

REPORT
LOUISIANA HOUSING CORPORATION
COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

LOUISIANA HOUSING CORPORATION
COMBINED FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

September 16, 2019

To the Board of Directors
Louisiana Housing Corporation
Baton Rouge, Louisiana

Report on the Combined Financial Statements

We have audited the accompanying combined financial statements of the Louisiana Housing Corporation (the Corporation), which comprise the combined statement of net position as of June 30, 2019, and the related combined statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. 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*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the respective combined financial position of the Corporation as of June 30, 2019, and the respective changes in combined financial position and combined cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the index to the report, be presented to supplement the basic combined financial statements. Such information, although not a part of the basic combined financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic combined financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic combined financial statements, and other knowledge we obtained during our audit of the basic combined financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The schedule of per diem paid to board members, the supplementary combining information, and the supplementary mortgage revenue bond programs combining information, as listed in the index to the report, are presented for purposes of additional analysis and are not a required part of the basic combined financial statements.

The schedule of per diem paid to board members, the supplementary combining information, and the supplementary mortgage revenue bond programs combining information, as listed in the index to the report, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2019, on our consideration of the Louisiana Housing Corporation's internal control over financial reporting and on 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Louisiana Housing Corporation's internal control over financial reporting and compliance.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana

LOUISIANA HOUSING CORPORATION
COMBINED FINANCIAL STATEMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

Management's Discussion and Analysis of the Louisiana Housing Corporation's (the Corporation) financial performance presents a narrative overview and analysis of the Corporation's financial activities for the year ended June 30, 2019. This document focuses on the Corporation's current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. The results used in this analysis are rounded to the nearest thousandth or millionth, as indicated. Please read this document in conjunction with the Corporation's combined financial statements, which begin on page 10.

FINANCIAL HIGHLIGHTS

- Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at the close of fiscal year 2019 by \$410.6 million, which represents an 11.7% increase from last fiscal year.
- Total operating revenues increased by \$20.5 million, or 81.3%, primarily due to gains on investments and mortgage backed securities plus new multifamily mortgage revenue bonds.
- Total operating expenses increased by \$4.6 million, or 15.0%, primarily due to general and administrative expenses related to issuances of multiple mortgage revenue bonds.

OVERVIEW OF THE COMBINED FINANCIAL STATEMENTS

The combined financial statements present information for the Corporation as a whole, in a format designed to make the statements easier for the reader to understand. The combined financial statements comprise three components 1) Management's Discussion and Analysis, 2) Basic Financial Statements (including the notes to the combined financial statements), and 3) Required Supplementary Information. This report also contains other supplementary information in addition to the combined financial statements themselves.

Basic Financial Statements

The basic financial statements include the Combined Statement of Net Position, the Combined Statement of Revenues, Expenses and Changes in Net Position and the Combined Statement of Cash Flows.

The Combined Statement of Net Position presents information on all of the Corporation's assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference between them presented as net position. Over time, increases or decreases in net position may provide a useful indicator of whether the financial position of the Corporation is improving or deteriorating.

The Combined Statement of Revenues, Expenses and Changes in Net Position presents information showing how the Corporation's net position changed as a result of current year operations. Regardless of when cash is affected, all changes in net position are reported as either revenues or expenses when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

LOUISIANA HOUSING CORPORATION
COMBINED FINANCIAL STATEMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

OVERVIEW OF THE COMBINED FINANCIAL STATEMENTS (Continued)

Basic Financial Statements (Continued)

The Combined Statement of Cash Flows presents information showing how the Corporation's cash changed as a result of current year operations. 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 *Government Accounting Standards*.

The notes to the combined financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

FINANCIAL ANALYSIS OF THE ENTITY

**Condensed Combined Statements of Net Position
June 30, 2019 and 2018
(In Thousands)**

	2019	2018
Unrestricted assets	\$ 15,397	\$ 14,834
Restricted assets	887,434	785,888
Capital assets	68,656	71,323
Total assets	971,487	872,045
Deferred outflows of resources	6,569	4,903
Total assets and deferred outflows of resources	<u>\$ 978,056</u>	<u>\$ 876,948</u>
Other liabilities	\$ 14,171	\$ 13,751
Long-term obligations	546,653	487,949
Total liabilities	<u>560,824</u>	<u>501,700</u>
Deferred inflows of resources	6,661	7,782
Net position:		
Net investment in capital assets	68,656	71,324
Restricted	369,584	324,701
Unrestricted	(27,669)	(28,559)
Total net position	<u>410,571</u>	<u>367,466</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 978,056</u>	<u>\$ 876,948</u>

LOUISIANA HOUSING CORPORATION
COMBINED FINANCIAL STATEMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

FINANCIAL ANALYSIS OF THE ENTITY (Continued)

Amounts invested in capital assets represent the carrying amount of property and equipment less depreciation. Restricted net position represents those assets that are not available for spending as a result of legal restraints and grant requirements. Unrestricted net position represents unrestricted assets, net of obligations, to support the general operations and investments of the Corporation.

Net position increased by \$43.1 million, or 11.7%, from June 30, 2018 to June 30, 2019. This increase in net position can be primarily attributed to increases in gains on investments and mortgage-backed securities, increases in other income related to the issuance of new multifamily mortgage revenue bonds, increases in federal grants drawn, and changes in the provision for loan losses.

**Condensed Combined Statements of Revenues, Expenses and Changes in Net Position
For the years ended June 30, 2019 and 2018
(In Thousands)**

	2019	2018
Operating revenues	\$ 45,814	\$ 25,267
Operating expenses	34,867	30,307
Operating income (loss)	10,947	(5,040)
Non-operating revenues	32,158	10,816
Income before transfers and contributions	43,105	5,776
Distributions to third parties	-	(304)
Increase in net position	\$ 43,105	\$ 5,472

Total operating revenues increased by \$20.5 million, which represents an 81.3% increase from last fiscal year. This increase was primarily as a result of increases in gains on investments and mortgage-backed securities, increases in other income related to the issuance of new multifamily mortgage revenue bonds, and the reclassification of federal project delivery fees revenues from non-operating revenues to operating revenues in the current year.

Total operating expenses increased by \$4.6 million, which represents a 15.0% increase from last fiscal year. This increase was primarily as a result of economies of scales from operations which resulted in increases in personnel expenses and increases in general and administrative expenses related to the issuance of several mortgage revenue bonds.

LOUISIANA HOUSING CORPORATION
COMBINED FINANCIAL STATEMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2019, the Corporation had \$80 million invested in a broad range of capital assets, including two facilities located in Baton Rouge, two completed apartment complexes in New Orleans, and an apartment complex in Baton Rouge (see table below). This amount represents a net decrease (including additions and deductions) of \$3.2 million, or a 4% decrease compared to the prior year.

Capital Assets at Year-End

	(in thousands)	
	June 30	
	2019	2018
Land	\$ 1,022	\$ 1,022
Land improvements (net of accumulated depreciation)	21	28
Building (net of accumulated depreciation)	78,442	81,525
Equipment (net of accumulated depreciation)	107	191
Construction in Progress	1	-
	<u>1</u>	<u>-</u>
Total	<u>\$ 79,593</u>	<u>\$ 82,766</u>

Changes in capital assets for the years ended June 30, 2019 and 2018 include:

	(in thousands)	
	<u>2019</u>	<u>2018</u>
Equipment acquisitions and replacements	\$ 8	\$ 103
Depreciation (net of disposals)	(3,180)	(3,267)
Disposals	-	(89)

Debt Administration

The Corporation had \$465.7 million in bonds and debentures outstanding at year-end, compared to \$427.2 million at the end of last fiscal year, an increase of \$38.5 million, or a 9.0% increase, as shown in the table below. This increase was primarily due to the issuance of new mortgage revenue bonds in the current year.

LOUISIANA HOUSING CORPORATION
COMBINED FINANCIAL STATEMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Debt Administration (Continued)

		(in thousands)	
		June 30	
		2019	2018
Mortgage Revenue Bonds	\$	464,819	\$ 423,853
General Obligation Bonds Series 2013		900	1,045
Debentures payable		-	2,325
Total outstanding debt	\$	465,719	\$ 427,223

The Corporation's Moody's bond rating was A1 for the general revenue bonds and the 202 Elderly MR Bonds. The Corporation's Single Family Mortgage Revenue Bonds carry an AAA rating.

The Corporation has accounts payable and accrued interest payable of \$11.7 million outstanding at year-end compared with \$11.3 million last year, an increase of \$0.4million, or an increase of 3.7% compared to the prior year.

Long-term obligations consist of accrued vacation pay and sick leave, debentures and bonds payable, the net pension liability, other postemployment benefits payable and amounts held in escrow.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Corporation's appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- The Corporation's administration of its current sustainable housing programs, as well as the addition of programs related to the 2016 Flood Recovery activities, will generate additional administrative revenue for the Corporation.
- It is anticipated that the Corporation will recognize additional HOME program income that will provide added programmatic funding, as well as administrative revenue.
- The Single Family programs continue to be successful in generating added loans, along with related administrative fee revenues.
- The HUD Disposition properties continue to provide several units of affordable housing, as well as related equity returns to the Corporation.

LOUISIANA HOUSING CORPORATION
COMBINED FINANCIAL STATEMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (Continued)

The Corporation expects that next year's results will be mixed based upon the following:

- Single Family Mortgage Revenue Bond Programs are going to have a positive effect on the Corporation due to the increase in the number of issues in the current year that will lead to increased revenues related to issuer fees and other means of income. However, expanding the Single Family Mortgage Revenue Bond Programs is expected to yield increased Issuer Fees in fiscal year 2020 and beyond.
- HUD plans to move forward with a competitive process to award new Section 8 Contract Administration contracts. The Corporation anticipates that it will seek to continue to be a participant in the program, and will likely continue to operate the current contract through at least December 31, 2019. The Corporation is in talks with other Housing Finance Agencies to ensure that the Corporation is a part of any negotiations that are taking place with HUD concerning continued participation in the program.
- The Corporation expects that net results from operations will remain relatively flat year over year, in that increases in operating revenue will mostly be offset by increases in operating expenditures.
- The Corporation continues to monitor the housing bond market, as well as current and developing trends in the affordable housing finance arena. The Corporation will continue work with its finance team and other partners in endeavoring to increase revenues and minimize expenses, while continuing to accomplish the mission of the Corporation.

CONTACTING THE LOUISIANA HOUSING CORPORATION'S MANAGEMENT

This financial report is designed to provide Louisiana's citizens and taxpayers, as well as the Corporation's customers, investors and creditors with a general overview of the Louisiana Housing Corporation's finances and to show the Corporation's accountability for the funds it receives. If there are questions about this report, or if additional financial information is desired, contact Carlos Dickerson, C.F.O., 2415 Quail Drive, Baton Rouge, LA 70808.

LOUISIANA HOUSING CORPORATION
COMBINED STATEMENT OF NET POSITION
JUNE 30, 2019

(In Thousands)

ASSETS:

Unrestricted Assets:

Cash and cash equivalents	\$ 1,679
Cash and cash equivalents - Work Force Initiative	1,076
Investments	4,930
Investments - Work Force Initiative	1,695
Mortgage loans receivable	546
Accrued interest receivable	69
Other receivables	2,807
Due from other governments	2,399
Capital assets (net of accumulated depreciation of \$28,716)	68,656
Other assets	196
Total Unrestricted Assets	84,053

Restricted Assets:

Cash and cash equivalents	113,902
Investments	43,971
Mortgage loans receivable and mortgage backed securities	
Single Family (net of allowance for loan losses of \$1,452)	225,948
Multifamily (net of allowance for loan losses of \$166,533)	420,765
Accrued interest receivable	71,910
Other assets	1
Capital assets (net of accumulated depreciation of \$3,368)	10,937
Total Restricted Assets	887,434
Total Assets	971,487

DEFERRED OUTFLOWS OF RESOURCES:

Deferred losses on mortgage revenue bonds	99
Deferred outflows of resources related to pensions	6,331
Deferred outflows of resources related to OPEB	139
Total Deferred Outflows of Resources	6,569

TOTAL ASSETS AND DEFERRED OUTFLOWS
OF RESOURCES

\$ 978,056

(Continued)

LOUISIANA HOUSING CORPORATION
COMBINED STATEMENT OF NET POSITION
JUNE 30, 2019

(In Thousands)

LIABILITIES:

Accounts payable and accrued liabilities	\$ 2,811
Accrued interest payable	8,891
Amounts held in escrow	41,972
Bonds and debentures payable	465,719
Compensated absences	1,207
Due to other governments	2,469
Net pension liability	26,735
Other postemployment benefits payable	<u>11,020</u>
 Total Liabilities	 <u>560,824</u>

DEFERRED INFLOWS OF RESOURCES:

Deferred inflows of resources related to debt refunding	957
Deferred inflows of resources related to unearned income	4,205
Deferred inflows of resources related to pensions	411
Deferred inflows of resources related to OPEB	<u>1,088</u>
 Total Deferred Inflows of Resources	 <u>6,661</u>

NET POSITION:

Net investment in capital assets	68,656
Restricted	369,584
Unrestricted	<u>(27,669)</u>
 Total Net Position	 <u>410,571</u>

TOTAL LIABILITIES, DEFERRED INFLOWS
OF RESOURCES, AND NET POSITION

\$ 978,056

The accompanying notes are integral to these financial statements.

LOUISIANA HOUSING CORPORATION
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2019

(In Thousands)

OPERATING REVENUES:

Low income housing tax credit program fees	\$ 1,913
Federal program administrative fees	7,931
Federal program delivery fees	2,515
Interest and dividend income	21,794
Gain on investments/mortgage-backed securities	3,393
Single family turnkey program fees	365
Other	7,903
Total Operating Revenues	<u>45,814</u>

OPERATING EXPENSES:

Personnel services	11,998
Supplies	475
Travel	261
Operating services	1,510
Professional services	2,476
Interest	15,376
General and administrative	2,494
Depreciation	277
Total Operating Expenses	<u>34,867</u>
Operating Income	<u>10,947</u>

NON-OPERATING REVENUES (EXPENSES):

Amortization of gain on refunding	59
Federal grants drawn	201,447
Federal grant funds disbursed	(175,181)
Interest expense	(482)
Net loss from rental property	(439)
Net loss from rental property - restricted	(624)
Provision for loan losses	2,692
Program income - HOME	1
Restricted mortgage loan interest income	4,429
Restricted investment income	30
Restricted unrealized gain	118
Investment income - Work Force Initiative	96
Unrealized gain - Workforce Initiative	12
Total Non-Operating Revenues (Expenses)	<u>32,158</u>

Change in Net Position	43,105
NET POSITION - beginning of year	<u>367,466</u>
NET POSITION - end of year	<u>\$ 410,571</u>

The accompanying notes are integral to these financial statements.

LOUISIANA HOUSING CORPORATION
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

(In Thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash received from:

Fee revenue collected	\$ 23,920
Interest and dividend income	20,697
Mortgage collections and mortgage-backed securities redeemed	69,182
Other	7,630

Cash paid to:

Suppliers of services	(8,801)
Mortgage loans and mortgage-backed securities purchased - MRB programs	(124,405)
Interest paid on bonds - MRB programs	(15,086)
Other operating expenses	(14)
Employees and benefit providers	(12,186)

Net cash used in operating activities	(39,063)
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CASH FLOWS FROM NONCAPITAL
FINANCING ACTIVITIES:

Receipt of federal grants	191,734
Disbursement of federal grants	(175,181)
Mortgage collections	4,137
Mortgage purchases	(26,374)
Other non-operating income	4,188
Issuance of bonds	130,862
Repayment of bonds	(92,058)
Net change in escrow accounts	17,786
Interest paid on bonds and debentures payable	(482)
Net cash provided by noncapital financing activities	54,612

CASH FLOWS FROM INVESTING ACTIVITIES:

Investments purchased	(67,760)
Investments redeemed	55,481
Interest payments received	127
Net change in activity of investment in rental properties	1,945
Net cash used in investing activities	(10,207)

CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:

Purchase of property and equipment	(1)
Repayment of bonds	(145)
Net cash used in capital financing activities	(146)

(Continued)

LOUISIANA HOUSING CORPORATION
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

(In Thousands)

NET INCREASE IN CASH AND CASH EQUIVALENTS:	\$ 5,196
CASH AND CASH EQUIVALENTS, beginning of year	<u>111,461</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 116,657</u></u>
Presented on Combined Statement of Net Position as:	
Unrestricted	\$ 2,755
Restricted	<u>113,902</u>
	<u><u>\$ 116,657</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH USED IN OPERATING ACTIVITIES:	
Operating income	\$ 10,947
Adjustments to reconcile operating income to net cash used in operating activities:	
Amortization	(358)
Depreciation	277
(Gain) loss on investments/mortgage-backed securities	(2,787)
Change in net pension liability	2,597
Change in pension deferred inflows/outflows	(3,066)
Change in mortgage loans and mortgage-backed securities	(56,129)
Change in accrued interest receivable	(797)
Change in accrued interest payable	648
Change in due from governments	9,755
Change in accounts payable and accrued liabilities	(229)
Change in OPEB payable	(203)
Change in OPEB deferred inflows/outflows	338
Change in compensated absences payable	29
Change in other receivables	60
Change in other assets	<u>(145)</u>
Net cash used in operating activities	<u><u>\$ (39,063)</u></u>

The accompanying notes are integral to these financial statements.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

ORGANIZATION OF THE CORPORATION:

Louisiana Housing Corporation (the Corporation) is an instrumentality of the State of Louisiana established July 1, 2011, pursuant to Chapter 3-G of Title 40 of the Louisiana Revised Statutes of 1950, as amended. The enabling legislation grants the Corporation the authority to promulgate rules, regulations, or other procedures for the coordination of all state-administered housing programs.

Programs implemented by the Corporation consist of Mortgage Revenue Bond Programs, the Low Income Housing Tax Credit Program, the Louisiana Housing Trust Fund Program, the Neighborhood Stabilization Program, and various federal award programs including the Low Income Housing Energy Assistance Program, the Weatherization Assistance Program, HOME Investment Partnerships, Housing Choice Vouchers Program, Emergency Solutions Grant Program, Continuum of Care Program, Section 811 Program, Comprehensive Housing Counseling Program, and Section 8 Contract Administration. The powers of the Corporation are vested in a Board of Directors which is empowered to contract with outside parties to conduct the operations of programs it initiates. For the Mortgage Revenue Bond Programs it initiates, the Corporation utilizes mortgage lenders to originate and service mortgage and construction loans acquired under its single family and multi-family programs. The Corporation also utilizes various financial institutions to serve as trustees for each of its programs. The trustees administer the assets of the Mortgage Revenue Bond Programs held under trust pursuant to the trust indentures.

In addition to general obligation debt, the Corporation is authorized, for the furtherance of public purposes, to issue its mortgage revenue bonds in order to provide funds to promote the development of adequate and affordable residential housing and other economic development for the benefit of the state. The mortgage revenue bonds are limited obligations of the Corporation and do not constitute a debt, liability, or moral obligation of the state or any political subdivision thereof. The mortgage revenue bonds are issued as conduit or asset backed financing and are payable solely from income, revenues, and receipts derived from the mortgage loans and other investments held under and pursuant to the trust indentures and therefore pledged. The Corporation has no taxing power. The Corporation receives service and issuer fees in connection with its Mortgage Revenue Bond Programs.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation:

The combined financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Reporting Entity:

The Corporation's combined financial statements include the activity of the General Fund and the Mortgage Revenue Bond Program Funds.

As required by GASB Codification Section 2100, *Defining the Financial Reporting Entity*, a legally separate entity is considered a component unit of the State of Louisiana (the State) if at least one of the following criteria is met:

- The State appoints a voting majority of the organization's governing body and is either able to impose its will on the organization or there is a potential financial benefit/burden to the State.
- The entity is fiscally dependent on the State and there is a potential financial benefit/burden to the State.
- The nature and significance of the relationship between the State and the entity is such that exclusion would cause the financial statements of the State to be misleading.

Due to the nature and significance of the relationship between the Corporation's General Fund and the State of Louisiana, the financial statements of the State would be misleading if the Corporation's General Fund financial statements were excluded. Accordingly, the State of Louisiana has determined that only the Corporation's General Fund is a component unit. The term "General Fund" refers to the fund that accounts for the Corporation's general operating activities and is not meant to denote a governmental type General Fund of a primary government. Separate financial statements for the General Fund were issued and can be found on the Louisiana Legislative Auditor's website.

Basis of Accounting:

The Corporation is considered a proprietary fund and is presented as a business-type activity. Proprietary fund types use the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred. All assets and liabilities associated with the operations of the Corporation are included in the combined statement of net position. The combined statement of cash flows provides information about how the Corporation finances and meets the cash flow needs of its activities. Proprietary funds also distinguish operating revenue and expenses from non-operating items.

Since the business of the Corporation is essentially that of a financial institution having a business cycle greater than one year, the combined statement of net position is not presented in a classified format.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basis of Accounting: (Continued)

The following funds are maintained by the Corporation:

General Fund

The General Fund provides for the accounting of the Corporation, any allowable transfers from other funds, investments, and income there on and federal program transactions.

Mortgage Revenue Bond Program Funds

Multi-family Mortgage Revenue Bond Program Funds - These funds are established under the multi-family mortgage revenue bond trust indentures to account for the proceeds of the issuance of the multi-family mortgage revenue bonds, the debt service requirements of the bond indebtedness, and mortgage loans purchased with bond proceeds. Mortgage loans of these programs provide permanent financing for construction and rehabilitation of multi-family residential housing. The Corporation functions as a conduit to provide tax-exempt financing.

Single-family Mortgage Revenue Bond Program Funds - These funds are established under the single-family mortgage revenue bond trust indentures to account for the proceeds from the issuance of the single-family mortgage revenue bonds, the debt service requirements of the bond indebtedness, and mortgage loans purchased with bond proceeds. The single-family mortgage revenue bond programs promote residential home ownership for low and moderate income persons through the funding of low-interest mortgage loans and down-payment assistance.

Investments:

As required by GASB 72, *Fair Value and Measurement Application*, investments are reported at fair value. Fair value is described as an exit price. GASB 72 requires the Corporation to use valuation techniques that are appropriate under the circumstances and for which sufficient data are available to measure fair value. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. GASB 72 also establishes a hierarchy of inputs to valuation techniques used to measure fair value which has three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices, included within Level 1 that are observable for the asset or liability, whether directly or indirectly. Level 3 inputs are unobservable inputs, such as management's assumptions of the default rate among underlying mortgages of a mortgage-backed security. This statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Program Mortgage Loans and Mortgage-Backed Securities:

Certain loans of the Mortgage Revenue Bond Program Fund programs have been pooled and packaged into mortgage-backed securities which were then purchased by the funds. The mortgage-backed securities consist of Government National Mortgage Association (GNMA) certificates, Federal National Mortgage Association (FNMA) certificates, Federal Home Loan Bank (FHLB) certificates, and Federal Home Loan Mortgage Corporation (FHLMC) certificates. The certificates are carried at fair market value.

Allowance for Loan Losses:

The General Fund has un-securitized loans that are carried at original cost less principal collections less the allowance for loan losses. The allowance is maintained at a level adequate to absorb probable losses. Management determines the adequacy of the allowance based upon reviews of groups of credits, loss experience of similar type loans, current and future estimated economic conditions, the risk characteristics of the various categories of loans and other pertinent factors. Loans deemed uncollectible are charged to the allowance. Past due status is based on contractual terms. Provisions for loan losses and recoveries on loans previously charged off are added to the allowance.

Capital Assets:

Capital assets are stated at cost less accumulated depreciation. All property and equipment with initial, individual costs of greater than \$5,000 is capitalized. Depreciation is computed on the straight-line method over the following estimated useful lives:

Buildings	40 years
Equipment	3 - 7 years

Deferred Outflows and Inflows of Resources:

In addition to assets, the combined statement of net position reports a separate section for deferred outflows of resources that represents a consumption of net position that applies to future period(s) and will not be recognized as an outflow of resources (expense) until then. The Corporation has three items that qualify for reporting in this category, which are deferred amounts related to pensions, deferred amounts related to other postemployment benefits, and amounts related to deferred losses on mortgage revenue bonds.

In addition to liabilities, the combined statement of net position reports a separate section for deferred inflows of resources that represents an acquisition of net position that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Deferred Outflows and Inflows of Resources: (Continued)

that time. The Corporation has four items that meet the criterion for this category, amortized gains on bond refundings, deferred amounts related to unearned income, deferred amounts related to pensions, and deferred amounts related to other postemployment benefits.

Pensions:

For the purposes of measuring net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana State Employees' Retirement System (LASERS) and changes in the LASERS's fiduciary net position have been determined on the same basis as they are reported by LASERS. For this purpose, benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Bond Issuance Costs:

Bond issuance costs, including underwriters' discounts on bonds sold, are expensed in the period incurred.

Debt Refundings:

Debt refundings are accounted for in accordance with GASB No. 65, *Items Previously Reported as Assets and Liabilities*. This statement requires accounting for gains and losses that result from debt refundings to be deferred and amortized over the life of the new debt or the retired debt, whichever is the shorter period. The deferred refunding amounts are classified as either a deferred inflow or outflow in the financial statements.

Interfund Activity

During the course of operations, numerous transactions occur between the General Fund and the Mortgage Revenue Bond Program Funds. Receivables and payables are classified as "due from MRB programs" or "due to other funds." Interfund transfers are classified as "transfers from MRB programs" or "transfers to General Fund." Interfund receivables and payables and interfund transfers between the General Fund and the Mortgage Revenue Bond Program Funds are eliminated in the combined statement of net position.

Revenues and Expenses:

Operating revenues consist of program administration fees, bond issue fees, and investment income as these revenues are generated from operations in carrying out the Corporation's statutory purpose. All expenses incurred for that purpose are classified as operating expenses.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Revenues and Expenses: (Continued)

Federal grant pass-through revenues and expenses, provision for loan losses on program loans, and income from rental properties are ancillary to the Corporation's statutory purpose and are classified as non-operating.

When an item of income earned or expense incurred for purposes for which there are both restricted and unrestricted net positions available, it is the Corporation's policy to apply those items to both restricted and unrestricted net positions, in accordance with the appropriate proportion as delineated by the activity creating the item.

Compensated Absences:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited; however, use of annual leave through time off is limited to 780 hours.

Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

Statement of Cash Flows:

For purposes of the combined statement of cash flows, cash and cash equivalents include cash-on-hand, financial institution deposits, and all highly liquid investments with an original maturity of three months or less.

Net Position:

In the combined statement of net position, the difference between the Corporation's assets, deferred outflows, liabilities, and deferred inflows is recorded as net position. The three components of net position are as follows:

Net investment in capital assets – The category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes, or other borrowings attributable to the acquisition, construction, or improvement of capital assets.

Restricted net position – Net positions that are restricted by external sources such as creditors, grantors, contributors, or by law are reported separately as restricted net position. Restricted net position results primarily from the Mortgage Revenue Bond Programs.

Unrestricted net position – Consists of net positions that do not meet the definition of "restricted" or "net investment in capital assets."

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

2. ESTIMATES:

The preparation of the combined 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 amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. CASH, CASH EQUIVALENTS, AND INVESTMENTS:

Cash and cash equivalents are stated at cost, which approximates market value. Under state law, the Corporation may deposit funds within a fiscal agent bank authorized to conduct business in the State of Louisiana. The Corporation may purchase time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana. The Corporation may also invest 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.

Under Louisiana Revised Statutes, the Corporation may invest in obligations of the U.S. Treasury, obligations of U.S. Agencies which are guaranteed by the U.S. government or U.S. government agencies, repurchase agreements, certificates of deposit as mentioned above, investment grade commercial paper, investment grade corporate notes and bonds, and other investments as required by the terms of bond trust indentures.

Cash and Cash Equivalents:

Cash and cash equivalents (book balances) as of June 30, 2019 are as follows:

	<u>(in thousands)</u>	<u>Rating</u>
<u>Unrestricted:</u>		
Petty cash	\$ 1	N/A
Demand deposits	1,401	N/A
Money market funds	1,353	AAA
Total unrestricted	<u>\$ 2,755</u>	
<u>Restricted:</u>		
Demand deposits	\$ 29,272	N/A
Money market funds	84,630	AAA
Total restricted	<u>\$ 113,902</u>	

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

3. CASH, CASH EQUIVALENTS, AND INVESTMENTS: (Continued)

Cash and Cash Equivalents: (Continued)

The deposit and money market accounts are subject to custodial credit risk; that is, in the event of a bank failure, the funds may not be returned. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At June 30, 2019, the Corporation's demand deposits (bank balances) were in excess of FDIC insurance or pledged collateral held by the Federal Reserve Bank in the amount of \$450 thousand.

The money market accounts are invested in short-term money market instruments issued by the United States Treasury which are backed by the full faith and credit of the United States Government.

Investments:

The Corporation categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The Corporation had recurring fair value measurements of its investments at June 30, 2019 as follows:

		(in thousands)		
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mortgage-backed securities	\$ 7,684	\$ -	\$ 7,684	\$ -
U.S. Government obligations	40,825	40,825	-	-
Collateralized mortgage obligations	1,437	-	1,437	-
Municipal obligations	650	-	650	-
Total	<u>\$ 50,596</u>	<u>\$ 40,825</u>	<u>\$ 9,771</u>	<u>\$ -</u>

U.S. Government obligations classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

Debt securities are classified in Level 2 of the fair value hierarchy. Mortgage-backed securities and collateralized mortgage obligations are valued using quoted prices for identical securities in markets that are not active. Municipal obligations are valued using quoted prices for similar securities in active markets.

There were no investments classified in Level 3 of the fair value hierarchy as of June 30, 2019.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

3. CASH, CASH EQUIVALENTS, AND INVESTMENTS: (Continued)

Investments: (Continued)

Interest Rate Risk: Interest rate risk is defined as the risk that changes in interest rates, in the general market, will adversely affect the fair value of an investment. The Corporation does not have an interest rate risk policy. As of the fiscal year ended June 30, 2019, the Corporation had the following investments and maturities (in years):

Investment Type	Amount	(in thousands) Investment Maturities			
		Less than 1	1 to 5	6 to 10	>10 Years
		Year	Years	Years	
Mortgage-backed securities	\$ 7,684	\$ -	\$ 230	\$ 2,757	\$ 4,697
U.S. Government obligations	40,825	34,618	6,207	-	-
Collateralized mortgage obligations	1,437	-	-	1,121	316
Municipal obligations	650	650	-	-	-
Total investments	<u>\$ 50,596</u>	<u>\$ 35,268</u>	<u>\$ 6,437</u>	<u>\$ 3,878</u>	<u>\$ 5,013</u>

Credit Risk: Credit Risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. It is the Corporation's policy to limit its investments to those issued a top rating by Nationally Recognized Statistical Ratings Organizations. As of June 30, 2019, all of the investments were rated AA, AA- or AA+ by Standard & Poor's.

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty, the value of investments or collateral securities that are in the possession of an outside party will not be able to be recovered. The Corporation does not have a custodial credit risk policy. The investments are held by the custodial bank as an agent for the Corporation, in the Corporation's name, and are thereby not exposed to custodial credit risk.

Concentration of Credit Risk: Concentration of credit risk is defined as the risk of loss attributed to the magnitude of the Corporation's investments in a single issuer. The Corporation does not have a concentration of credit risk policy. As of June 30, 2019, investments of the following issuers represented more than 5% of total investments:

Federal National Mortgage Association	11%
Federal Home Loan Mortgage Corporation	6%

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

4. MORTGAGE-BACKED SECURITIES AND MORTGAGE LOANS:

Mortgage-backed securities and mortgage loans reported in the combined financial statements consist of the following as of June 30, 2019:

	(in thousands)		
	Single Family	Multi- Family	Total
General Fund:			
Unrestricted loans	\$ -	\$ 546	\$ 546
Restricted program loans	2,684	337,098	339,782
	2,684	337,644	340,328
Less: reserve for loan losses	(1,452)	(166,533)	(167,985)
Total General Fund	1,232	171,111	172,343
Mortgage Revenue Bond Programs:			
Mortgage-backed securities	224,716	-	224,716
Restricted program loans	-	250,200	250,200
Total Mortgage Revenue Bond Programs	224,716	250,200	474,916
Total Mortgage-backed Securities and Mortgage Loans Receivable	<u>\$ 225,948</u>	<u>\$ 421,311</u>	<u>\$ 647,259</u>

Restricted Program Mortgage Loans – General Fund:

As part of the HOME program, loans have been made to qualified low-income single-family homebuyers and to developers of low-income, multi-family projects. The HOME loans are issued as a supplement to primary financing and are collateralized by a second mortgage on the property financed. Payments on these loans are deferred until the earlier of: a) the date the primary loan is paid out, or b) a specified future date, with cash flows as a factor in determining amounts due for the majority of the multi-family HOME loans. The multi-family loans are financed at interest rates ranging from 1% - 6% and are uninsured. The single family loans are financed at 0% interest and are uninsured.

Conditional HOME loans include compliance requirements associated with the loan agreement. As long as the property owner is in compliance with the agreement the debt will be reduced by a predetermined rate at the end of each affordability period. The entire principal balance will be forgiven on the maturity date. In the event the owner is found to be out of compliance, the total principal balance will be due upon demand.

As part of the multifamily program, loans have been made under the Section 202 Program. The Program is designed to make loans to eligible projects pursuant to Section 202 of the Housing Act of 1959, as amended, and the Risk Sharing Program administered by HUD. The multifamily Section 202 loans consist of a Risk Sharing Mortgage Note and a Subordinate Mortgage Note.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

4. MORTGAGE-BACKED SECURITIES AND MORTGAGE LOANS: (Continued)

Restricted Program Mortgage Loans – General Fund: (Continued)

The loans are collateralized by a security interest in the property with principal and interest payments due monthly through 2022. These loans are financed at 6% interest. The Risk Sharing Mortgage Notes are 50% guaranteed by HUD under the Risk Sharing loan insurance program. The properties have also obtained HOME loans as described in the previous paragraph.

During the year ended June 30, 2010, an award of funds (1602 Funds) was received from the United States Treasury Department under the provisions of Section 1602 of Subtitle C of Title I of Division B of the American Recovery and Reinvestment Act of 2009. The Corporation began loaning these funds to qualified multifamily low-income housing projects. These loans are financed at a 0% interest rate and will mature at the end of a 15-year period. The debt will be forgiven at the end of this period, if certain conditions have been met. These loans are uninsured.

During the year ended June 30, 2010, a Tax Credit Assistance Program (TCAP) Grant under Title XII of the American Recovery and Reinvestment Act of 2009 was received to loan funds to Low Income Housing Tax Credit (LIHTC) projects. These loans are financed at an interest rate of approximately 4% and are collectible from surplus cash generated by the projects. These loans are uninsured.

As part of the Neighborhood Stabilization Program (NSP), funds are loaned to qualified borrowers for the purpose of redeveloping abandoned and foreclosed homes, land banking and homebuyer education. These loans are financed at interest rates between 0% and 2% and are either payable upon demand or from surplus cash generated by the projects. Certain loans under this program are forgivable.

The Louisiana Housing Trust Funds are utilized to provide financing for sustainable affordable rental and homeownership housing developments. The Housing Trust funds provide soft-second mortgages to qualified low-income, single-family homebuyers and developers of low-income, multifamily rental projects. These loans are financed at a 0% interest rate and will mature at the end of the 15-year affordability period. The debt will be forgiven at the end of the affordability period, if certain conditions have been met. These loans are uninsured.

As part of the Community Development Block Grant Piggyback Program, funds are loaned to qualified borrowers to provide needed residential rental property assistance for qualified projects to remedy the loss of such residential rental property due to the damage caused by Hurricane Katrina and Hurricane Rita. These loans are financed at interest rates between 0% and 3.5% and are either payable upon demand or from surplus cash generated by the projects. These loans are uninsured.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

4. MORTGAGE-BACKED SECURITIES AND MORTGAGE LOANS: (Continued)

Restricted Program Mortgage Loans – General Fund: (Continued)

The General Fund restricted program loan portfolio at June 30, 2019 was as follows:

	Amount (in thousands)
HOME Multifamily Mortgage Loans	\$ 141,154
HOME Single Family Mortgage Loans	2,327
202 Elderly Project Mortgage Loans	483
Conditional HOME Multifamily Loans	1,484
Conditional HOME Single Family Loans	357
1602 Sub Award Multifamily Loans	99,168
TCAP Multifamily Mortgage Loans	38,431
Neighborhood Stabilization Program Loans	7,678
Louisiana Housing Trust Fund Loans	20,196
CDBG - Piggyback	15,857
EBR 2016 Flood Landlord Loans	700
EBR 2016 Flood Developer Loans	248
CDBG 2016 Flood Landlord Loans	348
CDBG 2016 Flood Multifamily Loans	10,611
OCD CDBG Soft Second Loans	740
	339,782
Reserve for loan losses	(167,985)
Total restricted program loans	<u>\$ 171,797</u>

The CDBG Soft Second Program gives the opportunity to obtain safe, affordable, energy-efficient housing, it is designed to cover the affordability gap between the maximum amount that a homebuyer can afford and the purchase price of the home. This program is specifically designed for individuals with an annual household income at or below 80% of the Area Median Income. A first-time homebuyer is an individual who meets specific criteria set by program developers to meet the required goals set for those who participate in the program.

The CDBG 2016 Flood Multi Family Loans program is for loans and grants for developers with multifamily structures of 20 or more units under the Multifamily Restoration Loan Fund (MRLF). Widespread flooding in 2016 resulted in the loss of affordable rental units across more than 51 parishes. Funds were made available to properties with existing affordability commitments for repair and restoration of flood-impacted units. Total loan and grant funding available for the MRLF is \$19.25 million, allocated across four pools to ensure participation across various areas of concern.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

4. MORTGAGE-BACKED SECURITIES AND MORTGAGE LOANS: (Continued)

Restricted Program Mortgage Loans – General Fund: (Continued)

The EBR 2016 Flood Developer Loans purpose is to eliminate blight and stabilize neighborhoods impacted by the Great Floods of 2016, repair damaged rental housing stock that will be made available at affordable rental rates for low-income households, and increase the available rental stock in flood-damaged East Baton Rouge. The program is designed to provide forgivable loans for construction of new rental units and repair or reconstruction of flood damaged rental units affected by the Great Floods of 2016 for occupancy by low to moderate income tenants. Eligible property owners must secure all funds necessary that are required in excess of the assistance provided by the program. The program will provide benefits in the form of affordable rents to tenant households meeting the low and moderate-income (LMI) National Objective requirements in accordance with HUD LMI standards.

The collections from the HOME, 1602 Exchange, TCAP, NSP and Louisiana Housing Trust Fund loans are restricted to funding future lending programs. The multifamily Section 202 loans are held in trust and pledged to repay the Series 2013 Multifamily Mortgage Revenue Refunding Bonds (see Note 5). The principal balance and accruals of interest receivable on these loans are reported as restricted assets.

The reserve for loan losses changed due to increases of \$2.7 million to the provision for loan losses account for the year ended June 30, 2019.

Mortgage-Backed Securities - Mortgage Revenue Bond Programs:

With certain exceptions, loans acquired under the Mortgage Revenue Bond Program for single families are pooled and packaged into GNMA, FNMA, FHLB, or FHLMC securities. The GNMA securities are guaranteed by the full faith and credit of the U.S. Government while the FNMA, FHLB, and FHLMC securities are limited obligations of the U.S. Government. These securities have interest rates of 1.49% - 7.65%. The underlying loans backing the securities must be conventional mortgage loans or FHA insured, VA guaranteed or RD guaranteed.

The fair value of the mortgage-backed securities by contractual maturity as of June 30, 2019 is shown below. Expected maturities as listed in the following table will differ from contractual maturities because borrowers may have the right to call or prepay obligations.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

4. MORTGAGE-BACKED SECURITIES AND MORTGAGE LOANS: (Continued)

Mortgage-Backed Securities - Mortgage Revenue Bond Programs: (Continued)

(in thousands)					
Maturities					
	Fair Value	Less than 1 Year	1 to 5 Years	6 to 10 Years	> 10 Years
GNMA	\$ 168,339	\$ -	\$ -	\$ 657	\$ 167,682
FNMA	23,435	-	-	518	22,917
FHLMC	29,685	-	-	-	29,685
FHLB	3,257	-	3,257	-	-
	<u>\$ 224,716</u>	<u>\$ -</u>	<u>\$ 3,257</u>	<u>\$ 1,175</u>	<u>\$ 220,284</u>

Mortgage Loans – Mortgage Revenue Bond Programs:

As of June 30, 2019, the Corporation had multi-family mortgage revenue bond program loans in the amount of \$250.2 million. Multi Family Revenue Bond Programs are designed to finance the construction of multi-family housing units in the State of Louisiana. The operating performance or financial condition of the multi-family properties financed by bonds are not actively monitored, as the Corporation principally functions as a conduit to provide tax-exempt financing. Multi-family mortgage loans are collateralized by varying methods, including first-liens on multi-family residential rental properties, pledge of rental receipts, and letters of credit. Certain multi-family mortgage loans are insured by the Federal Housing Administration. Interest rates on these multi-family loans range from 0.97% to 8.00% with maturities ranging from 1 to 29 years.

5. LONG-TERM LIABILITIES:

The Corporation has the following long-term liabilities at June 30, 2019:

(in thousands)					
	Beginning Balance	Additions	(Reductions)	Ending Balance	Amounts Due Within One Year
General obligation bonds	\$ 1,045	\$ -	\$ (145)	\$ 900	\$ -
Debentures payable	2,325	-	(2,325)	-	-
Mortgage revenue bonds	423,853	130,861	(89,895)	464,819	33,004
Amounts held in escrow	24,187	22,775	(4,990)	41,972	-
Compensated absences	1,178	85	(56)	1,207	59
Net pension liability	24,138	6,180	(3,583)	26,735	-
Other postemployment benefit plan payable	11,223	649	(852)	11,020	139
	<u>\$ 487,949</u>	<u>\$ 160,550</u>	<u>\$ (101,846)</u>	<u>\$ 546,653</u>	<u>\$ 33,202</u>

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

5. LONG-TERM LIABILITIES: (Continued)

Repayment of general obligation bonds and debentures' principal and interest are funded by receipts from mortgage loans receivable. Compensated absences, pension liabilities, other postemployment benefit plan payable are paid from the Corporation's operating revenues. Amounts held in escrow are refunded from the escrow funds received.

General Obligation Bonds and Debentures Payable:

On May 17, 2013, the Corporation issued \$9.9 million of Multifamily Mortgage Revenue Refunding Bonds, Series 2013 for the purpose of currently refunding the Multi-family Mortgage Revenue Refunding Bonds, Series 2006A. The bonds are general obligations of the Corporation, secured by and payable from any and all funds of the Corporation not otherwise required to be irrevocably dedicated to other purposes. The bonds mature on December 1, 2031. The bonds bear interest at 2.50% per annum. At June 30, 2019, \$0.9 million of the bonds were outstanding.

On April 28, 2006, the Corporation issued \$29 million of debentures payable to the Department of Housing and Urban Development (HUD). The debentures were issued in conjunction with the claim for mortgage insurance payment made by HUD under the Corporation's Risk-Sharing Program for mortgage loans. Several of the mortgage loans under the Risk-Sharing Program were in default as a result of damages to the properties by Hurricane Katrina. The mortgage insurance payment was used to redeem a portion of the Section 202 bonds allocated to the defaulted properties. As of June 30, 2019, there are no original debentures remaining. Pursuant to the Risk-Sharing Agreement, the Corporation's percentage share of the face amount of the debenture is 50%. As of June 30, 2019, the outstanding balance of the debentures was \$-0-.

The following table is a list of outstanding general obligation bonds and debentures payable at June 30, 2019:

	(in thousands)				
	Beginning Balance	Additions	(Reductions)	Ending Balance	Amounts Due Within One Year (Net of Amortization)
General Obligation Bonds					
Series 2013 Multifamily Mortgage Revenue Refunding Bonds	\$ 1,045	\$ -	\$ (145)	\$ 900	\$ -
Debentures Payable	2,325	-	(2,325)	-	-
Total general obligation bonds and debentures payable	<u>\$ 3,370</u>	<u>-</u>	<u>\$ (2,470)</u>	<u>\$ 900</u>	<u>\$ -</u>

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

5. LONG-TERM LIABILITIES: (Continued)

General Obligation Bonds and Debentures Payable: (Continued)

Future debt service requirements for the General Fund general obligation bonds payable are as follows:

Year Ended	(in thousands)		
<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ -	\$ 23	\$ 23
2021	-	23	23
2022	-	23	23
2023	-	23	23
2024	-	23	23
2025-2029	-	113	113
2030-2034	900	56	956
	<u>\$ 900</u>	<u>\$ 284</u>	<u>\$ 1,184</u>

Mortgage Revenue Bonds:

The Corporation issues revenue bonds to assist in the financing of housing needs in the State of Louisiana. The bonds are limited obligations of the Corporation, payable only from the income, revenues, and receipts derived from the mortgage loans and other investments held under and pursuant to the trust indentures and pledged therefore. The issuance of debt for the financing of projects by the Corporation is subject to the approval of the Louisiana State Bond Commission. Bonds are issued under various bond resolutions adopted by the Corporation to provide financing for qualified single family and multi-family projects. The Corporation's publicly offered and private placement multi-family bonds are considered conduit debt obligations and are secured by several forms of credit enhancement, including FNMA and FHLMC credit enhancement agreements, FHA-insured mortgage loans, GNMA-guaranteed certificates, and letters of credit from financial institutions including collateralized, insured, and uncollateralized and uninsured arrangements.

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

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

5. LONG-TERM LIABILITIES: (Continued)

Mortgage Revenue Bonds: (Continued)

The following table is a list of outstanding mortgage revenue bonds at June 30, 2019:

<u>Single-Family Programs:</u>	(in thousands)					Amounts Due Within One Year (Net of Amortization)	
	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Amortization</u>	<u>Ending Balance</u>		
Series 2008 A Dated September 1, 2008, due serially and term from December 1, 2018, to June 1, 2040, bearing interest at 4.25% to 5.50%	\$ 5,814	\$ -	\$ (5,820)	\$ 6	\$ -	\$ -	
Series 2008 B Dated December 1, 2008, due serially and term from December 1, 2018, to June 1, 2040, bearing interest at 3.00% to 6.30%	5,370	-	(5,370)	-	-	-	
Series 2009 A Dated September 1, 2009, due serially and term from December 1, 2018, to June 1, 2041, bearing interest at 3.90% to 5.25%	7,261	-	(7,235)	(26)	-	-	
Series 2010 A Dated November 1, 2010, term bonds due from June 1, 2027, to December 1, 2041, bearing interest at 3.01% to 4.75%	24,490	-	(3,615)	(62)	20,813	699	
Series 2011 A Dated August 25, 2011, due serially and term from December 1, 2019, to June 1, 2041, bearing interest at 2.77% to 4.60%	16,280	-	(3,625)	(20)	12,635	230	
Series 2012 A Dated December 1, 2012, term bonds due from December 1, 2027, to December 1, 2041, bearing interest at 2.75% to 3.65%; serial refunding bonds due from December 1, 2019, to December 31, 2022, bearing interest at 1.8% to 2.80%	17,506	-	(2,860)	(8)	14,638	505	

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

5. LONG-TERM LIABILITIES: (Continued)

Mortgage Revenue Bonds: (Continued)

	(in thousands)						
<u>Single-Family Programs:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Amortization</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year (Net of Amortization)</u>	
Series 2013 A Refunding bonds dated May 1, 2013; due September 1, 2034, bearing interest at 2.35%	\$ 6,180	\$ -	\$ (638)	\$ -	\$ 5,542	\$ -	
Series 2015 A Refunding bonds dated August 27, 2015; due December 1, 2038, bearing interest at 3.05%	24,591	-	(2,557)	-	22,034	-	
Series 2016 A Refunding bonds dated August 1, 2016; due December 1, 2038, bearing interest at 2.10%	16,085	-	(2,944)	-	13,141	-	
Series 2017 A Refunding bonds dated June 1, 2017; due November 1, 2038, bearing interest at 2.875%	22,002	-	(3,415)	-	18,587	690	
Series 2018 A Dated October 1, 2018, term bonds due from December 1, 2033, to June 1, 2049, bearing interest at 3.60% to 4.50%; serial bonds due from December 1, 2019, to December 1, 2029, bearing interest at 1.85% to 3.30%; and refunding bonds due June 1, 2040, bearing interest at 3.70%	-	27,647	(1,315)	(38)	26,294	495	
Series 2019 A Dated March 1, 2019, term bonds due from June 1, 2039, to December 1, 2049, bearing interest at 3.65% to 4.5%; serial bonds due from June 1, 2020, to June 1, 2026, bearing interest at 1.65% to 2.35%; refunding term bonds due June 1, 2034, bearing interest at 3.35%; and refunding serial bonds due from June 1, 2026, to December 1, 2030, bearing interest at 2.35% to 3.00%	-	58,727	(135)	(75)	58,517	600	
Total single-family mortgage revenue bond programs	<u>\$145,579</u>	<u>\$ 86,374</u>	<u>\$ (39,529)</u>	<u>\$ (223)</u>	<u>\$ 192,201</u>	<u>\$ 3,219</u>	

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

5. LONG-TERM LIABILITIES: (Continued)

Mortgage Revenue Bonds: (Continued)

	(in thousands)						Amounts Due Within One Year (Net of Amortization)
<u>Multi-Family Programs</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Amortization</u>	<u>Ending Balance</u>		
Series 2004 Palmetto Dated October 1, 2004, term bonds due March 15, 2037, bearing interest at its own weekly rate determined by the remarketing agent	\$ 2,640	\$ -	\$ -	\$ -	\$ 2,640	\$	100
Series 2005 Peppermill I & II Dated August 1 2005, term bonds due April 1, 2038, bearing interest at 4.75% to 5.125%	3,848	-	(105)	-	3,743		109
Series 2006 The Crossing Dated May 1, 2006, term bonds due May 1, 2048, bearing interest at 6.15%	7,029	-	(74)	-	6,955		80
Series 2007 Canterbury House Dated March 1, 2007, term bonds due September 15, 2040, bearing interest at its own weekly rate determined by the remarketing agent	15,470	-	-	-	15,470		-
Series 2007 Hooper Pointe Residences Dated May 1, 2007, due serially July 1, 2019, to April 1, 2049, bearing interest at 5.75%	9,455	-	(115)	-	9,340		122
Series 2007 Jefferson Lakes Dated October 1, 2007, term bonds due October 1, 2037, bearing interest at a variable rate determined by the remarketing agent	13,110	-	(240)	-	12,870		-
Series 2007 Emerald Point Dated December 1, 2007, term bonds due July 15, 2040, bearing interest at a weekly rate determined by the remarketing agent	4,630	-	-	-	4,630		-

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

5. LONG-TERM LIABILITIES: (Continued)

Mortgage Revenue Bonds: (Continued)

	(in thousands)						Amounts Due Within One Year (Net of Amortization)
<u>Multi-Family Programs</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Amortization</u>	<u>Ending Balance</u>		
Series 2007 Lapalco Court Dated October 1, 2007, term bonds due November 15, 2037, bearing interest at a weekly rate determined by the remarketing agent	\$ 6,400	\$ -	\$ -	\$ -	\$ 6,400	\$	-
Series 2008 Arbor Place Dated March 1, 2008, term bonds due March 1, 2043, bearing interest at a weekly rate determined by the remarketing agent	7,300	-	(145)	-	7,155		150
Series 2008 The Reserve at Jefferson Crossing Dated December 1, 2008, term bonds due July 1, 2040, bearing interest at a variable rate determined by the remarketing agent	8,190	-	-	-	8,190		-
Series 2009 Belmont Village Dated April 1, 2009, term bonds due May 1, 2044, bearing interest at a variable rate determined by the remarketing agent	8,170	-	(125)	-	8,045		135
Series 2009 Louisiana Chateau Dated August 1, 2009, term bonds due from September 1, 2020, to September 1, 2040, bearing interest at 6.0% and 8.0%	51,423	-	(920)	61	50,564		934
Series 2010 Muses II Dated April 1, 2010, term bonds due May 1, 2027, bearing interest at the 5- year T-Bill rate, changing every 5 years	1,999	-	(35)	-	1,964		38
Series 2011 Blue Plate Lofts Dated March 1, 2011, term bonds due September 1, 2031, bearing interest at 6.25%	1,113	-	(19)	-	1,094		20

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

5. LONG-TERM LIABILITIES: (Continued)

Mortgage Revenue Bonds: (Continued)

	(in thousands)					Amounts Due Within One Year (Net of Amortization)
<u>Multi-Family Programs</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Amortization</u>	<u>Ending Balance</u>	
Series 2011 Mallard Crossing Apartments Dated October 1, 2011, term bonds due from October 1, 2022, to October 1, 2029, bearing interest at 4.00% to 4.75%	\$ 10,205	\$ -	\$ (120)	\$ -	\$ 10,085	\$ 125
Series 2012 Elysian Project Apartments Dated April 1, 2012, draw down bonds due October 1, 2032, bearing interest at permanent interest rate of 5.15%	3,491	-	(64)	-	3,427	66
Series 2012 1501 Canal Senior Housing Project Dated November 1, 2012, draw down bonds due November 1, 2033, bearing interest at a permanent interest rate of 4.9%	2,547	-	(66)	-	2,481	69
Series 2012 Garden Senior Apartments Dated July 1, 2012, term bonds due July 1, 2030, bearing interest 3.60%	1,455	-	(15)	-	1,440	15
Series 2013 Renaissance Gateway Apartments Dated April 1, 2013, draw down bonds due June 1, 2050 bearing interest at 6.0%	11,182	-	(119)	-	11,063	127
Series 2015 Port Royal Apartments Dated November 1, 2015, term bond in the amount of \$16,000, due October 1, 2057, bearing interest at 4.7% per annum.	15,650	-	(75)	-	15,575	135
Series 2016 Artspace Bell School Lofts Dated June 7, 2016, draw down bond due December 7, 2018, bearing interest at one month LIBOR + 2.85%. Initial amount authorized \$18,300 for issuance in incremental draws.	18,300	-	(18,300)	-	-	-

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

5. LONG-TERM LIABILITIES: (Continued)

Mortgage Revenue Bonds: (Continued)

	(in thousands)					
<u>Multi-Family Programs</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Amortization</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year (Net of Amortization)</u>
Series 2016 Bastion - New Orleans Partners I Project						
Dated June 1, 2016, draw down bond in the amount of \$4,200, due serially June 1, 2036, bearing interest at 3.75%.	\$ 2,036	\$ -	\$ (29)	\$ -	\$ 2,007	\$ 30
Series 2016 Village of Versailles						
Dated July 29, 2016, term bond in the amount of \$25,610, due March 1, 2019; remarketed on March 1, 2018 end of remarketing period September 1, 2018, remarketing interest rate 1.66%.	25,610	-	(25,610)	-	-	-
Series 2017 Gabriel Villa						
Dated June 1, 2016, draw down bonds in the amount of \$1,300 and \$2,100, due serially September 1, 2039, and September 1, 2019, bearing interest at variable rates until the Amortization Commencement Date and at 4.52% after the Stabilized Occupancy Date.	970	-	(28)	-	942	30
Series 2018 Harmony Gardens						
Dated December 28, 2017, term bond in the amount of \$13,500, due December 1, 2020, bearing interest at 1.86% per annum to but excluding the Initial Mandatory Tender Date and thereafter, the applicable remarketing rate.	13,500	-	-	-	13,500	-
Series 2018 Iberville Phase VII						
Dated December 15, 2017, draw down bond in the amounts of \$1,000 and \$8,500 due June 1, 2036, and December 1, 2019, bearing interest at variable LIBOR based rated in accordance with the Indenture and at 5.68% on or after the conversion date.	9,500	-	-	-	9,500	8,500

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

5. LONG-TERM LIABILITIES: (Continued)

Mortgage Revenue Bonds: (Continued)

	(in thousands)						Amounts Due Within One Year (Net of Amortization)
<u>Multi-Family Programs</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Amortization</u>	<u>Ending Balance</u>		
Series 2018 Meadows at Nicholson							
Dated December 15, 2017, term bond in the amount of \$19,000, due May 1, 2020, bearing interest at 1.83% per annum to but excluding the Initial Mandatory Tender Date and thereafter, the applicable remarketing rate.	\$ 19,000	\$ -	\$ -	\$ -	\$ 19,000	\$	19,000
Series 2018 Robinson Place II							
Dated April 30, 2018, draw down bond due May 1, 2035, bearing interest at a variable rate equal 1 month LIBOR +3.50%, reset each month during the Construction Phase and at the Permanent Phase Interest Rate during the Permanent Phase. Initial maximum authorized is \$5,000.	51	3,440	-	-	3,491		-
Series 2018 Beau Sejour							
Dated September 18, 2017, term bond in the amount of \$4,000, due September 1, 2019, bearing interest at 1.99% per annum.	4,000	-	(4,000)	-	-		-
Series 2018 Briarwood Barton							
Dated July 1, 2018, draw down bond due August 1, 2038, bearing interest at 4.57% during the Construction Phase and at the Permanent Phase Interest Rate of 5.36% during the Permanent Phase. Initial maximum authorized is \$8,500	-	2,658	-	-	2,658		-
Series 2018 Pine Trace I							
Dated November 2, 2018, term bond in the amount of \$6,000, due May 1, 2021, bearing interest at 2.40% per annum to but excluding the Initial Mandatory Tender Date and thereafter, the applicable remarketing rate.	-	6,000	-	-	6,000		-

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

5. LONG-TERM LIABILITIES: (Continued)

Mortgage Revenue Bonds: (Continued)

	(in thousands)						Amounts Due Within One Year (Net of Amortization)
<u>Multi-Family Programs</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Amortization</u>	<u>Ending Balance</u>		
Series 2018 Pine Trace II Dated November 29, 2018, term bond in the amount of \$7,000, due June 1, 2021, bearing interest at 2.40% per annum to but excluding the Initial Mandatory Tender Date and there- after, the applicable remarketing rate.	\$ -	\$ 7,000	\$ -	\$ -	\$ 7,000	\$	-
Series 2018 Royal Cambridge Dated November 1, 2018, draw down bond due November 1, 2035, bearing variable interest during the Construction Phase and at the Permanent Phase Interest Rate of 5.38% during the Permanent Phase. Initial maximum authorized is \$28,000	-	9,314	-	-	9,314		-
Series 2018 Brook Pointe Dated December 27, 2018, draw down bond due December 1, 2058, bearing interest at the applicable Bond Coupon Rate from the Issue Date to the date of payment in full of the Bonds. Initial maximum authorized is \$15,395.	-	4,169	-	-	4,169		-
Series 2019 La Playa Dated January 29, 2019, draw down bond due August 1, 2051, bearing interest at 4.82%. Initial maximum authorized is \$10,700	-	10,700	-	-	10,700		-
Series 2019 Hammond Eastside Dated March 21, 2019, draw down bond due May 1, 2021. Prior to any determination of taxability, the Bond Outstanding shall bear interest at the applicable Tax Exempt Rate. Initial maximum authorized is \$2,750.	-	1,206	-	-	1,206		-
Total multifamily mortgage revenue bond programs	<u>\$278,274</u>	<u>\$ 44,487</u>	<u>\$ (50,204)</u>	<u>\$ 61</u>	<u>\$ 272,618</u>	<u>\$</u>	<u>29,785</u>
Total combined mortgage revenue bond programs	<u><u>\$423,853</u></u>	<u><u>\$130,861</u></u>	<u><u>\$ (89,733)</u></u>	<u><u>\$ (162)</u></u>	<u><u>\$ 464,819</u></u>	<u><u>\$</u></u>	<u><u>33,004</u></u>

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

5. LONG-TERM LIABILITIES: (Continued)

Mortgage Revenue Bonds: (Continued)

Debt Service – Mortgage Revenue Bonds:

The minimum debt service payments over the life of the Mortgage Revenue Bond Programs are scheduled to occur as follows. Future interest payments for variable interest rate bonds were calculated using the rate of interest in effect at the end of the fiscal year.

Year Ending June 30,	(in thousands)					
	Single Family		Multi-family		Combined	
	Mortgage Revenue Bonds		Mortgage Revenue Bonds		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 3,219	\$ 6,285	\$ 29,785	\$ 11,053	\$ 33,004	\$ 17,338
2021	3,869	6,203	30,232	10,314	34,101	16,517
2022	4,039	6,114	2,682	9,741	6,721	15,855
2023	4,209	6,012	2,834	9,600	7,043	15,612
2024	4,359	5,905	3,095	9,448	7,454	15,353
2025-2029	22,924	27,750	20,641	44,472	43,565	72,222
2030-2034	31,946	25,496	37,364	36,532	69,310	62,028
2035-2039	73,300	22,054	64,214	24,611	137,514	46,665
2040-2044	23,899	6,415	49,188	12,324	73,087	18,739
2045-2049	20,065	2,385	10,344	6,910	30,409	9,295
2050-2054	372	7	14,596	3,379	14,968	3,386
2055-2059	-	-	7,643	1,218	7,643	1,218
	<u>\$ 192,201</u>	<u>\$ 114,626</u>	<u>\$ 272,618</u>	<u>\$ 179,602</u>	<u>\$ 464,819</u>	<u>\$ 294,228</u>

Debt Refunding:

On August 31, 2016, the Corporation issued \$24.8 million of Single Family Mortgage Revenue Refunding Bonds, Series 2016A for the purpose of currently refunding the Single Family Mortgage Revenue Bonds, Series 2006D and advance refunding the Series 2007A bonds. The interest rate on the Series 2016A bond is 2.10%, whereas the interest rates on the Series 2006D and 2007A bonds ranged from 3.50% to 6.15%. The decrease in interest rate resulted in a decrease of debt service payments in the amount of \$6 thousand through the maturity of the bonds on December 1, 2038. The refunding resulted in an economic gain of \$1.1 million (the difference between the present value of the Series 2006D and 2007A cash flows and the Series 2016A cash flows) which is reported as a deferred inflow of resources and amortized over 22 years.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

5. LONG-TERM LIABILITIES: (Continued)

Debt Refunding: (Continued)

On April 27, 2017, the Corporation issued \$27.1 million of Single Family Mortgage Revenue Refunding Bonds, Series 2017A for the purpose of currently refunding the Single Family Mortgage Revenue Bonds, Series 2007B and 2007C bonds. The interest rate on the Series 2017A bond is 2.875%, whereas the interest rates on the Series 2007B and 2007C bonds ranged from 3.60% to 6.00%. The decrease in interest rate resulted in a decrease of debt service payments in the amount of \$9.6 million through the maturity of the bonds on November 1, 2038. The refunding resulted in an economic gain of \$8.1 million (the difference between the present value of the Series 2007B and 2007C cash flows and the Series 2017A cash flows) which is reported as a deferred inflow of resources and amortized over 21 years.

Amounts Held in Escrow:

Properties with outstanding loans or other obligations through the Corporation have surplus amounts set aside from principal and interest payments held in escrow to be used for insurance, taxes, and expenses. Amounts held in escrow offset corresponding cash account balances. As of June 30, 2019, the outstanding balance of the amounts held in escrow is \$42.0 million.

Compensated Absences:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The cost of leave privileges, computed in accordance with GASB Codification C60, *Accounting for Compensated Absences*, is recognized as a current year expense when the leave is earned. The Corporation had paid compensated absences of \$56 thousand during the year ended June 30, 2019. Compensated absences payable as of June 30, 2019 was \$1.2 million.

6. FEDERAL FINANCIAL ASSISTANCE:

Federal grant programs represent an important source of funding to finance housing programs which are beneficial to the State of Louisiana. These grants are recorded as non-operating income and expense, and any assets held in relation to the programs are restricted. Receivables are established when eligible expenditures are incurred. The grants specify the purpose for which funds may be used and are subject to audit in accordance with Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

In the normal course of operations, grant funds are received from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. These audits can result in restitution to the federal agency as a result of non-compliance.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

7. RETIREMENT BENEFITS:

Plan Description:

Substantially all of the employees of the Corporation are members of the Louisiana State Employees' Retirement System (LASERS), a cost-sharing, multiple-employer, defined benefit pension plan. LASERS is a statewide public employee retirement system (PERS) for the benefit of state employees which is administered and controlled by a separate board of trustees.

LASERS provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. The following is a brief description of the Plan and its benefits. Participants should refer to the appropriate statutes for more complete information.

In 1999, an Optional Retirement Plan (ORP) was established as a defined contribution component of LASERS for certain unclassified employees who otherwise would have been eligible to become members of the defined benefit plan. The ORP provides portability of assets and full and immediate vesting of all contributions submitted on behalf of members. The ORP is administered by a third-party provider with oversight from LASERS Board of Trustees. Monthly employer and employee contributions are invested as directed by the member to provide the member with future retirement benefits. The amount of these benefits is entirely dependent upon the total contributions and investment returns accumulated during the member's working lifetime. ORP balances are held by the provider in each participant's name. These balances are included in LASERS total investments on the Statement of Fiduciary Net Position. The ORP was closed to new members on December 7, 2007. However, members in the ORP as of December 31, 2007 were granted the option by Act 718 of the 2012 Louisiana Regular Legislative Session to regain membership in the defined benefit plan.

Benefits Provided:

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. Rank-and-file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service, at age 55 upon completing 25 years of creditable service, and at age 60 upon completing 10 years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing five years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

7. RETIREMENT BENEFITS: (Continued)

Benefits Provided: (Continued)

The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with 12 years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants-at-arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after 5 years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

7. RETIREMENT BENEFITS: (Continued)

Benefits Provided: (Continued)

Deferred Retirement Benefits:

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked.

For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider.

The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

Disability Benefits:

Generally, active members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching retirement age, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation or 100% of final average compensation if the injury was the result of an intentional act of violence.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

7. RETIREMENT BENEFITS: (Continued)

Benefits Provided: (Continued)

Survivor's Benefits:

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011 who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

A Hazardous Duty Services Plan member's surviving spouse and minor or handicapped or mentally incapacitated child or children are entitled to survivor benefits of 80% of the member's final average compensation if the member was killed in the line of duty. If the member dies in the line of duty as a result of an intentional act of violence, survivor benefits may be increased to 100% of the members' final average compensation

Permanent Benefit Increases/Cost-of-Living Adjustments:

As fully described in Title 11 of the Louisiana Revised Statutes, LASERS allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), which are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Contributions:

The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's Actuary. Each plan pays a separate actuarially determined employer contribution rate. Members are required by state statute to contribute 7.5% of their annual covered salaries if hired before July 1, 2006 and 8.0% of their annual covered salaries if hired after July 1, 2006. The Corporation is required to make employer contributions based on an actuarially determined rate. The employer contribution rate for the fiscal year ended June 30, 2019, was 37.9% of annual covered payroll. The Corporation's contribution to LASERS for the year ended June 30, 2019 was \$3 million.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

7. RETIREMENT BENEFITS: (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

At June 30, 2019, the Corporation reported a liability for LASERS of \$26.7 million for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of that date. The Corporation's proportion of the net pension liability was based on a projection of the Corporation's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the Corporation's proportion was 0.392%. This reflects an increase of 0.049% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2019, the Corporation recognized pension expense of \$2.5 million.

At June 30, 2019, the Corporation reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	(in thousands)	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 300
Changes of assumptions	272	-
Net difference between projected and actual earnings on pension plan investments	347	-
Changes in proportion	2,741	-
Differences between employer contributions and proportionate share of contributions	-	111
Employer contributions subsequent to the measurement date	2,971	-
Total	<u>\$ 6,331</u>	<u>\$ 411</u>

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

7. RETIREMENT BENEFITS: (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: (Continued)

Deferred outflows of resources resulting from employer contributions subsequent to the measurement date in the amount of \$3.0 million will be recognized as a reduction of the net pension liability during the year ended June 30, 2020. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense (benefit) are as follows:

Year Ended June 30	Amount (in thousands)
2020	\$ 2,284
2021	1,416
2022	(653)
2023	(98)
2024	-
Thereafter	-
Total	<u>\$ 2,949</u>

Actuarial Assumptions:

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions:

Actuarial valuation dates	June 30, 2018
Actuarial cost method	Entry Age Normal
Expected remaining service lives	3 years
Investment rate of return	7.65% per annum
Inflation rate	2.75% per annum
Period of experience study	2009 - 2013
Mortality Rates	Non-disabled members - Based on the RP-2000 Combined Healthy Mortality Table with improvement projected to 2015. Disabled members - Based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, Disability, and Retirements	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of LASERS's members.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

7. RETIREMENT BENEFITS: (Continued)

Actuarial Assumptions: (Continued)

Salary increases

Salary increases were projected based on a 2009-2013 experience study of the LASERS's members. The salary increase ranges for specific members are:

<u>Member Type</u>	<u>Lower Range</u>	<u>Upper Range</u>
Regular	3.8%	12.8%
Judges	2.8%	5.3%
Corrections	3.4%	14.3%
Hazardous Duty	3.4%	14.3%
Wildlife	3.4%	14.3%

Cost-of-living adjustments

The present value of future retirement benefits is based on benefits currently being paid by LASERS and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The expected rate of inflation was 3.25% for 2018. The resulting expected long-term rate of return is 8.83% for 2018. Best estimates of the geometric real rates of return for each major asset class included in LASERS target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Geometric)</u>
Cash	0%	-0.48%
Domestic Equity	23%	4.31%
International Equity	32%	5.26%
Domestic Fixed Income	6%	1.49%
International Fixed Income	10%	2.23%
Alternative Investments	22%	7.67%
Risk Parity	7%	4.96%
Total	<u>100%</u>	

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

7. RETIREMENT BENEFITS: (Continued)

Actuarial Assumptions: (Continued)

The discount rate used to measure the total pension liability was 7.65%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the pension plan. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rates:

The following presents the Corporation's proportionate share of the net pension liability using the discount rate, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

(in thousands)		
1.0% Decrease 6.65%	Current Discount Rate 7.65%	1.0% Increase 8.65%
\$ 33,742	\$ 26,735	\$ 20,701

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's fiduciary net position is available in the separately issued 2018 Comprehensive Annual Financial Reports for LASERS at www.lasersonline.org or on the Louisiana Legislative Auditor's website at www.la.gov.

Payables to the Pension Plan:

As of June 30, 2019, the Corporation reported a payable of \$123 thousand for outstanding contributions due to LASERS.

8. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (OPEB):

Substantially all employees become eligible for postemployment health care and life insurance benefits if they reach normal retirement age while working for the Corporation. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employee and the Corporation. At June 30, 2019, nineteen retirees were receiving postemployment benefits.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

8. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (OPEB):
(Continued)

Plan Description:

Employees may participate in the State of Louisiana's Other Postemployment Benefit Plan (OPEB Plan), an agent multiple-employer defined benefit OPEB Plan that provides medical and life insurance to eligible active employees, retirees and their beneficiaries. The state administers the plan through the Office of Group Benefits (OGB). LRS 42:801-883 assigns the authority to establish and amend benefit provisions of the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75 to pay related benefits.

Benefits Provided:

The OPEB Plan provides benefits such as; death benefits, life insurance, disability, and long-term care that are paid in the period after employment and that are provided separately from a pension plan, as well as healthcare benefits paid in the period after employment. The OPEB plan does not provide termination benefits or termination payments for sick leave.

Contributions:

The contribution requirements of plan members and the Corporation are established and may be amended by LRS 42:801-883. The OPEB Plan is currently funded on a pay-as-you-go basis through a combination of retiree and Corporation contributions. Employees do not contribute to their postemployment benefits cost until they become retirees and begin receiving post-employment benefits. The retirees contribute to the cost of their postemployment benefits based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage. Employer contributions to the OPEB Plan from the Corporation were \$139 thousand for the year ended June 30, 2019.

Employer contributions are based on plan premiums and the employer contribution percentage. This percentage is based on the date of participation in an OGB plan (before or after January 1, 2002) and employee years of service at retirement. Employees who began participation or rejoined the plan before January 1, 2002, pay approximately 25% of the cost of coverage (except single retirees under age 65 who pay approximately 25% of the active employee cost). For those beginning participation or rejoining on or after January 1, 2002, the percentage of premiums contributed by the employer is based on the following schedule:

<u>OGB</u>	<u>Retiree</u>	<u>State</u>
<u>Participation</u>	<u>Share</u>	<u>Share</u>
Under 10 years	81%	19%
10-14 years	62%	38%
15-19 years	44%	56%
20+ years	25%	75%

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

8. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (OPEB):
(Continued)

Contributions: (Continued)

In addition to healthcare benefits, retirees may elect to receive life insurance benefits. Basic and supplemental life insurance is available for the individual retiree and spouses of retirees, subject to maximum values. The employer pays 50% of the individual retiree's premium. The retiree is responsible for 100% of the premium for dependents. Effective January 1, 2018, the total monthly premium for retirees varies according to age group.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflow of Resources Related to OPEB:

At June 30, 2019, the Corporation reported a liability of \$11.0 million for its proportionate share of the collective total OPEB liability. The collective total OPEB liability was measured as of July 1, 2018, and was determined by an actuarial valuation as of that date. The Corporation's proportion of the total OPEB liability was based on a projection of the Corporation's total OPEB liability relative to the projected total OPEB liability of all participating employers, actuarially determined. As of July 1, 2018, the Corporation's proportion was 0.1291%.

For the year ended June 30, 2019, the Corporation recognized OPEB expense of \$275 thousand. As of June 30, 2019, the Corporation reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	(in thousands)	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 743
Differences between expected and actual experience	-	48
Changes in employer's proportionate share	-	2
Differences between employer contributions and proportionate share of contributions	-	295
Employer contributions subsequent to the measurement date	139	-
Total	<u>\$ 139</u>	<u>\$ 1,088</u>

Deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date of \$139 thousand will be recognized as a reduction of the collective total OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (benefit) shown in the following table:

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

8. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (OPEB):
(Continued)

(in thousands)	
June 30	Amount
2020	\$ (374)
2021	(374)
2022	(261)
2023	(78)
2024	-
Thereafter	-
Total	<u>\$ (1,088)</u>

Actuarial Assumptions:

The total OPEB liability in the July 1, 2018, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.8%
Salary Increases	Consistent with the pension valuation assumptions
Investment Rate of Return	2.98%, based on the S&P Municipal Bond 20-Year High Grade Rate Index
Healthcare Cost Trend	7% - 4.5%
Mortality Rates	For healthy lives the RP-2014 Combined Healthy Mortality Table, projected on a fully generational basis by Mortality Improvement Scale MP-2017. For existing disabled lives, the RP-2014 Disabled Retiree Mortality Table, projected on a fully generational basis by Mortality Improvement Scale MP-2017.

Discount Rate:

The discount rate used to measure the total OPEB liability was 2.98%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at contractually required rates. Based on this assumption and as the OPEB Plan is unfunded, the OPEB plan's fiduciary net position was not projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was determined using a discount rate that reflects the 20-year tax-exempt municipal bond yield or index rate.

The discount rate used to measure the total OPEB liability was decreased to 2.98% in the July 1, 2018 valuation from 3.13% as of July 1, 2017.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

8. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (OPEB):
(Continued)

Sensitivity of the Corporation's Proportionate Share of the Collective Total OPEB Liability to Changes in the Discount Rate:

The following presents the Corporation's proportionate share of the collective total OPEB liability, as well as what the Corporation's proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	(in thousands)		
	1.0% Decrease (1.98%)	Current Discount Rate (2.98%)	1.0% Increase (3.98%)
Corporation's proportionate share of the collective total OPEB liability	<u>\$ 13,338</u>	<u>\$ 11,020</u>	<u>\$ 9,223</u>

Sensitivity of the Corporation's Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rates:

The following presents the Corporation's proportionate share of the collective total OPEB liability, as well as what the Corporation's proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1.0% Decrease	Healthcare Cost Trend Rate	1.0% Increase
Corporation's proportionate share of the collective total OPEB liability	<u>\$ 9,048</u>	<u>\$ 11,020</u>	<u>\$ 13,637</u>

Payables to the OPEB Plan:

As of June 30, 2019, the Corporation reported a payable of \$-0- for the outstanding amount of contributions to the OPEB plan.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

9. CAPITAL ASSETS:

A summary of changes in capital assets for the year ended June 30, 2019 is as follows:

	(in thousands)			
	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019
Capital assets not being depreciated				
Land	\$ 1,022	\$ -	\$ -	\$ 1,022
Construction in progress	-	1	-	1
Total capital assets not being depreciated	1,022	1	-	1,023
Capital assets being depreciated				
Buildings	107,023	-	-	107,023
Equipment	3,493	7	-	3,500
Land improvements	131	-	-	131
Total capital assets being depreciated	110,647	7	-	110,654
Accumulated depreciation:				
General	(6,180)	(277)	-	(6,457)
HUD disposition	(19,861)	(2,399)	-	(22,260)
Mid-City Gardens	(2,863)	(504)	-	(3,367)
Total accumulated depreciation	(28,904)	(3,180)	-	(32,084)
Total capital assets being depreciated, net	81,743	(3,173)	-	78,570
Total capital assets, net	\$ 82,765	\$ (3,172)	\$ -	\$ 79,593

Included in capital assets at June 30, 2019 is \$84.5 million of costs related to the two HUD disposition properties owned by the Corporation. These buildings were heavily damaged by Hurricane Katrina (see Note 4). Reconstruction of the first property (Willowbrook) was completed during the year ended June 30, 2008, and its operations commenced in May 2008. Reconstruction of the second property (Village de Jardin) was completed during the year ended June 30, 2012, and its operations commenced in April 2012. The depreciation expense related to these properties is recorded within the net loss from rental property on the combined statement of revenues, expenses, and changes in net position.

Included in restricted capital assets at June 30, 2019 is \$14.3 million related to the Mid-City Gardens (formerly Capital City South) project. This project is restricted because it is funded by the Neighborhood Stabilization Program and any net income is currently expected to be recognized as program income to be used within the program. The property was acquired by the Corporation in 2010 through the foreclosure of a loan funded with HOME program funds. The Corporation used the NSP funds and HOME program funds to renovate and rehabilitate the property. The property commenced operations in December 2012. The depreciation expense related to these properties is recorded within the net loss from rental property on the combined statement of revenues, expenses and changes in net position.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

10. HUD DISPOSITION PROPERTIES:

The Corporation is the owner of two low-income, multi-family rental properties that were originally purchased from the U. S. Department of Housing and Urban Development (HUD) at a cost of \$1 each. The Corporation funded renovations to the properties totaling approximately \$3.3 million through June 30, 2005. On August 29, 2005, the properties were heavily damaged by Hurricane Katrina. The properties were insured by the State of Louisiana Office of Risk Management. The State of Louisiana assumed responsibility for the reconstruction of the properties. Both properties are fully renovated and occupied. The completed properties are recorded within capital assets on the Corporation's combined statement of net position.

The properties were purchased in 1995. If the properties are sold, the sales proceeds less certain costs and expenses shall be assigned to HUD in the following amounts:

- a) 75%, if sold between 15 and 20 years from the purchase date;
- b) 50%, if sold between 20 and 30 years from the purchase date; or
- c) 25%, if sold over 30 years from the purchase date

The net income (loss) from the properties is recorded as non-operating revenue (expense).

11. CONCENTRATION OF CREDIT RISK:

The HOME program loans are issued to single family borrowers and multi-family low-income housing projects throughout Louisiana. A substantial portion of the multi-family low-income housing project loans have been issued among entities with a common ownership.

12. RISK MANAGEMENT:

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

13. COMMITMENTS AND CONTINGENCIES:

The Corporation receives significant financial assistance from the Federal Government Department of Housing and Urban Development (HUD) in the form of grants and entitlements, which are conditioned upon compliance with terms and conditions of the grant agreements and applicable federal regulations.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

13. COMMITMENTS AND CONTINGENCIES: (Continued)

During fiscal year ended June 30, 2017, HUD performed a review of the HOME program and issued a complaint letter concerning the Corporation's administration of the HOME Investment Partnership Programs. As a result of the review HUD is demanding reimbursement of funds due to a foreclosure on property that received HUD funding. The reimbursement demanded by HUD in the amount of \$2.5 million is reported as a contingent liability in the due to other governments in the combined statement of net position.

14. UNRESTRICTED NET POSITION – DEFICIT BALANCE:

The General Fund has a deficit of \$28 million in unrestricted net position as of June 30, 2019. This is primarily due to the recording of a net pension liability of \$26.7 million as of June 30, 2019, and the recording of an OPEB liability of \$11.0 million as of June 30, 2019. Additionally, the Corporation's General Fund incurred an operating loss of approximately \$1.9 million for the year ended June 30, 2019, which further reduced unrestricted net position. Although the Corporation's General Fund has a deficit in unrestricted net position, the Corporation's overall General Fund net position is a surplus of approximately \$321 million. Management is currently evaluating the deficit in the General Fund's unrestricted net position in order to develop a plan to increase the Corporation's profits.

15. RESTRICTED NET POSITION:

Net position is reported as restricted when constraints placed on the use of net position are either:

- Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or
- Imposed by law through constitutional provisions or enabling legislation.

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

15. RESTRICTED NET POSITION: (Continued)

At June 30, 2019, the combined statement of net position reports the following restricted net position:

	(in thousands)		
	General	Combined Mortgage Revenue Bond	
	<u>Fund</u>	<u>Programs</u>	<u>Total</u>
Restricted to fund future lending programs:			
Cash and cash equivalents	\$ -	\$ 89,532	\$ 89,532
Investments	-	32,003	32,003
Mortgage loans and mortgage backed securities	339,782	474,916	814,698
Accrued interest receivable	63,919	7,990	71,909
Other	-	1	1
Deferred losses on mortgage revenue bonds	-	99	99
Less: provision for loan losses	(167,985)	-	(167,985)
Less: accounts payable	-	(340)	(340)
Less: accrued interest payable	-	(8,891)	(8,891)
Less: bonds payable	-	(464,819)	(464,819)
Less: amounts due to other funds	-	(70)	(70)
Less: amounts held in escrow	-	(40,574)	(40,574)
Less: deferred gain on refunding	-	(730)	(730)
Total restricted to fund future lending programs	235,716	89,117	324,833
Restricted for use in federal grant programs:			
Cash and cash equivalents	24,370	-	24,370
Investments	11,968	-	11,968
Mid-City Gardens	10,938	-	10,938
Less: bond and debentures payable	(900)	-	(900)
Less: amounts held in escrow	(1,398)	-	(1,398)
Less: deferred income	(227)	-	(227)
Total restricted for use in future grant programs	44,751	-	44,751
Restricted Net Position	<u>\$ 280,467</u>	<u>\$ 89,117</u>	<u>\$ 369,584</u>

LOUISIANA HOUSING CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2019

16. NEW ACCOUNTING STANDARD:

During the year ended June 30, 2019, the Corporation implemented GASB Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements, which clarifies which liabilities governments should include in their note disclosures related to debt. This Statement requires that all debt disclosures present direct borrowings and direct placements of debt from other types of debt. Direct borrowing and direct placements may expose a government to risks that are different from or additional risks related to other types of debt.

GASB Statement No. 88 also requires the disclosure of additional essential debt-related information for all types of debt, including: (1) amounts of unused lines of credit; (2) assets pledged as collateral for debt; and (3) terms specified in debt agreements related to significant events of default with finance-related consequences, termination events with finance-related consequences, and subjective acceleration clauses.

LOUISIANA HOUSING CORPORATION
 COMBINED FINANCIAL STATEMENTS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CORPORATION'S PROPORTIONATE
 SHARE OF COLLECTIVE TOTAL OPEB LIABILITY
FOR THE TWO YEARS ENDED JUNE 30, 2019

<u>Fiscal Year*</u>	Corporation's Proportion of the Collective Total OPEB <u>Liability</u>	Corporation's Proportionate Share of the Collective Total OPEB <u>Liability</u>	Corporation's Covered Employee <u>Payroll</u>	Corporation's Proportionate Share of the Collective Total OPEB Liability as a % of its Covered- <u>Employee Payroll</u>
2019	0.1291%	\$ 11,020,220	\$ 6,294,504	175%
2018	0.1291%	\$ 11,222,480	\$ 5,781,619	194%

*The amounts presented for each fiscal year were determined as of the prior fiscal year ended.

This schedule is intended to show information for 10 years. Additional years will be presented as they become available.

LOUISIANA HOUSING CORPORATION
 COMBINED FINANCIAL STATEMENTS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CORPORATION'S PROPORTIONATE
 SHARE OF NET PENSION LIABILITY
FOR THE FIVE YEARS ENDED JUNE 30, 2019

<u>Fiscal Year*</u>	<u>Corporation's Proportion of the Net Pension Liability</u>	<u>Corporation's Proportionate Share of the Net Pension Liability</u>	<u>Corporation's Covered Employee Payroll</u>	<u>Corporation's Proportionate Share of the Net Pension Liability as a % of its Covered- Employee Payroll</u>	<u>Plan Fiduciary Net Position as a % of the Total Pension Liability</u>
2019	0.39202 %	\$ 26,735,410	\$ 7,339,373	364%	64.3%
2018	0.34293 %	\$ 24,138,414	\$ 5,966,126	405%	62.5%
2017	0.32222 %	\$ 25,302,649	\$ 6,496,374	389%	57.7%
2016	0.37644 %	\$ 25,603,670	\$ 7,562,192	339%	62.7%
2015	0.39100 %	\$ 24,448,743	\$ 6,772,968	361%	65.0%

*The amounts presented for each fiscal year were determined as of the prior fiscal year ended.

This schedule is intended to show information for 10 years. Additional years will be presented as they become available.

LOUISIANA HOUSING CORPORATION
 COMBINED FINANCIAL STATEMENTS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CORPORATION'S PENSION CONTRIBUTIONS
FOR THE FIVE YEARS ENDED JUNE 30, 2019

<u>Fiscal Year*</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
2019	\$ 2,969,048	\$ 2,970,805	\$ (1,757)	\$ 7,833,901	37.9%
2018	\$ 2,781,622	\$ 2,782,983	\$ (1,361)	\$ 7,339,373	37.9%
2017	\$ 2,135,873	\$ 2,135,701	\$ 172	\$ 5,966,126	35.8%
2016	\$ 2,416,651	\$ 2,416,651	\$ -	\$ 6,496,374	37.2%
2015	\$ 2,798,011	\$ 2,798,011	\$ -	\$ 7,562,192	37.0%

*The amounts presented were determined as of the end of the fiscal year.

This schedule is intended to show information for 10 years. Additional years will be presented as they become available.

LOUISIANA HOUSING CORPORATION
COMBINED FINANCIAL STATEMENTS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019

1. Schedule of the Corporation's Proportionate Share of the Collective Total Other Postemployment Benefit Liability in the State of Louisiana Postemployment Benefits Plan:

This schedule reflects the participation of the Corporation's employees in the State of Louisiana Postemployment Benefits Plan and its proportionate share of the collective total other postemployment liability, and the proportionate share of the collective total other postemployment benefits liability as a percentage of its covered employee payroll. The employers' collective total other postemployment benefit liability is the liability of the Corporation's employees for benefits provided through the State of Louisiana Postemployment Benefits Plan. Covered employee payroll is the payroll of all employees that are provided with benefits through the plan. The amounts in the schedule for each fiscal year were determined as the prior fiscal year ended.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of the Governmental Accounting Standards Board Statement No. 75 to pay related benefits.

2. Schedule of the Corporation's Proportionate Share of the Net Pension Liability in the Louisiana State Employees' Retirement System:

This schedule reflects the participation of the Corporation's employees in Louisiana State Employees' Retirement System and its proportionate share of the net pension liability, the proportionate share of the net pension liability as a percentage of its covered employee payroll, and the plan fiduciary net position as a percentage of the total pension liability. The employers' net pension liability is the liability of the Corporation's employees for benefits provided through Louisiana State Employees' Retirement System. Covered employee payroll is the payroll of all employees that are provided with benefits through the plan. The amounts in the schedule for each fiscal year were determined as the prior fiscal year ended.

3. Schedule of the Corporation's Pension Contributions:

The difference between actuarially determined employer contributions and employer contributions received, and the percentage of employer contributions received to covered payroll, is presented in this schedule. The amounts presented in the schedule were determined as of the end of each fiscal year.

4. Changes in Benefit Terms:

Pension Plan:

During the reporting period 2017, a Cost of Living Adjustment (COLA) was granted by LASERS of 1.5%.

OPEB Plan:

There were no changes in benefit terms for the State of Louisiana OPEB Plan for any of the years presented.

LOUISIANA HOUSING CORPORATION
COMBINED FINANCIAL STATEMENTS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019

5. Changes in Assumptions:

Pension Plan:

Louisiana State Employees' Retirement System (LASERS)

Valuation Date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Investment Rate of Return	7.65%	7.70%	7.75%	7.75%	7.75%
Inflation Rate	2.75%	2.75%	3.00%	3.00%	3.00%
Salary Increases	2.8% - 14.3%	2.8% - 14.3%	3.0% - 14.5%	3.0% - 14.5%	3.0% - 14.5%
Mortality Rate - Active & Retired Members	Mortality rates based on the RP-2000 mortality tables	Mortality rates based on the RP-2000 mortality tables	Mortality rates based on the RP-2000 mortality tables	Mortality rates based on the RP-2000 mortality tables	Mortality rates based on the RP-2000 mortality tables

OPEB Plan:

The discount rate changed from 2.71% as of July 1, 2016 to 3.13% as of July 1, 2017, for the State of Louisiana OPEB Plan.

The discount rate changed from 3.13% as of July 1, 2017 to 2.98% as of July 1, 2018, for the State of Louisiana OPEB Plan.

Other changes in assumptions as of July 1, 2018, were as follows:

1. Baseline per capita costs were updated to reflect 2018 claims and enrollment and retiree contributions were updated based on 2019 premiums. The impact of the High Cost Excise Tax was revisited, reflecting updated plan premiums.
2. The mortality assumption for the Louisiana State Employees' Retirement System was updated from the RP-2014 Healthy Annuitant and Employee tables for males and females with generational projections using projection scale MP-2017 to the RP-2014 Healthy Annuitant and Employee tables for males and females using projection scale MP-2018.

The percentage of future retirees assumed to elect medical coverage was modified based on recent plan experience.

LOUISIANA HOUSING CORPORATION
 COMBINED FINANCIAL STATEMENTS
 OTHER SUPPLEMENTARY INFORMATION
 SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
JUNE 30, 2019

	<u>2019</u>
Thorf Anderson	\$ -
Tammy Earls	400
Larry Ferdinand	-
Stacy Head	350
Elton Lagasse	-
Byron Lee	250
Willie Rack	500
Lloyd Spillers	500
Jennifer Vidrine	300
Gillis Windham	<u>550</u>
	<u><u>\$ 2,850</u></u>

* Director Donald Vallee, Derrick Edwards, and State Treasurer are absent from the above schedule, as they elected to not receive meeting fees.

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENT OF NET POSITION
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	<u>General Fund</u>	<u>Combined Mortgage Revenue Bond Programs</u>	<u>Eliminations</u>	<u>Combined Total</u>
ASSETS:				
Unrestricted Assets:				
Cash and cash equivalents	\$ 1,679	\$ -	\$ -	\$ 1,679
Cash and cash equivalents - Work Force Initiative	1,076	-	-	1,076
Investments	4,930	-	-	4,930
Investments - Work Force Initiative	1,695	-	-	1,695
Mortgage loans receivable	546	-	-	546
Accrued interest receivable	69	-	-	69
Other receivables	2,807	-	-	2,807
Due from other governments	2,399	-	-	2,399
Due from MRB programs	70	-	(70)	-
Capital assets (net of accumulated depreciation of \$28,716)	68,656	-	-	68,656
Other assets	196	-	-	196
Total Unrestricted Assets	84,123	-	(70)	84,053
Restricted Assets:				
Cash and cash equivalents	24,370	89,532	-	113,902
Investments	11,968	32,003	-	43,971
Mortgage loans and mortgage-backed securities Single Family (net of allowance for loan losses of \$1,452)	1,232	224,716	-	225,948
Multifamily (net of allowance for loan losses of \$166,533)	170,565	250,200	-	420,765
Accrued interest receivable	63,920	7,990	-	71,910
Other assets	-	1	-	1
Capital assets (net of accumulated depreciation of \$3,368)	10,937	-	-	10,937
Total Restricted Assets	282,992	604,442	-	887,434
Total Assets	367,115	604,442	(70)	971,487
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred losses on mortgage revenue bonds	-	99	-	99
Deferred outflows of resources related to pensions	6,331	-	-	6,331
Deferred outflows of resources related to OPEB	139	-	-	139
Total Deferred Outflows of Resources	6,470	99	-	6,569
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 373,585</u>	<u>\$ 604,541</u>	<u>\$ (70)</u>	<u>\$ 978,056</u>

(Continued)

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENT OF NET POSITION
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	<u>General Fund</u>	<u>Combined Mortgage Revenue Bond Programs</u>	<u>Eliminations</u>	<u>Combined Total</u>
LIABILITIES:				
Accounts payable and accrued liabilities	\$ 2,471	\$ 340	\$ -	\$ 2,811
Accrued interest payable	-	8,891	-	8,891
Amounts held in escrow	1,398	40,574	-	41,972
Bonds and debentures payable	900	464,819	-	465,719
Compensated absences	1,207	-	-	1,207
Due to other governments	2,469	-	-	2,469
Due to other funds	-	70	(70)	-
Net pension liability	26,735	-	-	26,735
Other postemployment benefits payable	11,020	-	-	11,020
Total Liabilities	46,200	514,694	(70)	560,824
DEFERRED INFLOWS OF RESOURCES:				
Deferred inflows of resources related to debt refunding	227	730	-	957
Deferred inflows of resources related to unearned income	4,205	-	-	4,205
Deferred inflows of resources related to pensions	411	-	-	411
Deferred inflows of resources related to OPEB	1,088	-	-	1,088
Total Deferred Inflows of Resources	5,931	730	-	6,661
NET POSITION:				
Net investment in capital assets	68,656	-	-	68,656
Restricted	280,467	89,117	-	369,584
Unrestricted	(27,669)	-	-	(27,669)
Total Net Position	321,454	89,117	-	410,571
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 373,585</u>	<u>\$ 604,541</u>	<u>\$ (70)</u>	<u>\$ 978,056</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
SUPPLEMENTARY COMBINING INFORMATION
FOR THE YEAR ENDED JUNE 30, 2019

(In Thousands)

	General <u>Fund</u>	Combined Mortgage Revenue Bond <u>Programs</u>	<u>Eliminations</u>	Combined <u>Total</u>
OPERATING REVENUES:				
MRB program issuer fees	\$ 1,098	\$ -	\$ (1,098)	\$ -
Low income housing tax credit program fees	1,913	-	-	1,913
Federal program administrative fees	7,931	-	-	7,931
Federal project delivery fees	2,515	-	-	2,515
Interest and dividend income	814	20,980	-	21,794
Gain (loss) on investments/mortgage-backed securities	206	3,187	-	3,393
Single family turnkey program fees	365	-	-	365
Other	282	7,621	-	7,903
Total Operating Revenues	<u>15,124</u>	<u>31,788</u>	<u>(1,098)</u>	<u>45,814</u>
OPERATING EXPENSES:				
Personnel services	11,998	-	-	11,998
Supplies	475	-	-	475
Travel	261	-	-	261
Operating services	1,510	-	-	1,510
Professional services	2,476	-	-	2,476
Interest expense	-	15,376	-	15,376
General and administrative	-	3,592	(1,098)	2,494
Depreciation	277	-	-	277
Total Operating Expenses	<u>16,997</u>	<u>18,968</u>	<u>(1,098)</u>	<u>34,867</u>
Operating Income (Loss)	<u>(1,873)</u>	<u>12,820</u>	<u>-</u>	<u>10,947</u>
NON-OPERATING REVENUES (EXPENSES):				
Amortization of gain on refunding	59	-	-	59
Federal grants drawn	201,447	-	-	201,447
Federal grant funds disbursed	(175,181)	-	-	(175,181)
Interest expense	(482)	-	-	(482)
Net loss from rental property	(439)	-	-	(439)
Net loss from rental property - restricted	(624)	-	-	(624)
Provision for loan losses	2,692	-	-	2,692
Program income	1	-	-	1
Restricted mortgage loan interest income	4,429	-	-	4,429
Restricted investment income	30	-	-	30
Restricted unrealized gain (loss)	118	-	-	118
Investment income - Work Force Initiative	96	-	-	96
Unrealized gain (loss) - Workforce Initiative	12	-	-	12
Total Non-operating Revenues (Expenses)	<u>32,158</u>	<u>-</u>	<u>-</u>	<u>32,158</u>

(Continued)

LOUISIANA HOUSING CORPORATION
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 SUPPLEMENTARY COMBINING INFORMATION
FOR THE YEAR ENDED JUNE 30, 2019

(In Thousands)

	<u>General Fund</u>	<u>Combined Mortgage Revenue Bond Programs</u>	<u>Eliminations</u>	<u>Combined Total</u>
Income before transfers	\$ 30,285	\$ 12,820	\$ -	\$ 43,105
Transfers (to) from MRB Programs	(705)	-	705	-
Transfers to (from) General Fund	<u>-</u>	<u>705</u>	<u>(705)</u>	<u>-</u>
Change in Net Position	29,580	13,525	-	43,105
NET POSITION - beginning of year	<u>291,874</u>	<u>75,592</u>	<u>-</u>	<u>367,466</u>
NET POSITION - end of year	<u><u>\$ 321,454</u></u>	<u><u>\$ 89,117</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 410,571</u></u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENT OF CASH FLOWS
SUPPLEMENTARY COMBINING INFORMATION
FOR THE YEAR ENDED JUNE 30, 2019

(In Thousands)

	<u>General Fund</u>	<u>Combined Mortgage Revenue Bond Programs</u>	<u>Combined Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from:			
Fee revenue collected	\$ 23,920	\$ -	\$ 23,920
Interest and dividend income	514	20,183	20,697
Mortgage collections and mortgage-backed securities redeemed	443	68,739	69,182
Other operating income	-	7,630	7,630
Cash paid to:			
Suppliers of services	(5,202)	(3,599)	(8,801)
Mortgage loans issued and mortgage-backed securities purchased	(1,945)	(122,460)	(124,405)
Interest paid on bonds	-	(15,086)	(15,086)
Other operating expenses	-	(14)	(14)
Employees and benefit providers	(12,186)	-	(12,186)
Net cash provided by (used in) operating activities	<u>5,544</u>	<u>(44,607)</u>	<u>(39,063)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Net transfers to/from MRB programs	(705)	705	-
Receipt of federal grants	191,734	-	191,734
Disbursement of federal grants	(175,181)	-	(175,181)
Mortgage collections	4,137	-	4,137
Mortgage purchases	(26,374)	-	(26,374)
Other non-operating income	4,188	-	4,188
Issuance of bonds	-	130,862	130,862
Repayment of bonds	(2,325)	(89,733)	(92,058)
Net change in escrow accounts	(779)	18,565	17,786
Interest paid on bonds and debentures payable	(482)	-	(482)
Net cash provided by (used in) noncapital financing activities	<u>(5,787)</u>	<u>60,399</u>	<u>54,612</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investments purchased	(25,959)	(41,801)	(67,760)
Investments redeemed	28,245	27,236	55,481
Interest payments received	127	-	127
Net change in activity of investment in rental properties	1,945	-	1,945
Net cash provided by (used in) investing activities	<u>4,358</u>	<u>(14,565)</u>	<u>(10,207)</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:			
Purchase of property and equipment	(1)	-	(1)
Repayment of bonds	(145)	-	(145)
Net cash used in capital financing activities	<u>(146)</u>	<u>-</u>	<u>(146)</u>

(Continued)

LOUISIANA HOUSING CORPORATION
STATEMENTS OF CASH FLOWS
SUPPLEMENTARY COMBINING INFORMATION
FOR THE YEAR ENDED JUNE 30, 2019

(In Thousands)

	<u>General Fund</u>	<u>Combined Mortgage Revenue Bond Programs</u>	<u>Combined Total</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 3,969	\$ 1,227	\$ 5,196
CASH AND CASH EQUIVALENTS, beginning of year	<u>23,156</u>	<u>88,305</u>	<u>111,461</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 27,125</u></u>	<u><u>\$ 89,532</u></u>	<u><u>\$ 116,657</u></u>
Presented on Combined Statement of Net Position as:			
Unrestricted	\$ 2,755	\$ -	\$ 2,755
Restricted	<u>24,370</u>	<u>89,532</u>	<u>113,902</u>
	<u><u>\$ 27,125</u></u>	<u><u>\$ 89,532</u></u>	<u><u>\$ 116,657</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income (loss)	\$ (1,873)	\$ 12,820	\$ 10,947
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Amortization	-	(358)	(358)
Depreciation	277	-	277
(Gain) loss on investments/mortgage-backed securities	(506)	(2,281)	(2,787)
Change in net pension liability	2,597	-	2,597
Change in pension deferred inflows/outflows	(3,066)	-	(3,066)
Change in mortgage loans and mortgage-backed securities	(1,502)	(54,627)	(56,129)
Change in accrued interest receivable	-	(797)	(797)
Change in accrued interest payable	-	648	648
Change in due from governments	9,755	-	9,755
Change in due to/from MRB programs	2	(2)	-
Change in accounts payable and accrued liabilities	(219)	(10)	(229)
Change in OPEB payable	(203)	-	(203)
Change in OPEB deferred inflows/outflows	338	-	338
Change in compensated absences payable	29	-	29
Change in other receivables	60	-	60
Change in other assets	<u>(145)</u>	<u>-</u>	<u>(145)</u>
Net cash provided by (used in) operating activities	<u><u>\$ 5,544</u></u>	<u><u>\$ (44,607)</u></u>	<u><u>\$ (39,063)</u></u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF NET POSITION
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2004 Palmetto Multifamily Mortgage	2005 Peppermill I & II Multifamily Mortgage	2006 The Crossing Multifamily Mortgage	2007 Canterbury House Apartments Multifamily Mortgage	2007 Hooper Point Residences Multifamily Mortgage	2007 Jefferson Lakes Apartments Multifamily Mortgage	2007 Emerald Point Apartments Multifamily Mortgage	2007 Lapalco Court Apartments Multifamily Mortgage
RESTRICTED ASSETS:								
Cash and cash equivalents	\$ 99	\$ 78	\$ 156	\$ 1,459	\$ 208	\$ 379	\$ 883	\$ 750
Investments	-	-	-	-	-	-	-	-
Mortgage loans and mortgage backed securities	2,640	3,716	6,948	15,470	9,340	12,870	4,632	6,400
Accrued interest receivable	2	15	-	11	45	18	4	10
Other assets	-	-	-	-	-	-	-	-
Total Restricted Assets	<u>2,741</u>	<u>3,809</u>	<u>7,104</u>	<u>16,940</u>	<u>9,593</u>	<u>13,267</u>	<u>5,519</u>	<u>7,160</u>
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred losses on mortgage revenue bonds	-	-	-	-	-	-	99	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 2,741</u>	<u>\$ 3,809</u>	<u>\$ 7,104</u>	<u>\$ 16,940</u>	<u>\$ 9,593</u>	<u>\$ 13,267</u>	<u>\$ 5,618</u>	<u>\$ 7,160</u>
LIABILITIES:								
Accounts payable	\$ 8	\$ 43	\$ 3	\$ -	\$ -	\$ 214	\$ 4	\$ 10
Accrued interest payable	2	46	36	11	45	18	4	10
Amounts held in escrow	91	-	111	1,459	208	154	879	740
Bonds payable	2,640	3,743	6,955	15,470	9,340	12,870	4,630	6,400
Due to other funds	-	-	-	-	-	-	-	-
Total Liabilities	<u>2,741</u>	<u>3,832</u>	<u>7,105</u>	<u>16,940</u>	<u>9,593</u>	<u>13,256</u>	<u>5,517</u>	<u>7,160</u>
DEFERRED INFLOWS OF RESOURCES:								
Deferred inflows related to debt refunding	-	-	-	-	-	-	-	-
NET POSITION - RESTRICTED:								
Net position - restricted for bond programs	-	(23)	(1)	-	-	11	101	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 2,741</u>	<u>\$ 3,809</u>	<u>\$ 7,104</u>	<u>\$ 16,940</u>	<u>\$ 9,593</u>	<u>\$ 13,267</u>	<u>\$ 5,618</u>	<u>\$ 7,160</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF NET POSITION
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2008 Arbor Place Apartments Multifamily Mortgage	2008 Jefferson Crossing Multifamily Mortgage	2009 Belmont Village Multifamily Mortgage	2009 Louisiana Chateau Multifamily Mortgage	2010 The Muses II Multifamily Mortgage	2011 Blue Plate Lofts Multifamily Mortgage	2011 Mallard Crossing Apartments Multifamily Mortgage	2012 Elysian Project Apartments Multifamily Mortgage
RESTRICTED ASSETS:								
Cash and cash equivalents	\$ 57	\$ 928	\$ 39	\$ 5,219	\$ 5	\$ 448	\$ 215	\$ 764
Investments	-	-	-	-	-	-	-	-
Mortgage loans and mortgage backed securities	7,155	8,190	8,045	45,693	1,951	1,094	10,007	3,421
Accrued interest receivable	10	11	11	6,829	-	6	-	-
Other assets	-	-	-	-	-	-	-	-
Total Restricted Assets	<u>7,222</u>	<u>9,129</u>	<u>8,095</u>	<u>57,741</u>	<u>1,956</u>	<u>1,548</u>	<u>10,222</u>	<u>4,185</u>
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred losses on mortgage revenue bonds	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 7,222</u>	<u>\$ 9,129</u>	<u>\$ 8,095</u>	<u>\$ 57,741</u>	<u>\$ 1,956</u>	<u>\$ 1,548</u>	<u>\$ 10,222</u>	<u>\$ 4,185</u>
LIABILITIES:								
Accounts payable	\$ 6	\$ -	\$ 3	\$ (40)	\$ -	\$ -	\$ 13	\$ -
Accrued interest payable	10	11	11	7,710	3	6	119	15
Amounts held in escrow	51	947	36	-	-	448	-	743
Bonds payable	7,155	8,190	8,045	50,564	1,964	1,094	10,085	3,427
Due to other funds	-	-	-	-	-	-	-	-
Total Liabilities	<u>7,222</u>	<u>9,148</u>	<u>8,095</u>	<u>58,234</u>	<u>1,967</u>	<u>1,548</u>	<u>10,217</u>	<u>4,185</u>
DEFERRED INFLOWS OF RESOURCES:								
Deferred inflows related to debt refunding	-	-	-	-	-	-	-	-
NET POSITION - RESTRICTED:								
Net position - restricted for bond programs	<u>-</u>	<u>(19)</u>	<u>-</u>	<u>(493)</u>	<u>(11)</u>	<u>-</u>	<u>5</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 7,222</u>	<u>\$ 9,129</u>	<u>\$ 8,095</u>	<u>\$ 57,741</u>	<u>\$ 1,956</u>	<u>\$ 1,548</u>	<u>\$ 10,222</u>	<u>\$ 4,185</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF NET POSITION
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2012 1501 Canal Senior Multifamily Mortgage	2012 Garden Senior Multifamily Mortgage	2013 Renaissance Gateway Multifamily Mortgage	2015 Port Royal Multifamily Mortgage	2016 Bastion Multifamily Mortgage	2016 Artspace Multifamily Mortgage	2016 Villages of Versailles Multifamily Mortgage	2017 Gabriel Villa Multifamily Mortgage
RESTRICTED ASSETS:								
Cash and cash equivalents	\$ 293	\$ 36	\$ 253	\$ 1,294	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-
Mortgage loans and mortgage backed securities	2,481	1,434	11,055	15,567	2,007	-	-	942
Accrued interest receivable	10	-	-	61	6	-	-	4
Other assets	-	-	-	-	-	-	-	-
Total Restricted Assets	<u>2,784</u>	<u>1,470</u>	<u>11,308</u>	<u>16,922</u>	<u>2,013</u>	<u>-</u>	<u>-</u>	<u>946</u>
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred losses on mortgage revenue bonds	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 2,784</u>	<u>\$ 1,470</u>	<u>\$ 11,308</u>	<u>\$ 16,922</u>	<u>\$ 2,013</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 946</u>
LIABILITIES:								
Accounts payable	\$ -	\$ 4	\$ 34	\$ 38	\$ -	\$ -	\$ -	\$ -
Accrued interest payable	10	26	55	61	6	-	-	4
Amounts held in escrow	293	-	150	1,167	-	2	-	-
Bonds payable	2,481	1,440	11,063	15,575	2,007	-	-	942
Due to other funds	-	-	-	-	-	-	-	-
Total Liabilities	<u>2,784</u>	<u>1,470</u>	<u>11,302</u>	<u>16,841</u>	<u>2,013</u>	<u>2</u>	<u>-</u>	<u>946</u>
DEFERRED INFLOWS OF RESOURCES:								
Deferred inflows related to debt refunding	-	-	-	-	-	-	-	-
NET POSITION - RESTRICTED:								
Net position - restricted for bond programs	-	-	6	81	-	(2)	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 2,784</u>	<u>\$ 1,470</u>	<u>\$ 11,308</u>	<u>\$ 16,922</u>	<u>\$ 2,013</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 946</u>

LOUISIANA HOUSING CORPORATION
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(In Thousands)

	2018 Harmony Gardens Multifamily Mortgage	2018 Iberville Phase VII Multifamily Mortgage	2018 Meadows at Nicholson Multifamily Mortgage	2018 Robinson Place II Multifamily Mortgage	2018 Beau Sejour Multifamily Mortgage	2018 Briarwood Barton Multifamily Mortgage	2018 Pine Trace I Multifamily Mortgage	2018 Pine Trace II Multifamily Mortgage
RESTRICTED ASSETS:								
Cash and cash equivalents	\$ 13,917	\$ 5,084	\$ 403	\$ -	\$ -	\$ -	\$ 29	\$ 54
Investments	-	-	18,961	-	-	-	6,033	7,009
Mortgage loans and mortgage backed securities	9,421	9,372	18,422	3,491	-	2,658	2,831	2,525
Accrued interest receivable	21	40	58	17	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
Total Restricted Assets	<u>23,359</u>	<u>14,496</u>	<u>37,844</u>	<u>3,508</u>	<u>-</u>	<u>2,658</u>	<u>8,893</u>	<u>9,588</u>
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred losses on mortgage revenue bonds	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 23,359</u>	<u>\$ 14,496</u>	<u>\$ 37,844</u>	<u>\$ 3,508</u>	<u>\$ -</u>	<u>\$ 2,658</u>	<u>\$ 8,893</u>	<u>\$ 9,588</u>
LIABILITIES:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued interest payable	21	40	58	17	-	-	-	-
Amounts held in escrow	9,462	4,750	18,422	-	-	-	-	-
Bonds payable	13,500	9,500	19,000	3,491	-	2,658	6,000	7,000
Due to other funds	-	-	-	-	-	-	-	-
Total Liabilities	<u>22,983</u>	<u>14,290</u>	<u>37,480</u>	<u>3,508</u>	<u>-</u>	<u>2,658</u>	<u>6,000</u>	<u>7,000</u>
DEFERRED INFLOWS OF RESOURCES:								
Deferred inflows related to debt refunding	-	-	-	-	-	-	-	-
NET POSITION - RESTRICTED:								
Net position - restricted for bond programs	<u>376</u>	<u>206</u>	<u>364</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,893</u>	<u>2,588</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 23,359</u>	<u>\$ 14,496</u>	<u>\$ 37,844</u>	<u>\$ 3,508</u>	<u>\$ -</u>	<u>\$ 2,658</u>	<u>\$ 8,893</u>	<u>\$ 9,588</u>

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(In Thousands)

	2018 Royal Cambridge Multifamily Mortgage	2018 Brook Pointe Multifamily Mortgage	2019 La Playa Multifamily Mortgage	2019 Hammond Eastside Multifamily Mortgage	Total Multifamily Mortgage
RESTRICTED ASSETS:					
Cash and cash equivalents	\$ -	\$ 3,393	\$ 2,099	\$ -	\$ 38,542
Investments	-	-	-	-	32,003
Mortgage loans and mortgage backed securities	9,314	1,240	8,662	1,206	250,200
Accrued interest receivable	-	15	-	-	7,204
Other assets	-	-	-	-	-
Total Restricted Assets	<u>9,314</u>	<u>4,648</u>	<u>10,761</u>	<u>1,206</u>	<u>327,949</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred losses on mortgage revenue bonds	-	-	-	-	99
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 9,314</u>	<u>\$ 4,648</u>	<u>\$ 10,761</u>	<u>\$ 1,206</u>	<u>\$ 328,048</u>
LIABILITIES:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 340
Accrued interest payable	-	15	-	-	8,370
Amounts held in escrow	-	461	-	-	40,574
Bonds payable	9,314	4,169	10,700	1,206	272,618
Due to other funds	-	-	-	-	-
Total Liabilities	<u>9,314</u>	<u>4,645</u>	<u>10,700</u>	<u>1,206</u>	<u>321,902</u>
DEFERRED INFLOWS OF RESOURCES:					
Deferred inflows related to debt refunding	-	-	-	-	-
NET POSITION - RESTRICTED:					
Net position - restricted for bond programs	-	3	61	-	6,146
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 9,314</u>	<u>\$ 4,648</u>	<u>\$ 10,761</u>	<u>\$ 1,206</u>	<u>\$ 328,048</u>

LOUISIANA HOUSING CORPORATION
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(In Thousands)

	2007B Single Family	2007C Single Family	2008A Single Family	2008B Single Family	2009A Single Family	2010A Single Family	2011A Single Family	2012A Single Family
RESTRICTED ASSETS:								
Cash and cash equivalents	\$ 27	\$ 32	\$ 31	\$ 23	\$ 32	\$ 775	\$ 1,065	\$ 9,629
Investments	-	-	-	-	-	-	-	-
Mortgage loans and mortgage-backed securities	-	-	-	-	-	25,594	24,550	23,769
Accrued interest receivable	-	-	-	-	-	80	75	70
Other assets	-	-	-	-	-	-	-	1
Total Restricted Assets	<u>27</u>	<u>32</u>	<u>31</u>	<u>23</u>	<u>32</u>	<u>26,449</u>	<u>25,690</u>	<u>33,469</u>
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred losses on mortgage revenue bonds	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 27</u>	<u>\$ 32</u>	<u>\$ 31</u>	<u>\$ 23</u>	<u>\$ 32</u>	<u>\$ 26,449</u>	<u>\$ 25,690</u>	<u>\$ 33,469</u>
LIABILITIES:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued interest payable	-	-	-	-	-	61	31	34
Amounts held in escrow	-	-	-	-	-	-	-	-
Bonds payable	-	-	-	-	-	20,813	12,635	14,638
Due to other funds	-	-	-	-	-	12	9	6
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,886</u>	<u>12,675</u>	<u>14,678</u>
DEFERRED INFLOWS OF RESOURCES:								
Deferred inflows related to debt refunding	-	-	-	-	-	-	-	-
NET POSITION - RESTRICTED:								
Net position - restricted for bond programs	<u>27</u>	<u>32</u>	<u>31</u>	<u>23</u>	<u>32</u>	<u>5,563</u>	<u>13,015</u>	<u>18,791</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 27</u>	<u>\$ 32</u>	<u>\$ 31</u>	<u>\$ 23</u>	<u>\$ 32</u>	<u>\$ 26,449</u>	<u>\$ 25,690</u>	<u>\$ 33,469</u>

LOUISIANA HOUSING CORPORATION
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(In Thousands)

	2013A Single Family	2015A Single Family	2016A Single Family	2017A Single Family	2018A Single Family	2019A Single Family	Total Single Family	Total All Mortgage Revenue Bond Issues
RESTRICTED ASSETS:								
Cash and cash equivalents	\$ 782	\$ 2,988	\$ 3,387	\$ 1,938	\$ 2,472	\$ 27,809	\$ 50,990	\$ 89,532
Investments	-	-	-	-	-	-	-	32,003
Mortgage loans and mortgage-backed securities	8,721	31,206	19,084	26,858	30,139	34,795	224,716	474,916
Accrued interest receivable	30	116	72	110	111	122	786	7,990
Other assets	-	-	-	-	-	-	1	1
Total Restricted Assets	<u>9,533</u>	<u>34,310</u>	<u>22,543</u>	<u>28,906</u>	<u>32,722</u>	<u>62,726</u>	<u>276,493</u>	<u>604,442</u>
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred losses on mortgage revenue bonds	-	-	-	-	-	-	-	99
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 9,533</u>	<u>\$ 34,310</u>	<u>\$ 22,543</u>	<u>\$ 28,906</u>	<u>\$ 32,722</u>	<u>\$ 62,726</u>	<u>\$ 276,493</u>	<u>\$ 604,541</u>
LIABILITIES:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 340
Accrued interest payable	11	56	23	45	83	177	521	8,891
Amounts held in escrow	-	-	-	-	-	-	-	40,574
Bonds payable	5,542	22,034	13,141	18,587	26,294	58,517	192,201	464,819
Due to other funds	<u>1</u>	<u>12</u>	<u>8</u>	<u>10</u>	<u>12</u>	<u>-</u>	<u>70</u>	<u>70</u>
Total Liabilities	5,554	22,102	13,172	18,642	26,389	58,694	192,792	514,694
DEFERRED INFLOWS OF RESOURCES:								
Deferred inflows related to debt refunding	-	39	149	542	-	-	730	730
NET POSITION - RESTRICTED:								
Net position - restricted for bond programs	<u>3,979</u>	<u>12,169</u>	<u>9,222</u>	<u>9,722</u>	<u>6,333</u>	<u>4,032</u>	<u>82,971</u>	<u>89,117</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 9,533</u>	<u>\$ 34,310</u>	<u>\$ 22,543</u>	<u>\$ 28,906</u>	<u>\$ 32,722</u>	<u>\$ 62,726</u>	<u>\$ 276,493</u>	<u>\$ 604,541</u>

LOUISIANA HOUSING CORPORATION
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(In Thousands)

	2004 Palmetto Multifamily Mortgage	2005 Peppermill I & II Multifamily Mortgage	2006 The Crossing Multifamily Mortgage	2007 Canterbury House Apartments Multifamily Mortgage	2007 Hooper Point Residences Multifamily Mortgage	2007 Jefferson Lakes Apartments Multifamily Mortgage	2007 Emerald Point Apartments Multifamily Mortgage	2007 Lapalco Court Apartments Multifamily Mortgage
OPERATING REVENUES:								
Interest and dividend income	\$ 1	\$ 1	\$ -	\$ -	\$ -	\$ 6	\$ -	\$ -
Gain (loss) on investments/mortgage backed securities	-	-	-	-	-	-	-	-
Mortgage loan interest	43	178	430	239	540	216	78	108
Other	-	4	12	-	-	13	-	6
Total operating revenues	<u>44</u>	<u>183</u>	<u>442</u>	<u>239</u>	<u>540</u>	<u>235</u>	<u>78</u>	<u>114</u>
OPERATING EXPENSES:								
Interest expense	43	186	430	239	540	216	82	108
General and administrative	1	4	13	-	-	13	-	6
Total operating expenses	<u>44</u>	<u>190</u>	<u>443</u>	<u>239</u>	<u>540</u>	<u>229</u>	<u>82</u>	<u>114</u>
OPERATING INCOME (LOSS)	-	(7)	(1)	-	-	6	(4)	-
Interfund transfers	-	-	-	-	-	-	-	-
CHANGE IN NET POSITION	-	(7)	(1)	-	-	6	(4)	-
NET POSITION - RESTRICTED, beginning of year	-	(16)	-	-	-	5	105	-
NET POSITION - RESTRICTED, end of year	<u>\$ -</u>	<u>\$ (23)</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11</u>	<u>\$ 101</u>	<u>\$ -</u>

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(In Thousands)

	2008 Arbor Place Apartments Multifamily Mortgage	2008 Jefferson Crossing Multifamily Mortgage	2009 Belmont Village Multifamily Mortgage	2009 Louisiana Chateau Multifamily Mortgage	2010 The Muses II Multifamily Mortgage	2011 Blue Plate Lofts Multifamily Mortgage	2011 Mallard Crossing Apartments Multifamily Mortgage	2012 Elysian Project Apartments Multifamily Mortgage
OPERATING REVENUES:								
Interest and dividend income	\$ -	\$ -	\$ -	\$ 65	\$ -	\$ -	\$ 3	\$ -
Gain (loss) on investments/mortgage backed securities	-	-	-	-	-	-	-	-
Mortgage loan interest	121	129	129	3,773	31	70	478	181
Other	7	-	8	-	6	-	15	-
Total operating revenues	<u>128</u>	<u>129</u>	<u>137</u>	<u>3,838</u>	<u>37</u>	<u>70</u>	<u>496</u>	<u>181</u>
OPERATING EXPENSES:								
Interest expense	121	129	129	3,834	31	70	478	181
General and administrative	7	5	8	-	6	2	15	-
Total operating expenses	<u>128</u>	<u>134</u>	<u>137</u>	<u>3,834</u>	<u>37</u>	<u>72</u>	<u>493</u>	<u>181</u>
OPERATING INCOME (LOSS)	-	(5)	-	4	-	(2)	3	-
Interfund transfers	-	-	-	-	-	-	-	-
CHANGE IN NET POSITION	-	(5)	-	4	-	(2)	3	-
NET POSITION - RESTRICTED, beginning of year	-	(14)	-	(497)	(11)	2	2	-
NET POSITION - RESTRICTED, end of year	<u>\$ -</u>	<u>\$ (19)</u>	<u>\$ -</u>	<u>\$ (493)</u>	<u>\$ (11)</u>	<u>\$ -</u>	<u>\$ 5</u>	<u>\$ -</u>

LOUISIANA HOUSING CORPORATION
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(In Thousands)

	2012 1501 Canal Senior Multifamily Mortgage	2012 Garden Senior Multifamily Mortgage	2013 Renaissance Gateway Multifamily Mortgage	2015 Port Royal Multifamily Mortgage	2016 Bastion Multifamily Mortgage	2016 Artspace Multifamily Mortgage	2016 Villages of Versailles Multifamily Mortgage	2017 Gabriel Villa Multifamily Mortgage
OPERATING REVENUES:								
Interest and dividend income	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -
Gain (loss) on investments/mortgage backed securities	-	-	-	-	-	-	-	-
Mortgage loan interest	125	52	668	734	77	182	-	44
Other	-	4	22	21	-	-	-	-
Total operating revenues	<u>125</u>	<u>56</u>	<u>690</u>	<u>756</u>	<u>77</u>	<u>182</u>	<u>-</u>	<u>44</u>
OPERATING EXPENSES:								
Interest expense	125	52	667	734	77	182	71	44
General and administrative	-	4	22	6	-	2	-	-
Total operating expenses	<u>125</u>	<u>56</u>	<u>689</u>	<u>740</u>	<u>77</u>	<u>184</u>	<u>71</u>	<u>44</u>
OPERATING INCOME (LOSS)	-	-	1	16	-	(2)	(71)	-
Interfund transfers	-	-	-	-	-	-	(143)	-
CHANGE IN NET POSITION	-	-	1	16	-	(2)	(214)	-
NET POSITION - RESTRICTED, beginning of year	-	-	5	65	-	-	214	-
NET POSITION - RESTRICTED, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 81</u>	<u>\$ -</u>	<u>\$ (2)</u>	<u>\$ -</u>	<u>\$ -</u>

LOUISIANA HOUSING CORPORATION
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(In Thousands)

	2018 Harmony Gardens Multifamily Mortgage	2018 Iberville Phase VII Multifamily Mortgage	2018 Meadows at Nicholson Multifamily Mortgage	2018 Robinson Place II Multifamily Mortgage	2018 Beau Sejour Multifamily Mortgage	2018 Briarwood Barton Multifamily Mortgage	2018 Pine Trace I Multifamily Mortgage	2018 Pine Trace II Multifamily Mortgage
OPERATING REVENUES:								
Interest and dividend income	\$ 350	\$ 151	\$ 283	\$ -	\$ 63	\$ -	\$ 108	\$ 95
Gain (loss) on investments/mortgage backed securities	-	-	-	-	-	-	-	-
Mortgage loan interest	251	470	346	111	33	52	97	190
Other	106	14	-	-	-	390	2,760	2,440
Total operating revenues	<u>707</u>	<u>635</u>	<u>629</u>	<u>111</u>	<u>96</u>	<u>442</u>	<u>2,965</u>	<u>2,725</u>
OPERATING EXPENSES:								
Interest expense	251	470	346	111	33	52	72	137
General and administrative	-	14	27	7	-	390	-	-
Total operating expenses	<u>251</u>	<u>484</u>	<u>373</u>	<u>118</u>	<u>33</u>	<u>442</u>	<u>72</u>	<u>137</u>
OPERATING INCOME (LOSS)	456	151	256	(7)	63	-	2,893	2,588
Interfund transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(75)</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	<u>456</u>	<u>151</u>	<u>256</u>	<u>(7)</u>	<u>(12)</u>	<u>-</u>	<u>2,893</u>	<u>2,588</u>
NET POSITION - RESTRICTED, beginning of year	<u>(80)</u>	<u>55</u>	<u>108</u>	<u>7</u>	<u>12</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION - RESTRICTED, end of year	<u>\$ 376</u>	<u>\$ 206</u>	<u>\$ 364</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,893</u>	<u>\$ 2,588</u>

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(In Thousands)

	2018 Royal Cambridge Multifamily Mortgage	2018 Brook Pointe Multifamily Mortgage	2019 La Playa Multifamily Mortgage	2019 Hammond Eastside Multifamily Mortgage	Total Multifamily Mortgage
OPERATING REVENUES:					
Interest and dividend income	\$ -	\$ 3	\$ -	\$ -	\$ 1,130
Gain (loss) on investments/mortgage backed securities	-	-	-	-	-
Mortgage loan interest	84	44	308	10	10,622
Other	1,081	23	7	4	6,943
Total operating revenues	<u>1,165</u>	<u>70</u>	<u>315</u>	<u>14</u>	<u>18,695</u>
OPERATING EXPENSES:					
Interest expense	84	44	247	10	10,626
General and administrative	1,081	23	7	4	1,667
Total operating expenses	<u>1,165</u>	<u>67</u>	<u>254</u>	<u>14</u>	<u>12,293</u>
OPERATING INCOME (LOSS)	-	3	61	-	6,402
Interfund transfers	-	-	-	-	(218)
CHANGE IN NET POSITION	-	3	61	-	6,184
NET POSITION - RESTRICTED, beginning of year	-	-	-	-	(38)
NET POSITION - RESTRICTED, end of year	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 61</u>	<u>\$ -</u>	<u>\$ 6,146</u>

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(In Thousands)

	2007B Single Family	2007C Single Family	2008A Single Family	2008B Single Family	2009A Single Family	2010A Single Family	2011A Single Family	2012A Single Family
OPERATING REVENUES:								
Interest and dividend income	\$ -	\$ -	\$ 117	\$ 82	\$ 288	\$ 1,039	\$ 970	\$ 1,062
Gain (loss) on investments/mortgage-backed securities	-	-	54	(17)	129	669	621	806
Mortgage loan interest	-	-	-	-	-	-	-	-
Other	44	53	46	33	30	-	-	-
Total operating revenues	<u>44</u>	<u>53</u>	<u>217</u>	<u>98</u>	<u>447</u>	<u>1,708</u>	<u>1,591</u>	<u>1,868</u>
OPERATING EXPENSES:								
Interest expense	-	-	123	101	288	732	401	441
General and administrative	-	-	-	1	17	162	119	45
Total operating expenses	<u>-</u>	<u>-</u>	<u>123</u>	<u>102</u>	<u>305</u>	<u>894</u>	<u>520</u>	<u>486</u>
OPERATING INCOME (LOSS)	44	53	94	(4)	142	814	1,071	1,382
Interfund transfers	<u>(61)</u>	<u>(72)</u>	<u>(4,211)</u>	<u>(1,678)</u>	<u>(3,170)</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	<u>(17)</u>	<u>(19)</u>	<u>(4,117)</u>	<u>(1,682)</u>	<u>(3,028)</u>	<u>814</u>	<u>1,071</u>	<u>1,382</u>
NET POSITION - RESTRICTED, beginning of year	<u>44</u>	<u>51</u>	<u>4,148</u>	<u>1,705</u>	<u>3,060</u>	<u>4,749</u>	<u>11,944</u>	<u>17,409</u>
NET POSITION - RESTRICTED, end of year	<u>\$ 27</u>	<u>\$ 32</u>	<u>\$ 31</u>	<u>\$ 23</u>	<u>\$ 32</u>	<u>\$ 5,563</u>	<u>\$ 13,015</u>	<u>\$ 18,791</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
YEAR ENDED JUNE 30, 2019

(In Thousands)

	2013A Single Family	2015A Single Family	2016A Single Family	2017A Single Family	2018A Single Family	2019A Single Family	Total Single Family	Total All Mortgage Revenue Bond Issues
OPERATING REVENUES:								
Interest and dividend income	\$ 373	\$ 1,445	\$ 994	\$ 1,410	\$ 951	\$ 497	\$ 9,228	\$ 10,358
Gain (loss) on investments/mortgage-backed securities	(64)	(325)	(14)	68	384	876	3,187	3,187
Mortgage loan interest	-	-	-	-	-	-	-	10,622
Other	-	-	(6)	-	478	-	678	7,621
Total operating revenues	<u>309</u>	<u>1,120</u>	<u>974</u>	<u>1,478</u>	<u>1,813</u>	<u>1,373</u>	<u>13,093</u>	<u>31,788</u>
OPERATING EXPENSES:								
Interest expense	138	696	249	442	664	475	4,750	15,376
General and administrative	33	120	101	137	450	740	1,925	3,592
Total operating expenses	<u>171</u>	<u>816</u>	<u>350</u>	<u>579</u>	<u>1,114</u>	<u>1,215</u>	<u>6,675</u>	<u>18,968</u>
OPERATING INCOME (LOSS)	138	304	624	899	699	158	6,418	12,820
Interfund transfers	<u>134</u>	<u>473</u>	<u>-</u>	<u>-</u>	<u>5,634</u>	<u>3,874</u>	<u>923</u>	<u>705</u>
CHANGE IN NET POSITION	<u>272</u>	<u>777</u>	<u>624</u>	<u>899</u>	<u>6,333</u>	<u>4,032</u>	<u>7,341</u>	<u>13,525</u>
NET POSITION - RESTRICTED, beginning of year	<u>3,707</u>	<u>11,392</u>	<u>8,598</u>	<u>8,823</u>	<u>-</u>	<u>-</u>	<u>75,630</u>	<u>75,592</u>
NET POSITION - RESTRICTED, end of year	<u>\$ 3,979</u>	<u>\$ 12,169</u>	<u>\$ 9,222</u>	<u>\$ 9,722</u>	<u>\$ 6,333</u>	<u>\$ 4,032</u>	<u>\$ 82,971</u>	<u>\$ 89,117</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2004 Palmetto Multifamily Mortgage	2005 Peppermill I & II Multifamily Mortgage	2006 The Crossing Multifamily Mortgage	2007 Canterbury House Apartments Multifamily Mortgage	2007 Hooper Point Residences Multifamily Mortgage	2007 Jefferson Lakes Apartments Multifamily Mortgage	2007 Emerald Point Apartments Multifamily Mortgage	2007 Lapalco Court Apartments Multifamily Mortgage
CASH FLOWS FROM OPERATING ACTIVITIES:								
Cash received from:								
Interest and dividend income	\$ 43	\$ 179	\$ 430	\$ 237	\$ 540	\$ 220	\$ 77	\$ 106
Mortgage loan collections and mortgage-backed securities redeemed	-	105	75	-	115	240	-	-
Other	-	4	12	-	-	13	-	6
Cash paid to:								
Suppliers of services	3	2	(12)	-	-	6	-	(6)
Mortgage loans issued and mortgage-backed securities purchased	-	-	-	-	-	-	-	-
Interest paid on bonds	(42)	(187)	(430)	(237)	(540)	(214)	(77)	(106)
Other	-	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>4</u>	<u>103</u>	<u>75</u>	<u>-</u>	<u>115</u>	<u>265</u>	<u>(0)</u>	<u>-</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:								
Net residual equity transfers	-	-	-	-	-	-	-	-
Net change in escrow accounts	71	-	(52)	222	(30)	18	120	90
Issuance of bonds	-	-	-	-	-	-	-	-
Repayment of bonds	-	(105)	(74)	-	(115)	(240)	-	-
Net cash provided by (used in) noncapital financing activities	<u>71</u>	<u>(105)</u>	<u>(126)</u>	<u>222</u>	<u>(145)</u>	<u>(222)</u>	<u>120</u>	<u>90</u>
CASH FLOWS FROM INVESTING ACTIVITIES:								
Investments purchased	-	-	-	-	-	-	-	-
Investments redeemed	-	-	-	-	-	-	-	-
Net cash provided by (used in) investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	75	(2)	(51)	222	(30)	43	120	90
CASH AND CASH EQUIVALENTS, beginning of year	<u>24</u>	<u>80</u>	<u>207</u>	<u>1,237</u>	<u>238</u>	<u>336</u>	<u>763</u>	<u>660</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 99</u>	<u>\$ 78</u>	<u>\$ 156</u>	<u>\$ 1,459</u>	<u>\$ 208</u>	<u>\$ 379</u>	<u>\$ 883</u>	<u>\$ 750</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2008 Arbor Place Apartments Multifamily Mortgage	2008 Jefferson Crossing Multifamily Mortgage	2009 Belmont Village Multifamily Mortgage	2009 Louisiana Chateau Multifamily Mortgage	2010 The Muses II Multifamily Mortgage	2011 Blue Plate Lofts Multifamily Mortgage	2011 Mallard Crossing Multifamily Mortgage	2012 Elysian Project Multifamily Mortgage
CASH FLOWS FROM OPERATING ACTIVITIES:								
Cash received from:								
Interest and dividend income	\$ 120	\$ 127	\$ 127	\$ 3,049	\$ 31	\$ 70	\$ 481	\$ 181
Mortgage loan collections and mortgage-backed securities redeemed	145	-	125	914	35	19	123	64
Other	7	-	8	-	6	-	15	-
Cash paid to:								
Suppliers of services	(7)	(5)	(8)	(58)	(6)	(2)	(20)	-
Mortgage loans issued and mortgage-backed securities purchased	-	-	-	-	-	-	-	-
Interest paid on bonds	(120)	(127)	(127)	(3,112)	(31)	(70)	(479)	(181)
Other	-	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>145</u>	<u>(5)</u>	<u>125</u>	<u>793</u>	<u>35</u>	<u>17</u>	<u>120</u>	<u>64</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:								
Net residual equity transfers	-	-	-	-	-	-	-	-
Net change in escrow accounts	1	148	4	-	-	(81)	-	1
Issuance of bonds	-	-	-	-	-	-	-	-
Repayment of bonds	(145)	-	(125)	(920)	(35)	(19)	(120)	(64)
Net cash provided by (used in) noncapital financing activities	<u>(144)</u>	<u>148</u>	<u>(121)</u>	<u>(920)</u>	<u>(35)</u>	<u>(100)</u>	<u>(120)</u>	<u>(63)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:								
Investments purchased	-	-	-	-	-	-	-	-
Investments redeemed	-	-	-	-	-	-	-	-
Net cash provided by (used in) investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1	143	4	(127)	-	(83)	-	1
CASH AND CASH EQUIVALENTS, beginning of year	<u>56</u>	<u>785</u>	<u>35</u>	<u>5,346</u>	<u>5</u>	<u>531</u>	<u>215</u>	<u>763</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 57</u>	<u>\$ 928</u>	<u>\$ 39</u>	<u>\$ 5,219</u>	<u>\$ 5</u>	<u>\$ 448</u>	<u>\$ 215</u>	<u>\$ 764</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2012 1501 Canal Senior Multifamily Mortgage	2012 Garden Senior Multifamily Mortgage	2013 Renaissance Gateway Multifamily Mortgage	2015 Port Royal Multifamily Mortgage	2016 Bastion Multifamily Mortgage	2016 Artspace Multifamily Mortgage	2016 Villages of Versailles Multifamily Mortgage	2017 Gabriel Villa Multifamily Mortgage
CASH FLOWS FROM OPERATING ACTIVITIES:								
Cash received from:								
Interest and dividend income	\$ 125	\$ 52	\$ 668	\$ 735	\$ 77	\$ 258	\$ 31	\$ 40
Mortgage loan collections and mortgage-backed securities redeemed	66	15	119	75	29	18,300	-	28
Other	-	4	22	21	-	-	-	-
Cash paid to:								
Suppliers of services	-	(5)	(27)	28	-	(2)	(5)	-
Mortgage loans issued and mortgage-backed securities purchased	-	-	-	-	-	-	-	-
Interest paid on bonds	(125)	(52)	(668)	(734)	(77)	(258)	(213)	(40)
Other	-	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>66</u>	<u>14</u>	<u>114</u>	<u>125</u>	<u>29</u>	<u>18,298</u>	<u>(187)</u>	<u>28</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:								
Net residual equity transfers	-	-	-	-	-	-	(143)	-
Net change in escrow accounts	39	-	2	119	-	-	-	-
Issuance of bonds	-	-	-	-	-	-	-	-
Repayment of bonds	<u>(66)</u>	<u>(15)</u>	<u>(119)</u>	<u>(75)</u>	<u>(29)</u>	<u>(18,300)</u>	<u>(25,610)</u>	<u>(28)</u>
Net cash provided by (used in) noncapital financing activities	<u>(27)</u>	<u>(15)</u>	<u>(117)</u>	<u>44</u>	<u>(29)</u>	<u>(18,300)</u>	<u>(25,753)</u>	<u>(28)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:								
Investments purchased	-	-	-	-	-	-	-	-
Investments redeemed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by (used in) investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	39	(1)	(3)	169	(0)	(2)	(25,940)	-
CASH AND CASH EQUIVALENTS, beginning of year	<u>254</u>	<u>37</u>	<u>256</u>	<u>1,125</u>	<u>2</u>	<u>25,940</u>	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 293</u>	<u>\$ 36</u>	<u>\$ 253</u>	<u>\$ 1,294</u>	<u>\$ (0)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2018 Harmony Gardens Multifamily Mortgage	2018 Iberville Phase VII Multifamily Mortgage	2018 Meadows at Nicholson Multifamily Mortgage	2018 Robinson Place II Multifamily Mortgage	2018 Beau Sejour Multifamily Mortgage	2018 Briarwood Barton Multifamily Mortgage	2018 Pine Trace I Multifamily Mortgage	2018 Pine Trace II Multifamily Mortgage
CASH FLOWS FROM OPERATING ACTIVITIES:								
Cash received from:								
Interest and dividend income	\$ 601	\$ 617	\$ 615	\$ 94	\$ 103	\$ 52	\$ 205	\$ 285
Mortgage loan collections and mortgage-backed securities redeemed	-	-	-	-	4,000	-	-	-
Other	106	14	-	-	-	390	2,760	2,440
Cash paid to:								
Suppliers of services	-	(14)	(27)	(7)	-	(390)	-	-
Mortgage loans issued and mortgage-backed securities purchased	(6,191)	(6,301)	(14,418)	(3,440)	-	(2,658)	(2,831)	(2,525)
Interest paid on bonds	(251)	(466)	(332)	(94)	(40)	(52)	(72)	(137)
Other	-	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>(5,735)</u>	<u>(6,150)</u>	<u>(14,162)</u>	<u>(3,447)</u>	<u>4,063</u>	<u>(2,658)</u>	<u>62</u>	<u>63</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:								
Net residual equity transfers	-	-	-	-	(75)	-	-	-
Net change in escrow accounts	5,854	1,715	13,910	-	(4,047)	-	-	-
Issuance of bonds	-	-	-	3,440	-	2,658	6,000	7,000
Repayment of bonds	-	-	-	-	(4,000)	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>5,854</u>	<u>1,715</u>	<u>13,910</u>	<u>3,440</u>	<u>(8,122)</u>	<u>2,658</u>	<u>6,000</u>	<u>7,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES:								
Investments purchased	(4,672)	-	(18,961)	-	-	-	(8,745)	(9,423)
Investments redeemed	18,105	-	-	-	4,005	-	2,712	2,414
Net cash provided by (used in) investing activities	<u>13,433</u>	<u>-</u>	<u>(18,961)</u>	<u>-</u>	<u>4,005</u>	<u>-</u>	<u>(6,033)</u>	<u>(7,009)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	13,552	(4,435)	(19,213)	(7)	(54)	0	29	54
CASH AND CASH EQUIVALENTS, beginning of year	<u>365</u>	<u>9,519</u>	<u>19,616</u>	<u>7</u>	<u>54</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 13,917</u>	<u>\$ 5,084</u>	<u>\$ 403</u>	<u>\$ (0)</u>	<u>\$ -</u>	<u>\$ 0</u>	<u>\$ 29</u>	<u>\$ 54</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2018 Royal Cambridge Multifamily Mortgage	2018 Brook Pointe Multifamily Mortgage	2019 La Playa Multifamily Mortgage	2019 Hammond Eastside Multifamily Mortgage	Total Multifamily
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from:					
Interest and dividend income	\$ 84	\$ 32	\$ 308	\$ 10	\$ 11,010
Mortgage loan collections and mortgage-backed securities redeemed	-	-	-	-	24,592
Other	1,081	23	7	4	6,943
Cash paid to:					
Suppliers of services	(1,081)	(23)	(7)	(4)	(1,677)
Mortgage loans issued and mortgage-backed securities purchased	(9,314)	(1,240)	(8,662)	(1,206)	(58,786)
Interest paid on bonds	(84)	(29)	(247)	(10)	(10,061)
Other	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>(9,314)</u>	<u>(1,237)</u>	<u>(8,601)</u>	<u>(1,206)</u>	<u>(27,979)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Net residual equity transfers	-	-	-	-	(218)
Net change in escrow accounts	-	461	-	-	18,565
Issuance of bonds	9,314	4,169	10,700	1,206	44,487
Repayment of bonds	-	-	-	-	(50,204)
Net cash provided by (used in) noncapital financing activities	<u>9,314</u>	<u>4,630</u>	<u>10,700</u>	<u>1,206</u>	<u>12,630</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investments purchased	-	-	-	-	(41,801)
Investments redeemed	-	-	-	-	27,236
Net cash provided by (used in) investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,565)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	0	3,393	2,099	(0)	(29,914)
CASH AND CASH EQUIVALENTS, beginning of year	-	-	-	-	68,456
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 0</u>	<u>\$ 3,393</u>	<u>\$ 2,099</u>	<u>\$ (0)</u>	<u>\$ 38,542</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2007B Single Family	2007C Single Family	2008A Single Family	2008B Single Family	2009A Single Family	2010A Single Family	2011A Single Family	2012A Single Family
CASH FLOWS FROM OPERATING ACTIVITIES:								
Cash received from:								
Interest and dividend income	\$ -	\$ -	\$ 157	\$ 110	\$ 324	\$ 1,051	\$ 979	\$ 1,070
Mortgage loan collections and mortgage-backed securities redeemed	-	-	9,729	6,439	10,166	3,367	2,897	2,174
Other	44	53	40	33	27	-	-	-
Cash paid to:								
Suppliers of services	-	-	3	(1)	(17)	(162)	(119)	(45)
Mortgage loans issued and mortgage-backed securities purchased	-	-	-	-	-	-	-	-
Interest paid on bonds	-	-	(123)	(128)	(344)	(805)	(431)	(456)
Other	-	-	-	-	-	(1)	(1)	(1)
Net cash provided by (used in) operating activities	44	53	9,806	6,453	10,156	3,450	3,325	2,742
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:								
Net residual equity transfers	(61)	(72)	(4,211)	(1,678)	(3,170)	-	-	-
Net change in escrow accounts	-	-	-	-	-	-	-	-
Issuance of bonds	-	-	-	-	-	-	-	-
Repayment of bonds	-	-	(5,820)	(5,370)	(7,235)	(3,615)	(3,625)	(2,860)
Net cash provided by (used in) noncapital financing activities	(61)	(72)	(10,031)	(7,048)	(10,405)	(3,615)	(3,625)	(2,860)
CASH FLOWS FROM INVESTING ACTIVITIES:								
Investments purchased	-	-	-	-	-	-	-	-
Investments redeemed	-	-	-	-	-	-	-	-
Net cash provided by (used in) investing activities	-	-	-	-	-	-	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(17)	(19)	(225)	(595)	(249)	(165)	(300)	(118)
CASH EQUIVALENTS, beginning of year	44	51	256	618	281	940	1,365	9,747
CASH EQUIVALENTS, end of year	\$ 27	\$ 32	\$ 31	\$ 23	\$ 32	\$ 775	\$ 1,065	\$ 9,629

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2013A Single Family	2015A Single Family	2016A Single Family	2017A Single Family	2018A Single Family	2019A Single Family	Total Single Family	Total All Mortgage Revenue Bond Issues
CASH FLOWS FROM OPERATING ACTIVITIES:								
Cash received from:								
Interest and dividend income	\$ 377	\$ 1,459	\$ 1,007	\$ 1,424	\$ 840	\$ 375	\$ 9,173	\$ 20,183
Mortgage loan collections and mortgage-backed securities redeemed	610	2,683	2,996	3,086	-	-	44,147	68,739
Other	-	-	-	-	490	-	687	7,630
Cash paid to:								
Suppliers of services	(33)	(120)	(101)	(137)	(450)	(740)	(1,922)	(3,599)
Mortgage loans issued and mortgage-backed securities purchased	-	-	-	-	(29,755)	(33,919)	(63,674)	(122,460)
Interest paid on bonds	(139)	(709)	(313)	(584)	(620)	(373)	(5,025)	(15,086)
Other	-	(2)	(7)	(2)	-	-	(14)	(14)
Net cash provided by (used in) operating activities	<u>815</u>	<u>3,311</u>	<u>3,582</u>	<u>3,787</u>	<u>(29,495)</u>	<u>(34,657)</u>	<u>(16,628)</u>	<u>(44,607)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:								
Net residual equity transfers	134	473	-	-	5,634	3,874	923	705
Net change in escrow accounts	-	-	-	-	-	-	-	18,565
Issuance of bonds	-	-	-	-	27,648	58,727	86,375	130,862
Repayment of bonds	<u>(638)</u>	<u>(2,557)</u>	<u>(2,944)</u>	<u>(3,415)</u>	<u>(1,315)</u>	<u>(135)</u>	<u>(39,529)</u>	<u>(89,733)</u>
Net cash provided by (used in) noncapital financing activities	<u>(504)</u>	<u>(2,084)</u>	<u>(2,944)</u>	<u>(3,415)</u>	<u>31,967</u>	<u>62,466</u>	<u>47,769</u>	<u>60,399</u>
CASH FLOWS FROM INVESTING ACTIVITIES:								
Investments purchased	-	-	-	-	-	-	-	(41,801)
Investments redeemed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,236</u>
Net cash provided by (used in) investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,565)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	311	1,227	638	372	2,472	27,809	31,141	1,227
CASH EQUIVALENTS, beginning of year	<u>471</u>	<u>1,761</u>	<u>2,749</u>	<u>1,566</u>	<u>-</u>	<u>-</u>	<u>19,849</u>	<u>88,305</u>
CASH EQUIVALENTS, end of year	\$ <u>782</u>	\$ <u>2,988</u>	\$ <u>3,387</u>	\$ <u>1,938</u>	\$ <u>2,472</u>	\$ <u>27,809</u>	\$ <u>50,990</u>	\$ <u>89,532</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2004	2005	2006	2007	2007	2007	2007	2007
	Palmetto	Peppermill I & II	The Crossing	Canterbury House	Hooper Point	Jefferson	Emerald Point	Lapalco Court
	Multifamily	Multifamily	Multifamily	Apartments	Residences	Lakes	Apartments	Apartments
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
RECONCILIATION OF OPERATING INCOME (LOSS)								
TO NET CASH PROVIDED BY (USED IN)								
OPERATING ACTIVITIES:								
Operating income (loss)	\$ -	\$ (7)	\$ (1)	\$ -	\$ -	\$ 6	\$ (4)	\$ -
Adjustments to reconcile operating income (loss)								
to net cash provided by (used in) operating activities:								
Amortization of bond discount (premium)	-	-	-	-	-	-	-	-
Amortization of debt refunding	-	-	-	-	-	-	4	-
(Gain) loss on investments / mortgage-backed securities	-	-	-	-	-	-	-	-
Changes in:								
Mortgage loans and mortgage-backed securities	-	105	75	-	115	240	-	-
Accrued interest receivable	(1)	-	-	(2)	-	(2)	(1)	(2)
Accounts payable	4	6	1	-	-	19	-	-
Accrued interest payable	1	(1)	-	2	-	2	1	2
Due to other funds	-	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	\$ <u>4</u>	\$ <u>103</u>	\$ <u>75</u>	\$ <u>-</u>	\$ <u>115</u>	\$ <u>265</u>	\$ <u>-</u>	\$ <u>-</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2008 Arbor Place Apartments Multifamily Mortgage	2008 Jefferson Crossing Multifamily Mortgage	2009 Belmont Village Multifamily Mortgage	2009 Louisiana Chateau Multifamily Mortgage	2010 The Muses II Multifamily Mortgage	2011 Blue Plate Lofts Multifamily Mortgage	2011 Mallard Crossing Multifamily Mortgage	2012 Elysian Project Multifamily Mortgage
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:								
Operating income (loss)	\$ -	\$ (5)	\$ -	\$ 4	\$ -	\$ (2)	\$ 3	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Amortization of bond discount (premium)	-	-	-	61	-	-	-	-
Amortization of debt refunding	-	-	-	-	-	-	-	-
(Gain) loss on investments / mortgage-backed securities	-	-	-	-	-	-	-	-
Changes in:								
Mortgage loans and mortgage-backed securities	145	-	125	914	35	19	123	64
Accrued interest receivable	(1)	(2)	(2)	(789)	-	-	-	-
Accounts payable	-	-	-	(58)	-	-	(5)	-
Accrued interest payable	1	2	2	661	-	-	(1)	-
Due to other funds	-	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	\$ <u>145</u>	\$ <u>(5)</u>	\$ <u>125</u>	\$ <u>793</u>	\$ <u>35</u>	\$ <u>17</u>	\$ <u>120</u>	\$ <u>64</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2012 1501 Canal Senior Multifamily Mortgage	2012 Garden Senior Multifamily Mortgage	2013 Renaissance Gateway Multifamily Mortgage	2015 Port Royal Multifamily Mortgage	2016 Bastion Multifamily Mortgage	2016 Artspace Multifamily Mortgage	2016 Villages of Versailles Multifamily Mortgage	2017 Gabriel Villa Multifamily Mortgage
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:								
Operating income (loss)	\$ -	\$ -	\$ 1	\$ 16	\$ -	\$ (2)	\$ (71)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Amortization of bond discount (premium)	-	-	-	-	-	-	-	-
Amortization of debt refunding	-	-	-	-	-	-	-	-
(Gain) loss on investments / mortgage-backed securities	-	-	-	-	-	-	-	-
Changes in:								
Mortgage loans and mortgage-backed securities	66	15	119	75	29	18,300	-	28
Accrued interest receivable	-	-	-	-	-	76	31	(4)
Accounts payable	-	(1)	(5)	34	-	-	(5)	-
Accrued interest payable	-	-	(1)	-	-	(76)	(142)	4
Due to other funds	-	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	\$ <u>66</u>	\$ <u>14</u>	\$ <u>114</u>	\$ <u>125</u>	\$ <u>29</u>	\$ <u>18,298</u>	\$ <u>(187)</u>	\$ <u>28</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2018 Harmony Gardens Multifamily Mortgage	2018 Iberville Phase VII Multifamily Mortgage	2018 Meadows at Nicholson Multifamily Mortgage	2018 Robinson Place II Multifamily Mortgage	2018 Beau Sejour Multifamily Mortgage	2018 Briarwood Barton Multifamily Mortgage	2018 Pine Trace I Multifamily Mortgage	2018 Pine Trace II Multifamily Mortgage
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:								
Operating income (loss)	\$ 456	\$ 151	\$ 256	\$ (7)	\$ 63	\$ -	\$ 2,893	\$ 2,588
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Amortization of bond discount (premium)	-	-	-	-	-	-	-	-
Amortization of debt refunding	-	-	-	-	-	-	-	-
(Gain) loss on investments / mortgage-backed securities	-	-	-	-	-	-	-	-
Changes in:								
Mortgage loans and mortgage-backed securities	(6,191)	(6,301)	(14,418)	(3,440)	4,000	(2,658)	(2,831)	(2,525)
Accrued interest receivable	-	(4)	(14)	(17)	7	-	-	-
Accounts payable	-	-	-	-	-	-	-	-
Accrued interest payable	-	4	14	17	(7)	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	\$ <u>(5,735)</u>	\$ <u>(6,150)</u>	\$ <u>(14,162)</u>	\$ <u>(3,447)</u>	\$ <u>4,063</u>	\$ <u>(2,658)</u>	\$ <u>62</u>	\$ <u>63</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2018 Royal Cambridge Multifamily Mortgage	2018 Brook Pointe Multifamily Mortgage	2019 La Playa Multifamily Mortgage	2019 Hammond Eastside Multifamily Mortgage	Total Multifamily
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:					
Operating income (loss)	\$ -	\$ 3	\$ 61	\$ -	\$ 6,402
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Amortization of bond discount (premium)	-	-	-	-	61
Amortization of debt refunding	-	-	-	-	4
(Gain) loss on investments / mortgage-backed securities	-	-	-	-	-
Changes in:					
Mortgage loans and mortgage-backed securities	(9,314)	(1,240)	(8,662)	(1,206)	(34,194)
Accrued interest receivable	-	(15)	-	-	(742)
Accounts payable	-	-	-	-	(10)
Accrued interest payable	-	15	-	-	500
Due to other funds	-	-	-	-	-
Net cash provided by (used in) operating activities	\$ <u>(9,314)</u>	\$ <u>(1,237)</u>	\$ <u>(8,601)</u>	\$ <u>(1,206)</u>	\$ <u>(27,979)</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2007B Single Family	2007C Single Family	2008A Single Family	2008B Single Family	2009A Single Family	2010A Single Family	2011A Single Family	2012A Single Family
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:								
Operating income (loss)	\$ 44	\$ 53	\$ 94	\$ (4)	\$ 142	\$ 814	\$ 1,071	\$ 1,382
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Amortization of bond discount (premium)	-	-	6	-	(26)	(62)	(20)	(8)
Amortization of debt refunding	-	-	-	-	-	-	-	-
(Gain) loss on investments/mortgage-backed securities	-	-	-	-	-	(561)	(433)	(689)
Changes in:								
Mortgage loans and mortgage-backed securities	-	-	9,675	6,456	10,037	3,259	2,709	2,057
Accrued interest receivable	-	-	40	28	36	12	9	8
Accounts payable	-	-	-	-	-	-	-	-
Accrued interest payable	-	-	(6)	(27)	(30)	(11)	(10)	(7)
Due to other funds	-	-	(3)	-	(3)	(1)	(1)	(1)
Net cash provided by (used in) operating activities	\$ <u>44</u>	\$ <u>53</u>	\$ <u>9,806</u>	\$ <u>6,453</u>	\$ <u>10,156</u>	\$ <u>3,450</u>	\$ <u>3,325</u>	\$ <u>2,742</u>

LOUISIANA HOUSING CORPORATION
COMBINING STATEMENTS OF CASH FLOWS
MORTGAGE REVENUE BONDS
SUPPLEMENTARY COMBINING INFORMATION
JUNE 30, 2019

(In Thousands)

	2013A Single Family	2015A Single Family	2016A Single Family	2017A Single Family	2018A Single Family	2019A Single Family	Total Single Family	Total All Mortgage Revenue Bond Issues
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:								
Operating income (loss)	\$ 138	\$ 304	\$ 624	\$ 899	\$ 699	\$ 158	\$ 6,418	\$ 12,820
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Amortization of bond discount (premium)	-	-	-	-	(39)	(75)	(224)	(163)
Amortization of debt refunding	-	(6)	(59)	(134)	-	-	(199)	(195)
(Gain) loss on investments/mortgage backed-securities	73	394	18	(8)	(203)	(872)	(2,281)	(2,281)
Changes in:							-	
Mortgage loans and mortgage-backed securities	601	2,614	2,992	3,026	(29,936)	(33,923)	(20,433)	(54,627)
Accrued interest receivable	4	14	13	14	(111)	(122)	(55)	(797)
Accounts payable	-	-	-	-	-	-	-	(10)
Accrued interest payable	(1)	(7)	(5)	(8)	83	177	148	648
Due to other funds	-	(2)	(1)	(2)	12	-	(2)	(2)
Net cash provided by (used in) operating activities	\$ <u>815</u>	\$ <u>3,311</u>	\$ <u>3,582</u>	\$ <u>3,787</u>	\$ <u>(29,495)</u>	\$ <u>(34,657)</u>	\$ <u>(16,628)</u>	\$ <u>(44,607)</u>



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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

September 16, 2019

The Board of Directors
Louisiana Housing Corporation
State of Louisiana
Baton Rouge, Louisiana

We have audited, in accordance with the 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, the combined financial statements of the business-type activities of the Louisiana Housing Corporation (the Corporation), as of and for the year ended June 30, 2019, and the related notes to the combined financial statements, which collectively comprise the Corporation's basic combined financial statements, and have issued our report thereon dated September 16, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered the Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

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A deficiency in internal control 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 and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control that we consider to be significant deficiencies in internal control, described in the accompanying schedule of findings as item 19-01.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's combined 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 combined 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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and is described in the accompanying schedule of findings as item 19-02.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana

LOUISIANA HOUSING CORPORATION
COMBINED FINANCIAL STATEMENTS
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2019

SUMMARY OF AUDITOR'S RESULTS:

1. The opinion issued on the combined financial statements of Louisiana Housing Corporation for the year ended June 30, 2019 was unmodified.

2. Internal control over financial reporting:

Material weaknesses: none noted

Significant deficiency: see 19-01

3. Compliance and Other Matters:

Noncompliance material to financial statements: see 19-02

FINDINGS REQUIRED TO BE REPORTED UNDER GENERALLY ACCEPTED
GOVERNMENTAL AUDITING STANDARDS:

Significant Deficiencies in Internal Control:

19-01 General Fund – General Ledger

During the audit, we noted loan receivables which were paid off or no longer collectible were not properly reflected on the general ledger and corresponding the loan receivable schedules. We also noted reconciliations of various accounts and subledgers were not completed timely and reviewed by management. Not properly reflecting transactions on the general ledger and not properly reconciling subsidiary ledgers with the general ledger could result in errors occurring in financial reporting, and not be detected timely. In order to ensure accurate financial reporting, reconciliations should be completed and reviewed timely by management. Subsidiary ledgers should be periodically reviewed for accuracy and adjusted as necessary.

We recommend the Corporation review account details on a regular basis, and at year end, to ensure information is being posted accurately; and review, investigate, and remove, as necessary, items listed on subsidiary ledgers that are inaccurate. We also recommend that reconciliations of subsidiary ledger to the general ledger be completed timely and reviewed by management.

LOUISIANA HOUSING CORPORATION
COMBINED FINANCIAL STATEMENTS
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2019

FINDINGS REQUIRED TO BE REPORTED UNDER GENERALLY ACCEPTED
GOVERNMENTAL AUDITING STANDARDS: (Continued)

Compliance with Laws and Regulations:

19-02 FDIC and Pledged Collateral Coverage

During the audit of the Corporation, it was noted that \$449,782 of cash balances at year end held were not fully covered by FDIC insurance and pledged securities. The insufficient collateral was due to incorrect account set up at the financial institution. Louisiana Revised Statute 49:321 requires that all cash balances held in the bank should be fully collateralized or otherwise secured throughout the year. Cash balances held in the bank that are not fully collateralized could result in a loss of funds. We recommended the Corporation monitor cash bank balances and obtain additional pledge securities when necessary to secure cash balances at all times.

STATUS OF PRIOR YEAR FINDINGS:

Internal Controls – Significant deficiency

18-01 General Fund – General Ledger

During the audit, we noted loan receivables which were paid off or no longer collectible were not properly reflected on the general ledger and corresponding the loan receivable schedules. We also noted reconciliations of various accounts and subledgers were not completed timely and reviewed by management. Not properly reflecting transactions on the general ledger and not properly reconciling subsidiary ledgers with the general ledger could result in errors occurring in financial reporting, and not be detected timely. In order to ensure accurate financial reporting, reconciliations should be completed and reviewed timely by management. Subsidiary ledgers should be periodically reviewed for accuracy and adjusted as necessary.

A similar comment was made during the current year. See 19-01.

18-02 Mortgage Revenue Bond Programs – General Ledgers

During the audit, we noted that the activity of five multi-family Mortgage Revenue Bond Programs was not accounted for timely. As a result, the final closing of the combined financial statements was delayed. Not recording the activity of bond programs timely could result in errors or non-compliance occurring and not being detected.

This comment was resolved during the current year.

LOUISIANA HOUSING CORPORATION
COMBINED FINANCIAL STATEMENTS
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2019

STATUS OF PRIOR YEAR FINDINGS: (Continued)

Compliance with Laws and Regulations

18-03 FDIC and Pledged Collateral Coverage

During the audit of the Corporation, it was noted that \$2,654,706 of cash balances at year end held were not fully covered by FDIC insurance and pledged securities. The insufficient collateral was due to incorrect account set up at the financial institution. Louisiana Revised Statute 49:321 requires that all cash balances held in the bank should be fully collateralized or otherwise secured throughout the year. Cash balances held in the bank that are not fully collateralized could result in a loss of funds. We recommended the Corporation monitor cash bank balances and obtain additional pledge securities when necessary to secure cash balances at all times.

A similar comment was made during the current year. See 19-02.