199)	(1,000)	(1,000)	(1,670)
Investment redemptions	19,094	14,500	19,000	18,261	17,788
Net cash provided/(used) by investing activities	17,414	13,301	18,000	17,261	16,118





INTERNATIONAL REPORTS AND  
 COMPANY STATEMENTS OF FINANCIAL  
 PERFORMANCE CONTAINING INFORMATION  
 YEAR ENDED MARCH 31, 2009  
 (IN MILLIONS OF DOLLARS)

	2008		2007		2006	
	Actual	Revised	Actual	Revised	Actual	Revised
	(\$M)	(\$M)	(\$M)	(\$M)	(\$M)	(\$M)
<b>OPERATING PROFIT FROM NON-CAPITAL</b>						
<b>OPERATING ACTIVITIES:</b>						
Net earnings (loss) from operations	100	4	0	0	0	0
Interest-bearing cash	0	0	0	0	0	0
Income tax expense	0	0	0	0	0	0
Income tax expense from non-recurring	0	0	0	0	0	0
Income tax expense and other payable	0	0	0	0	0	0
Income tax expense and other payable	0	0	0	0	0	0
Net cash provided (used) by						
Operating activities	100	4	0	0	0	0
<b>NET FINANCIAL OPERATING PROFIT</b>	100	4	0	0	0	0
<b>FINANCIAL INCOME, beginning of year</b>	22	0	0	0	0	0
<b>FINANCIAL INCOME, end of year</b>	0	0	0	0	0	0
<b>Supplemental disclosures:</b>						
<b>Contract change (loss) gain</b>	0	0	0	0	0	0
<b>Merger (acquisition) and divestiture activities:</b>						
Transaction-related	0	0	0	0	0	0
Income tax expense	0	0	0	0	0	0



Weekend rate	Weekend rate	1991 Weekend Rate	1991 Weekend Rate	1991 Weekend Rate	1991 Weekend Rate
Monday	Monday	Monday	Monday	Monday	Monday
Tuesday	Tuesday	Tuesday	Tuesday	Tuesday	Tuesday

0	0	0	0	0	0
+	+	0	0	0	0
+	+	0	0	0	0
+	+	0	0	0	0
(0)	(0)	(0)	(0)	(0)	(0)

1991	1991	1991	1991	1991	1991
24	24	24	24	24	24
24	24	24	24	24	24
24	24	24	24	24	24

0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0

COMPANIES WITHIN FINANCIAL STATEMENTS  
 CONTAINING STATEMENTS OF PARTICIPANTS  
 WITH FINANCIAL STATEMENTS INFORMATION  
 YEAR ENDED JUNE 30, 2009  
 CONTAINED IN BILLBOARD

2008	2008	2008	2008	2008	2008
Year	Year	to Date	to Date	Year	Year
Market	Market	Market	Market	Market	Market
Multiple	Multiple	Multiple	Multiple	Multiple	Multiple
Multiple	Multiple	Multiple	Multiple	Multiple	Multiple

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

Retained equity (including dividends)	0	0	0	0	0
Retained earnings (net)	0	0	0	0	0
Retained earnings (net)	0	0	0	0	0
Retained earnings (net) and other assets	0	0	0	0	0
Retained earnings (net)	0	0	0	0	0
Retained earnings (net)	(100)	0	(100)	(100)	0

Retained equity (including dividends)

(100)	0	(100)	(100)	(100)	0
-------	---	-------	-------	-------	---

NET INCOME (LOSS) (including dividends)

10	20	1	20	0	20
----	----	---	----	---	----

CASH BALANCE, beginning of year

10	0	100	100	0	100
----	---	-----	-----	---	-----

CASH BALANCE, end of year

20	20	100	120	0	120
----	----	-----	-----	---	-----

Supplemental disclosures

Cash paid during the year for interest

40	10	10	40	10	10
----	----	----	----	----	----

Net cash provided by all financing activities

Dividends received

Interest received

0	0	0	0	0	0
---	---	---	---	---	---



1999-2000			
1999	Estimated	1999	
Multi-Span	Primary	End-of-life	Total
Mortality	Mortality	Mortality	Mortality
Mothers	Mothers	Mothers	Mothers
0	0	0	00
0	0	1,000	1,000
0	0	0	0
0	0	4,000	4,000
0	000	0	(5,000)
<hr/>			
0	000	1,000	(1,000)
<hr/>			
0	(00)	00	00
<hr/>			
0	00	0	1,00
<hr/>			
0	000	00	1,000
<hr/>			
000	000	000	1,000
<hr/>			
0	0	0	0

**UNITED STATES FINANCIAL AGENCY**  
**FINANCIAL STATEMENTS OF CASH FLOWS**  
**SUPPLEMENTARY FINANCIAL INFORMATION**  
**FOR PERIODS ENDING IN 1999**  
**(DOLLARS IN MILLIONS)**

						1997
	1998	1997	1996	1995	1994	1993
	Single	Single	Single	Single	Single	Single
	Family	Family	Family	Family	Family	Family
						Assets
<b>CASH FLOWS FROM OPERATIONS</b>						
<b>INVESTMENT ACTIVITIES</b>						
Net investment equity investments and interests	14,475	0	0	0	(87)	0
Interest-bearing assets	0	0	0	0	0	0
Proceeds from sale	0	0	0	0	0	0
Proceeds from investments and sales payable	0	0	0	0	0	0
Repayment of notes and trade payables	(17,488)	(807)	(2,101)	(188)	(1,448)	(175)
Net cash provided (used) by investing activities	(3,013)	(807)	(2,101)	(188)	(1,448)	(175)
<b>NET CASH FROM (OR) FINANCING ACTIVITIES</b>	0	0	0	0	(44)	0
<b>CASH AND ASSETS, beginning of year</b>	0	440	107	50	182	60
<b>CASH AND ASSETS, end of year</b>	0	1,247	107	12	138	15
<b>Supplemental disclosures:</b>						
Cash and clearing balances for others	175	175	175	175	175	175
<b>Non-cash financing and investing activities:</b>						
Transfer of interests from subsidiaries	175	0	0	0	0	0



PCO's 20	PCO's 2011	2010	2009
High	High	High	High
Trade	Trade	Trade	Trade
Other 20	Other 20	Other 20	Other 20

0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

(2,285)	(1,285)	1,285	(2,285)
---------	---------	-------	---------

(2,285)	(1,285)	1,285	(2,285)
0	0	(284)	0
0	0	0	0
0	0	0	0
0	0	0	0

0	0	0	0
---	---	---	---

0	0	0	0
---	---	---	---



ILLINOIS ECONOMIC DEVELOPMENT AGENCY  
 FINANCIAL STATEMENTS FOR FUND 15-0000  
 REPELLENTS/STAIN RESISTANT FINISHES  
 FISCAL YEAR ENDING 06/30/2008  
 (IF YOU HAVE ANY QUESTIONS)

	2007-08 High Fund	2008-09 High Fund	2009-10 High Fund	2010-11 High Fund	2011-12 High Fund
<b>CASH AND INVESTMENTS RECEIVED:</b>					
<b>FINANCING ACTIVITIES:</b>					
Received equity contributions	0	0	0	0	(50)
Federal financing costs	0	0	0	0	0
Proceeds from sale	0	0	0	0	0
Proceeds from sale of assets	0	0	0	0	0
Interest income on investments	0	0	0	0	0
Net change	0	0	0	0	0
Net cash provided by financing activities	0	0	0	0	0
<b>OPERATING ACTIVITIES:</b>					
Net income	109	(58)	143	43	60
Change in assets, excluding cash	0	0	0	0	0
Change in liabilities, net of cash	0	0	0	0	0
Net change in operating activities	109	(58)	143	43	60
<b>Supplemental disclosure:</b>					
Cash provided by the sale of assets					
	0	0	0	0	0
<b>Non-cash investing and financing activities:</b>					
Transfer of assets	0	0	0	0	0
Investment in assets	0	0	0	0	0



1997-97	1998-98	1999-99	2000-00	2001	1999-99	Total	Total All
Single	Single	Single	Single	Over-20s	Single	Single	Multiple
Family	Family	Family	Family	Family	Family	Family	Business/Real Estate
188	18	195	1,071	81	1,110	18,761	18,761
0	840	880	880	100	1,860	12,073	12,073
0	0	0	0	0	0	0	0
0	14,188	0	14,188	14,188	14,188	181,681	181,681
1,188	14,188	1,075	0	18,069	0	1,140,000	1,140,000
1,188	14,188	1,075	14,188	18,069	14,188	1,140,000	1,140,000
80	0	80	80	1	81	1,000	1,000
100	0	100	0	0	0	1,700	1,700
180	1	181	181	1	183	1,000	1,000
1,448	14,189	1,256	14,188	18,070	14,189	1,141,700	1,141,700
0	840	0	880	0	0	0	0

