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JEFFERSON PARISH FINANCE AUTHORITY
JEFFERSON PARISH, LOUISIANA

Financial Statements and Schedules

December 31, 2007 and 2006

With Independent Auditors' Report Thereon

P&N Postlethwaite & Netterville

A Professional Accounting Corporation

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JEFFERSON PARISH FINANCE AUTHORITY

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Independent Auditors' Report

The Board of Trustees
Jefferson Parish Finance Authority:

We have audited the accompanying statements of net assets of the Jefferson Parish Finance Authority (the Authority), a component unit of the Parish of Jefferson, as of December 31, 2007 and 2006, and the related statements of revenues, expenses and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2007 and 2006, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 3 through 9 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 12, 2008 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

Postlethwaite + Netterville

Metairie, Louisiana
May 12, 2008

P&N

JEFFERSON PARISH FINANCE AUTHORITY

Management's Discussion and Analysis

December 31, 2007 and 2006

This section of the Jefferson Parish Finance Authority's (the Authority) financial report presents a discussion and analysis of the Authority's financial performance during the fiscal year that ended December 31, 2007. Please read it in conjunction with the Authority's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Authority implemented GASB 34 *Basic Financial Statements – and Management's Discussion and Analysis for the State and Local Governments*, in 2001. The Authority is a component unit of the Parish of Jefferson, Louisiana.

2007

The Authority's net assets represent 2.2% of its total assets. With total assets approximating $329 million, the Authority had changes in net assets of approximately $862,000 for the year ended December 31, 2007, a positive return of .44% on average assets.

The Authority's financial highlights include:

- The Authority created the 2006D Program through the issuance of $20 million in revenue refunding bonds.
- The Authority created the 2007A Program through the approval of $150 million in revenue refunding bonds, of which $65 million were issued and outstanding at December 31, 2007.
- The Authority created the 2007B Program through the issuance of $20 million in revenue refunding bonds.
- The Authority created the 2007C Program through the issuance of $30 million in revenue refunding bonds.
- The Authority's net assets increased by $862,000 due to appreciation in the investment market value of its investments in mortgage backed securities in excess of interest expense.

2006

The Authority's net assets represent 2.6% of its total assets. With total assets approximating $264 million, the Authority had changes in net assets of approximately $4 million for the year ended December 31, 2006, a negative return of 1.7% on average assets.

The Authority's financial highlights include:

- The Authority created the 2006A Program through the issuance of $30 million in revenue refunding bonds.
- The Authority created the 2006B Program through the issuance of $28.6 million in revenue refunding bonds.
- The Authority created the 2006C Program through the issuance of $20 million in revenue refunding bonds.
- The Authority's net assets decreased by $4.3 million due primarily to depreciation in the investment market value of its investments in mortgage backed securities.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

The Statement of Net Assets reports the Authority's net assets. Net assets, the difference between the Authority's assets and liabilities, are one way to measure the Authority's financial health or position. The increase in the Authority's net assets during 2007 and 2006 is an indicator of a relative increase in its financial health.

FINANCIAL ANALYSIS OF THE AUTHORITY

Net Assets

2007

The Authority's total net assets at December 31, 2007 increased to $7,524, an increase of 13.10% from December 31, 2006 (See Table A-1). Total assets increased by $64 million due to an increase in mortgage-backed securities of $54 million and an increase in investments of $9 million. The liabilities increased by $64 million due to the increase in bonds payable of $112 million offset by the payments on the term bonds of $48 million.

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

	2007	2006	Increase (Decrease)
Cash and cash equivalents	$ 2,399	$ 2,617	$ (218)
Investments	110,785	101,949	8,836
Mortgage-backed securities	208,756	154,286	54,470
Other assets	6,705	5,381	1,324
Total assets	328,645	264,233	64,412
Other liabilities	1,735	49,919	(48,184)
Bonds payable	319,386	207,652	111,734
Total liabilities	321,121	257,571	63,550
Net assets			
Restricted for debt	5,707	5,073	634
Unrestricted	1,817	1,589	228
	7,524	6,662	862
Total liabilities and net assets	$ 328,645	$ 264,233	$ 64,412

2006

The Authority's total net assets at December 31, 2006 declined to $6,662, a decrease of 41% from December 31, 2005 (See Table A-1). Total assets increased by $38 million due to an increase in mortgage-backed securities of $36 million and an increase in investments of $1 million. The liabilities increased by $43 million due to the increase in bonds payable of $62 million offset by the payments on the term bonds of $19 million.

Table A-2
Jefferson Parish Finance Authority
(in thousands of dollars)

	2006	2005	Increase (Decrease)
Cash and cash equivalents	$ 2,617	$ 3,025	$ (408)
Investments	101,949	100,906	1,043
Mortgage-backed securities	154,286	118,078	36,208
Other assets	5,381	4,088	1,293
Total assets	264,233	226,097	38,136
Other liabilities	49,919	69,125	(19,206)
Bonds payable	207,652	145,700	61,952
Total liabilities	257,571	214,825	42,746
Net assets			
Restricted for debt	5,073	9,303	(4,230)
Unrestricted	1,589	1,969	(380)
	6,662	11,272	(4,610)
Total liabilities and net assets	$ 264,233	$ 226,097	$ 38,136

Changes in Net Assets

2007

Table A-3
Jefferson Parish Finance Authority's Changes in Net Assets
(in thousands of dollars)

	2007	2006	Increase (Decrease)
Operating revenues:			
Investment income	$ 10,875	$ 7,638	$ 3,237
Depreciation in fair value on investments	300	(4,978)	5,278
Investment income on investments	5,546	5,330	216
Other	330	153	174
Total operating revenues	17,051	8,143	8,908
Operating expenses	16,189	12,753	3,436
Change in net assets	862	(4,610)	5,472
Total net assets, beginning of the year	6,662	11,272	(4,610)
Total net assets, end of the year	$ 7,524	$ 6,662	$ 862

Operating revenues increased by 109% to $17.0 million. The increase in revenue is due to the increase in depreciation in fair value on investments as well as the increase in investment income on investments.

Table A-4
Jefferson Parish Finance Authority's Operating Expenses
(in thousands of dollars)

	2007	2006	Increase (Decrease)
Interest on debt	$ 13,415	$ 10,825	$ 2,590
Amortization of bond issuance and other costs	494	675	(181)
Servicing fees	923	624	299
Other	1,357	629	728
Total operating expenses	$ 16,189	$ 12,753	$ 3,436

Operating expenses increased due to a higher average outstanding bond balance in 2007, thereby increasing interest expense. Additional increase in other expense is due to negative arbitrage payment of $440 on the 2005B program and early retirement premium costs of $202 on the 1997A program.

2006

Table A-5
Jefferson Parish Finance Authority's Changes in Net Assets
(in thousands of dollars)

	2006	2005	Increase (Decrease)
Operating revenues:			
Investment income	$ 7,638	$ 7,689	$ (51)
Appreciation in fair value on investments	(4,978)	(2,469)	(2,509)
Investment income on investments	5,330	3,165	2,165
Other	153	100	53
Total operating revenues	8,143	8,485	(342)
Operating expenses	12,753	11,412	1,341
Change in net assets	(4,610)	(2,927)	(1,683)
Total net assets, beginning of the year	11,272	14,199	(2,927)
Total net assets, end of the year	$ 6,662	$ 11,272	$ (4,610)

Operating revenues decreased by 4.0% to $8.1 million. The decrease in revenue is due to the increase in depreciation in fair value on investments as well as the increase in investment income on investments.

Table A-6
Jefferson Parish Finance Authority's Operating Expenses
(in thousands of dollars)

	2006	2005	Increase (Decrease)
Interest on debt	$10,825	$ 9,691	$ 1,134
Amortization of bond issuance and other costs	675	484	191
Servicing fees	624	598	26
Other	629	639	(10)
Total operating expenses	$ 12,753	$ 11,412	$ 1,341

Operating expenses increased due to a higher average outstanding bond balance in 2006, thereby increasing interest expense.

DEBT ADMINISTRATION

Debt Administration

2007

Total indebtedness for bonds payable was $319 million as of December 31, 2007 compared to $208 million in 2006. The increase in bonds payable is the result of new bond issues. The Authority issued long-term bonds in 2007 consisting of the 2006D Program with bonds payable of $20,000, 2007A Program with bonds payable of $65,000, 2007B Program with bonds payable of $20,000, and the 2007C Program with bonds payable of $30,000.

All bond debt and lease covenants have been met.

2006

Total indebtedness for bonds payable was $208 million as of December 31, 2006 compared to $146 million in 2005. The increase in bonds payable is the result of new bond issues. The Authority issued long-term bonds in 2006 consisting of the 2006A Program with bonds payable of $30,000, 2006B Program with bonds payable of $28,645, and the 2006C Program with bonds payable of $20,000.

All bond debt and lease covenants were met.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

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

JEFFERSON PARISH FINANCE AUTHORITY

Statements of Net Assets
(in thousands)

For the years ended December 31, 2007 and 2006

	2007	2006
Assets		
Cash and cash equivalents	$ 2,399	$ 2,617
Investment securities at fair value	110,785	101,949
Mortgage-backed securities	208,756	154,286
Accrued interest receivable	1,467	1,204
Bond issuance costs, net	5,238	4,177
Total assets	$328,645	$264,233
Liabilities and Net Assets		
Liabilities:		
Bonds payable, net	$319,386	$207,652
Term bonds	-	48,800
Accrued interest payable	1,358	1,065
Deferred service fee	377	54
Total liabilities	321,121	257,571
Net Assets:		
Restricted for debt	5,707	5,073
Unrestricted	1,817	1,589
Total net assets	7,524	6,662
Total liabilities and net assets	$328,645	$264,233

See accompanying notes to financial statements.

JEFFERSON PARISH FINANCE AUTHORITY

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

For the years ended December 31, 2007 and 2006

	2007	2006
Operating revenues:		
Investment income on mortgage loans	$ 10,875	$ 7,638
Appreciation (depreciation) in fair market value of investments in mortgage-backed securities	300	(4,978)
Investment income on investments	5,546	5,330
Servicer release fee	323	150
Miscellaneous revenue	7	3
Total operating revenues	17,051	8,143
Operating expenses:		
Interest on debt	13,415	10,825
Amortization of bond issuance costs and other costs	494	675
Servicing fees	923	624
Trustee fees	109	86
Arbitrage expense	440	-
Early retirement of bond premium	202	-
Other operating expenses	606	543
Total operating expenses	16,189	12,753
Change in net assets	862	(4,610)
Nets assets at beginning of the year	6,662	11,272
Net assets at end of the year	$ 7,524	$ 6,662

See accompanying notes to financial statements.

JEFFERSON PARISH FINANCE AUTHORITY

Statements of Cash Flows
(in thousands)

For the years ended December 31, 2007 and 2006

	2007	2006
Cash flows from operating activities:		
Cash receipts for:		
Investment income on mortgage loans	$ 10,807	$ 7,453
Investment income on investments	5,199	5,004
Cash payments for:		
Interest on debt	(13,563)	(11,031)
Servicing fees	(923)	(624)
Other revenue	707	153
Other operating expenses	(1,359)	(629)
Net cash provided by operating activities	868	326
Cash flows from noncapital financing activities:		
Bond proceeds	137,828	82,220
Bonds redeemed	(25,425)	(19,595)
Proceeds from term bonds	-	11,528
Repayments of term bonds	(48,140)	(31,200)
Bond issuance costs	(1,554)	(1,460)
Net cash provided by noncapital financing activities	62,709	41,493
Cash flows from investing activities:		
Proceeds from sale of investments	95,940	44,484
Acquisition of investments	(105,073)	(41,422)
Acquisition of mortgage loans	(69,165)	(61,672)
Principal receipts from mortgage loans	14,503	16,466
Net cash used in investing activities	(63,795)	(42,144)
Net decrease in cash and cash equivalents	(218)	(325)
Cash and cash equivalents at beginning of period	2,617	2,942
Cash and cash equivalents at end of period	$ 2,399	$ 2,617
Reconciliation of changes in net assets to net cash provided by operating activities:		
Changes in net assets	$ 862	$ (4,610)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Amortization of bond issuance and other costs	494	675
Amortization of bond premium	(576)	(674)
Unrealized (gains) losses on investments	(300)	4,978
Change in assets and liabilities:		
Accrued interest receivable	(468)	(511)
Deferred revenue	377	-
Accrued interest payable	479	468
Net cash provided by operating activities	$ 868	$ 326

See accompanying notes to financial statements.

(1) Organization and Summary of Significant Accounting Policies

(a) *Authorizing Legislation*

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

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

The Authority began operations on August 1, 1979 and currently has separate bond programs as shown with original issuance amounts below:

Date	Issue Name	Amount (in thousands)
December 31, 1991	Single Family Mortgage Revenue Bonds, Series 1991 (1991 Program)	$ 19,175
November 30, 1994	Tax-Exempt Agency Mortgage-Backed Securities, Series1994A (1994 Program)	$ 11,835
August 29, 1995	Tax-Exempt Agency Mortgage-Backed Securities, Series 1995A (1995 Program)	$ 12,500
November 26, 1996	Tax-Exempt Agency Mortgage-Backed Securities, Series 1996A (1996 Program)	$ 18,425
August 28, 1997	Tax-Exempt Agency Mortgage-Backed Securities, Series 1997A (1997A Program)(redeemed in full in 2007)	$ 17,395

(1) Organization and Summary of Significant Accounting Policies (continued)

Date	Issue Name	Amount (in thousands)
September 16, 1998	Tax-Exempt Agency Mortgage-Backed Securities, Series 1998A1 and A2 and Refunding Securities 1998C1 and C2 (1998AC Program)	$ 37,110
July 28, 1999	Single Family Mortgage-Backed Securities Series 1999A1 and A2 and Refunding Securities 1999B1 and B2 (1999AB Program)	$ 51,955
April 4, 2000	Single Family Mortgage Revenue Refunding Bonds, Series 2000A-1 and A-2 and 2001B (2000AB Program)	$ 28,000
July 13, 2000	Single Family Mortgage Revenue Refunding Bonds, Series 2000C1 and C2, 2000D1 and D2, and 2001E (2000CDE Program)	$ 49,400
November 29, 2000	Single Family Mortgage Revenue Refunding Bonds, Series 2000G-1 (2000G1 Program)	$ 14,940
January 25, 2001	Single Family Mortgage Revenue Refunding Bonds, Series 2000G-2 (2000G2 Program)	$ 20,000
August 2, 2001	Single Family Mortgage Revenue Refunding Bonds, Series 2001BC (2001BC Program)	$ 31,735

(1) Organization and Summary of Significant Accounting Policies (continued)

Date	Issue Name	Amount (in thousands)
May 29, 2003	Single Family Mortgage Revenue Refunding Bonds, Series 2003A (2003A Program)	$ 15,000
December 12, 2003	Single Family Mortgage Revenue Refunding Bonds, Series 2003C (2003C Program)	$ 30,000
August 4, 2004	Single Family Mortgage Revenue Refunding Bonds, Series 2004A (2004A Program)	$ 20,000
July 21, 2005	Single Family Mortgage Revenue Refunding Bonds, Series 2005A (2005A Program)	$ 20,000
December 20, 2005	Single Family Mortgage Revenue Refunding Bonds, Series 2005B (2005B Program) (defeased in 2007 by the 2007A program.)	$ 100,000
May 9, 2006	Single Family Mortgage Revenue Refunding Bonds, Series 2006A (2006A Program)	$ 30,000
August 10, 2006	Single Family Mortgage Revenue Refunding Bonds, Series 2006B (2006B Program)	$ 28,645
November 14, 2006	Single Family Mortgage Revenue Refunding Bonds, Series 2006C (2006C Program)	$ 20,000
March 15, 2007	Single Family Mortgage Revenue Refunding Bonds, Series 2006D (2006D Program)	$ 20,000

(1) Organization and Summary of Significant Accounting Policies (continued)

Date	Issue Name	Amount (in thousands)
March 28, 2007	Single Family Mortgage Revenue Refunding Bonds, Series 2007A (2007A Program)	$ 150,000
June 28, 2007	Single Family Mortgage Revenue Refunding Bonds, Series 2007B (2007B Program)	$ 20,000
November 20, 2007	Single Family Mortgage Revenue Refunding Bonds, Series 2007C (2007C Program)	$ 30,000

During the year ended December 31, 2007, the 2007A program used a portion of the proceeds to refund the 2005B program. The 1997A program was redeemed in full using the proceeds from the sale of investments.

Bonds and other obligations issued under the provisions of the Trust Indenture are not a debt or liability of the State of Louisiana, the Parish of Jefferson, or any other political subdivision. The Authority's Board of Trustees is empowered under the Trust Indentures and the bond program agreements to contract with outside parties to conduct the day-to-day operations of the bond programs it initiates. In connection with the programs, the Authority utilizes area financial institutions to originate and service the mortgage notes acquired. In addition, a local area bank has been designated as trustee of the individual bond programs and has the fiduciary responsibility for the custody and investment of funds.

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

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

(1) Organization and Summary of Significant Accounting Policies (continued)

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

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

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

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

(c) Cash Equivalents

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

(d) Investment Securities

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

(e) Bond Issuance Costs

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

(f) Refinancing Gains (Losses)

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

(1) Organization and Summary of Significant Accounting Policies (continued)

(h) Real Estate Owned

Real estate owned, comprised of real estate acquired in partial settlement of loans, is recorded at the related unpaid loan principal balance at the time of foreclosure. Substantially all costs of maintaining real estate owned are reimbursed under various insurance coverages. The excess of the unpaid principal and accrued interest balances over sales proceeds realized is also reimbursed under various insurance coverage's. The Authority has no Real Estate Owned properties at December 31, 2007 and 2006.

(i) Estimates

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

(2) Cash, Cash Equivalents and Investment Securities

Cash deposits and cash equivalents of $2,399,000 and $2,617,000 at December 31, 2007 and 2006, respectively, are held in financial institutions. Nominal bank balances are covered by federal depository insurance. The remaining December 31, 2007 and 2006 balances were comprised of cash equivalents that were invested in money market funds, of which the underlying assets are guaranteed by the U.S. Government. At December 31, 2007 and 2006, investments were held as specifically as required under terms of the Trust Indentures. These investments include U.S. Treasury bills, U.S. Treasury notes, and guaranteed investment contracts.

The Authority's investments are categorized below to give an indication of the level of risk assumed by the Authority at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the Authority or its agent in the Authority's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the Authority's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Authority's name. The fair values of investment securities and cost values of Guaranteed Investment Contracts (GICS) and their category classification at December 31 are as follows:

(2) Cash, Cash Equivalents and Investment Securities (continued)

	2007		2006	
	Fair Value (in thousands)	Category	Fair Value (in thousands)	Category
U.S. Government Securities - 1991 Program	$ 1,524	3	$ 962	3
Guaranteed Investment Contracts:				
1994 Program	15	-	19	-
1995 Program	23	-	26	-
1996 Program	90	-	99	-
1997A Program	-	-	7,998	-
1998AC Program	235	-	525	-
1999AB Program	364	-	467	-
2000AB Program	51	-	102	-
2000CDE Program	337	-	457	-
2000G1 Program	61	-	81	-
2000G2 Program	292	-	245	-
2001BC Program	265	-	650	-
2003A Program	229	-	433	-
2003C Program	414	-	757	-
2004A Program	545	-	359	-
2005A Program	450	-	313	-
2005B Program	-	-	48,800	-
2006A Program	523	-	4,354	-
2006B Program	197	-	14,183	-
2006C Program	659	-	21,119	-
2006D Program	1,857	-	-	-
2007A Program	64,625	-	-	-
2007B Program	6,466	-	-	-
2007C Program	31,563	-	-	-
	$ 110,785		$ 101,949	

Collateral on the guaranteed investment contracts is not required unless the financial institution does not meet certain investment-rating requirements. These investments are unsecured, and the redemption depends solely on the financial condition of the companies which provided the contracts and their ability to pay. The Authority is subject to credit risk for each of the financial institutions. The Authority requires in its trust indentures relating to its debt issues that the financial institutions meet minimum credit rating. Failure of the financial institutions to meet minimum credit ratings requires the institutions to provide collateral to support the investment contract. At December 31, 2007, the financial institutions met the investment rating requirements and, as a result, no collateral is currently pledged for any program. The Authority's investments in guaranteed investment contracts are not subject to interest rate risk since the financial institutions guarantee the principal and interest on the investment. The individual guaranteed investment contracts are unrated.

(3) Mortgage Loans Receivable

Mortgage loans receivable for the 2003C program consists of the mortgage loan receivable remaining from the 1993 Program and include mortgage loans represented by fully modified mortgage pass-through certificates (GNMA certificates) backed by certain qualifying mortgage loans for single-family residences located within the Parish of Jefferson. Mortgage loan receivable for the 1994, 1995, 1996, 1998AC, 1999AB, 2000AB, 2000CDE, 2000G1, 2000G2, 2001BC, 2003A, 2003C, 2004A, 2005A, 2006A, 2006B, 2006C, 2006D, and 2007B programs represents mortgage pass-through certificates (GNMA, FNMA, and FHLMC certificates) backed by certain qualifying mortgage loans for single-family residences located within the Parish of Jefferson. The GNMA certificates are fully guaranteed by the United States government; the Authority is not responsible for mortgage loan insurance. The FNMA certificates of the 1994, 1995, 1996, 1997A, 1998AC, 1999AB, 2000AB, 2000CDE, 2000G2, 2001BC, 2003A 2003C, 2004A, 2005A, 2006A, 2006B, 2006C, 2006D, and 2007B loans are fully guaranteed by the Federal National Mortgage Association, a federally chartered and stockholder-owned corporation. As of December 31, 2007, no loans have been issued for the 2007A and 2007C programs.

In the 1991 and 2003C Programs, each mortgage loan purchased by the Authority is insured for mortgage default under various policies. Additionally, mortgage loans are insured under a master policy of supplemental mortgage insurance and under a master policy of special hazard insurance. Each participating mortgage lender services those loans purchased from it by the Authority and receives compensation for services rendered. The mortgage loans have stated interest rates to the Authority as follows:

1994 Program	7.490%
1995 Program	6.690%
1996 Program	6.230%
1998AC Program	5.49% and 6.09%
1999AB Program	5.93% and 6.38%
2000AB Program	6.260%
2000CDE Program	6.26% and 6.52%
2000G1 Program	5.600%
2000G2 Program	5.16% and 5.70%
2001BC Program	5.460%
2003A Program	3.85% and 5.45%
2003C Program	3.63% and 5.40%
2004A Program	5.38% and 5.40%
2005A Program	5.38% and 5.40%
2006A Program	5.400%
2006B Program	5.340%
2006C Program	4.84% and 5.13%
2006D Program	4.78% and 5.34%
2007B Program	5.02% and 5.89%

(3) Mortgage Loans Receivable (continued)

The fair values of GNMA and FNMA certificates and mortgage loans receivable at December 31 are as follows:

	2007	2006
	(in thousands)	
GNMA Certificates:		
1994 Program	$ 679	$ 798
1995 Program	282	1,464
1996 Program	3,200	3,351
1998AC Program	7,186	8,204
1999AB Program	6,344	7,408
2000AB Program	2,461	2,808
2000CDE Program	2,829	3,152
2000G-1 Program	2,081	2,427
2000G-2 Program	5,452	6,728
2001BC Program	7,895	9,321
2003A Program	9,186	10,912
2003C Program	17,187	19,110
2004A Program	11,614	11,676
2005A Program	13,524	14,571
2006A Program	21,032	20,168
2006B Program	15,963	-
2006C Program	8,957	10,343
2006D Program	7,491	-
2007B Program	5,846	-
	149,209	132,441
FNMA Certificates:		
1994 Program	137	144
1995 Program	1,170	289
1996 Program	272	281
1998AC Program	913	940
1999AB Program	927	968
2000AB Program	-	-
2000CDE Program	199	301
2000G-2 Program	142	143
2001BC Program	181	182
2003A Program	576	677
2003C Program	1,365	1,392
2004A Program	858	1,056
2005A Program	4,243	4,647
2006A Program	7,131	5,498
2006B Program	5,728	4,778

(3) Mortgage Loans Receivable (continued)

	2007	2006
	(in thousands)	
2006C Program	-	-
2006D Program	-	-
2007B Program	746	-
	24,588	21,296
FHLMC Certificate		
2006B Program	6,286	-
2006C Program	10,239	-
2006D Program	10,609	-
2007B Program	7,372	-
	34,506	-
Mortgage Loans:		
2003C Program	453	549
	453	549
	$ 208,756	$ 154,286

All mortgage-backed securities are category 1 investments, as explained in note 2. Mortgage loan receivables are not categorized.

(4) Bonds Payable

Bonds payable are as follows at December 31:

	2007	2006
	(in thousands)	
Tax-Exempt Agency Mortgage-Backed Securities, Series 1994A dated November 30, 1994 - $775 due December 1, 2026 at 7.55%	$ 775	$ 915
Tax-Exempt Agency Mortgage-Backed Securities, Series 1995A dated August 29, 1995 - $1,030 due December 1, 2026 at 6.65%	1,030	1,380
Tax-Exempt Agency Mortgage-Backed Securities, Series 1996A dated November 26, 1996 - $3,210 due June 1, 2020 at 6.15%	3,210	3,425
Tax-Exempt Agency Mortgage-Backed Securities, Series 1998A-1 dated September 1, 1998 - $225 due December 2024 at 5.40%, $270 due June 2026 at 5.20%, and $7,265 due December 2029 at 5.25% (plus bond premium of $110)	7,870	9,176

(4) Bonds Payable (continued)

	2007	2006
Single Family Mortgage Revenue Refunding Bonds, Series 1999A-1 dated July 1, 1999 - $1,395 due June 1, 2031 at 5.72%, $2,330 due June 1, 2026 at 5.72%, and $3,300 due June 1, 2031 at 6.75%; (plus premium on bonds of $250)	7,275	8,543
Single Family Mortgage Revenue Refunding Bonds, Series 2000A-1 dated January 15, 2000 - $505 due December 1, 2023 at 6.40%, $955 due December 1, 2030 at 7.50%, and $520 due June 1, 2031 at 6.50% (plus premium on bonds of $210)	2,190	2,673
Single Family Mortgage Revenue Refunding Bonds, Series 2000C-1 dated June 15, 2000 - $265 due June 1, 2029 at 7.00%, $520 due June 1, 2031 at 6.15%, and $265 due June 1, 2032 at 7.25%; Series 2000C-2 dated June 15, 2000 – matured on June 29, 2001; Tax-Exempt Agency Mortgage-Backed Refunding Securities, Series 2000D-1 dated June 15, 2000 - $75 due June 1, 2010 at 5.60%, $685 due December 1, 2025 at 6.10%, and $680 due June 1, 2026 at 7.50%; Series 2000D-2 dated June 15, 2000 – matured on June 29, 2001; Taxable Agency Mortgage-Backed Refunding Securities, Series 2000E dated June 15, 2000 – matured on December 1, 2005 (plus premium on bonds of $277)	2,767	3,446
Single Family Mortgage Revenue Refunding Bonds, Series 2000G-1 dated November 15, 2000 - $1,605 due December 1, 2021 at 5.875% (less discount of $125)	1,605	1,983
Single Family Mortgage Revenue Refunding Bonds, Series 2000G-2 dated January 10, 2001 - $310 due June 1, 2020 at 5.45%, $615 due December 1, 2020 at 5.45%, $435 due December 1, 2031 at 5.55%, $1,520 due June 1, 2032 at 5.55%, and $2,480 due June 1, 2032 at 6.3% (plus premium on bonds of $433)	5,793	7,102

(4) Bonds Payable (continued)

	2007	2006
Single Family Mortgage Revenue Refunding Bonds, Series 2001B-1 dated June 27, 2001 - \$630 due December 1, 2021 at 5.4%, \$1,100 due December 1, 2023 at 6.25%, \$1,320 due June 1, 2032 at 5.5%, \$1,205 due December 1, 2032 at 5.5%, \$2,175 due December 1, 2033 at 5.25% thereafter 6.65%; Series 2001B-2 dated June 27, 2001 - \$1,285 due June 1, 2018 at 5.0% thereafter 6.625%; and Series 2001C dated June 27, 2001 – matured on December 1, 2006 (plus premium on bonds of \$626)	8,341	10,366
Single Family Mortgage Revenue Refunding Bonds, Series 2003A dated May 29, 2003 - \$5,310 due June 1, 2026 at 5.125%, \$2,025 due June 1, 2034 at 5.0%, \$2,500 due December 1, 2034 at 5.0% (plus premium on bonds of \$402)	10,237	12,439
Single Family Mortgage Revenue Refunding Bonds, Series 2003C dated December 11, 2003 - \$4,025 due December 1, 2024 at 4.5%, \$5,825 due December 1, 2026 at 5.5%, \$4,320 due June 1, 2034 at 5.0%, \$4,315 due December 1, 2034 at 5.0% (plus premium on bonds of \$553)	19,038	21,765
Single Family Mortgage Revenue Refunding Bonds, Series 2004A dated June 17, 2004 - \$800 due June 1, 2015 at 4.7%, \$1,760 due December 1, 2024 at 5.1%, \$1,835 due December 1, 2034 at 5.25%, \$1,835 due June 1, 2035 at 5.25%, and \$6,415 due December 1, 2035 at 5.9% (plus premium on bonds of \$441)	13,086	14,652
Single Family Mortgage Revenue Refunding Bonds, Series 2005A dated July 21, 2005 - \$1,400 due June 1, 2015 at 4.0%, \$7,945 due December 1, 2035 at 4.65%, and \$8,790 due June 1, 2036 at 5.55% (plus premium on bonds of \$639)	18,774	20,300

(4) Bonds Payable (continued)

	2007	2006
Single Family Mortgage Revenue Refunding Bonds, Series 2006A dated March 28, 2006 - \$28,515 due June 1, 2037 at 4.90% (plus premium on bonds of \$1,090)	29,605	31,163
Single Family Mortgage Revenue Refunding Bonds, Series 2006B dated July 26, 2006 - \$24,955 due December 1, 2032 at 5.25%, \$3,000 due June 1, 2037 at 4.60% (plus premium on bonds of \$1,237)	29,192	29,964
Single Family Mortgage Revenue Refunding Bonds, Series 2006C dated October 31, 2006 - \$17,915 due June 1, 2033 at 5.0%, and \$2,000 due December 1, 2038 at 5.0% (plus premium on bonds of \$949)	20,864	21,020
Single Family Mortgage Revenue Refunding Bonds, Series 2006D dated March 1, 2007 - \$6,150 due December 1, 2023 at 4.0%, and \$13,850 due June 1, 2038 at 5.0% (plus premium on bonds of \$832)	20,832	-
Single Family Mortgage Revenue Refunding Bonds, Series 2007A dated March 16, 2007 - \$64,625 due March 1, 2039 at 4.72%	64,625	-
Single Family Mortgage Revenue Refunding Bonds, Series 2007B dated June 1, 2007 - \$7,360 due December 1, 2031 at 4.4%, and \$12,640 due December 1, 2048 at 5.7% (plus premium on bonds of \$874)	20,874	-
Single Family Mortgage Revenue Refunding Bonds, Series 2007C dated October 31, 2007 - \$2,625 due December 1, 2017 at 4.25%, \$5,180 due December 1, 2027 at 4.85%, \$11,500 due June 1, 2039 at 5.70%, and \$10,695 due December 1, 2039 at 5.50% (plus premium on bonds of \$1,403)	31,403	-
Total bonds payable	\$ 319,386	\$ 207,652

(4) Bonds Payable (continued)

The Authority is in compliance with its bond covenants.

The bonds in the 1991 Program (sold in 2002) are secured by an assignment and pledge of and security interest in: (i) all mortgage loans and the income therefrom (including all insurance proceeds with respect to the mortgage loans), (ii) the Authority's rights and interests in and to the agreement and (iii) all monies and securities held under the Trust Indentures, including monies in the funds and accounts created pursuant thereto (excluding certain monies representing excess investment earnings, if any, required to be remitted to the United States Government in accordance with the Trust Indentures).

Under the Trust Indentures, the Authority has the option to redeem bonds maturing on or after December 1, 2007 (1997A Program) at 102% of the then outstanding balance and subsequently lesser prices declining to par; April 1, 2008 (1998AC) at 102% of the then outstanding balance and subsequently lesser prices declining to par; June 1, 2009 long term bonds (1999AB Program) at 102% and June 1, 2009 premium bonds (1999AB Program) at 103% of the then outstanding balance and subsequently lesser prices declining to par; December 29, 2009 long term bonds (2000AB Program) at 103% of the then outstanding balance and subsequently lesser prices declining to par; June 1, 2010 long term bonds (2000CDE Program) at 102% and Series C-1 bonds at 105% of the then outstanding balance and subsequently lesser prices declining to par; December 1, 2010 long term bonds (2000G1 Program) at 102% of the then outstanding balance and subsequently lesser prices declining to par; December 1, 2010 long term bonds (2000G2 and 2001BC) at 102% of the then outstanding balance and subsequently lesser prices declining to par and December 1, 2011 at 101% at the then outstanding balance and subsequently lesser prices declining to par; June 1, 2015 (2005A) at 101% of the then outstanding balance and subsequently lesser prices declining to par; December 1, 2015 (2006A) at 102.5% of the then outstanding balance and subsequently lesser prices declining to par; June 1, 2016 (2006B) at 103.0% of the then outstanding balance and subsequently lesser prices declining to par; and June 1, 2016 (2006C) at 103% of the then outstanding balance and subsequently lesser prices declining to par. The Authority has no option to redeem bonds in the 1994 Program.

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

In 1999, the Authority entered into an agreement to issue term bonds with a local bank, with an interest rate of 5.5%, secured by the 1999C bonds. The Authority authorized the issuance of $75,000,000 Single Family Mortgage Revenue Refunding Bonds, Series 1999C to be issued as a draw down bond. The bonds proceeds will be used to refund portions of one or more of the Authority's outstanding bond issues. This program was defeased by the 2002B Program in 2002, with an initial interest rate of 1.42% with variable interest rates thereafter equal to the BMA Index plus 60 basis points.

(4) Bonds Payable (continued)

In 2003, the Authority entered into a second agreement to issue term bonds with a local bank, with an initial interest rate of 1.10% with variable rates thereafter equal to 99.1% of the Taxable Interest Rate, not to exceed the maximum rate of 12% per annum, secured by the 2003B bonds. The Authority authorized the issuance of $75,000,000 Single Family Mortgage Revenue Refunding Bonds, Series 2003B to be issued as a draw down bond. The bonds proceeds will be used to refund portions of one or more of the Authority's outstanding bond issues.

In 2004, the Authority entered into a third agreement to issue term bonds with a local bank, with an initial interest rate of 1.79% with variable rates thereafter equal to 100% of the Taxable Interest Rate, not to exceed the maximum rate of 12% per annum, secured by the 2004B Bonds. The Authority authorized the issuance of $75,000,000 Single Family Mortgage Revenue Refunding Bonds, Series 2004B to be issued as a draw down bond. The bonds proceeds will be used to refund portions of one or more of the Authority's outstanding bond issues.

In 2005, the Authority entered into a fourth agreement to issue term bonds with a local bank, with an initial interest rate of 3.7145% with variable rates thereafter equal to 85% of the Taxable Interest Rate, not to exceed the maximum rate of 12% per annum, secured by the 2005B Bonds. The Authority authorized the issuance of $100,000,000 Single Family Mortgage Revenue Refunding Bonds, Series 2005B to be issued as a draw down bond. The bonds proceeds will be used to refund portions of one or more of the Authority's outstanding bond issues. The 2005B program was refunded in March 2007 with the proceeds from the 2007A program.

The other bond programs have early bond calls based on the timing of the receipt of mortgage loan principal and interest payments. As excess cash is accumulated, the Authority is required to issue bond calls.

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

		2007	2006
1979 Program - (defeased by the 1991 Program)	$	51,550,000	51,550,000
1985 Program - (defeased by the 1994 "1985" Program)	$	32,595,000	32,595,000
1991 Program (sold)	$	1,500,000	1,500,000

(4) Bonds Payable (continued)

A summary of scheduled bond maturities (in thousands) as of December 31, 2007 is as follows:

	2008	2009	2010	2011	2012	2013-2017	2018-2022	2023-2027	2028-2032	2033-2037	2038-2042	2043-2037	2048-2052	Premiums (Discounts)	Total
Principal:															
1994 Program	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 775	$ -	$ -	$ -	$ -	$ -	$ -	$ 775
1995 Program	-	-	-	-	-	-	-	1,030	-	-	-	-	-	-	1,030
1996 Program	-	-	-	-	-	-	-	-	3,210	-	-	-	-	-	3,210
1998AC Program	-	-	-	-	-	-	-	495	7,265	-	-	-	-	110	7,870
1999AB Program	-	-	-	-	-	-	-	2,330	4,695	-	-	-	-	250	7,275
2000 AB Program	-	-	-	-	-	-	-	505	1,475	-	-	-	-	210	2,190
2000 CDE Program	-	-	-	75	-	-	-	1,365	1,050	-	-	-	-	277	2,767
2000 G1 Program	-	-	-	-	-	-	1,730	-	-	-	-	-	-	(125)	1,605
2000 G2 Program	-	-	-	-	-	-	925	-	4,435	-	-	-	-	433	5,793
2001 BC Program	-	-	-	-	-	-	1,915	1,100	2,525	2,175	-	-	-	626	8,341
2003A Program	-	-	-	-	-	-	-	5,310	-	4,525	-	-	-	402	10,237
2003C Program	-	-	-	-	-	-	-	9,850	-	8,635	-	-	-	553	19,038
2004A Program	-	-	-	-	-	800	-	1,760	-	10,085	-	-	-	441	13,086
2005A Program	-	-	-	-	-	1,400	-	-	-	16,735	-	-	-	639	18,774
2006A Program	-	-	-	-	-	-	-	-	-	-	28,515	-	-	1,090	29,605
2006B Program	-	-	-	-	-	-	-	-	-	24,955	3,000	-	-	1,237	29,192
2006C Program	-	-	-	-	-	-	-	-	17,915	-	2,000	-	-	949	20,864
2006D Program	-	-	-	-	-	-	-	6,150	-	-	13,850	-	-	832	20,832
2007A Program	-	-	-	-	-	-	-	-	-	-	64,625	-	-	-	64,625
2007B Program	-	-	-	-	-	-	-	-	7,360	-	-	-	12,640	874	20,874
2007C Program	-	-	-	-	-	2,625	-	5,180	-	-	22,195	-	-	1,403	31,403
Total	-	-	-	75	-	4,825	4,570	35,850	49,930	67,110	134,185	-	12,640	10,201	319,386
Interest:															
1994 Program	59	59	59	59	59	293	293	231	-	-	-	-	-	-	1,112
1995 Program	68	68	68	68	68	343	343	275	-	-	-	-	-	-	1,301
1996 Program	197	197	197	197	197	987	987	987	200	-	-	-	-	-	4,146
1998AC Program	408	408	408	408	408	2,038	2,038	1,988	760	-	-	-	-	-	8,864
1999AB Program	436	436	436	436	436	2,179	2,179	2,046	1,209	-	-	-	-	-	9,793
2000 AB Program	138	138	138	138	138	689	689	559	349	-	-	-	-	-	2,976
2000 CDE Program	167	167	167	163	163	813	813	678	259	-	-	-	-	-	3,390
2000 G1 Program	102	102	102	102	102	508	405	-	-	-	-	-	-	-	1,423
2000 G2 Program	315	315	315	315	315	1,576	1,475	1,324	1,300	-	-	-	-	-	7,250
2001 BC Program	476	476	476	476	476	2,378	2,003	1,490	1,418	142	-	-	-	-	9,811
2003A Program	498	498	498	498	498	2,492	2,492	2,220	1,131	454	-	-	-	-	11,279
2003C Program	933	933	933	933	933	4,666	4,666	3,803	2,159	865	-	-	-	-	20,824
2004A Program	699	699	699	699	699	3,417	3,305	3,035	2,856	1,615	-	-	-	-	17,723
2005A Program	913	913	913	913	913	4,454	4,286	4,286	4,286	3,063	-	-	-	-	24,940
2006A Program	1,397	1,397	1,397	1,397	1,397	6,986	6,986	6,986	6,986	6,988	-	-	-	-	41,917
2006B Program	1,448	1,448	1,448	1,448	1,448	7,241	7,241	7,241	7,241	690	-	-	-	-	36,894
2006C Program	996	996	996	996	996	4,979	4,979	4,979	4,979	500	100	-	-	-	25,496
2006D Program	939	939	939	939	939	4,692	4,692	3,709	3,463	3,463	690	-	-	-	25,404
2007A Program	3,050	3,050	3,050	3,050	3,050	15,251	15,251	15,251	15,251	15,251	6,104	-	-	-	97,609
2007B Program	1,044	1,044	1,044	1,044	1,044	5,222	5,222	5,222	4,898	3,602	3,602	3,602	722	-	37,312
2007C Program	996	996	996	996	996	4,979	4,979	4,979	4,979	1,396	200	-	-	-	26,492
Total due each year	15,279	15,279	15,279	15,275	15,275	76,183	75,324	71,289	63,724	38,029	10,696	3,602	722	-	415,956
Total due	$ 15,279	$ 15,279	$ 15,279	$ 15,350	$ 15,275	$ 81,008	$ 79,894	$ 107,139	$ 113,654	$105,139	$144,881	$ 3,602	$ 13,362	$ 10,201	$735,342

(5) Net Assets

The net assets included in the 1991 Program, totaling $1,817,000 and $1,589,000 as of December 31, 2007 and 2006, respectively, are for the benefit of all Programs and available to the Authority for its purpose of promoting and providing residential housing in the Parish of Jefferson. Although unrestricted to a particular program, the unrestricted net assets must be maintained by the Authority until all bonds and programs are liquidated. The remaining net assets are restricted for specific operating uses as described in the trust indentures.

(6) Commitments

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

JEFFERSON PARISH FINANCE AUTHORITY

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

For the year ended December 31, 2007
(See Accompanying Independent Auditor's Report)

Assets	1991 Program	1994 Program	1995 Program	1996 Program	1997A Program	1998AC Program	1999AB Program	2000AB Program	2000CDE Program	2000G-1 Program	2000G-2 Program	2001BC Program
Cash and cash equivalents	$ 666	$ 2	$ 2	$ 2	$ -	$ 68	$ 47	$ 56	$ 359	$ 18	$ 5	$ 1
Investment securities, at fair value	1,524	15	23	90	-	235	364	51	337	61	292	265
Mortgage loans receivable and mortgage-backed securities	-	816	1,452	3,472	-	8,099	7,271	2,461	3,028	2,081	5,594	8,076
Accrued interest receivable	4	4	7	17	-	38	38	14	19	12	29	42
Bond issuance costs, net	-	40	23	59	-	139	134	126	151	94	224	285
Total assets	$ 2,194	$ 877	$ 1,507	$ 3,640	$ -	$ 8,579	$ 7,854	$ 2,708	$ 3,894	$ 2,266	$ 6,144	$ 8,669
Liabilities and Net Assets												
Liabilities:												
Bonds payable, net	$ -	$ 775	$ 1,030	$ 3,210	$ -	$ 7,870	$ 7,275	$ 2,190	$ 2,767	$ 1,605	$ 5,793	$ 8,341
Accrued interest payable	-	5	5	16	-	34	36	11	14	8	26	40
Deferred Service Release Fee	377	-	-	-	-	-	-	-	-	-	-	-
	377	780	1,035	3,226	-	7,904	7,311	2,201	2,781	1,613	5,819	8,381
Net Assets:												
Restricted for debt	-	97	472	414	-	675	543	507	1,113	653	325	288
Unrestricted	1,817	-	-	-	-	-	-	-	-	-	-	-
Total net assets	1,817	97	472	414	-	675	543	507	1,113	653	325	288
Total liabilities and net assets	$ 2,194	$ 877	$ 1,507	$ 3,640	$ -	$ 8,579	$ 7,854	$ 2,708	$ 3,894	$ 2,266	$ 6,144	$ 8,669

Assets	2003 A Program	2003 C Program	2004 A Program	2005A Program	2005B Program	2006A Program	2006B Program	2006C Program	2006D Program	2007A Program	2007B Program	2007C Program	Total
Cash and cash equivalents	$ 3	$ 15	$ 5	$ 161	$ -	$ 41	$ 303	$ 137	$ 135	$ 206	$ 72	$ 95	$ 2,399
Investment securities, at fair value	229	414	545	450	-	523	197	659	1,857	64,625	6,466	31,563	110,785
Mortgage loans receivable and mortgage-backed securities	9,762	19,005	12,472	17,767	-	28,163	27,977	19,196	18,100	-	13,964	-	208,756
Accrued interest receivable	46	88	63	84	-	132	131	91	92	261	97	158	1,467
Bond issuance costs, net	218	361	289	312	-	501	467	313	359	289	360	494	5,238
Total assets	$ 10,258	$ 19,883	$ 13,374	$ 18,774	$ -	$ 29,360	$ 29,075	$ 20,396	$ 20,543	$ 65,381	$ 20,959	$ 32,310	$ 328,645
Liabilities and Net Assets													
Liabilities:													
Bonds payable, net	$ 10,237	$ 19,038	$ 13,086	$ 18,774	$ -	$ 29,605	$ 29,192	$ 20,864	$ 20,832	$ 64,625	$ 20,874	$ 31,403	$ 319,386
Accrued interest payable	42	78	58	76	-	116	120	83	78	242	87	183	1,358
Deferred Service Release Fee	-	-	-	-	-	-	-	-	-	-	-	-	377
	10,279	19,116	13,144	18,850	-	29,721	29,312	20,947	20,910	64,867	20,961	31,586	321,121
Net Assets:													
Restricted for debt	(21)	767	230	(76)	-	(361)	(237)	(551)	(367)	514	(2)	724	5,707
Unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	1,817
Total net assets	(21)	767	230	(76)	-	(361)	(237)	(551)	(367)	514	(2)	724	7,524
Total liabilities and net assets	$ 10,258	$ 19,883	$ 13,374	$ 18,774	$ -	$ 29,360	$ 29,075	$ 20,396	$ 20,543	$ 65,381	$ 20,959	$ 32,310	$ 328,645

See auditors' report.

JEFFERSON PARISH FINANCE AUTHORITY

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

For the year ended December 31, 2007
(See Accompanying Independent Auditor's Report)

	1993 Program	1994 Program	1995 Program	1996 Program	1997A Program	1998AC Program	1999AB Program	2000AB Program	2000CDE Program	2000G-1 Program	2000G-2 Program	2001BC Program
Operating revenues:												
Investment income on mortgage loans	$ -	$ 72	$ 112	$ 236	$ -	$ 523	$ 509	$ 192	$ 236	$ 178	$ 390	$ 558
Appreciation (depreciation) in market value of investments	-	4	22	37	15	(67)	46	39	50	12	41	164
Investment income on investments	68	4	8	9	431	32	36	17	34	32	29	46
Servicer Release Fee	323	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue	7	-	-	-	-	-	-	-	-	-	-	-
Total operating revenues	398	80	142	282	446	488	591	248	320	222	460	768
Operating expenses:												
Interest on debt	-	65	86	207	389	442	459	138	161	136	333	489
Amortization of bond issuance costs and other costs	-	4	2	5	106	14	12	14	16	13	20	30
Early retirement of bond premium	-	-	-	-	202	-	-	-	-	-	-	-
Arbitrage expense	-	-	-	-	-	-	-	-	-	-	-	-
Servicing fees	-	4	7	17	-	42	38	13	16	10	31	43
Trustee fees	8	-	-	4	-	4	3	4	4	4	4	3
Other operating expenses	559	-	-	-	-	-	-	-	-	-	-	-
Total operating expenses	567	73	95	233	697	502	512	169	197	163	388	565
Change in net assets before other financing sources (uses)	(169)	7	47	49	(251)	(14)	79	79	123	59	72	203
Other financing sources (uses)												
Operating transfers	397	(1)	(4)	(9)	(519)	(21)	(15)	(6)	(7)	(862)	(15)	(21)
Change in net assets	228	6	43	40	(770)	(35)	64	73	116	(803)	57	182
Net assets at beginning of the period	1,589	91	429	374	770	710	479	434	997	1,456	268	106
Net assets at end of the period	$ 1,817	$ 97	$ 472	$ 414	$ -	$ 675	$ 543	$ 507	$ 1,113	$ 653	$ 325	$ 288

	2003 A Program	2003 C Program	2004A Program	2005A Program	2005B Program	2006A Program	2006B Program	2006C Program	2006D Program	2007A Program	2007B Program	2007C Program	Total
Operating revenues:													
Investment income on mortgage loans	$ 578	$ 1,149	$ 778	$ 1,056	$ -	$ 1,643	$ 1,441	$ 694	$ 397	$ -	$ 133	$ -	$ 10,875
Appreciation (depreciation) in market value of investments	173	293	1,513	263	-	236	(294)	(1,030)	(820)	-	(397)	-	300
Investment income on investments	27	36	33	28	608	75	257	451	460	2,251	416	158	5,546
Servicer Release Fee	-	-	-	-	-	-	-	-	-	-	-	-	323
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-	-	-	-	7
Total operating revenues	778	1,478	2,324	1,347	608	1,954	1,404	115	37	2,251	152	158	17,051
Operating expenses:													
Interest on debt	522	973	722	913	521	1,385	1,216	867	677	2,025	506	183	13,415
Amortization of bond issuance costs and other costs	20	34	25	25	10	33	35	24	30	-	22	-	494
Early retirement of bond premium	-	-	-	-	-	-	-	-	-	-	-	-	202
Arbitrage expense	-	-	-	-	440	-	-	-	-	-	-	-	440
Servicing fees	54	101	68	96	-	144	124	62	39	-	14	-	923
Trustee fees	4	8	5	7	-	11	11	8	4	3	4	6	109
Other operating expenses	-	-	-	-	-	-	-	47	-	-	-	-	606
Total operating expenses	600	1,116	820	1,041	971	1,573	1,386	1,008	750	2,028	546	189	16,189
Change in net assets before other financing sources (uses)	178	362	1,504	306	(363)	381	18	(893)	(713)	223	(394)	(31)	862
Other financing sources (uses)													
Operating transfers	(25)	(49)	(32)	10	(73)	(187)	(185)	(160)	346	291	392	755	-
Change in net assets	153	313	1,472	316	(436)	194	(167)	(1,053)	(367)	514	(2)	724	862
Net assets at beginning of the period	(174)	454	(1,242)	(392)	436	(555)	(70)	502	-	-	-	-	6,662
Net assets at end of the period	$ (21)	$ 767	$ 230	$ (76)	$ -	$ (361)	$ (237)	$ (551)	$ (367)	$ 514	$ (2)	$ 724	$ 7,524

See auditors' report.

JEFFERSON PARISH FINANCE AUTHORITY

Schedule of Cash Flows by Program
(in thousands)

For the year ended December 31, 2007
(See Accompanying Independent Auditor's Report)

	1991 Program	1994 Program	1995 Program	1996 Program	1997A Program	1998AC Program	1999AB Program	2000AB Program	2000CDE Program	2000G-1 Program	2000G-2 Program	2001 BC Program	2003 A Program	2003 C Program	2004 A Program	2005A Program	2005B Program	2006A Program	2006B Program	2006C Program	2006D Program	2007A Program	2007B Program	2007C Program	Total
Cash receipts for:																									
Investment income on mortgage loans	$ -	$ 74	$ 115	$ 238	$ -	$ 516	$ 501	$ 189	$ 232	$ 171	$ 383	$ 547	$ 571	$ 1,128	$ 771	$ 1,050	$ -	$ 1,656	$ 1,508	$ 782	$ 312	$ -	$ 63	$ -	$ 10,807
Investment income on investments	73	4	8	9	446	32	36	17	34	32	29	46	27	47	33	28	838	64	196	368	453	1,990	389	-	5,199
Other revenue	707	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	707
Cash payments for:																									
Interest on debt	-	(66)	(88)	(208)	(410)	(426)	(429)	(112)	(141)	(116)	(366)	(545)	(549)	(1,014)	(750)	(958)	(1,038)	(1,355)	(1,224)	(871)	(668)	(1,783)	(446)	-	(13,563)
Servicing fees	-	(4)	(7)	(17)	-	(42)	(38)	(13)	(16)	(10)	(31)	(43)	(54)	(102)	(68)	(95)	-	(144)	(124)	(62)	(39)	-	(14)	-	(923)
Other operating expenses	(567)	-	-	(4)	(202)	(4)	(3)	(4)	(4)	(4)	(4)	(4)	(4)	(8)	(5)	(7)	(440)	(11)	(11)	(56)	(4)	(3)	(4)	(6)	(1,359)
Net cash provided by (used in) operating activities	213	8	28	18	(166)	76	67	77	105	73	11	1	(9)	51	(19)	18	(640)	210	345	161	54	204	(12)	(6)	868
Cash flows from noncapital financing activities -																									
Bond proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,900	64,625	20,900	31,403	137,828
Bonds redeemed (payments)	-	(140)	(350)	(215)	(7,340)	(1,295)	(1,245)	(460)	(650)	(395)	(1,270)	(1,960)	(2,165)	(2,675)	(1,530)	(1,475)	-	(1,485)	(690)	(85)	-	-	-	-	(25,425)
Term bond proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Term bonds redeemed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(48,140)	-	-	-	-	-	-	-	(48,140)
Bond issue costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(388)	(289)	(383)	(494)	(1,554)
Operating transfers	397	(1)	(4)	(9)	(519)	(21)	(15)	(6)	(7)	(862)	(15)	(21)	(25)	(49)	(32)	10	(73)	(187)	(185)	(160)	346	291	392	755	-
Net cash provided by (used in) noncapital financing activities	397	(141)	(354)	(224)	(7,859)	(1,316)	(1,260)	(466)	(657)	(1,257)	(1,285)	(1,981)	(2,190)	(2,724)	(1,562)	(1,465)	(48,213)	(1,672)	(875)	(245)	20,858	64,627	20,909	31,664	62,709
Cash flows from investing activities																									
Proceeds from sale of investment	-	4	4	9	8,025	278	104	51	120	20	48	386	203	343	(187)	(136)	48,470	3,832	13,986	20,380	-	-	-	-	95,940
Acquisition of investments	(562)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,857)	(64,625)	(6,466)	(31,563)	(105,073)
Acquisition of mortgage loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,375)	(13,282)	(20,229)	(18,920)	-	(14,359)	-	(69,165)
Principal receipts from mortgage loans	-	130	322	197	-	972	1,107	340	431	367	1,226	1,595	1,995	2,338	1,773	1,710	-	-	-	-	-	-	-	-	14,503
Net cash provided by (used in) investing activities	(562)	134	326	206	8,025	1,250	1,211	391	551	387	1,274	1,981	2,198	2,681	1,586	1,574	48,470	1,457	704	151	(20,777)	(64,625)	(20,825)	(31,563)	(63,795)
Net increase (decrease) in cash and cash equivalents	48	1	-	-	-	10	18	2	(1)	(797)	-	1	(1)	8	5	127	(383)	(5)	174	67	135	206	72	95	(218)
Cash and cash equivalents at beginning of period	618	1	2	2	-	58	29	54	360	815	5	-	4	7	-	34	383	46	129	70	-	-	-	-	2,617
Cash and cash equivalents at end of period	$ 666	$ 2	$ 2	$ 2	$ -	$ 68	$ 47	$ 56	$ 359	$ 18	$ 5	$ 1	$ 3	$ 15	$ 5	$ 161	$ -	$ 41	$ 303	$ 137	$ 135	$ 206	$ 72	$ 95	$ 2,399
Cash provided by (used in) operating activities:																									
Net change in net assets before other financing uses	$ (169)	$ 7	$ 47	$ 49	$ (251)	$ (14)	$ 79	$ 79	$ 123	$ 59	$ 72	$ 203	$ 178	$ 362	$ 1,504	$ 306	$ (363)	$ 381	$ 18	$ (893)	$ (713)	$ 223	$ (394)	$ (31)	$ 862
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:																									
Amortization of bond issuance and other costs	-	4	2	5	106	14	12	14	16	13	20	30	20	34	25	25	10	33	35	24	30	-	22	-	494
Amortization of bond (premium) discount	-	-	-	-	-	11	23	23	29	18	(39)	(65)	(36)	(52)	(35)	(51)	(330)	24	-	-	(69)	-	(27)	-	(576)
Unrealized (gains) losses on investments	-	(4)	(22)	(37)	(15)	67	(46)	(39)	(50)	(12)	(41)	(164)	(173)	(293)	(1,313)	(263)	-	(236)	294	1,030	820	-	397	-	(300)
Changes in assets and liabilities:																									
(Increase) decrease in accrued interest receivables	5	2	3	2	(41)	(7)	(8)	(3)	(4)	(7)	(7)	(12)	(7)	(11)	(7)	(5)	231	2	6	8	(92)	(261)	(97)	(158)	(468)
Increase (decrease) in other liabilities	377	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	377
Increase (decrease) in accrued interest payable	-	(1)	(2)	(1)	35	5	7	3	(9)	2	6	9	9	11	7	6	(188)	6	(8)	(8)	78	242	87	183	479
Net cash provided by (used in) operating activities	$ 213	$ 8	$ 28	$ 18	$ (166)	$ 76	$ 67	$ 77	$ 105	$ 73	$ 11	$ 1	$ (9)	$ 51	$ (19)	$ 18	$ (640)	$ 210	$ 345	$ 161	$ 54	$ 204	$ (12)	$ (6)	$ 868

See auditors' report.

JEFFERSON PARISH FINANCE AUTHORITY

Schedule of Board Members' Compensation

December 31, 2007 and 2006

The members of the Authority's Board of Trustees receive per diem payments for meetings attended and services rendered and are also reimbursed for actual expenses incurred in the performance of their duties as members of the Board of Trustees. For the year ended December 31, 2007, the following per diem payments were made to the members of the Authority's board:

Number of Meetings:

	Regular Per Diems	Extra Per Diems	2007 Total
Bicknell, Margaret R.	43	12	55
Bourg, Alton L.	44	12	56
Dunn, Lester	28	7	35
Johnson, Marvin	39	5	44
Lambert, Robert J.	35	11	46
Lawson, Arthur S.	19	0	19
Miserendino, Guiseppe R.	0	0	0
Muscarello, Frank, L.	41	9	50
Templet, Ricky	32	0	32

Per Diem Payments:

		2007
Bicknell, Margaret R.	$	5,500
Bourg, Alton L.		5,600
Dunn, Lester		3,500
Johnson, Marvin		4,400
Lambert, Robert J.		4,600
Lawson, Arthur S.		1,900
Muscarello, Frank		5,000
Templet, Ricky		3,200
	$	33,700

See auditors' report.

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

Commissioners
Jefferson Parish Finance Authority
Gretna, Louisiana:

We have audited the financial statements of Jefferson Parish Finance Authority (the Authority), as of and for the year ended December 31, 2007, and have issued our report thereon dated May 9, 2008. 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 as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect the Authority's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Authority's financial statements that is more than inconsequential will not be prevented or detected by the Authority's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Authority.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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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 grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board, the Authority's management and federal awarding agencies and pass-through entities, such as the State of Louisiana and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties.

Postlethwaite + Netterville

Metairie, Louisiana
May 12, 2008

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May 12, 2008

Commissioners
Jefferson Parish Finance Authority
Gretna, Louisiana

We have audited the financial statements of the Jefferson Parish Finance Authority (the Authority) as of and for the year ended December 31, 2007, and have issued our report thereon dated May 9, 2008. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated September 26, 2007, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on January 18, 2008.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2007. We noted no transactions entered into by the Company during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 9, 2008.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Company's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Company's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Members and management of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Postlethwaite + Netterville

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