

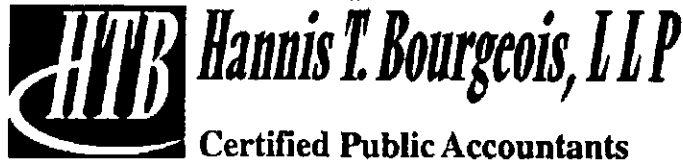
LOUISIANA PUBLIC FACILITIES AUTHORITY
REPORT ON AUDIT OF THE COMPONENT
UNIT FINANCIAL STATEMENTS
DECEMBER 31, 2005
BATON ROUGE, LOUISIANA

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 6-21-06

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March 24, 2006

Independent Auditor's Report

To the Board of Trustees
 Louisiana Public Facilities Authority
 Baton Rouge, Louisiana

We have audited the accompanying financial statements of the Louisiana Public Facilities Authority (A Public Trust), a component unit of the State of Louisiana, as of and for the year ended December 31, 2005, as listed in the foregoing table of contents. These financial statements are the responsibility of management of the Louisiana Public Facilities Authority. Our responsibility is to express an opinion on these financial statements based on our audit.

In addition, Hannis T. Bourgeois, LLP, acting separately, audited the financial statements of the component units discretely presented in the Louisiana Public Facilities Authority's financial statements. The component units audited by us separately, account for 100% of the assets of the component units column on the Balance Sheet.

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. 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 audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Louisiana Public Facilities Authority, as of December 31, 2005, and changes in financial position and cash flows thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 24, 2006, on our consideration of the Louisiana Public Facilities Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. 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.

Management's Discussion and Analysis on pages 3 through 8 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.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental information schedules and "Annual Financial Report" as required by the Louisiana Division of Administration listed in the table of contents is presented for purpose of additional analysis and is not a required part of the basic financial statements of the Louisiana Public Facilities Authority. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements, and, in our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully submitted,

Harold J. Bourgeois, CPA

FINANCIAL STATEMENTS



MANAGEMENT'S DISCUSSION AND ANALYSIS

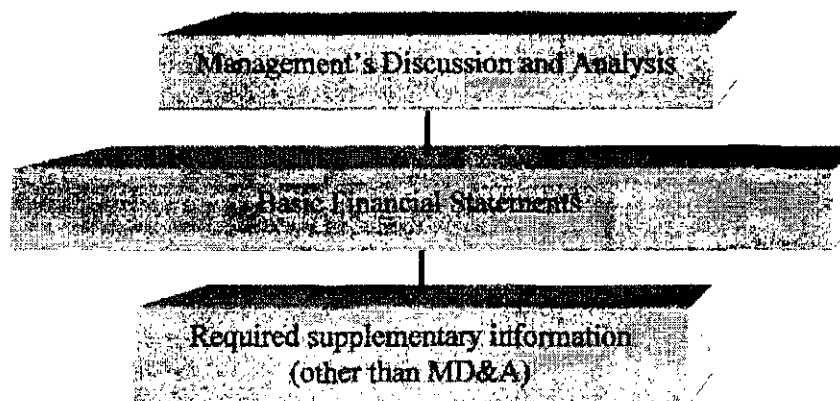
The following Management's Discussion and Analysis (MD&A) of the Louisiana Public Facilities Authority's activities and financial performance provides the reader with an introduction and overview to the financial statements of the Louisiana Public Facilities Authority (Authority) for the fiscal year ended December 31, 2005. The information contained in this MD&A should be considered in conjunction with the information contained in the financial statements that follow this section.

Following this MD&A are the basic financial statements of the Authority together with the notes thereto which are essential to a full understanding of the data contained in the financial statements. In addition to the basic financial statements and accompanying notes, these financial statements also present certain required supplementary information about the Authority.

FINANCIAL HIGHLIGHTS

- The Authority's total assets increased by \$209,530 or approximately 0.98%. Likewise, total net assets increased by \$130,430 or approximately 0.61%.
- Total cash and investments at December 31, 2005 represent approximately 73% of the Authority's total assets.
- Operating revenues increased from the prior year due to increased bond issue volume resulting in an increase in Financing Acceptance Fees and an increase in Program Administrative Fees from our student loan program due to increased loan volume.
- Operating expenses increased over the prior year primarily because of an increase in grant expenses.
- Non-operating revenues increased from the prior year due to higher interest rates on the Authority's investments.

OVERVIEW OF THE FINANCIAL STATEMENTS



The preceding graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.

These financial statements consist of three sections: Management's Discussion and Analysis; the basic financial statements; and the required supplementary information. The basic financial statements also include notes that explain in more detail some of the information in the financial statements.

Basic Financial Statements

The Authority's financial statements are prepared on an accrual basis in accordance with U.S. generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The Authority is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets are capitalized and (except land) are depreciated over their useful lives. See the notes to the financial statements for a summary of the Authority's significant accounting policies.

The financial statements of the Authority report information about the Authority using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Balance Sheet includes all of the Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Authority creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the Authority, and assessing the liquidity and financial flexibility of the Authority. All of the current year's revenues and expenses are accounted for in the Statement of Revenues and Expenses and Changes in Net Assets. This statement measures the success of the Authority's operations over the past year and can be used to determine whether the Authority was profitable and its credit worthiness. The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period. The cash flow statement is prepared using the direct method, and includes the reconciliation of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB 34.

The following is a condensed Balance Sheet at December 31, 2004 and 2005:

	<u>2004</u>	<u>2005</u>
Current and Other Noncurrent Assets	\$ 21,279,948	\$ 21,502,044
Net Capital Assets	100,201	87,635
Total Assets	<u>\$ 21,380,149</u>	<u>\$ 21,589,679</u>
Current Liabilities	\$ 60,250	\$ 139,350
Total Liabilities	<u>\$ 60,250</u>	<u>\$ 139,350</u>
Net Assets		
Invested in Capital Assets, Net of Debt	\$ 100,201	\$ 87,635
Unrestricted	21,219,698	21,362,694
Total Net Assets	<u>\$ 21,319,899</u>	<u>\$ 21,450,329</u>

FINANCIAL ANALYSIS OF THE AUTHORITY

One of the most important questions asked about the Authority's finances is "Is the Authority as a whole better off or worse off as a result of the year's activities?" The Balance Sheet, and the Statement of Revenues and Expenses and Changes in Net Assets report information about the Authority's activities in a way that will help answer this question. These two statements report the net assets of the Authority and changes in them. You can think of the Authority's net assets - the difference between assets and liabilities - as one way to measure financial health or financial position. Over time, increases or decreases in the Authority's net assets are one indicator of whether its financial health is improving or deteriorating. However, you will need to consider other non-financial factors such as changes in economic conditions and new or changed government legislation, both state and federal.

The following is a condensed statement of Revenues, Expenses, and Changes in Net Assets for the fiscal years ended December 31, 2004 and 2005:

	<u>2004</u>	<u>2005</u>
Operating revenues	\$ 1,987,310	\$ 2,144,450
Operating expenses	<u>(1,988,735)</u>	<u>(2,279,057)</u>
Operating income (loss)	(1,425)	(134,607)
Non-operating revenues (expenses)	<u>234,025</u>	<u>265,037</u>
Net increase in net assets	<u>\$ 232,600</u>	<u>\$ 130,430</u>

As detailed in the above summary, the Authority's net assets increased by \$130,430 in fiscal year 2005. This continues the Authority's history of having net income every year since 1994, the first full year after the formation by the Board of Trustees of the Development Committee.

One of the highest priorities of the Board of Trustees and management of the Authority is the preservation of the Authority's assets. Another priority is utilizing these assets for the betterment of the citizens of Louisiana while at the same time preserving the assets for future use by the Authority. With this in mind, the Authority has developed programs where it makes direct loans, primarily to small local governments, at a zero percent interest rate to help buy down the cost of financing for the borrower. Under this philosophy, the Authority restricts the amount of grants it makes and instead focuses on loans where the capital is returned to the Authority in a reasonable amount of time.

There was an increase in operating revenues from fiscal year 2004. The increase in operating revenues resulted primarily from a \$78,505 increase in Financing Acceptance Fees and a \$95,279 increase in Program Administrative Fees. The increase in Financing Acceptance Fees was due to an increase in bond issuance volume from approximately \$596 million in fiscal year 2004 to approximately \$752 million in fiscal year 2005. The increase in Program Administrative Fees was due to the continued growth of the Authority's SuperTop student loan program.

The increase in Operating Expenses was due in large part to a \$293,200 increase in grant expenses during fiscal year 2005.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets:

As of December 31, 2005, the Authority had \$478,710 invested in capital assets consisting mainly of office furniture and equipment. This amount represents a net increase of \$36,864 over last year.

Debt:

The Authority had no outstanding debt as of December 31, 2005.

VARIATIONS BETWEEN ACTUAL AND FINAL BUDGET

The Joint Legislative Committee on the Budget approves the annual operating budget of the Authority.

The following is a summary of the budget adopted by the Authority's Board of Trustees and approved by the Joint Legislative Committee on the Budget for the fiscal year ending on December 31, 2005, compared to the actual operating results for said fiscal year.

	<u>Budget</u>	<u>Actual</u>	<u>Difference</u>
Operating revenues	\$ 2,050,500	\$ 2,144,450	\$ 93,950
Operating expenses	<u>(2,699,630)</u>	<u>(2,279,057)</u>	<u>420,573</u>
Operating Income or (Loss)	(649,130)	(134,607)	514,523
Non-operating revenues	<u>375,000</u>	<u>265,037</u>	<u>(109,963)</u>
Net increase in net assets	<u>\$ (274,130)</u>	<u>\$ 130,430</u>	<u>\$ 404,560</u>

The 2005 budget also authorizes the purchase of \$64,050 in capital assets for the Authority. The cost of these capital assets will be capitalized and written off over the estimated useful life of the assets through depreciation expenses.

Operating Revenues exceeded the budgeted amount due to an increase in the amount of bonds issued and the resulting financing acceptance fees collected in connection therewith.

Operating Expenses were less than expected because of staff vacancies at the Authority and general cost saving measures used by the Authority.

Non-operating revenues were less than budgeted because of unrealized losses on the market value of investments. The Authority does not budget for gains or losses on the value of investments due to the uncertain nature of market conditions that determine such gains or losses.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Authority submits a budget at the beginning of each year for approval by the Authority's Board of Trustees and the Joint Legislative Committee on the Budget. The following is a summary of the budget adopted by the Authority's Board of Trustees and approved by the Joint Legislative Committee on the Budget for the fiscal year ending on December 31, 2006.

Operating revenues	\$ 2,205,500
Operating expenses	<u>(2,890,975)</u>
Operating Loss	(685,475)
Non-operating revenues	<u>400,000</u>
Net increase or (decrease) in net assets	<u>\$ (285,475)</u>

The 2006 budget also authorizes the purchase of \$65,800 in capital assets for the Authority. The cost of these capital assets will be capitalized and written off over the estimated useful life of the assets through depreciation expenses.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the citizens of Louisiana with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Authority at 2237 South Acadian Thruway, Suite 650, Baton Rouge, Louisiana 70808, or visit the Authority's web site at www.lpfa.com.

LOUISIANA PUBLIC FACILITIES AUTHORITY

BALANCE SHEET

AS OF DECEMBER 31, 2005

ASSETS

	<u>Primary Government</u>	<u>Component Units</u>	<u>Total Reporting Entity</u>
Current Assets:			
Cash and Cash Equivalents	\$ 4,329,835	\$ 30,005	\$ 4,359,840
Interest Bearing Deposits	757,540	-	757,540
Investment Securities	381,068	-	381,068
Receivables:			
Advance Costs-Projects	13,895	-	13,895
Program Administrative Fees	264,891	-	264,891
Financing Application Fees	8,000	-	8,000
Project Financing Fees	5,696	-	5,696
Annual Issuer Fees	34,701	-	34,701
Accrued Interest and Dividend Receivable	101,477	-	101,477
Local Government Bond Bank	937,881	-	937,881
Rural Development Loan Program	553,000	-	553,000
Loans to Nonprofit Organizations	112,043	-	112,043
Mortgage Loans Receivable	-	139,362	139,362
	<u>7,500,027</u>	<u>169,367</u>	<u>7,669,394</u>
Prepaid Expenses	15,339	-	15,339
	<u>7,515,366</u>	<u>169,367</u>	<u>7,684,733</u>
Total Current Assets			
Noncurrent Assets:			
Capital Assets:			
Office Furniture and Equipment	468,833	-	468,833
Leasehold Improvements	9,877	-	9,877
	<u>478,710</u>	<u>-</u>	<u>478,710</u>
Less: Accumulated Depreciation	<u>(391,075)</u>	<u>-</u>	<u>(391,075)</u>
Net Capital Assets	87,635	-	87,635
Other Assets:			
Interest Bearing Deposits - Long-Term	3,539,957	-	3,539,957
Investment Securities - Long-Term	6,656,445	-	6,656,445
Receivables - Long-Term:			
Reimbursable Bond Issuance Costs, Less			
Allowance for Doubtful Accounts of \$17,000	149,652	-	149,652
Local Government Bond Bank	1,552,640	-	1,552,640
Loans to Nonprofit Organizations	2,087,984	-	2,087,984
Mortgage Loans Receivable - Long Term	-	11,115,808	11,115,808
Total Other Assets	<u>13,986,678</u>	<u>11,115,808</u>	<u>25,102,486</u>
Total Noncurrent Assets	<u>14,074,313</u>	<u>11,115,808</u>	<u>25,190,121</u>
Total Assets	\$ <u>21,589,679</u>	\$ <u>11,285,175</u>	\$ <u>32,874,854</u>

The accompanying notes are an integral part of this statement.

LIABILITIES AND NET ASSETS

	<u>Primary Government</u>	<u>Component Units</u>	<u>Total Reporting Entity</u>
Current Liabilities:			
Accounts Payable	\$ 139,350	\$ -	\$ 139,350
Mortgage Loans Payable	<u>-</u>	<u>139,362</u>	<u>139,362</u>
Total Current Liabilities	139,350	139,362	278,712
Long-Term Liabilities:			
Mortgage Loans Payable	<u>-</u>	<u>11,115,808</u>	<u>11,115,808</u>
Total Long-Term Liabilities	<u>-</u>	<u>11,115,808</u>	<u>11,115,808</u>
Total Liabilities	139,350	11,255,170	11,394,520
Net Assets:			
Invested in Capital Assets, Net of Related Debt	87,635	-	87,635
Unrestricted	<u>21,362,694</u>	<u>30,005</u>	<u>21,392,699</u>
Total Net Assets	<u>21,450,329</u>	<u>30,005</u>	<u>21,480,334</u>
Total Liabilities and Net Assets	<u>\$ 21,589,679</u>	<u>\$ 11,285,175</u>	<u>\$ 32,874,854</u>

LOUISIANA PUBLIC FACILITIES AUTHORITY

STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2005

	Primary Government	Component Units	Total Reporting Entity
Operating Revenues:			
Program Investment Earnings	\$ 674	-	\$ 674
Project and Program Administrative Fees:			
Finance Acceptance Fees	372,703	-	372,703
Multi-Family Annual Issuer Fees	163,500	-	163,500
Program Administrative Fees	1,595,920	-	1,595,920
Financing Application Fees	11,000	-	11,000
Other Income	653	-	653
Grant - Bond Issue	-	113,866	113,866
Interest - Mortgage Loans	-	634,454	634,454
Total Operating Revenues	2,144,450	748,320	2,892,770
Operating Expenses:			
Administrative Services	78,288	-	78,288
Business Promotion and Economic Development	153,338	-	153,338
Depreciation	49,430	-	49,430
Employees' Salaries and Benefits	928,215	-	928,215
Grant Expense	510,000	113,866	623,866
Insurance	44,474	-	44,474
Interest - Mortgage Loans	-	634,454	634,454
Legal and Accounting Services	56,367	990	57,357
Office Expense	100,659	-	100,659
Other	59,089	52	59,141
Printing, Publications, Dues and Subscriptions	89,572	-	89,572
Rent	147,335	-	147,335
Travel	47,490	-	47,490
Trustee Per Diems	14,800	-	14,800
Total Operating Expenses	2,279,057	749,362	3,028,419
Operating Loss	(134,607)	(1,042)	(135,649)
Non-Operating Revenues (Expenses):			
Interest Income, Net	468,887	-	468,887
Realized and Unrealized Gains and (Losses) on Investments	(203,850)	-	(203,850)
Total Non-Operating Revenues (Expenses)	265,037	-	265,037
Change in Net Assets	130,430	(1,042)	129,388
Total Net Assets - Beginning of Year	21,319,899	31,047	21,350,946
Total Net Assets - End of Year	\$ 21,450,329	\$ 30,005	\$ 21,480,334

The accompanying notes are an integral part of this statement.

LOUISIANA PUBLIC FACILITIES AUTHORITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Primary Government</u>	<u>Component Units</u>	<u>Total Reporting Entity</u>
Cash Flows from Operating Activities:			
Cash Received from Customers	\$ 3,487,420	\$ 748,320	\$ 4,235,740
Cash Payments to Suppliers for Goods and Services	(547,316)	(749,310)	(1,296,626)
Cash Payments to Employees for Services	(928,215)	-	(928,215)
Other Operating Revenues (Expenses)	<u>(672,135)</u>	<u>(52)</u>	<u>(672,187)</u>
Net Cash Provided by (Used in) Operating Activities	1,339,754	(1,042)	1,338,712
Cash Flows from Non-Capital Financing Activities:			
Mortgage Loans Issued	-	(3,681,629)	(3,681,629)
Principal Collections on Mortgage Loans	-	112,971	112,971
Proceeds from Issuance of Mortgage Loans	-	3,681,629	3,681,629
Principal Repayment on Mortgage Loans	<u>-</u>	<u>(112,971)</u>	<u>(112,971)</u>
Net Cash Provided by Non-Capital Financing Activities	-	-	-
Cash Flows From Capital and Related Financing Activities:			
Purchase of Property and Equipment	<u>(36,864)</u>	<u>-</u>	<u>(36,864)</u>
Net Cash Used in Capital and Related Financing Activities	(36,864)	-	(36,864)
Cash Flows From Investing Activities:			
Purchase of Interest Bearing Deposits and Investment Securities	(3,775,012)	-	(3,775,012)
Proceeds from Sale and Maturities of Interest Bearing Deposits and Investment Securities	2,130,948	-	2,130,948
Gain on Sale of Investments	5,062	-	5,062
Interest on Investments, Interest Bearing Deposits and Cash Equivalents	<u>468,887</u>	<u>-</u>	<u>468,887</u>
Net Cash Used in Investing Activities	<u>(1,170,115)</u>	<u>-</u>	<u>(1,170,115)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	132,775	(1,042)	131,733
Cash and Cash Equivalents - Beginning of Year	<u>4,197,060</u>	<u>31,047</u>	<u>4,228,107</u>
Cash and Cash Equivalents - End of Year	<u>\$ 4,329,835</u>	<u>\$ 30,005</u>	<u>\$ 4,359,840</u>

(CONTINUED)

LOUISIANA PUBLIC FACILITIES AUTHORITY

STATEMENT OF CASH FLOWS - CONTINUED

FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Primary Government</u>	<u>Component Units</u>	<u>Total Reporting Entity</u>
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities:			
Operating Loss	\$ (134,607)	\$ (1,042)	\$ (135,649)
Adjustments to Reconcile Loss from Operations to Net Cash Used in Operating Activities:			
Depreciation	49,430	-	49,430
Changes in Assets and Liabilities:			
(Increase) Decrease in Receivables	1,342,970	-	1,342,970
(Increase) Decrease in Prepaid Expenses	2,805	-	2,805
Increase (Decrease) in Accounts Payable	79,156	-	79,156
Net Cash Provided by (Used in) Operating Activities	<u>\$ 1,339,754</u>	<u>\$ (1,042)</u>	<u>\$ 1,338,712</u>
Schedule of Noncash Financial and Investing Activities:			
Amortization of Discounts on Receivables Based on Imputed Interest Rate of 3.91%; Netted with Interest Income	<u>\$ 289,116</u>	<u>\$ -</u>	<u>\$ 289,116</u>
Unrealized Gains and (Losses) on Investments	<u>\$ (208,911)</u>	<u>\$ -</u>	<u>\$ (208,911)</u>

The accompanying notes are an integral part of this statement.

LOUISIANA PUBLIC FACILITIES AUTHORITY

COMBINING STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET ASSETS

ALL DISCRETELY PRESENTED COMPONENT UNITS

FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Louisiana Capital Funding Corporation</u>	<u>Louisiana Equipment Finance Corporation</u>	<u>LPFA Housing Assistance Corporation</u>	<u>Totals</u>
Operating Revenues:				
Grant - Bond Issue	\$ -	\$ -	\$ 113,866	\$ 113,866
Interest - Mortgage Loans	-	-	634,454	634,454
Total Operating Revenues	-	-	748,320	748,320
Operating Expenses:				
Grants - Home Purchase Assistance	-	-	113,866	113,866
Interest - Mortgage Loans	-	-	634,454	634,454
Legal and Accounting Services	495	495	-	990
Other	21	31	-	52
Total Operating Expenses	516	526	748,320	749,362
Change in Net Assets	(516)	(526)	-	(1,042)
Total Net Assets - Beginning of Year	13,900	17,147	-	31,047
Total Net Assets - End of Year	\$ 13,384	\$ 16,621	-	\$ 30,005

The accompanying notes are an integral part of this statement.

LOUISIANA PUBLIC FACILITIES AUTHORITY

COMBINING STATEMENTS OF CASH FLOWS

ALL DISCRETELY PRESENTED COMPONENT UNITS

FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Louisiana Capital Funding Corporation</u>	<u>Louisiana Equipment Finance Corporation</u>	<u>LPFA Housing Assistance Corporation</u>	<u>Totals</u>
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ -	\$ -	\$ 748,320	\$ 748,320
Cash Payments to Suppliers for Goods and Services	(495)	(495)	(748,320)	(749,310)
Other Operating Revenues (Expenses)	(21)	(31)	-	(52)
Net Cash Used in Operating Activities	(516)	(526)	-	(1,042)
Cash Flows From Non-Capital Financing Activities:				
Mortgage Loans Issued	-	-	(3,681,629)	(3,681,629)
Principal Collections on Mortgage Loans	-	-	112,971	112,971
Proceeds from Issuance of Mortgage Loans	-	-	3,681,629	3,681,629
Principal Repayment on Mortgage Loans	-	-	(112,971)	(112,971)
Net Cash Used in Non-Capital Financing Activities	-	-	-	-
Net Decrease in Cash and Cash Equivalents	(516)	(526)	-	(1,042)
Cash and Cash Equivalents - Beginning of Year	13,900	17,147	-	31,047
Cash and Cash Equivalents - End of Year	\$ 13,384	\$ 16,621	\$ -	\$ 30,005
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:				
Operating Loss	\$ (516)	\$ (526)	\$ -	\$ (1,042)
Net Cash Used in Operating Activities	\$ (516)	\$ (526)	\$ -	\$ (1,042)

The accompanying notes are an integral part of this statement.

LOUISIANA PUBLIC FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2005

Note 1 - General Information and Summary of Significant Accounting Policies -

The Louisiana Public Facilities Authority (the Authority), a public trust, was created on August 21, 1974 by the Public Facilities Corporation, a Louisiana corporation, as settler under an Indenture of Trust in accordance with the provisions of the Louisiana Public Trust Act R.S. 9:2341 et seq. The Authority operates under a Board of Trustees.

The purposes of the Authority are to promote, encourage and further the accomplishment of all activities which are or may become of benefit to the State of Louisiana and which have a public purpose. To accomplish these purposes, the Authority issues bonds that provide the proceeds for the furtherance and accomplishment of various public purposes. The issuance of such obligations has been accounted for through trustee accounts maintained with various banks appointed as trustees. The obligations are limited and special obligations of the Authority and, as such, the Authority does not normally have any claims to assets or liabilities relating to the Bond issues. Accordingly, such transactions are not included in the accompanying financial statements until such time as an asset or liability has been determined to exist relating to residual amounts. Total bond principal outstanding at December 31, 2005, for Programs and Projects was approximately \$1,017,880,000 and \$2,908,400,000 respectively.

The following is a summary of certain significant accounting policies:

A. Scope of Reporting Entity

For reporting purposes, the State of Louisiana is the financial reporting entity. The financial reporting entity consists of (a) the primary government (state), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Louisiana Public Facilities Authority is considered a component unit of the State of Louisiana because the state has financial accountability over the Authority in that the Louisiana Joint Legislative Committee on the Budget has the authority to approve and amend the Authority's budget and the governor appoints all the Board of Trustees and can impose his/her will on the Authority. The accompanying financial statements present information only on the funds maintained by the Louisiana Public Facilities Authority and do not present information on the state, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

In addition, the Governmental Accounting Standards Board (GASB) Statement No. 14, the Financial Reporting Entity, established criteria for determining which component units should be considered part of the Authority for financial reporting purposes. The basic criteria are as follows:

LOUISIANA PUBLIC FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS - CONTINUED

DECEMBER 31, 2005

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Authority to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Authority.
2. Organizations for which the Authority does not appoint a voting majority but are fiscally dependent on the Authority.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Authority's management has included the following discretely presented component units in the financial reporting entity:

- The Louisiana Capital Funding Corporation (LCFC) is a nonprofit Louisiana Corporation that was organized to promote, support, aid and assist the Authority's Local Government Capital Funding Program. The LCFC has a December 31, 2005 year-end.
- The Louisiana Equipment Finance Corporation (LEFC) is a nonprofit Louisiana Corporation that was organized to promote, support, aid and assist with the Authority's programs. The LEFC has a January 31, 2005 fiscal year end.
- The Louisiana Municipal Assistance Corporation (LMAC) is a nonprofit Louisiana Corporation that was organized to provide assistance to local governments with the Authority's programs. At December 31, 2005, the LMAC had no assets or liabilities.
- In March 2003, the Authority created the LPFA Housing Assistance Corporation (LHAC) for the purpose of assisting persons of low to moderate income with the purchase of homes through a lease-purchase program. LHAC has a December 31, 2005 year end. The Authority issued its LPFA Variable Rate Lease Purchase Revenue Bonds, Series 2003, to fund this lease-purchase program. Under the program, a participant (the Participant) works with the independent program administrators and a financial institution to become qualified to participate in the program. Once the participant has been approved by a financial institution, the Participant then identifies a house for purchase. LHAC then purchases the house identified by the Participant and leases the house to the Participant. LHAC pays the purchase price of the house by signing a mortgage (the Mortgage) in an amount equal to approximately 97% of the purchase price negotiated by the seller and the Participant. The remaining approximately 3% of the purchase price is paid from the proceeds of the Lease Purchase Revenue Bonds as part of the down payment and closing costs assistance provided to the Participant by the program. The lease terms are 39 months and the Participant assumes the Mortgage at the expiration of the lease. The approximately 3% of the purchase price paid from the proceeds of the Lease Purchase Revenue Bonds is treated as a grant from the Lease Purchase Revenue Bonds to LHAC and

LOUISIANA PUBLIC FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS - CONTINUED

DECEMBER 31, 2005

then a grant by LHAC to the Participant. The mortgage loan receivable and related payments are recorded on the balance sheet of the component unit financial statement. In effect, LHAC is merely a conduit in assisting individuals purchase their personal residences and therefore mortgage loans receivable will equal mortgage loans payable. The Authority and LHAC do not anticipate the generation of income from the leasing and subsequent transfer of the homes to the respective Participants.

B. Measurement Focus and Basis of Accounting

Measurement Focus - On January 1, 2001, the Authority adopted the provisions of Statement No. 34 ("Statement 34") of the Governmental Accounting Standards Board "*Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments.*"

Statement 34 established standards for external financial reporting for all state and local governmental entities which includes a statement of net assets, a statement of revenues and expenses and changes in net assets and a statement of cash flows.

The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

Basis of Accounting - The Authority uses the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized at the time liabilities are incurred or economic asset used.

Under the provisions of GASB Statement 20, "Accounting and Financial Reporting for Proprietary Fund Accounting," the Authority follows pronouncements of the GASB and has elected not to follow Financial Accounting Standards Board guidance issued subsequent to November 30, 1989.

Financial statement presentation of the LCFC, LEFC, and LHAC follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the LCFC, LEFC, and the LHAC are required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets as applicable. As of December 31, 2005, there were no temporary or permanently restricted net assets.

The financial statements of the LCFC, LEFC, and LHAC have been prepared on the accrual basis in which revenue is recognized when earned and expenses are recognized when incurred.

LOUISIANA PUBLIC FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS - CONTINUED

DECEMBER 31, 2005

C. Budgets and Budgetary Accounting

The Authority uses the following budgetary practices:

The Authority prepared its annual operating budget based on what was expected to be collected during the fiscal year. Management presents the budget to the Board of Trustees for approval prior to the budget being submitted to the Louisiana Joint Legislative Committee on the Budget. In addition, certain expenses were approved as necessary by the Board of Trustees before payment. Any budget amendments necessary during the year must be approved by the Board of Trustees and the Louisiana Joint Legislative Committee on the Budget.

The Authority is not required to present a budget comparison in its financial statements.

D. Assets, Liabilities and Net Assets

Cash, Interest Bearing Deposits, and Investments - Cash includes demand deposits and money market deposits in trust accounts. Interest bearing deposits include certificates of deposits. Investments and Interest Bearing Deposits are reported at fair value. Fair value is defined as the amount at which a financial instrument could be exchanged in a current transaction between willing parties and is generally based upon quoted values. Reporting Investments and Interest Bearing Deposits at fair value causes fluctuations in reported investment values based on fluctuations in the investment market. Fluctuations in the fair value of Investments and Interest Bearing Deposits are recorded as realized and unrealized gains (losses) in the statement of revenues and expenses and changes in net assets.

Receivables - Receivables are stated at their face value less the allowances for doubtful accounts. These allowances are based on the Authority's periodic evaluation of the receivable portfolio and the Authority's past loss experience. The allowances for doubtful accounts are adjusted by charges to income and decreased by charge-offs (net of recoveries).

The Authority from time to time advances funds to certain bond programs and loans funds to local governmental entities and nonprofit organizations at no interest. Accordingly, a discount is recorded between the present values of the total eventual repayments of the notes, using a rate of interest similar to the rate of return that the Authority receives on its investments. The discounts are amortized over the estimated periods that such funds will be repaid and are included in Interest Income, net in the financial statements. The majority of the receivables consist of the loans to local government entities and nonprofit organizations at no interest.

Capital Assets - Depreciation of all capital assets used by the Authority is charged as an expense against its operations. Depreciation has been provided over the assets estimated useful lives using the straight-line method. The estimated useful lives are as follows:

LOUISIANA PUBLIC FACILITIES AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

DECEMBER 31, 2005

Office Furniture and Equipment	3 - 7 Years
Leasehold Improvements	10 Years

All fixed assets are stated at historical costs.

Equity Classifications - Equity is classified as net assets and displayed in two components:

- **Invested in capital assets, net of related debt** - This component of net assets consist of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.
- **Unrestricted net assets** - This component of net assets consist of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

E. Operating Revenues

Program Investment Earnings - Program Investment Earnings consist primarily of residual funds of retired program bond issues. Residual proceeds represent cash and investment balances of a program bond issue that remain after the extinguishment of all obligations, including applicable arbitrage rebate to the federal government. The residuals are due to the Authority unless the issue's Indenture of Trust identifies another recipient. The residual funds are recognized as income to the Authority upon the termination of the issue's Indenture of Trust.

Project and Program Administrative Fees:

Finance Acceptance Fee - The Authority requires a financing acceptance fee usually equal to one-twentieth of one percent of the face amount of issued bonds less the financing application fee. The financing acceptance fee covers general administration expenses incurred by the Authority. This fee is due upon the closing of a bond issue and is recorded as revenue at such time.

Multi-Family Annual Issuer Fees - The Authority assesses an annual issuer fee on all multi-family bond issues. The fee is based upon a percentage of the outstanding bond principal balance as of January 1 of each year. The percentage usually is either one-twentieth of one percent for pre 1985 issues or one-tenth of one percent for issues thereafter. The fee covers general administration expenses incurred by the Authority.

LOUISIANA PUBLIC FACILITIES AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

DECEMBER 31, 2005

Program Administrative Fees - The Authority acts as both the issuer and administrator for certain student loan and single family housing bond programs. The Authority is compensated as administrator through a fee usually based upon a percentage of either the outstanding bonds or assets of the program. The percentages vary from one-tenth of one percent to seven-tenths of one percent. The fee is assessed to cover program administrative costs incurred by the Authority.

Financing Application Fee - The Authority assesses a non-refundable financing application fee of \$500 on all project-financing applications formally submitted for consideration by the Authority's Board of Trustees.

F. Income Taxes

No provision is made for income taxes because, as a public trust whose beneficiary is the State of Louisiana, the Authority is exempt from federal and state income taxes.

G. Statement of Cash Flows

For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

H. Estimates and Assumptions

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

Note 2 - Cash, Cash Equivalents and Investments -

The Authority maintains cash, certificates of deposit and investment pools available for use by the Authority.

LOUISIANA PUBLIC FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS - CONTINUED

DECEMBER 31, 2005

As of December 31, 2005, the Authority had the following investments and maturities:

<u>Investment Type</u>	<u>Amortized Cost</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
			<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>More Than 10</u>
U.S. Agencies	\$ 6,934,256	\$ 6,779,720	\$ 381,068	\$5,264,631	\$1,134,021	\$ -
Municipal Government						
Bonds	257,000	257,793	-	-	-	257,793
Time Certificates of Deposit	<u>4,364,522</u>	<u>4,297,497</u>	<u>757,540</u>	<u>3,441,899</u>	<u>-</u>	<u>98,058</u>
Total	\$11,555,778	\$11,335,010	\$1,138,608	\$8,706,530	\$1,134,021	\$ 355,851

Interest Rate Risk. As a means of limiting its exposure to fair value changes arising from fluctuations in interest rates, the Authority attempts to ladder the maturities of its investments so that at least 15-20% of its investments mature or come due each year. The Authority typically buys and holds its investments until maturity or until called. Any exceptions to this policy will be based on recommendations of the Chief Executive Officer to the members of the Investment Committee.

Credit Risk. The Authority limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). As of December 31, 2005, the Authority held no investments in commercial paper or corporate bonds.

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. Neither the Authority nor the discretely presented component units have a deposit policy for custodial credit risk. As of December 31, 2005, \$522,397 of the Authority's bank balance of \$4,702,873 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial Credit Risk - Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Of the investment in Time Certificates of Deposits of \$4,369,161 the government has a custodial credit risk exposure of \$459,000 because the related Time Certificates of Deposits are uninsured and uncollateralized.

LOUISIANA PUBLIC FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS - CONTINUED

DECEMBER 31, 2005

Cash, Cash Equivalents and Investments are included in the accompanying Balance Sheet at fair value under the following captions:

	Primary Government	Component Units	Total Reporting Entity
Cash and Cash Equivalents	\$ 4,329,835	\$ 30,005	\$ 4,359,840
Interest Bearing Deposits -Current	757,540	-	757,540
Investment Securities - Current	381,068	-	381,068
Interest Bearing Deposits -Long-Term	3,539,957	-	3,539,957
Investment Securities - Long-Term	6,656,445	-	6,656,445
	\$ 15,664,845	\$ 30,005	\$ 15,694,850

There were no marketable securities held by the component units at December 31, 2005.

Note 3 - Leases -

The Authority leases its office facilities under an operating lease agreement, which expires on March 31, 2009, and includes a cancelable provision that allows the Authority to terminate the lease as of March 31, 2007 with written notice to the lessor on or before October 1, 2006 and a \$15,000 payment for early termination of the lease. Rental expense applicable to the Authority's offices included in rent expense for 2005 was \$147,335.

Future minimum lease payments are as follows:

December 31, 2006	\$ 150,842
December 31, 2007	154,668
December 31, 2008	158,494
December 31, 2009	39,863
	\$ 503,867

Note 4 - Employee Retirement Plan -

The Authority sponsors a defined contribution employee retirement plan which covers all employees who have over 500 hours of service with the Authority. Contributions to the plan are subject to a minimum funding requirement of 7.50% of eligible employee salaries. Amounts above the minimum requirements are discretionary, as determined by the Board of Trustees. The contribution percentage for the year ended December 31, 2005 was 11.2%. Total contributions are included in Employees' Salaries and Benefits in the accompanying financial statements. The Authority has no additional liability upon the retirement of an employee. The total contribution for the year ended December 31, 2005, was \$79,939.

LOUISIANA PUBLIC FACILITIES AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

DECEMBER 31, 2005

Note 5 - Litigation -

Because of the Authority's status as an issuer of bonds, it is routinely named in various litigation related to the funded projects and programs. In the opinion of management and legal counsel for the Authority, these claims are without merit because of the Authority's limited position as only a conduit for the bond issues.

Note 6 - Fair Value of Reimbursable Bond Issuance Costs, Local Government Bond Bank Receivables, Rural Development Loan Program Receivables, and Loans to Nonprofit Organizations -

In its capacity as issuer of bond Programs and Projects, the Authority may from time to time advance funds to facilitate the issuance of certain bonds. These advances or Reimbursable Bond Issuance Costs are interest free and are to be repaid with residual proceeds from the individual Programs or Projects. The Authority has also established its "Bond Bank" and "Rural Development" Programs whereby it can lower the cost of local governmental borrowings by making direct loans for a portion of the borrowing at a 0% interest rate. In addition, the Authority has loaned certain nonprofit organizations funds at 0% interest so that these organizations could secure additional funding from other sources.

The fair value for these Reimbursable Bond Issuance Costs, Local Government Bond Bank Receivables, Rural Development Loan Program Receivables, and Loans to Nonprofit Organizations are estimated using discounted cash flow analyses, with interest rates similar to the rate of return that the Authority receives on its investments which was 3.91% for the year ended December 31, 2005. The terms used in calculating the discounted cash flows are estimated based upon the maturity dates of the bond issues in which monies were advanced for the Reimbursable Bond Issuance Costs and the actual loan maturity dates for the Local Bond Bank Receivables, Rural Development Loan Program Receivables, and the Loans to Nonprofit Organizations. The carrying value and fair value of Reimbursable Bond Issuance Costs, Local Government Bond Bank Receivables, Rural Development Loan Program Receivables, and Loans to Nonprofit Organizations are as follows:

	Carrying Value	Unamortized Discount	Fair Value
Reimbursable Bond Issuance Costs	\$ 149,652	\$ 6,448	\$ 143,204
Local Government Bond Bank Receivables	\$ 2,490,521	\$ 281,763	\$ 2,208,758
Rural Development Loan Program Receivables	\$ 553,000	\$ 8,295	\$ 544,705
Loans to Nonprofit Organizations	\$ 2,200,027	\$ 460,364	\$ 1,739,663

LOUISIANA PUBLIC FACILITIES AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

DECEMBER 31, 2005

The total amount of discount amortized and netted with interest income for the year ended December 31, 2005 was \$289,116.

Note 7 - Capital Assets -

Capital asset activity for the year ended December 31, 2005 was as follows:

	Balance January 1, 2005	Additions	Disposals	Balance December 31, 2005
Office Furniture and Equipment	\$ 431,969	\$ 36,864	\$ -	\$ 468,833
Leasehold Improvements	<u>9,877</u>	<u>-</u>	<u>-</u>	<u>9,877</u>
Total	441,846	36,864	-	478,710
 Less accumulated depreciation:				
Office Furniture and Equipment	336,253	48,533	-	384,786
Leasehold Improvements	<u>5,392</u>	<u>897</u>	<u>-</u>	<u>6,289</u>
Total Accumulated Depreciation	<u>341,645</u>	<u>49,430</u>	<u>-</u>	<u>391,075</u>
Net Capital Assets	\$ <u>100,201</u>	\$ <u>(12,566)</u>	\$ <u>-</u>	\$ <u>87,635</u>

Total depreciation expense for the period ended December 31, 2005 is \$49,430.

Note 8 - Changes in Amounts Invested in Capital Assets, Net of Related Debt -

The change in amounts invested in capital assets net of related debt can be summarized as follows:

Balance at January 1, 2005	\$ 100,201
Change in Capital Assets	<u>(12,566)</u>
Balance at December 31, 2005	<u>\$ 87,635</u>

LOUISIANA PUBLIC FACILITIES AUTHORITY
NOTES TO FINANCIAL STATEMENTS - CONTINUED

DECEMBER 31, 2005

Note 9 - Compensated Absences -

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. Vacation and sick leave is paid to the employees upon termination. Employees have the option to receive payment of unused vacation and sick leave in December or can choose to use the accumulated vacation and sick leave in the future. The liability for unused compensated absences is \$6,789 and is reflected in these financial statements in the Accounts Payable balance.

Note 10 - Hurricanes Katrina and Rita -

Hurricane Katrina hit the coasts of southeast Louisiana, Mississippi and Alabama on August 29, 2005. Hurricane Rita hit the coasts of southwest Louisiana and southeast Texas on September 24, 2005. The President of the United States declared the majority of the State of Louisiana a disaster area. Damages due to wind and flooding are catastrophic in these areas. The Authority has various loans receivable to governments and other organizations in the hurricane affected area. Management is evaluating these receivables in the affected area and has extended repayment terms in certain cases. At this time, the Authority believes these receivables continue to be collectible and will make adjustments on a case by case basis, if necessary.

In addition, the LPFA Housing Assistance Corporation (LHAC), a component unit of the LPFA, had homes in the hurricane devastated areas of Louisiana under the lease purchase program described in Note 1. At least 16 of these homes in the New Orleans, Louisiana area have been classified as totally destroyed by the applicable insurance companies. The total mortgage notes payable on these 16 lease purchased homes as of December 31, 2005 was \$1,583,452. Subsequent to December 31, 2005, the LHAC collected sufficient insurance proceeds on all of these 16 destroyed homes to pay the mortgage loans payable in full. Management believes that any value remaining for the land these houses were built on to be immaterial. The management of LHAC is in the process of trying to dispose these properties without incurring any additional costs.

SUPPLEMENTARY INFORMATION

LOUISIANA PUBLIC FACILITIES AUTHORITY**SCHEDULE OF PER DIEMS PAID TRUSTEES****FOR THE YEAR ENDED DECEMBER 31, 2005**

Thomas A. Antoon - Chairman	\$ 6,000
John D. Bernhardt - Vice Chairman	2,200
Carl D. Clark - Secretary/Treasurer	2,400
Jerome Boykin - Member	2,400
Camille A. Cutrone - Member	1,800
Jerry J. McKernan - Member	-
	\$ 14,800

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**



Hannis T. Bourgeois, LLP

Certified Public Accountants

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March 24, 2006

To the Board of Trustees
Louisiana Public Facilities Authority
Baton Rouge, Louisiana

We have audited the financial statements of the Louisiana Public Facilities Authority (the Authority) as of and for the year ended December 31, 2005, and have issued our report thereon dated March 24, 2006. 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.

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 an opinion 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 reportable 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 caused by error or fraud 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.

Compliance and Other Matters

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 instance of noncompliance that would be required to be reported under Government Auditing Standards.

This report is intended solely for the information of the Board of Trustees, management and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

Hannu J. Bourgeois, CPA

**LOUISIANA PUBLIC FACILITIES AUTHORITY
STATE OF LOUISIANA
ANNUAL FINANCIAL STATEMENTS**

Louisiana Public Facilities Authority
STATE OF LOUISIANA
Annual Financial Statements
December 31, 2005

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AFFIDAVIT

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MD&A

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STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending December 31, 2005

Louisiana Public Facilities Authority

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095


Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

AFFIDAVIT

Personally came and appeared before the undersigned authority, James W. Parks, II (Name) President (Title) of Louisiana Public Facilities Authority (Agency) who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of Louisiana Public Facilities Authority (agency) at December 31, 2005 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before me, this 15th day of May, 2006.



Signature of Agency Official



NOTARY PUBLIC

JACOB S. CAPRARO, #3862
NOTARY PUBLIC
Parish of Orleans, State of Louisiana
My Commission is issued for Life.

Prepared by: _____

Title: _____

Telephone No.: _____

Date: _____

**STATE OF LOUISIANA
LOUISIANA PUBLIC FACILITIES AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF DECEMBER 31, 2005**

Please refer to the Management Discussion and Analysis of the Louisiana Public Facilities Authority as it appears on pages 3 thru 8 in the introductory section of the basic financial statements for the year ending December 31, 2005.

**STATE OF LOUISIANA
LOUISIANA PUBLIC FACILITIES AUTHORITY
BALANCE SHEET
AS OF DECEMBER 31, 2005**

ASSETS

Cash and cash equivalents (Note C1)	\$	8,657,337
Investments (Note C2)		381,058
Receivables (net of allowance for doubtful accounts)(Note U)		2,170,946
Due from other funds (Note Y)		
Due from federal government		
Inventories		
Prepayments		15,339
Notes receivable		
Other current assets		
Total current assets		<u>11,224,680</u>
NONCURRENT ASSETS:		
Restricted assets (Note F):		
Cash		
Investments		
Receivables		14,906,084
Notes receivable		
Investments		6,656,445
Capital assets (net of depreciation)(Note D)		
Land		
Buildings and improvements		3,588
Machinery and equipment		84,047
Infrastructure		
Construction in progress		
Other noncurrent assets		
Total noncurrent assets		<u>21,650,164</u>
Total assets	\$	<u><u>32,874,844</u></u>
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable and accruals (Note V)	\$	139,350
Due to other funds (Note Y)		
Due to federal government		
Deferred revenues		
Amounts held in custody for others		
Other current liabilities		
Current portion of long-term liabilities:		
Contracts payable		
Reimbursement contracts payable		
Compensated absences payable (Note K)		
Capital lease obligations - (Note J)		
Notes payable		139,362
Liabilities payable from restricted assets (Note Z)		
Bonds payable		
Other long-term liabilities		
Total current liabilities		<u>278,712</u>
NON-CURRENT LIABILITIES:		
Contracts payable		
Reimbursement contracts payable		
Compensated absences payable (Note K)		
Capital lease obligations (Note J)		
Notes payable		11,115,808
Liabilities payable from restricted assets (Note Z)		
Bonds payable		
Other long-term liabilities		
Total long-term liabilities		<u>11,115,808</u>
Total liabilities		<u><u>11,394,520</u></u>
NET ASSETS		
Invested in capital assets, net of related debt		87,635
Restricted for:		
Capital projects		
Debt service		
Unemployment compensation		
Other specific purposes		
Unrestricted		21,392,699
Total net assets		<u>21,480,334</u>
Total liabilities and net assets	\$	<u><u>32,874,844</u></u>

The accompanying notes are an integral part of this financial statement.

**STATE OF LOUISIANA
LOUISIANA PUBLIC FACILITIES AUTHORITY
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2005**

OPERATING REVENUES	
Sales of commodities and services	\$ _____
Assessments	_____
Use of money and property	_____
Licenses, permits, and fees	_____
Other	2,892,770
Total operating revenues	<u>2,892,770</u>
OPERATING EXPENSES	
Cost of sales and services	_____
Administrative	2,978,989
Depreciation	49,430
Amortization	_____
Total operating expenses	<u>3,028,419</u>
Operating income(loss)	<u>(135,649)</u>
NON-OPERATING REVENUES(EXPENSES)	
State appropriations	_____
Intergovernmental revenues (expenses)	_____
Taxes	_____
Use of money and property	_____
Gain (loss) on disposal of fixed assets	_____
Federal grants	_____
Interest Revenue (expense)	468,887
Other	(203,830)
Total non-operating revenues(expenses)	<u>265,057</u>
Income(loss) before contributions and transfers	<u>129,388</u>
Capital contributions	_____
Transfers in	_____
Transfers out	_____
Change in net assets	<u>129,388</u>
Total net assets - beginning	<u>21,350,946</u>
Total net assets - ending	<u>\$ 21,480,334</u>

The accompanying notes are an integral part of this financial statement.

**STATE OF LOUISIANA
LOUISIANA PUBLIC FACILITIES AUTHORITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Primary Government:				
LPFA	2,279,057	2,143,123		(135,934)
Component Units:				
LA Capital Funding Corp	516	0		(516)
LA Equipment Finance Corp	526	0		(526)
LPFA Housing Assistance Corp	748,320	634,454	113,866	-
	<u>3,028,419</u>	<u>2,777,577</u>	<u>113,866</u>	<u>(136,976)</u>
General revenues:				
Taxes				
State appropriations				
Grants and contributions not restricted to specific programs				
Interest				265,037
Miscellaneous				1,327
Special items				
Transfers				
Total general revenues, special items, and transfers				266,364
Change in net assets				129,388
Net assets - beginning				21,350,946
Net assets - ending				<u>\$ 21,480,334</u>

The accompanying notes are an integral part of this financial statement.

**STATE OF LOUISIANA
LOUISIANA PUBLIC FACILITIES AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2005**

Cash flows from operating activities		
Cash received from customers	\$ 4,235,740	
Cash payments to suppliers for goods and services	<u>(1,296,626)</u>	
Cash payments to employees for services	<u>(928,215)</u>	
Payments in lieu of taxes	<u> </u>	
Internal activity-payments to other funds	<u> </u>	
Claims paid to outsiders	<u> </u>	
Other operating revenues(expenses)	<u>(672,187)</u>	
Net cash provided(used) by operating activities		\$ <u>1,338,712</u>
Cash flows from non-capital financing activities		
State appropriations	<u> </u>	
Proceeds from sale of bonds	<u> </u>	
Principal paid on bonds	<u> </u>	
Interest paid on bond maturities	<u> </u>	
Proceeds from issuance of mortgages	<u>3,681,629</u>	
Principal paid on mortgages payable	<u>(112,971)</u>	
Interest paid on notes payable	<u> </u>	
Operating grants received	<u> </u>	
Other - Mortgage Loans Issued	<u>(3,681,629)</u>	
Other - Repayment of Mortgage Loans Issued	<u>112,971</u>	
Transfers Out	<u> </u>	
Net cash provided(used) by non-capital financing activities		<u> </u>
Cash flows from capital and related financing activities		
Proceeds from sale of bonds	<u> </u>	
Principal paid on bonds	<u> </u>	
Interest paid on bond maturities	<u> </u>	
Proceeds from issuance of notes payable	<u> </u>	
Principal paid on notes payable	<u> </u>	
Interest paid on notes payable	<u> </u>	
Acquisition/construction of capital assets	<u>(36,864)</u>	
Proceeds from sale of capital assets	<u> </u>	
Capital contributions	<u> </u>	
Other	<u> </u>	
Net cash provided(used) by capital and related financing activities		<u>(36,864)</u>
Cash flows from investing activities		
Purchases of investment securities	<u>(3,775,012)</u>	
Proceeds from sale of investment securities	<u>2,130,948</u>	
Gain on Sale of Investment	<u>5,062</u>	
Interest and dividends earned on investment securities	<u>468,887</u>	
Net cash provided(used) by investing activities		<u>(1,170,115)</u>
Net increase(decrease) in cash and cash equivalents		<u>131,733</u>
Cash and cash equivalents at beginning of year		<u>4,228,107</u>
Cash and cash equivalents at end of year		\$ <u>4,359,840</u>

The accompanying notes are an integral part of this statement.

**STATE OF LOUISIANA
LOUISIANA PUBLIC FACILITIES AUTHORITY
STATEMENT OF CASH FLOWS - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2005**

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)	\$	<u>(135,649)</u>
Adjustments to reconcile operating income(loss) to net cash provided		
Depreciation/amortization	<u>49,430</u>	
Provision for uncollectible accounts	<u> </u>	
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net	<u>1,342,970</u>	
(Increase)decrease in due from other funds	<u> </u>	
(Increase)decrease in prepayments	<u>2,805</u>	
(Increase)decrease in inventories	<u> </u>	
(Increase)decrease in other assets	<u> </u>	
Increase(decrease) in accounts payable and accruals	<u>79,156</u>	
Increase(decrease) in accrued payroll and related benefits	<u> </u>	
Increase(decrease) in compensated absences payable	<u> </u>	
Increase(decrease) in due to other funds	<u> </u>	
Increase(decrease) in deferred revenues	<u> </u>	
Increase(decrease) in other liabilities	<u> </u>	
Net cash provided(used) by operating activities	\$	<u>1,338,712</u>

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease	\$	<u> </u>
Contributions of fixed assets		<u> </u>
Purchases of equipment on account		<u> </u>
Asset trade-ins		<u> </u>
Other (specify)		<u> </u>
Unrealized losses on investments		<u>(208,911)</u>
Amortization of Discounts on Receivables based on imputed interest of 3.91%; netted with interest income		<u>289,116</u>
Total noncash investing, capital and financing activities:	\$	<u>80,205</u>

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

INTRODUCTION

The Louisiana Public Facilities Authority (the Authority), a public trust, was created on August 31, 1974 by the Public Facilities Corporation, a Louisiana corporation, as settler under an Indenture of Trust in accordance with the provisions of the Louisiana Public Trust Act R.S. 9:2341 et seq. The Authority operates under a Board of Trustees.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of Louisiana Public Facilities Authority (the Authority) present information only as to the transactions of the programs of the Authority as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Authority are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

B. BUDGETARY ACCOUNTING

The Authority uses the following budgetary practices:

The Authority prepared its annual operating budget based on what was expected to be collected during the fiscal year. Management presents the budget to the Board of Trustees for approval prior to the budget being submitted to the Louisiana Joint Legislative Committee on the Budget. In addition, certain expenses were approved as necessary by the Board of Trustees before payment. Any budget amendments necessary during the year must be approved by the Board of Trustees and the Louisiana Joint Legislative Committee on the Budget.

The Authority is not required to present a budget comparison in its financial statements.

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.)

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the LPFA may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the LPFA may invest in time certificates of deposit in any bank domiciled or having a branch 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 certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. 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 custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all deposits by the 3 categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

The deposits at December 31, 2005, consisted of the following:

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Mutual Fund Money Market Accounts</u>	<u>Total</u>
Deposits in Bank Accounts Per Balance Sheet	\$ 279,363	\$ 4,297,497	\$ 4,080,477	\$ 8,657,337
Bank Balances of Deposits Exposed to Custodial Credit Risk:				
a. Uninsured and uncollateralized	\$ 522,397	\$ 459,000	\$ _____	\$ 981,397
b. Uninsured and collateralized with securities held by the pledging institution	_____	_____	_____	_____
c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the entity's name	_____	_____	_____	_____
Total Bank Balances - All Deposits	\$ 622,397	\$ 4,369,161	\$ 4,080,477	\$ 9,072,035

NOTE: The "Total Bank Balances - All Deposits" will not necessarily equal the "Deposits in Bank Account per Balance Sheet" due to outstanding items.

The following is a breakdown by banking institution, program, account number, and amount of the balances shown above:

<u>Banking institution</u>	<u>Program</u>	<u>Amount</u>
1. <u>Hibernia</u>	<u>Demand Deposits</u>	\$ 622,397
2. <u>JP Morgan</u>	<u>Certificates of Deposit</u>	3,325,111
3. <u>Merrill Lynch</u>	<u>Certificates of Deposit</u>	675,050
4. <u>Saloman Smith Barney</u>	<u>Certificates of Deposit</u>	369,000
5. <u>Hibernia</u>	<u>Money Markets</u>	567,482
6. <u>JP Morgan</u>	<u>Money Markets</u>	3,446,893
7. <u>Merrill Lynch</u>	<u>Money Markets</u>	63,780
8. <u>Saloman Smith Barney</u>	<u>Money Markets</u>	2,322
Total		\$ 9,072,035

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet.

Cash in State Treasury \$ _____
Petty cash \$ _____

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

3. Derivatives

The institution does/does not (circle one) invest in derivatives as part of its investment policy. Accordingly, the exposure to risks from these investments is as follows:

Credit risk _____
 market risk _____
 legal risk _____

4. Credit Risk, Concentration of Credit Risk, Interest Rate Risk, and Foreign Currency Risk Disclosures

A. Credit Risk of Debt Investments

Disclose the credit risk of debt investments by credit quality ratings as described by rating agencies as of the fiscal year end. All debt investments regardless of type can be aggregated by credit quality rating (if any are un-rated, disclose that amount).

Rating	Fair Value
Not Applicable	
_____	\$ _____
_____	_____
_____	_____
_____	_____
Total	\$ _____

B. Interest rate Risk

1. Disclose the interest rate risk of debt investments by listing the investment type, total fair value, and breakdown of maturity in years for each debt investment type.

Type of Debt Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 - 5	6 - 10	Greater Than 10
U.S. Government obligations	\$ 6,779,720	\$ 381,068	\$ 5,264,631	\$ 1,134,021	\$ -
U.S. Agency obligations	_____	_____	_____	_____	_____
U.S. Treasury obligations	_____	_____	_____	_____	_____
Mortgage backed securities	_____	_____	_____	_____	_____
Collateralized mortgage obligations	_____	_____	_____	_____	_____
Corporate bonds	_____	_____	_____	_____	_____
Other bonds	_____	_____	_____	_____	_____
Mutual funds	_____	_____	_____	_____	_____
Other	257,793	_____	_____	_____	257,793
Total debt investments	\$ 7,037,513	\$ 381,068	\$ 5,264,631	\$ 1,134,021	\$ 257,793

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

2. List the fair value and terms of any debt investments that are highly sensitive to changes in interest rates due to the terms of the investment (eg. coupon multipliers, reset dates, etc.):

<u>Debt Investment</u>	<u>Fair Value</u>	<u>Terms</u>
_____	\$ _____	_____
_____	_____	_____
_____	_____	_____
Total	\$ _____ -	

C. Concentration of Credit Risk

List, by amount and issuer, investments in any one issuer that represents 5% or more of total investments. (not including U.S. government securities, mutual funds, and external investment pools)

<u>Issuer</u>	<u>Amount</u>	<u>% of Total Investments</u>
_____	\$ _____	_____
_____	_____	_____
_____	_____	_____
Total	\$ _____ -	

D. Foreign Currency Risk

Disclose the U.S. dollar balances of any deposits or investments that are exposed to foreign currency risk (deposits or investments denominated in foreign currencies). List by currency denomination and investment type, if applicable.

<u>Foreign Currency</u>	<u>Fair Value in U.S. Dollars</u>	
	<u>Bonds</u>	<u>Stocks</u>
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total	\$ _____ -	\$ _____ -

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

5. Policies

Briefly describe the deposit and/or investment policies related to the custodial credit risk, credit risk of debt investments, concentration of credit risk, interest rate risk, and foreign currency risk disclosed in this note. If no policy exists concerning the risks disclosed, please state that fact.

Credit Risk. The Authority limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). As of December 31, 2005, the Authority held no investments in commercial paper or corporate bonds.

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. Neither the Authority nor the discretely presented component units have a deposit policy for custodial credit risk. As of December 31, 2005, \$522,397 of the Authority's bank balance of \$4,702,873 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial Credit Risk - Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Of the investment in Time Certificates of Deposits of \$4,369,161 the government has a custodial credit risk exposure of \$459,000 because the related Time Certificates of Deposits are uninsured and uncollateralized.

6. Other Disclosures Required for Investments

a. Investments in pools managed by other governments or mutual funds _____

b. Securities underlying reverse repurchase agreements _____

c. Unrealized investment losses _____

d. Commitments as of _____ (fiscal close), to resell securities under yield maintenance repurchase agreements:

1. Carrying amount and market value at June 30 of securities to be resold

2. Description of the terms of the agreement

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

- e. Losses during the year due to default by counterparties to deposit or investment transactions

- f. Amounts recovered from prior-period losses which are not shown separately on the balance sheet

Legal or Contractual Provisions for Reverse Repurchase Agreements

- g. Source of legal or contractual authorization for use of reverse repurchase agreements

- h. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year

Reverse Repurchase Agreements as of Year-End

- i. Credit risk related to the reverse repurchase agreements (other than yield maintenance agreements) outstanding at year end, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest

- j. Commitments on _____ (fiscal close), to repurchase securities under yield maintenance agreements

- k. Market value on _____ (fiscal close), of the securities to be repurchased

- l. Description of the terms of the agreements to repurchase

- m. Losses recognized during the year due to default by counterparties to reverse repurchase agreements

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

- n. Amounts recovered from prior-period losses which are not separately shown on the operating statement

Fair Value Disclosures

- o. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices

- p. Basis for determining which investments, if any, are reported at amortized cost

- q. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool

- r. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares

- s. Any involuntary participation in an external investment pool

- t. If you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining that fair value and the reasons for having had to make such an estimate

- u. Any income from investments associated with one fund that is assigned to another fund

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets.

	Year ended December 31, 2005						
	Balance 12/31/2004	Prior Period Adjustment	Adjusted Balance 12/31/2004	Additions	Transfers*	Retirements	Balance 12/31/2005
Capital assets not being depreciated							
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Non-depreciable land improvements	-	-	-	-	-	-	-
Capitalized collections	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-
Total capital assets not being depreciated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Other capital assets							
Furniture, fixtures, and equipment	\$ 431,988	\$ -	\$ 431,988	\$ 36,864	\$ -	\$ -	\$ 468,833
Less accumulated depreciation	(336,253)	-	(336,253)	(48,533)	-	-	(384,786)
Total furniture, fixtures, and equipment	95,716	-	95,716	(11,669)	-	-	84,047
Buildings and Improvements	9,877	-	9,877	-	-	-	9,877
Less accumulated depreciation	(5,392)	-	(5,392)	(897)	-	-	(6,289)
Total buildings and improvements	4,485	-	4,485	(897)	-	-	3,588
Depreciable land improvements	-	-	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-	-	-
Total depreciable land improvements	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-	-	-
Total infrastructure	-	-	-	-	-	-	-
Total other capital assets	\$ 100,201	\$ -	\$ 100,201	\$ (12,566)	\$ -	\$ -	\$ 87,635
Capital Asset Summary:							
Capital assets not being depreciated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Other capital assets, at cost	441,848	-	441,848	36,864	-	-	478,710
Total cost of capital assets	441,848	-	441,848	36,864	-	-	478,710
Less accumulated depreciation	(341,645)	-	(341,645)	(49,430)	-	-	(391,075)
Capital assets, net	\$ 100,201	\$ -	\$ 100,201	\$ (12,566)	\$ -	\$ -	\$ 87,635

* Should be used only for those completed projects coming out of construction-in-progress to fixed assets; not associated with transfers reported elsewhere in this packet.

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

E. INVENTORIES

The Authority does not maintain any inventories.

F. RESTRICTED ASSETS

Restricted assets in the Louisiana Public Facilities Authority at December 31, 2005, reflected at \$0 in the current assets section on Statement A.

Restricted assets in the Louisiana Public Facilities Authority at December 31, 2004, reflected at \$0 in the non-current assets section on Statement A.

G. LEAVE

1. COMPENSATED ABSENCES

The Louisiana Public Facilities Authority has the following policy on annual and sick leave:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. Vacation and sick leave is paid to the employees upon termination. Employees have the option to receive payment of unused vacation and sick leave in December or can choose to use the accumulate vacation and sick leave in the future. The liability for unused compensated absences is \$6,789 and is reflected in these financial statements in the Accounts Payable balance.

2. COMPENSATORY LEAVE

The Authority does not have compensatory leave balances remaining at year-end. All nonexempt employees are paid for overtime work during the pay period in which the work was performed.

H. RETIREMENT SYSTEM

The Authority sponsors a defined contribution employee retirement plan which covers all employees who have over 500 hours of service with the Authority. Contributions to the plan are subject to a minimum funding requirement of 7.50% of eligible employee salaries. Amounts above the minimum requirements are discretionary, as determined by the Board of Trustees. The contribution percentage for the year ended December 31, 2005 was 11.2%. Total contributions are included in Employees' Salaries and Benefits in the accompanying financial statements. The Authority has no additional liability upon the retirement of an employee. The total contribution for the year ended December 31, 2005 was \$79,939.

I. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Louisiana Public Facilities Authority does not have any post retirement health care and life insurance benefits available for the employees at December 31, 2005.

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

J. LEASES

1. OPERATING LEASES

The total payments for operating leases during fiscal year 2005 amounted to \$147,335. A schedule of payments for operating leases follows:

<u>Nature of lease</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011- 2015</u>	<u>FY2016- 2020</u>
Office Space	\$ 150,842	\$ 154,868	\$ 158,494	\$ 39,863	\$ -	\$ -	\$ -
Total	\$ 150,842	\$ 154,868	\$ 158,494	\$ 39,863	\$ -	\$ -	\$ -

The Authority leases its office facilities under an operating lease agreement, which expires on March 31, 2009, and includes a cancelable provision that allows the Authority to terminate the lease as of March 31, 2007 with written notice to the lessor on or before October 1, 2006 and a \$15,000 payment for early termination of the lease.

2. CAPITAL LEASES

Capital leases are (are not) recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and operating leases by National Council on Governmental Accounting (NCGA) Statement No. 5, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedules:

Capital leases are defined as an arrangement in which any one of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

SCHEDULE A - TOTAL AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ -	\$ -	\$ -

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For The Year Ended December 31, 2005

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2025, please create additional rows and report these future minimum lease payments in five year increments.)

Year ending June 30 :	<u>Total</u>
2006	\$ _____
2007	_____
2008	_____
2009	_____
2010	_____
2011-2015	_____
2016-2020	_____
2021-2025	_____
Total minimum lease payments	_____
Less amounts representing executory costs	_____
Net minimum lease payments	_____
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____

SCHEDULE B – NEW AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____

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The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2025, please create additional rows and report these future minimum lease payments in five year increments.)

Year ending June 30:	<u>Total</u>
2006	\$ _____
2007	_____
2008	_____
2009	_____
2010	_____
2011-2015	_____
2016-2020	_____
2021-2025	_____
Total minimum lease payments	_____
Less amounts representing executory costs	_____
Net minimum lease payments	_____
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____

SCHEDULE C – LEAF CAPITAL LEASES

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining Interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____

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The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2025, please create additional rows and report these future minimum lease payments in five year increments.)

Year ending June 30:	Total
2006	\$
2007	
2008	
2009	
2010	
2011-2015	
2016-2020	
2021-2025	
Total minimum lease payments	-
Less amounts representing executory costs	
Net minimum lease payments	-
Less amounts representing interest	
Present value of net minimum lease payments	\$ -

3. LESSOR DIRECT FINANCING LEASES

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

- Collectibility of the minimum lease payments is reasonably predictable.
- No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

Provide a general description of the direct financing agreement and complete the chart below:

<u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	_____	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____	_____
c. Land	_____	_____	_____	_____
Less amounts representing executory costs				
Minimum lease payment receivable		_____	-	
Less allowance for doubtful accounts				
Net minimum lease payments receivable		_____	-	
Less estimated residual value of leased property				
_____		_____		
Less unearned income				
_____		_____		
Net investment in direct financing lease		\$ _____	-	

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Minimum lease payment receivables do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if, for example, the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2005 were \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of _____ (the last day of your fiscal year): (Note: If lease receivables extend past FY2025, please create additional rows and report these future minimum lease

Year ending _____:	
2006	\$ _____
2007	_____
2008	_____
2009	_____
2010	_____
2011-2015	_____
2016-2020	_____
2021-2025	_____
Total	\$ _____

payment receivables in five year increments.)

4. LESSOR – OPERATING LEASE

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectibility and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for lease organized by major class of property and the amount of accumulated depreciation as of _____ 20__:

	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Carrying amount</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____

The following is a schedule by years of minimum future rentals receivable on non-cancelable operating lease(s) as of _____ (the last day of your fiscal year): (Note: If lease receivables extend past FY2020, please create additional columns and report these future minimum lease payment receivables in five year increments.)

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Year Ended June 30,	Office Space	Equipment	Land	Other	Total
2006	\$	\$	\$	\$	\$
2007					-
2008					-
2009					-
2010					-
2011-2015					-
2016-2020					-
Total	\$	-	\$	-	\$

Current year lease revenues received in fiscal year _____ totaled \$ _____.

Contingent rentals received from operating leases received for your fiscal year was \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended December 31, 2005:

	Balance Dec 31 2004	Year ended December 31, 2005		Balance December 31, 2005	Amounts due within one year
		Additions	Reductions		
Bonds and notes payable:					
Notes payable	\$ 7,686,512	\$ 3,681,629	\$ 112,971	\$ 11,255,170	\$ 139,362
Reimbursement contracts payable	-	-	-	-	-
Bonds payable	-	-	-	-	-
Total notes and bonds	<u>7,686,512</u>	<u>3,681,629</u>	<u>112,971</u>	<u>11,255,170</u>	<u>139,362</u>
Other liabilities:					
Contracts payable	-	-	-	-	-
Compensated absences payable	-	-	-	-	-
Capital lease obligations	-	-	-	-	-
Liabilities payable from restricted assets	-	-	-	-	-
Claims and litigation	-	-	-	-	-
Other long-term liabilities	-	-	-	-	-
Total other liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total long-term liabilities	<u>\$ 7,686,512</u>	<u>\$ 3,681,629</u>	<u>\$ 112,971</u>	<u>\$ 11,255,170</u>	<u>\$ 139,362</u>

STATE OF LOUISIANA
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For The Year Ended December 31, 2005

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

At December 31, 2005 the Authority had no violations of finance related legal or contractual obligations.

T. SHORT-TERM DEBT

The Louisiana Public Facilities Authority does not issue short term notes.

List the type of S-T debt (e.g., tax anticipation notes)	Beginning Balance	Issued	Redeemed	Ending Balance
_____	\$ _____	\$ _____	\$ _____	\$ _____

The _____ (BTA) uses a revolving line of credit for the following to finance _____ (list purpose for the S-T debt). Short-term debt activity for the year ended June 30, 20__, was as follows:

Line of credit	Beginning Balance	Draws	Redeemed	Ending Balance
_____	\$ _____	\$ _____	\$ _____	\$ _____

U. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at December 31, 2005 were as follows:

Activity	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
Local Government Bond Bank	\$ _____	\$ _____	\$ _____	\$ 2,490,521	\$ 2,490,521
Loans to Nonprofit Organizations	_____	_____	_____	2,200,027	2,200,027
Rural Development Loans	_____	_____	_____	553,000	553,000
Reimbursable Bond Issuance Costs	_____	_____	_____	166,652	166,652
Program Administrative Fees	_____	_____	_____	264,891	264,891
Other	_____	_____	_____	163,769	163,769
Mortgage Loan Receivable	_____	_____	_____	11,255,170	11,255,170
Program Investment Earnings	_____	_____	_____	-	-
Gross receivables	\$ _____	\$ _____	\$ _____	\$ 17,094,030	\$ 17,094,030
Less allowance for uncollectible accounts	-	-	-	17,000	17,000
Receivables, net	\$ _____	\$ _____	\$ _____	\$ 17,077,030	\$ 17,077,030
Amounts not scheduled for collection during the subsequent year	\$ _____	\$ _____	\$ _____	\$ 14,906,084	\$ 14,906,084

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

V. DISAGGREGATION OF PAYABLE BALANCES

Payables at December 31, 2005 were as follows:

Activity	Vendors	Salaries and Benefits	Accumulated Leave	Other Payables	Total Payables
\$	\$	\$	\$	\$	\$
	129,856		6,789	2,705	139,350
Total payables	\$ 129,856	\$ -	\$ 6,789	\$ 2,705	\$ 139,350

W. SUBSEQUENT EVENTS

There were no material event(s) affecting the Louisiana Public Facilities Authority between the close of the fiscal period and issuance of the financial statements.

X. SEGMENT INFORMATION

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or another stand-alone entity that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.)

Type of goods or services provided by the segment facilitate bond placement and student loans.

A. Condensed balance sheet:

- (1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTA's should be reported separately.
- (2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTA's should be reported separately.
- (3) Total net assets – distinguishing among restricted (separately reporting expendable and nonexpendable components); unrestricted; and amounts invested in capital assets, net of related debt.

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

Condensed Balance sheet:

	<u>Segment #1</u>	<u>Segment #2</u>
Current assets	\$ 7,684,733	\$ _____
Due from other funds	_____	_____
Capital assets	87,635	_____
Other assets	25,102,486	_____
Current liabilities	278,712	_____
Due to other funds	_____	_____
Long-term liabilities	11,115,808	_____
Restricted net assets	_____	_____
Unrestricted net assets	21,392,699	_____
Invested in capital assets, net of related debt	87,635	_____

B. Condensed statement of revenues, expenses, and changes in net assets:

- (1) Operating revenues (by major source).
- (2) Operating expenses. Depreciation (including any amortization) should be identified separately.
- (3) Operating income (loss).
- (4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
- (5) Capital contributions and additions to permanent and term endowments.
- (6) Special and extraordinary items.
- (7) Transfers
- (8) Change in net assets.
- (9) Beginning net assets.
- (10) Ending net assets.

Condensed Statement of Revenues, Expenses, and Changes in Net Assets:

	<u>Segment #1</u>	<u>Segment #2</u>
Operating revenues	\$ 2,892,770	\$ _____
Operating expenses	2,978,989	_____
Depreciation and amortization	49,430	_____
Operating income (loss)	(135,649)	-
Nonoperating revenues (expenses)	265,037	_____
Capital contributions/additions to permanent and term endowments	_____	_____
Special and extraordinary items	_____	_____
Transfers in	_____	_____
Transfers out	_____	_____
Change in net assets	129,388	-
Beginning net assets	21,350,946	_____
Ending net assets	21,480,334	-

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
For The Year Ended December 31, 2005

- C. Condensed statement of cash flows:
- (1) Net cash provided (used) by:
 - (a) Operating activities
 - (b) Noncapital financing activities
 - (c) Capital and related financing activities
 - (d) Investing activities
 - (2) Beginning cash and cash equivalent balances
 - (3) Ending cash and cash equivalent balances

Condensed Statement of Cash Flows:

Net cash provided (used) by operating activities	\$	1,338,712	\$	
Net cash provided (used) by noncapital financing activities		0		
Net cash provided (used) by capital and related financing activities		(36,864)		
Net cash provided (used) by investing activities		(1,170,115)		
Beginning cash and cash equivalent balances		4,228,107		
Ending cash and cash equivalent balances		4,359,840		-

Y. DUE TO/DUE FROM AND TRANSFERS

1. List by fund type the amounts due from other funds detailed by individual fund at your fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
		\$ <u> </u>
		<u> </u>
Total due from other funds		\$ <u> </u>

2. List by fund type the amounts due to other funds detailed by individual fund at fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
		\$ <u> </u>
		<u> </u>
Total due to other funds		\$ <u> </u>

STATE OF LOUISIANA
Louisiana Public Facilities Authority
Notes to the Financial Statements
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3. List by fund type all transfers from other funds for the fiscal year:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
		\$ _____

Total transfers from other funds		\$ _____

4. List by fund type all transfers to other funds for the fiscal year:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
		\$ _____

Total transfers to other funds		\$ _____

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

The Authority has no liabilities payable from restricted assets at December 31, 2005.

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS

The following adjustments were made to restate beginning net assets for December 31, 2005

Ending net assets January 1, 2005 <u>previously reported</u>	Adjustments <u>+ or (-)</u>	Beginning net assets, January 1, 2005, <u>As restated</u>
\$ _____	_____	\$ _____

Each adjustment must be explained in detail on a separate sheet.

(NOTE: Net Assets at January 1, 2005, previously reported, must correspond to Net Assets at December 31, 2004, per the information received from OSRAP.)

SCHEDULE 1

STATE OF LOUISIANA
LOUISIANA PUBLIC FACILITIES AUTHORITY
SCHEDULE OF STATE FUNDING
For the Year Ended December 31, 2005

<u>Description of Funding</u>	<u>Amount</u>
1. _____	\$ _____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____
Total	\$ _____

SCHEDULE 3-C
STATE OF LOUISIANA
LOUISIANA PUBLIC FACILITIES AUTHORITY
SCHEDULE OF REIMBURSEMENT CONTRACTS PAYABLE AMORTIZATION
For The Year Ended December 31, 2005

Fiscal Year Ending:	<u>Principal</u>	<u>Interest</u>
2006	\$ _____	\$ _____
2007	_____	_____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
Total	\$ _____ --	\$ _____ --

SCHEDULE 4-A

STATE OF LOUISIANA
 LOUISIANA PUBLIC FACILITIES AUTHORITY
 SCHEDULE OF CAPITAL LEASE AMORTIZATION
 For The Year Ended December 31, 2005

<u>Fiscal Year</u> <u>Ending:</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
2006	\$ _____	\$ _____	\$ _____	\$ _____ -
2007	_____	_____	_____	_____ -
2008	_____	_____	_____	_____ -
2009	_____	_____	_____	_____ -
2020	_____	_____	_____	_____ -
2011-2015	_____	_____	_____	_____ -
2016-2020	_____	_____	_____	_____ -
2021-2025	_____	_____	_____	_____ -
2026-2030	_____	_____	_____	_____ -
Total	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -

SCHEDULE 4-B

STATE OF LOUISIANA
LOUISIANA PUBLIC FACILITIES AUTHORITY
SCHEDULE OF NOTES PAYABLE AMORTIZATION

<u>Fiscal Year</u> <u>Ending:</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ _____	\$ _____
2007	_____	_____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011-2015	_____	_____
2016-2020	_____	_____
2021-2025	_____	_____
2026-2030	_____	_____
Total	\$ _____ -	\$ _____ -

SCHEDULE 4-C

STATE OF LOUISIANA
LOUISIANA PUBLIC FACILITIES AUTHORITY
SCHEDULE OF BONDS PAYABLE AMORTIZATION
For The Year Ended December 31, 2005

Fiscal Year Ending:	Principal	Interest
2006	\$ _____	\$ _____
2007	_____	_____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
Total	\$ _____ -	\$ _____ -

SCHEDULE 4-D

STATE OF LOUISIANA

LOUISIANA PUBLIC FACILITIES AUTHORITY
COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$1 million, explain the reason for the change.

	<u>2005</u>	<u>2004</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ <u>2,892,770</u>	\$ <u>2,465,362</u>	<u>427,408</u>	<u>17.34%</u>
Expenses	<u>3,028,419</u>	<u>2,467,987</u>	<u>560,432</u>	<u>22.71%</u>
2) Capital assets	<u>478,710</u>	<u>441,846</u>	<u>36,864</u>	<u>8.34%</u>
Long-term debt	<u>11,255,170</u>	<u>7,686,512</u>	<u>3,568,658</u>	<u>46%</u>
Net Assets	<u>21,480,334</u>	<u>21,350,946</u>	<u>129,388</u>	<u>0.61%</u>

Explanation for change: The \$3,568,658 increase in long term debt was caused by increased participation by homebuyers using the Lou Lease program which is a component unit of the Authority.