PARISH OF JEFFERSON HOME MORTGAGE AUTHORITY
JEFFERSON PARISH, LOUISIANA

Financial Statements and Schedules

December 31, 2002

With Independent Auditors' Report Thereon

PARISH OF JEFFERSON HOME MORTGAGE AUTHORITY

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Independent Auditors' Report

The Board of Trustees
Parish of Jefferson Home Mortgage Authority:

We have audited the accompanying statements of net assets of the Parish of Jefferson Home Mortgage Authority (the Authority), a component unit of the Parish of Jefferson, as of December 31, 2002 and 2001, and the related statements of revenues, expenses and changes in net assets, and cash flows for the years 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2002 and 2001, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in note 1 to the financial statements, the Authority adopted the provisions of Governmental Accounting Standards Board Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for the State and Local Governments*, in 2002.

The Management's Discussion and Analysis on pages 3 through 6 is not a required part of the basic financial statements but is 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 express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated February 24, 2003 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in Schedules 1 through 4 is presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, such information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Postlethwaite & Netterville

Metairie, Louisiana
February 24, 2003

P&N

This section of the Parish of Jefferson Home Mortgage Authority's (the Authority) financial report presents a discussion and analysis of the Authority's financial performance during the fiscal year that ended December 31, 2002. Please read it in conjunction with the Authority's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Authority implemented GASB 34 *Basic Financial Statements – and Management's Discussion and Analysis for the State and Local Governments*, in 2002. The Authority is a component unit of the Parish of Jefferson, Louisiana.

The Authority's equity represents 8% of its assets. With total assets approximating $253 million, the Authority had changes in net assets of approximately $7 million for the year ended December 31, 2002, a return of 2.8% on average assets.

The Authority's financial highlights include:

- The Authority liquidated its 1991 Program's mortgage loans receivable in 2002 resulting in a gain of $73,000.

- The Authority liquidated is bonds payable in the 1991 Program resulting in a loss of $668,000 principally a result of unamortized original issue bond discount. In addition, a loss on investment of $146,000 was recognized due to the transfer of the Rescrop investment securities as a part of the defeasance of the compound interest bonds.

- The Authority's mortgage loan portfolio of GNMA and FNMA certificates appreciated by $8.3 million due to favorable interest rates.

The Authority's net assets increased by $7 million to $20.5 million as of December 31, 2002.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of four parts: management's discussion and analysis (this section), the basic financial statements, the notes to the financial statements, and supplementary information.

The financial statements provide both long-term and short-term information about the Authority's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of other supplementary information that further explains and supports the information in the financial statements.

The Authority's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statements of Revenues, Expenses, and Changes in Net Assets. All assets and liabilities associated with the operation of the Authority are included in the Statements of Net Assets.

Statements of Net Assets report the Authority's net assets. Net assets, the difference between the

Authority's assets and liabilities, are one way to measure the Authority's financial health or position. The increase in the Authority's net assets during 2002 is an indicator of its positive financial health.

FINANCIAL ANALYSIS OF THE AUTHORITY

Net Assets

The Authority's total net assets at December 31, 2002 reached approximately $20.5 million, a 52% increase from net assets as of December 31, 2001 (See Table A-1). Total assets increased 3% to $252 million, and total liabilities increased 0.2% to $232 million.

Table A-1
Parish of Jefferson Home Mortgage Authority
(in thousands of dollars)

	2002	2001	Increase (Decrease)
Cash and cash equivalents	$ 9,496	$ 4,822	$ 4,674
Loans mortgage-backed securities and investments	239,747	235,773	3,974
Other assets	3,685	4,859	(1,174)
Total assets	**252,928**	**245,454**	**7,474**
Other liabilities	44,754	6,134	38,620
Bonds payable	187,641	225,780	(38,139)
Total liabilities	**232,395**	**231,914**	**481**
Net assets, principally restricted for debt	**20,533**	**13,540**	**6,993**
Total liabilities and net assets	$ **252,928**	**$ 245,454**	**$ 7,474**

Total assets increased by $7.5 million due to $43.7 million accumulated in the 2002B program, offset by payments received on mortgage loans receivable and investment securities. Likewise, bonds payable decreased by payments of principal on debt of other programs. Other liabilities increased due to an increase in the line of credit by $39.1 million in the 2002B Program.

Changes in Net Assets

The change in net assets at December 31, 2002 was approximately $7 million or 190% greater than the change at December 31, 2001. Total operating revenues increased by approximately 24% to $22 million, and total operating expenses decreased 2% to approximately $15 million. The changes in net assets are detailed in Table A-2, operating expenses are detailed in Table A-3.

The increase in net assets is primarily a result of favorable interest rate market conditions and the resulting appreciation in investments and GNMA and FNMA participation securities.

Table A-2
Parish of Jefferson Home Mortgage Authority's Changes in Net Assets
(in thousands of dollars)

	2002	2001	Increase (Decrease)
Operating revenues:			
Investment income	$ 12,989	$12,744	$ 245
Appreciation in fair value on investments	8,332	2,122	6,210
Other	838	3,048	(2,210)
Total operating revenues	22,159	17,914	4,245
Operating expenses	15,166	15,513	(347)
Change in net assets	**6,993**	**2,401**	**4,592**
Total net assets, beginning of the year	**13,540**	**11,139**	**2,401**
Total net assets, end of the year	**$ 20,533**	**$13,540**	**$6,993**

Operating revenues increased by 23.7% to $22 million. The increase in revenue by $4.5 million is primary a result of favorable market conditions and the resulting appreciation of $8 million in investments. Investment income on mortgage loans increased as result of a higher average of outstanding loan balances in 2002.

Table A-3
Parish of Jefferson Home Mortgage Authority's Operating Expenses
(in thousands of dollars)

	2002	2001	Increase (Decrease)
Interest on debt	$ 12,736	$12,824	$ (88)
Amortization of bond issuance and other costs	817	979	(162)
Servicing fees	925	878	47
Other	688	832	(144)
Total operating expenses	$ **15,166**	$ **15,513**	**$ (347)**

Operating expenses decreased due to the expected reduction in amortization of bond issuance and the decrease in other costs and a one-time program in 2001 which did not repeat in 2002.

DEBT ADMINISTRATION

Debt Administration

Total indebtedness for bonds payable was $187 million as of December 31, 2002 compared to $226 million in 2001. The decrease in bonds payable is the result of ordinary payments on the bonds and the early liquidation of the 1991 program. The Authority did not issue any long-term bonds in 2002; however, the Authority did accumulate $43.7 million in its 2002B Program which is supported by a line of credit for substantially the same amount. The Authority intends to convert this Program to a long-term program in 2003.

All bond debt and lease covenants have been met.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our bondholders, patrons, and other interested parties with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Parish of Jefferson Home Mortgage Authority at (504) 736-6311.

PARISH OF JEFFERSON HOME MORTGAGE AUTHORITY

Statements of Net Assets
(in thousands)

December 31, 2002 and 2001

Assets		**2002**	**2001**
Cash and cash equivalents (note 2)	$	9,496	4,822
Investment securities at fair value (note 2)		54,906	42,541
Mortgage loans receivable and mortgage-backed securities (note 3)		184,841	193,232
Accrued interest receivable		971	1,325
Bond issuance costs, net (note 1 (f))		2,701	3,497
Prepaid assets		2	19
Other assets		11	18
Total assets	$	252,928	245,454
Liabilities and Net Assets			
Liabilities:			
Bonds payable, net (notes 1(g), 4)	$	187,641	225,780
Line of credit payable to bank (note 4)		43,726	4,588
Accrued interest payable		944	1,432
Deferred commitment fees (note 5)		84	114
Total liabilities		232,395	231,914
Net Assets:			
Restricted for debt		15,167	9,499
Unrestricted		5,366	4,041
Total net assets		20,533	13,540
Total liabilities and net assets	$	252,928	245,454

See accompanying notes to financial statements.

PARISH OF JEFFERSON HOME MORTGAGE AUTHORITY

Statements of Revenues, Expenses
and Changes in Net Assets
(in thousands)

For the years ended December 31, 2002 and 2001

		2002	2001
Operating revenues:			
Investment income on mortgage loans	$	12,989	12,744
Appreciation in fair market value of investments		8,332	2,122
Investment income on investments		1,548	3,044
Commitment fees		30	4
Gain on sale of mortgage loans		73	-
Loss on redemption of bonds		(668)	-
Loss on sale of investments		(145)	-
Total operating revenues		22,159	17,914
Operating expenses:			
Interest on debt (note 1(g))		12,736	12,824
Amortization of bond issuance costs and other costs		817	979
Servicing fees		925	878
Mortgage loan insurance costs		3	28
Trustee fees		107	100
Other operating expenses		578	704
Total operating expenses		15,166	15,513
Change in net assets		6,993	2,401
Net assets at beginning of year		13,540	11,139
Net assets at end of year	$	20,533	13,540

See accompanying notes to financial statements.

PARISH OF JEFFERSON HOME MORTGAGE AUTHORITY

Statements of Cash Flows
(in thousands)

For the years ended December 31, 2002 and 2001

		2002	2001
Cash flows from operating activities:			
Cash receipts for:			
Investment income on mortgage loans	$	13,138	12,528
Investment income on investments		1,638	3,161
Cash payments for:		-	
Interest on bonds		(12,991)	(13,763)
Servicing fees		(925)	(878)
Insurance		(2)	(25)
Other operating expenses		(681)	(831)
Net cash provided by operating activities		177	192
Cash flows from capital financing activities:			
Purchase of other assets		-	(26)
Cash flows from noncapital financing activities:			
Bonds redeemed		(38,383)	(40,026)
Bond proceeds		-	53,804
Proceeds from line of credit		43,726	3,615
Line of credit redeemed		(4,588)	-
Bond issuance costs and underwriter fees		-	(994)
Net cash provided by noncapital financing activities		755	16,399
Cash flows from investing activities:			
Proceeds from sale of investments		33,860	47,152
Acquisition of investments		(46,905)	(34,829)
Acquisition of mortgage loans		(20,030)	(46,334)
Principal receipts from mortgage loans		26,780	18,036
Proceeds from sale of mortgage loans		9,964	-
Proceeds from gain on sale of investment		299	-
Costs related to sale of mortgage loans		(226)	-
Proceeds from real estate owned		-	8
Net cash provided by (used in) investing activities		3,742	(15,967)
Net increase in cash and cash equivalents		4,674	598
Cash and cash equivalents at beginning of year		4,822	4,224
Cash and cash equivalents at end of year	$	9,496	4,822
Reconciliation of changes in net assets to net cash provided by operating activities:			
Changes in net assets	$	6,993	2,401
Adjustments to reconcile changes in net assets to net cash provided by operating activities:			
Amortization of bond issuance and other costs		817	979
Amortization of bond premium		(159)	(724)
Unrealized gains on investments		(8,332)	(2,122)
Realized gain on sale of mortgage loans		(73)	-
Realized loss on sale of bonds		668	-
Realized loss on sale of investments		145	-
Change in assets and liabilities:			
Decrease (increase) in accrued interest receivable		241	(36)
Decrease in prepaid insurance		1	3
Decrease in real estate owned related receivable		-	13
(Increase) decrease in other assets		(17)	73
Decrease in accrued interest payable		(107)	(233)
Decrease in deferred liabilities		-	(162)
Net cash provided by operating activities	$	177	192

(1) Organization and Summary of Significant Accounting Policies

(a) Authorizing Legislation

The Parish of Jefferson Home Mortgage Authority (the Authority) is a public trust, created pursuant to the Constitution and Laws of the State of Louisiana, particularly Chapter 2-A of Title 9 of Louisiana Revised Statutes of 1950, as amended, and the Trust Indenture, dated February 9, 1979, with Jefferson Parish, Louisiana as beneficiary. Pursuant to the Trust Indenture, the Authority is authorized to undertake various programs to assist in the financing and development of home ownership in the public interest within the boundaries of Jefferson Parish, Louisiana.

The Authority has the power to designate its management, the ability to significantly influence its operations and primary accountability for its fiscal matters. However, the Council of the Parish of Jefferson has the ability to remove members of the Authority's Board at will. Consequently, the financial statements of the Authority are included as a component unit of the Parish of Jefferson, Louisiana. This report includes all of the funds of the Authority.

The Authority began operations on August l, 1979 and currently has separate bond Programs as shown with original issuance amounts below:

Date	Issue Name		Amount (in thousands)
September 1, 1982	Single Family Mortgage Revenue Bonds, Series 1982 (1982 Program) (fully redeemed in 1999)	$	19,175
September 1, 1984	Single Family Mortgage Revenue Bonds, Series 1984 (1984 Program) (sold in 1999)	$	31,750
May 1, 1985	Single Family Mortgage Revenue Bonds (except Compound Bonds, Series 1985 interest bonds dated May 21, 1985) (1985 Program) Partially defeased in 1994	$	26,000
October 18, 1994	Taxable Compound Interest Bonds, Series 1994 (partially refunded/ defeased 1985/1994R Program)	$	26,250
August 24, 1987	GNMA Collateralized Single Family Mortgage Revenue Bonds, Series 1987A (1987 Program) (defeased in 1998)	$	38,600

Date	Issue Name		Amount (in thousands)
October 1, 1988	GNMA Collateralized Single Family Mortgage Revenue Bonds, Series 1988A (1988 Program) (defeased in 1998)	$	50,000
June 1, 1989	GNMA Collateralized Single Family Mortgage Revenue Bonds, Series 1989A (1989 Program) (defeased in 2000)	$	50,000
September 1, 1990	GNMA Collateralized Single Family Mortgage Revenue Bonds, Series 1990A (1990 Program) (sold in 2000)	$	25,000
December 20, 1991	Collateralized Mortgage Obligations, Series 1991A (1991 Program) (sold in 2002)	$	59,485
December 1, 1993	Single Family Mortgage Revenue Bonds, Series 1993A and 1993B (Refunding) - (1993 Program)	$	28,350
November 30, 1994	Tax-Exempt Agency Mortgage-Backed Securities, Series1994A (1994 Program)	$	11,835
August 11, 1995	Tax-Exempt Agency Mortgage-Backed Securities, Series 1995A (1995 Program)	$	12,500
November 26, 1996	Tax-Exempt Agency Mortgage-Backed Securities, Series 1996A (1996 Program)	$	18,425
May 27, 1997	Single Family Mortgage Revenue Refunding Bonds Securities, Series 1997B (refunded by 1997A Program)	$	2,705
August 28, 1997	Tax-Exempt Agency Mortgage-Backed Securities, Series 1997A (1997A Program)	$	17,395
November 25, 1997	Tax-Exempt Agency Mortgage-Backed Securities, Series 1997E (1997E Program) (expired in 2000)	$	15,000

Date	Issue Name	Amount (in thousands)
September 1, 1998	Tax-Exempt Agency Mortgage-Backed Securities, Series 1998A1 and A2 and Refunding Securities 1998C1 and C2 (1998AC Program)	$ 37,110
September 1, 1998	Single Family Mortgage Revenue Refunding Bonds, Series 1998D (1998D Program) (expired in 2000)	$ 70,000
July 1, 1999	Single Family Mortgage-Backed Securities Series 1999A1 and A2 and Refunding Securities 1999B1 and B2 (1999AB Program)	$ 51,955
December 1, 1999	Single Family Mortgage Revenue Refunding Bonds, Series 1999C (1999C Program)	$ 75,000
January 15, 2000	Single Family Mortgage Revenue Refunding Bonds, Series 2000A-1 and A-2 and 2001B (2000AB Program)	$ 28,000
June 15, 2000	Single Family Mortgage Revenue Refunding Bonds, Series 2000C1 and C2, 2000D1 and D2, and 2001E (2000CDE Program)	$ 49,400
November 15, 2000	Single Family Mortgage Revenue Refunding Bonds, Series 2000G1 (2000G1 Program)	$ 14,940
January 10, 2001	Single Family Mortgage Revenue Refunding Bonds, Series 2000G2 (2000G2 Program)	$ 20,800
June 27, 2001	Single Family Mortgage Revenue Refunding Bonds, Series 2001BC (2001BC Program)	$ 33,004
December 10, 2002	Single Family Mortgage Revenue Refunding Bonds, Series 2002B (2002B Program)	$ 75,000

Bonds and other obligations issued under the provisions of the Trust Indenture are not a debt or liability of the State of Louisiana, the Parish of Jefferson, or any other political subdivision. 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 bond programs it initiates. In connection with the Programs, the Authority utilizes area financial institutions to originate and service the mortgage notes acquired. In addition, a local area bank has been designated as trustee of the individual bond Programs and has the fiduciary responsibility for the custody and investment of funds.

(b) Change in Accounting

The Authority adopted the provisions of Governmental Accounting Standards Board Statement No. 34 *Basic Financial Statements and Management's Discussion and Analysis for the State and Local Governments* (Statement 34) in 2002, effective January 1, 2001. Statement 34 establishes financial reporting standards for all state and local governments and related entities. Statement 34 primarily relates to presentation and disclosure requirements and had no impact on total net assets presented. The impact of adopting Statement 34 was on the presentation of net assets and the inclusion of management's discussion and analysis.

(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America as applicable to governments. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses, excluding depreciation and amortization, are recorded when a liability is incurred, regardless of the timing of related cash flows. The Authority has no government or fiduciary funds.

The Authority uses fund accounting to report its financial position and results of operations. The accounts of the Authority are organized on the basis of individual programs. The Programs, which are administered by a trustee bank, provide for a separate set of self-balancing accounts which account for bonds issued, debt service and bond redemption requirements, investments, and related revenues and operating expenses. These individual Programs are aggregated in the financial statements to comprise the fund of the Authority.

The Authority's accounts are organized into a single proprietary fund. The enterprise fund (a proprietary fund) is used to account for operations (a) that are operated in a manner similar to private business where the intent of the governing body is that the cost (expense, including deprecation) of providing goods and services to the general public is financed or recovered primarily through user charges or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred and/or changes in net assets is appropriate for capital maintenance.

The Authority's principal operating revenues are the interest and appreciation (depreciation) related to investments and mortgages/mortgage-backed securities. The Authority applies all applicable FASB pronouncements issued on or before November 30, 1989 in accounting for its operations unless those pronouncements conflict or contradict GASB pronouncements.

(d) Cash Equivalents

Cash equivalents consist of all money market accounts and highly-liquid investments with a maturity of three months or less at date of purchase.

(e) Investment Securities

Investments are reported at fair value except for money markets and short-term investments, consisting primarily of financial instruments with a maturity of one year or less at time of purchase, which are reported at cost. Fair value is based on quoted market prices. If quoted prices are not available, fair value is estimated based on similar securities. The investment securities are restricted for the use of the respective Programs with the exception of the investment securities in the 1991 CMO Residual Account, which are unrestricted.

(f) Bond Issuance Costs

Costs related to issuing bonds are capitalized and amortized based upon the methods used to approximate the interest method over the term of the bonds.

(g) Refinancing Gains (Losses)

Gains and losses associated with refundings and advance refundings are being deferred and amortized as a component of interest expense based upon the methods used to approximate the interest method over the term of the new bonds or the remaining term on any refunded bond, whichever is shorter. The new debt is reported net of the deferred amount on the refunding. The deferred amounts are disclosed in note 4.

(h) Commitment Fees

The Authority receives commitment fees from lenders for designating certain funds for the purchase of mortgage loans originated by the lenders. These nonrefundable fees are deferred, and if the commitment is exercised, recognized over the life of the loan as an adjustment of yield, or if the commitment expires unexercised, it is recognized in income upon the expiration of the commitment.

(i) Real Estate Owned

Real estate owned, comprised of real estate acquired in partial settlement of loans, is recorded at the related unpaid loan principal balance at the time of foreclosure. Substantially all costs of maintaining real estate owned are reimbursed under various insurance coverages. The excess of the unpaid principal and accrued interest balances over sales proceeds realized is also reimbursed under various insurance coverages.

(j) Estimates

The Authority has made estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare the balance sheet in conformity with accounting principles generally accepted in the United States of America.

(2) Cash, Cash Equivalents and Investment Securities

Cash deposits and cash equivalents of $9,496,000 and $4,822,000 at December 31, 2002 and 2001, respectively, are held in financial institutions. Nominal bank balances are covered by federal depository insurance. The remaining December 31, 2002 and 2001 balances were comprised of cash equivalents that were invested in money market funds, of which the underlying assets are guaranteed by the U.S. Government. At December 31, 2002 and 2001, investments were held as specifically required under terms of the Trust Indentures. These investments include U.S. Treasury bills, U.S. Treasury notes, and guaranteed investment contracts.

The Authority's investments are categorized below to give an indication of the level of risk assumed by the Authority 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. The fair values of investment securities and cost values of Guaranteed Investment Contracts (GICS) and their category classification at December 31 are as follows:

	2002		2001	
	Fair Value (in thousands)	Category	Fair Value (in thousands)	Category
U.S. Government Securities - 1991 Program	$ 3,169	3	$ 3,318	3
Guaranteed Investment Contracts:				
1993 Program	979	-	921	-
1994 Program	117	-	989	-
1995 Program	340	-	316	-
1996 Program	95	-	506	-
1997A Program	489	-	664	-
1998AC Program	902	-	573	-
1999AB Program	1,135	-	799	-
1999C Program	0	-	548	-
2000AB Program	445	-	4,588	-
2000CDE Program	1,770	-	904	-
2000G1 Program	688	-	875	-
2000G2 Program	503	-	725	-
2001BC Program	548	-	1,160	-
2002B Program	43,726		25,655	-
	$ 54,906		$ 42,541	

Collateral on the guaranteed investment contracts is not required unless the financial institution does not meet certain investment-rating requirements. These investments are unsecured, and the redemption depends solely on the financial condition of the companies which provided the contracts and their ability to pay. At December 31, 2002, the financial institutions met the investment rating requirements and, as a result, no collateral is currently pledged for any program.

(3) Mortgage Loans Receivable

Mortgage loans receivable for the 1993 Program consists of the mortgage loan receivable remaining from the 1983 Program and include mortgage loans represented by fully modified mortgage pass-through certificates (GNMA certificates) backed by certain qualifying mortgage loans for single-family residences located within the Parish of Jefferson. Mortgage loans receivable for the 1994, 1995, 1996, 1997A, 1998AC, 1999AB, 2000AB, 2000CDE, 2000G1, 2000G2, and 2001BC Programs represent mortgage pass-through certificates (GNMA and FNMA certificates) backed by certain qualifying mortgage loans for single-family residences located within the Parish of Jefferson. The GNMA certificates are fully guaranteed by the United States government; the Authority is not responsible for mortgage loan insurance. The FNMA certificates of the 1994, 1995, 1996, 1997A, 1998AC, 1999AB, 2000AB, 2000CDE, 2000G2, and 2001BC loans are fully guaranteed by the Federal National Mortgage Association, a federally chartered and stockholder-owned corporation. As of December 31, 2002 no loans have been issued for the 1999C and 2002B Programs.

In the 1993 Program, each mortgage loan purchased by the Authority is insured for mortgage default under various policies. Additionally, mortgage loans are insured under a master policy of supplemental mortgage insurance and under a master policy of special hazard insurance. Each participating mortgage lender services those loans purchased from it by the Authority and receives compensation for services rendered. The mortgage loans have stated interest rates to the Authority as follows:

1993 Program-GNMA	5.900%
1993 Program-First Lien	7.750%
1994 Program	7.990%
1995 Program	7.190%
1996 Program	6.730%
1997A Program	6.580%
1998AC Program	6.220%
1999AB Program	6.745%
2000AB Program	7.490%
2000CDE Program	7.320%
2000G1 Program	5.630%
2000G2 Program	6.500%
2001BC Program	6.740%

The fair values of GNMA and FNMA certificates, their category classification, and mortgage loans receivable at amortized cost at December 31 are as follows:

	2002			
	Mortgage-backed Securities at Fair Value	Category	Mortgage Loans Receivable at Amortized Cost	Total
	(amounts in thousands)			
GNMA Certificates:				
1993 Program	$ 10,204	1	$ 2,057	12,261
1994 Program	3,609	1	-	3,609
1995 Program	5,718	1	-	5,718
1996 Program	10,882	1	-	10,882
1997A Program	10,994	1	-	10,994
19998AC Program	20,088	1	-	20,088
1999AB Program	20,195	1	-	20,195
2000AB Program	12,857	1	-	12,857
2000CDE Program	18,456	1	-	18,456
2000G1 Program	9,237	1	-	9,237
2000G2 Program	18,910	1	-	18,910
2001BC Program	26,964	1	-	26,964
	168,114		2,057	170,171
FNMA Certificates:				
1994 Program	709	1	-	709
1995 Program	654	1	-	654
1996 Program	934	1	-	934
1997A Program	2,087	1	-	2,087
1998AC Program	1,859	1	-	1,859
1999AB Program	2,865	1	-	2,865
2000AB Program	614	1	-	614
2000CDE Program	2,459	1	-	2,459
2000G2 Program	1,021	1	-	1,021
2001BC Program	1,468	1	-	1,468
	14,670		-	14,670
	$ 182,784		$ 2,057	184,841

	2001			
	Mortgage-backed Securities at Fair Value	Category	Mortgage Loans Receivable at Amortized Cost	Total
		(amounts in thousands)		
GNMA Certificates:				
1991 Program	$ -	-	$ 11,603	11,603
1993 Program	11,371	1	2,594	13,965
1994 Program	4,494	1	-	4,494
1995 Program	6,880	1	-	6,880
1996 Program	12,441	1	-	12,441
1997A Program	11,910	1	-	11,910
19998AC Program	20,925	1	-	20,925
1999AB Program	21,261	1	-	21,261
2000AB Program	14,898	1	-	14,898
2000CDE Program	21,891	1	-	21,890
2000G1 Program	12,332	1	-	12,333
2000G2 Program	18,077	1	-	18,077
2001BC Program	7,338	1	-	7,338
	163,818		14,197	178,015
FNMA Certificates:				
1994 Program	907	1	-	907
1995 Program	1,141	1	-	1,141
1996 Program	1,045	1	-	1,045
1997A Program	2,374	1	-	2,374
1998AC Program	1,918	1	-	1,918
1999AB Program	3,073	1	-	3,073
2000AB Program	898	1	-	898
2000CDE Program	2,982	1	-	2,982
2000G2 Program	879	1	-	879
	15,217		-	15,217
	$ 179,035		$ 14,197	193,232

4) Bonds Payable

Bonds payable are as follows at December 31:

		2002	2001
Collateralized Mortgage Obligations, Series 1991A dated December 20, 1991 – bonds redeemed in their entirety in 2002.	$	-	11,544
Single Family Mortgage Revenue Bonds, Series 1993A and Series 1993B dated December 1, 1993 - $11,175 (net of $33 in bond discount) due serially from June 1, 2014 to December 1, 2024 at 6.00%, and $985 due December 1, 2013 at 6.00%.		12,130	14,719
Tax-Exempt Agency Mortgage-Backed Securities, Series 1994A dated November 30, 1994 - $4,105 due December 1, 2026 at 7.55%		4,105	5,445
Tax-Exempt Agency Mortgage-Backed Securities, Series 1995A dated August 29, 1995- $1,740 due December 1, 2020 at 6.20%, and $4,300 due December 1, 2026 at 6.65%		6,040	8,110
Tax-Exempt Agency Mortgage-Backed Securities, Series 1996A dated November 26, 1996 - $3,495 due June 1, 2020 at 5.8% and $8,000 due June 1, 2028 at 6.15%		11,495	13,985
Tax-Exempt Agency Mortgage-Backed Securities, Series 1997A dated August 1, 1997 - $2,425 due December 1, 2017 at 5.20%, $5,000 due June 1, 2023 at 5.63%, and $5,295 due December 1, 2028 at 5.85%		12,720	14,600

		2002	2001
Tax-Exempt Agency Mortgage-Backed Securities, Series 1998A-1 dated September 1, 1998 - $2,575 due December 2023 at 5.00%, $6,655 due December 2024 at 5.40%, $5,195 due December 2026 at 5.20%, and $7,265 due December 2029 at 5.25% (plus bond premium of $200)	$	21,890	24,247
Single Family Mortgage Revenue Refunding Bonds, Series 1999A-1 dated July 1, 1999 - $4,715 due June 1, 2031 at 5.72%; $1,735 due December 1, 2012 at 5.00%, $6,950 due June 1, 2026 at 5.72%, $9,370 due June 1, 2031 at 6.75%; (plus premium on bonds of $410)		23,180	25,040
Single Family Mortgage Revenue Refunding Bonds, Series 2000A-1 dated January 15, 2000 - $3,110 due December 1, 2023 at 6.40%, $6,575 due December 1, 2023 at 7.50%, and $3,200 due June 1, 2031 at 6.50% (plus premium on bonds of $341)		13,226	16,370
Single Family Mortgage Revenue Refunding Bonds, Series 2000C-1 dated June 15, 2000 - $1,930 due June 1, 2029 at 7.00%, $3,950 due June 1, 2031 at 6.15%, and $1,945 due June 1, 2032 at 7.25%; Series 2000C-2 dated June 15, 2000 – matured on June 29, 2001; Tax-Exempt Agency Mortgage-Backed Refunding Securities, Series 2000D-1 dated June 15, 2000 - $930 due June 1, 2010 at 5.60%, $5,135 due December 1, 2025 at 6.10%, and $5,835 due June 1, 2026 at 7.50%; Series2000D-2 dated June 15, 2000 – matured on June 29, 2001; Taxable Agency Mortgage-Backed Refunding Securities, Series 2000E dated June 15, 2000 - $1,300 due June 1, 2032 at 8.00% (plus premium on bonds of $476)		21,501	26,222

		2002	2001
Single Family Mortgage Revenue Refunding Bonds, Series 2000G1 dated November 15, 2000 - $8,920 due December 1, 2021 at 5.875%	$	8,920	12,130
Single Family Mortgage Revenue Refunding Bonds, Series 2000G2 dated January 10, 2001 - $840 due December 1, 2010 at 4.625%; $995 due June 1, 2020 at 5.45%; $2,065 due December 1, 2020 at 5.45%; $1,455 due December 1, 2031 at 5.55%; $5,100 due June 1, 2032 at 5.55%; and $8,830 due June 1, 2032 at 6.3% (plus premium on bonds of $683)		19,968	20,740
Single Family Mortgage Revenue Bonds, Series 2001B-1 dated June 27, 2001 - $2,415 due December 1, 2021 at 5.4%; $3,530 due December 1, 2023 at 5.0% thereafter 6.625%; $4,420 due June 1, 2032 at 5.5%; $4,000 due December 1, 2032 at 5.5%; $7,260 due December 1, 2033 at 5.25% thereafter 6.65%; Series 2001B-2 dated June 27, 2001 - $5,085 due June 1, 2018 at 5.0% thereafter 6.625%; and Series 2001C dated June 27, 2001 - $4,810 due December 1, 2033 at 6.110% (plus premium on bonds of $1,175)		32,695	33,004
Total bonds payable		187,870	226,156
Deferred loss on the 1983 (1993 Program) current refunding		(4)	(15)
Deferred loss on the 1989 (2000G1 Program) current refunding		(225)	(361)
	$	187,641	225,780

The Authority is in compliance with its bond covenants.

PARISH OF JEFFERSON HOME MORTGAGE AUTHORITY

Notes to Financial Statements
(in thousands)

December 31, 2002

A summary of scheduled bond maturities (in thousands) as of December 31, 2002 is as follows:

	2003	2004	2005	2006	2007	2008-2012	2013-2017	2018-2022	2023-2027	2028-2032	2033-2037	Premiums (Discounts)	Total
Principal:													
1993 Program	-	-	-	-	-	-	985	-	11,175	-	-	(33)	12,127
1994 Program	-	-	-	-	-	-	-	-	4,105	-	-		4,105
1995 Program	-	-	-	-	-	-	-	1,740	4,300	-	-	-	6,040
1996 Program	-	-	-	-	-	-	-	3,495	-	8,000	-	-	11,495
1997A Program	-	-	-	-	-	-	-	2,425	5,000	5,295	-	-	12,720
1998AC Program	-	-	-	-	-	-	-	-	14,425	7,265	-	200	21,890
1999AB Program	-	-	-	-	-	-	1,735	-	6,950	14,085	-	410	23,180
2000 AB Program	-	-	-	-	-	3,110	-	-	6,575	3,200	-	341	13,226
2000 CDE Program	-	-	-	-	-	930	-	-	10,970	9,125	-	476	21,501
2000 G1 Program	-	-	-	-	-	-	-	8,920	-	-	-	(226)	8,694
2000 G2 Program	-	-	-	-	-	840	-	3,060	-	15,385	-	683	19,968
2001 BC Program	-	-	-	-	-	-	-	7,500	3,530	8,420	12,070	1,175	32,695
Total	-	-	-	-	-	4,880	2,720	27,140	67,030	70,775	12,070	3,026	187,641
Interest:													
1993 Program	730	730	730	731	731	3,653	2,763	1,293	190	-	-	-	11,551
1994 Program	310	310	310	310	310	1,550	1,550	1,549	1,239	-	-	-	7,438
1995 Program	394	394	394	394	394	1,969	1,969	1,753	1,144	-	-	-	8,805
1996 Program	695	695	695	695	695	3,474	3,474	3,068	2,460	492	-	-	16,443
1997A Program	717	717	717	717	717	3,587	3,587	2,956	1,830	310	-	-	15,855
1998AC Program	1,140	1,140	1,140	1,140	1,139	5,698	5,698	5,698	3,835	763	-	-	27,391
1999AB Program	1,386	1,386	1,386	1,387	1,387	6,932	6,499	6,499	6,101	2,976	-	-	35,939
2000 AB Program	900	900	900	900	900	4,501	4,501	4,501	3,705	2,311	-	-	24,019
2000 CDE Program	1,426	1,426	1,426	1,426	1,426	7,026	6,870	6,869	5,805	2,467	-	-	36,167
2000 G1 Program	524	524	524	524	524	2,620	2,620	2,096	-	-	-	-	9,956
2000 G2 Program	1,125	1,125	1,125	1,125	1,125	5,547	5,431	5,097	4,597	4,517	-	-	30,814
2001 BC Program	1,928	1,928	1,928	1,928	1,928	9,638	9,638	8,161	6,420	6,199	777	-	50,473
Total due each year	11,275	11,275	11,275	11,277	11,276	56,195	54,600	49,540	37,326	20,035	777	-	274,851
Total due	$ 11,275	11,275	11,275	11,277	11,276	61,075	57,320	76,680	104,356	90,810	12,847	3,026	462,492

The bonds in the 1993 Program are secured by an assignment and pledge of and security interest in: (i) all mortgage loans and the income therefrom (including all insurance proceeds with respect to the mortgage loans), (ii) the Authority's rights and interests in and to the agreement and (iii) all monies and securities held under the Trust Indentures, including monies in the funds and accounts created pursuant thereto (excluding certain monies representing excess investment earnings, if any, required to be remitted to the United States Government in accordance with the Trust Indentures).

Under the Trust Indentures, the Authority has the option to redeem bonds maturing on or after December 1, 2003 (1993 Program) at 102% of the then outstanding balance and subsequently lesser prices declining to par; December 1, 2007 (1997A Program) at 102% of the then outstanding balance and subsequently lesser prices declining to par; April 1, 2008 (1998AC) at 102% of the then outstanding balance and subsequently lesser prices declining to par; June 1, 2009 long term bonds (1999AB Program) at 102% and June 1, 2009 premium bonds (1999AB Program) at 103% of the then outstanding balance and subsequently lesser prices declining to par; December 29, 2009 long term bonds (2000AB Program) at 103% of the then outstanding balance and subsequently lesser prices declining to par; June 1, 2010 long term bonds (2000CDE Program) at 102% and Series C-1 bonds at 105% of the then outstanding balance and subsequently lesser prices declining to par; December 1, 2010 long term bonds (2000G1 Program) at 102% at the then outstanding balance and subsequently lesser prices declining to par, and December 1, 2010 long term bonds (2000G2 and 2001BC) at 102% at the then outstanding balance and subsequently lesser prices declining to par and December 1, 2011 at 101% at the then outstanding balance and subsequently lesser prices declining to par. The Authority has no option to redeem bonds in the 1994 Program.

In 2002, mortgage loans in the 1991 Program were sold resulting in a gain of $73,000. In connection with the termination of the 1991 Program, the bonds payable were called and the current interest bonds in the amount of $668,000 was recognized as a result of the original issued discount. The compound interest bonds were defeased through the transfer of the Rescorp investment securities resulting in a loss of investment of $146,000.

In addition, in 2002, the Authority entered into a line of credit with a local bank, with an interest rate of 1.42%, secured by the 2002B bonds. The Authority authorized the issuance of $33,004,000 Single Family Mortgage Revenue Refunding Bonds, Series 2002B to be issued as a draw down bond. The bonds proceeds will be used to refund portions of one or more of the Authority’s outstanding bond issues. These bonds were not issued as of December 31, 2002.

In 2001, the 1985/1994R Program was sold resulting in a gain of $76,456. The gain is included in investment income on mortgage loans. In 2000, the 1989 Program was defeased and the 2000G1 bonds were issued in conjunction with the defeasance. Consequently, all residual funds from the 1989 Program were transferred to the 2000G1 Program upon its defeasance. In addition, the 1990 Program redeemed its bonds in their entirety at 102% of par.

The principal balance on defeased bonds outstanding at December 31 are as follows:

		2002	2001
1979 Program - (defeased by the 1991 Program)	$	51,550,000	51,550,000
1985 Program - (defeased by the 1994 "1985" Program)	$	32,595,000	32,595,000
1991 Program Class Z Bonds	$	676,000	-

(5) Deferred Commitment Fees

As of December 31, 2002 and 2001, deferred commitment fees consisted of $84,000 and $114,000, respectively, related to the 1993 Program.

(6) Net Assets

The net assets included in the 1991 Program, totaling $5,366,000 and $4,041,000 as of December 31, 2002 and 2001, respectively, are for the benefit of all Programs and available to the Authority for its purpose of promoting and providing residential housing in the Parish of Jefferson. Although unrestricted to a particular Program, the unreserved net assets must be maintained by the Authority until all bonds and Programs are liquidated. The remaining net assets are reserved for specific operating uses as described in the trust indentures.

(7) Commitments

In February 1997, the Authority signed an operating lease for office space for a term of ten years, beginning on May 1, 1997 and ending on April 30, 2007. The lease requires an annual payment of $17,160.

PARISH OF JEFFERSON HOME MORTGAGE AUTHORITY

Schedule of Assets, Liabilities and Net Assets by Progran
(in thousands)

December 31, 2002

See Accompanying Independent Auditors' Repo

	1985/ 1994R Program	1991 Program	1993 Program	1994 Program	1995 Program	1996 Program	1997A Program	1998AC Program	1999AB Program	1999C Program	2000AB Program	2000CDE Program	2000G1 Program	2000G2 Program	2001BC Program	2002B Program	Total
Assets																	
Cash and cash equivalents	$ -	2,161	49	-	-	341	158	106	146	39	145	445	1,476	10	4,413	7	9,496
Investment securities, at fair valu	-	3,169	979	117	340	95	489	902	1,135	-	445	1,770	688	503	548	43,726	54,906
Mortgage loans receivable and mortgage-backed securitie	-	-	12,261	4,318	6,372	11,816	13,081	21,947	23,060	-	13,471	20,915	9,237	19,931	28,432	-	184,841
Accrued interest receivable	-	25	60	24	33	55	62	102	116	-	76	120	55	98	145	-	971
Bond issuance costs, ne	-	-	161	63	111	147	218	255	221	-	205	260	170	354	536	-	2,701
Prepaid insurance	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	2
Other assets	-	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11
Total assets	$ -	5,366	13,512	4,522	6,856	12,454	14,008	23,312	24,678	39	14,342	23,510	11,626	20,896	34,074	43,733	252,928
Liabilities and Net Assets																	
Liabilities																	
Bonds payable, ne	-	-	12,127	4,105	6,040	11,495	12,720	21,890	23,180	-	13,226	21,501	8,694	19,968	32,695	-	187,641
Line of credit payable to bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43,726	43,726
Accrued interest payable	-	-	61	26	33	58	60	95	116	-	75	119	45	94	162	-	944
Deferred commitment fees	-	-	84	-	-	-	-	-	-	-	-	-	-	-	-	-	84
	-	-	12,272	4,131	6,073	11,553	12,780	21,985	23,296	-	13,301	21,620	8,739	20,062	32,857	43,726	232,395
Net assets:																	
Restricted for debt	-	-	1,240	391	783	901	1,228	1,327	1,382	39	1,041	1,890	2,887	834	1,217	7	15,167
Unreserved	-	5,366	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,366
Net assets	-	5,366	1,240	391	783	901	1,228	1,327	1,382	39	1,041	1,890	2,887	834	1,217	7	20,533
Total liabilities and net assets	$ -	5,366	13,512	4,522	6,856	12,454	14,008	23,312	24,678	39	14,342	23,510	11,626	20,896	34,074	43,733	252,928

Schedule 2

PARISH OF JEFFERSON HOME MORTGAGE AUTHORITY

Schedule of Revenues, Expenses and Changes in Net Assets by Progran
(in thousands)

For the year ended December 31, 2002

See Accompanying Independent Auditors' Repor

	1985/ 1994R Program	1991 Program	1993 Program	1994 Program	1995 Program	1996 Program	1997A Program	1998AC Program	1999AB Program	1999C Program	2000AB Program	2000CDE Program	2000G1 Program	2000G2 Program	2001BC Program	2002B Program	Total
Operating revenues:																	
Investment income on mortgage loan:	$ -	522	830	367	517	849	914	1,403	1,556	-	1,029	1,614	851	1,280	1,257	-	12,989
Appreciation in market value of investment:	-	4	853	59	222	558	673	1,475	1,169	-	437	765	28	1,025	1,064	-	8,332
Investment income on investment	-	182	61	27	31	45	56	65	65	162	67	105	66	50	544	22	1,548
Commitment fees	-	-	30	-	-	-	-	-	-	-	-	-	-	-	-	-	30
Gain on sale of mortgage loans	-	73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	73
Loss on redemption of bonds	-	(668)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(668)
Loss on sale of investments	-	(145)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(145)
Total operating revenues	-	(32)	1,774	453	770	1,452	1,643	2,943	2,790	162	1,533	2,484	945	2,355	2,865	22	22,159
Operating expenses:																	
Interest on debt	-	581	818	367	464	771	784	1,213	1,428	110	970	1,604	754	1,095	1,757	22	12,738
Amortization of bond issuance costs and other cost:	-	434	42	5	30	13	27	21	19	-	30	22	101	30	43	-	817
Servicing fees	-	27	63	22	34	61	68	112	119	-	72	108	49	98	92	-	925
Mortgage loan insurance costs	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	3
Trustee fees	-	30	6	1	2	4	4	5	9	-	5	9	4	8	13	-	100
Other operating expenses	-	445	-	-	-	-	-	-	-	34	-	-	-	-	-	104	583
Total operating expenses	-	1,517	932	395	530	849	883	1,351	1,575	144	1,077	1,743	908	1,231	1,905	126	15,166
Changes in net assets before other financing sources	-	(1,549)	842	58	240	603	760	1,592	1,215	18	456	741	37	1,124	960	(104)	6,993
Other financing sources - operating transfer:	(4)	625	(8)	(5)	(17)	(30)	(42)	(56)	(49)	-	(34)	(55)	(42)	(72)	(321)	111	-
Changes in net assets	(4)	(924)	834	53	223	573	718	1,536	1,166	18	422	686	(5)	1,052	639	7	6,993
Net assets at beginning of year	4	6,290	406	338	560	328	510	(209)	216	21	619	1,204	2,892	(218)	578	-	13,540
Net assets at end of year	$ -	5,366	1,240	391	783	901	1,228	1,327	1,382	39	1,041	1,890	2,887	834	1,217	7	20,533

PARISH OF JEFFERSON HOME MORTGAGE AUTHORITY

Schedule of Cash Flows by Progran
(in thousands)

For the year ended December 31, 2002

See Accompanying Independent Auditors' Repo

	1985/ 1994R Program	1991 Program	1993 Program	1994 Program	1995 Program	1996 Program	1997A Program	1998AC Program	1999AB Program	1999C Program	2000AB Program	2000CDE Program	2000G1 Program	2000G2 Program	2001BC Program	2002B Program	Total
Cash flows from operating activities																	
Cash receipts for																	
Investment income on mortgage loan	$ -	600	844	374	529	864	926	1,422	1,575	-	1,047	1,645	872	1,283	1,157	-	13,138
Investment income on investment	-	191	61	28	32	48	57	64	62	162	69	102	67	53	620	22	1,638
Cash payments for																	
Interest on deb	-	(580)	(816)	(375)	(474)	(783)	(792)	(1,240)	(1,472)	(110)	(1,036)	(1,670)	(633)	(1,155)	(1,833)	(22)	(12,991)
Servicing fees	-	(27)	(63)	(22)	(34)	(61)	(68)	(112)	(119)	-	(72)	(108)	(49)	(98)	(92)	-	(925)
Insurance	-	-	(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2)
Other operating expenses	-	(475)	(5)	(1)	(2)	(4)	(3)	(5)	(9)	(34)	(5)	(9)	(4)	(8)	(13)	(104)	(681)
Net cash provided by (used in) operating activities	-	(291)	19	4	51	64	120	129	37	18	3	(40)	253	75	(161)	(104)	177
Cash flows from noncapital financing activities																	
Bonds redeemed	-	(11,938)	(2,585)	(1,340)	(2,070)	(2,490)	(1,880)	(2,340)	(1,825)	-	(3,095)	(4,680)	(3,210)	(715)	(215)	-	(38,383)
Proceeds (redemption) from line of cred	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43,726	43,726
Line of credit redeemed	-	-	-	-	-	-	-	-	-	(4,588)	-	-	-	-	-	-	(4,588)
Operating transfers	(4)	624	(8)	(5)	(17)	(30)	(42)	(56)	(49)	-	(34)	(55)	(42)	(72)	(321)	111	-
Net cash provided by (used in noncapital financing activities	(4)	(11,314)	(2,593)	(1,345)	(2,087)	(2,520)	(1,922)	(2,396)	(1,874)	(4,588)	(3,129)	(4,735)	(3,252)	(787)	(536)	43,837	755
Cash flows from investing activities																	
Proceeds from sale of investmen	-	923	146	201	168	569	83	1	-	4,588	458	123	143	1,004	25,453	-	33,860
Acquisition of investment	-	(529)	(136)	(2)	(3)	(1)	-	(104)	(587)	-	-	(1,018)	(106)	(347)	(346)	(43,726)	(46,905)
Acquisition of mortgage loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20,030)	-	(20,030)
Principal receipts from mortgage loan	-	1,631	2,557	1,142	1,871	2,229	1,877	2,371	2,443	-	2,763	4,722	3,123	51	-	-	26,780
Proceeds from sale of mortgage loan	-	9,964	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,964
Proceeds from gain on sale of investmen	-	299	-	-	-		-	-	-	-	-	-	-	-	-	-	299
Costs related to sale of mortgage loan	-	(226)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(226)
Net cash provided by (used in investing activities	-	12,062	2,567	1,341	2,036	2,797	1,960	2,268	1,856	4,588	3,221	3,827	3,160	708	5,077	(43,726)	3,742
Net increase (decrease) in cash and cash equivalents	(4)	457	(7)	-	-	341	158	1	19	18	95	(948)	161	(4)	4,380	7	4,674
Cash and cash equivalents at beginning of yea	4	1,704	56	-	-	-	-	105	127	21	50	1,393	1,315	14	33	-	4,822
Cash and cash equivalents at end of yea	$ -	2,161	49	-	-	341	158	106	146	39	145	445	1,476	10	4,413	7	9,496
Reconciliation of changes in net assets to net cash provided by (used in) operating activities																	
Changes in net assets	$ -	(1,549)	842	58	240	603	760	1,592	1,215	18	456	741	37	1,124	960	(104)	6,993
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:																	
Amortization of bond issuance and other cost	-	434	42	5	30	13	27	21	19	-	30	22	101	30	43	-	817
Amortization of bond premium	-	-	-	-	-	-	-	(17)	(35)	-	(50)	(40)	135	(57)	(95)	-	(159)
Unrealized gains	-	(4)	(853)	(59)	(222)	(558)	(673)	(1,475)	(1,169)	-	(437)	(765)	(28)	(1,025)	(1,064)	-	(8,332)
Realized gain on sale of mortgage loans	-	(73)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(73)
Realized loss on sale of bonds	-	668	-	-	-	-	-	-	-	-	-	-	-	-	-	-	668
Realized loss on sale of investments	-	145	-	-	-	-	-	-	-	-	-	-	-	-	-	-	145
Changes in assets and liabilities																	
(Increase) decrease in accrued interest receivables	-	88	14	8	13	18	13	18	16	-	21	28	22	6	(24)	-	241
Decrease in prepaid insurance	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	1
Increase in other assets and issuance cost	-	-	(17)	-	-	-	-	-	-	-	-	-	-	-	-	-	(17)
Increase (decrease) in accrued interest payable	-	-	(10)	(8)	(10)	(12)	(7)	(10)	(9)	-	(17)	(26)	(14)	(3)	19	-	(107)
Net cash provided by (used in) operating activities	$ -	(291)	19	4	51	64	120	129	37	18	3	(40)	253	75	(161)	(104)	177

PARISH OF JEFFERSON HOME MORTGAGE AUTHORITY

Schedule of Board Compensation

December 31, 2002 and 2001

Schedule 4

The members of the Authority's Board of Trustees receive per diem payments for meetings attended and services rendered and are also reimbursed for actual expenses incurred in the performance of their duties as members of the Board of Trustees. For the years ended December 31, 2002 and 2001, the following per diem payments were made to the members of the Authority's board:

Number of Meetings:

	Regular Per Diems	**Extra Per Diems**	**2002 Total**	**2001 Total**
Bicknell, Margaret R.	47	20	67	71
Bourg, Alton L.	46	27	73	87
Fradella, Frank	45	24	69	87
Johnson, Marvin	40	14	54	-
Lambert, Robert J.	39	10	49	61
Lay, Fred M.	46	34	80	94
Lewis, Joseph R.	45	15	60	82
Thomas, Anthony	5	1	6	81

Per Diem Payments:

	2002	**2001**
Bicknell, Margaret R.	$ 6,700	7,100
Bourg, Alton L.	7,300	8,700
Fradella, Frank	6,900	8,700
Johnson, Marvin	5,400	-
Lambert, Robert J.	4,900	6,100
Lay, Fred M.	8,000	9,400
Lewis, Joseph R.	6,000	8,200
Thomas, Anthony	600	8,100
	$ 45,800	56,300

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Independent Auditors' Report on the Internal
Control Structure at the Financial Statement Level

The Board of Trustees
Parish of Jefferson Home Mortgage Authority:

We have audited the financial statements of the Parish of Jefferson Home Mortgage Authority (the Authority), a component unit of the Parish of Jefferson, as of and for the year ended December 31, 2002, and have issued our report thereon dated February 24, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 the 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 the Authority's 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.

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This report is intended for the information of the Board of Trustees, management and the State of Louisiana Legislative Auditor's Office, and is not intended to be and should not be used by anyone other than these specified parties.

Postlethwaite & Netterville

Metairie, Louisiana
February 24, 2003

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