



**CITY OF NEW ORLEANS  
BOARD OF LIQUIDATION  
CITY DEBT**

**ANNUAL STATEMENT**

**DECEMBER 31, 2012**

**[www.boardofliquidation.com](http://www.boardofliquidation.com)**

BOARD OF LIQUIDATION, CITY DEBT  
NEW ORLEANS, LOUISIANA  
DECEMBER 31, 2012

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BOARD OF LIQUIDATION, CITY DEBT  
NEW ORLEANS, LOUISIANA  
DECEMBER 31, 2012

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**COMPOSITION AND AUTHORITY OF THE BOARD OF LIQUIDATION,  
CITY DEBT**

The Board of Liquidation, City Debt, is a body corporate composed of six citizens of the City of New Orleans. Three ex-officio members, consisting of the Mayor and the two Councilmembers-at-Large, makeup the board of nine members. The Board has exclusive control and direction of all matters relating to the bonded debt of the City of New Orleans.

**OFFICERS OF THE BOARD**

Mary K. Zervigon, President  
Richard P. Wolfe, Vice President  
David W. Gernhauser, Secretary  
Tracy David Madison, Assistant Secretary

**COUNSEL**

Lemle & Kelleher

**MEMBERS OF THE BOARD**

Mary K. Zervigon  
Richard P. Wolfe

Alan C. Arnold  
Mark M. Moody

Wm. Raymond Manning  
Henry F. O'Connor, Jr.

Jacquelyn B. Clarkson, Council at Large	Ex-Officio
Stacey S. Head, Council at Large	Ex-Officio
Mitchell J. Landrieu, Mayor	Ex-Officio

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PRESIDENT

RICHARD P. WOLFE  
VICE PRESIDENT

DAVID W. GERNHAUSER  
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WM. RAYMOND MANNING  
MARK M. MOODY  
HENRY F. O'CONNOR, JR.  
RICHARD P. WOLFE  
MARY K. ZERVIGON

## Board of Liquidation, City Debt

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JACQUELYN B. CLARKSON, EX OFFICIO  
STACY S. HEAD, EX OFFICIO  
MITCHELL J. LANDRIEU, EX OFFICIO

January 2, 2013

President and Members  
Council of the City of New Orleans  
City Hall  
New Orleans, Louisiana 70112

Ladies and Gentlemen:

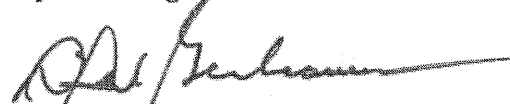
Under the provisions of the Constitution of Louisiana of 1921, made statutory by the Constitution of Louisiana of 1974, the Board of Liquidation, City Debt, is required to submit to the Council of the City of New Orleans a detailed report of all receipts and expenditures and all transactions of the Board of Liquidation, City Debt.

These transactions are reported for the twelve month period ending December 31, 2012, for the Bonded Debt administered by the Board of Liquidation, City Debt, for the accounts of the Sewerage and Water Board of New Orleans, the Audubon Park Commission of New Orleans, the Downtown Development District of New Orleans, the Garden District Security Tax District, Huntington Park Subdivision Improvement District, the Kingswood Subdivision Improvement District, the Lake Barrington Subdivision Improvement District, the Lake Bullard Neighborhood Improvement District, the Lake Carmel Improvement District, the Lake Forest Estates Improvement District, the Lake Oaks Subdivision Improvement District, the McKendall Estates Neighborhood Improvement District, the Spring Lake Improvement District, the Touro-Boulogny Security District, the Twinbrook Security District, and the Upper Hurstville Security District.

Sincerely,



Mary K. Zervigon



David W. Gernhauser

BOARD OF LIQUIDATION, CITY DEBT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2012

## Introduction

Within this section of the Board of Liquidation, City Debt's (the "Board") annual financial report, management provides narrative discussion and analysis of the financial activities of the Board for the fiscal year ended December 31, 2012. The Board's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosure following this section. Additional information is available in the transmittal letter which precedes the *Management's Discussion and Analysis*. The discussion focuses on the Board's primary government, and unless otherwise noted, there are no component units to be reported separately from the primary government.

## Fund Accounting

The Board maintains one Fiduciary Fund to account for its activities, the Agency Fund. An Agency Fund is used to account for assets held for other funds, governments, or individuals. Accordingly, the accounts of the Board are organized and maintained on the basis of funds, each of which is considered a separate accounting entity, and is maintained for the purpose of attaining objectives in accordance with the various special restrictions, regulations and limitations.

## Overview of Financial Statements

Management's Discussion and Analysis introduces the Board's basic financial statements. The basic financial statements are comprised of one fiduciary fund and includes:

- The Combining Statement of Assets, Liabilities, Custodial, Debt Service and Reserve Funds - Modified Cash Basis
- The Combining Statement of Cash Receipts, Disbursements and Changes in Liabilities, Custodial, Debt Service and Reserve Funds - Modified Cash Basis
- The Notes to Financial Statements - Modified Cash Basis

The Board also includes in this report additional information to supplement the basic financial statements.

## Basic Financial Statements

The Combining Statement of Assets, Liabilities, Custodial, Debt Service and Reserve Funds - Modified Cash Basis presents all the assets and liabilities administered by the Board. Over time, increases and decreases in the balances presented on this financial statement may be useful indicators of whether the financial position of the Board is improving or deteriorating. However, evaluation of the economic health of the Board would extend to other non-financial factors such as the diversification of the taxpayer base in addition to the financial information provided in this report.

The Combining Statement of Cash Receipts, Disbursements, and Changes in Liabilities, Custodial, Debt Service and Reserve Funds - Modified Cash Basis, reports the Board's inflows and outflows of cash. The purpose of the report is to show the sources and uses of funds administered by the Board.

## Notes to Financial Statements

The accompanying Notes to Financial Statements - Modified Cash Basis, provide information essential to a full understanding of the Board's financial statements. The notes to the financial statements begin immediately following the basic financial statements.

BOARD OF LIQUIDATION, CITY DEBT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Continued)  
DECEMBER 31, 2012

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain Supplemental Information. This supplemental information follows the notes to the financial statements and includes:

- Combining Schedules of Assets, Liabilities, Custodial, Debt Service, and Reserve Funds for all activities administered by the Board
- Combining Schedules of Cash Receipts, Disbursements and Changes in Liabilities, Debt Service, Reserve and Custodial Funds for all activities administered by the Board
- Details of bond sales during the year
- Details of bonded debt administered by the Board
- Details of ad valorem tax millage available to service bonded debt
- Details of certain disbursements made during the year.

Financial Analysis of the Board's Funds

As year-to-year financial information is accumulated on a consistent basis, changes in fund balances may be observed and used to discuss the changing financial position of the Board as a whole.

*Fiduciary Funds*

The Debt Service and Reserve Funds in the Debt Administration section of the financial report have a fund balance of \$69,219,881. The Tax Credit Bond loan payable balance of \$112,889,969 is a result of the Board and the custodial agencies entering into Cooperative Endeavor Agreements with the State of Louisiana to secure proceeds from the Gulf Opportunity Tax Credit Bond Loan Program. Escrow accounts were created at Hancock Bank to make debt service payments on outstanding bonds for governmental agencies affected by Hurricanes Katrina and Rita. The General Obligation Debt Service Funds are designated for future debt service payments and were included in calculating the millage necessary to service the General Obligation Debt for 2013. The 2012 millage levy is 25.5 mills, remaining the same as the 25.5 mills levied in 2010.

The following table provides a summary of the Board's assets, liabilities, custodial, debt service and reserve funds and the related changes in receipts over disbursements:

	<u>Debt Administration</u>		
	<u>2012</u>	<u>2011</u>	<u>Changes</u>
Total assets	\$ <u>95,790,110</u>	\$ <u>94,442,986</u>	\$ <u>1,347,124</u>
Total liabilities	\$ <u>26,570,229</u>	\$ <u>27,925,207</u>	\$ <u>(1,354,978)</u>
Total custodial debt service and reserve funds	\$ <u>69,219,881</u>	\$ <u>66,517,779</u>	\$ <u>2,702,102</u>
Receipts	\$449,484,574	\$151,461,962	\$298,022,612
Disbursements	<u>448,137,450</u>	<u>150,828,745</u>	<u>297,308,705</u>
Excess of receipts over disbursements	\$ <u><u>1,347,124</u></u>	\$ <u><u>633,217</u></u>	\$ <u><u>713,907</u></u>

BOARD OF LIQUIDATION, CITY DEBT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Continued)  
DECEMBER 31, 2012

	<u>Custodial Accounts</u>		
	<u>2012</u>	<u>2011</u>	<u>Changes</u>
Total assets	\$ <u>21,456,370</u>	\$ <u>43,024,834</u>	\$ <u>(21,568,464)</u>
Total liabilities	\$ <u>86,587,676</u>	\$ <u>90,916,406</u>	\$ <u>(4,328,730)</u>
Total custodial debt service and reserve fund	\$ <u>(65,131,306)</u>	\$ <u>(47,891,572)</u>	\$ <u>(17,239,734)</u>
Receipts	\$ 68,058,282	\$ 62,203,406	\$ 5,854,876
Disbursements	<u>89,626,746</u>	<u>72,194,726</u>	<u>17,432,020</u>
(Deficiency) of receipts over disbursements	\$ <u>(21,568,464)</u>	\$ <u>(9,991,320)</u>	\$ <u>(11,577,144)</u>

	<u>Totals</u>		
	<u>2012</u>	<u>2011</u>	<u>Changes</u>
Total assets	\$ <u>117,246,480</u>	\$ <u>137,467,820</u>	\$ <u>(20,221,340)</u>
Total liabilities	\$ <u>113,157,905</u>	\$ <u>118,841,613</u>	\$ <u>(5,683,708)</u>
Total custodial, debt service and reserve funds	\$ <u>4,088,575</u>	\$ <u>18,626,207</u>	\$ <u>(14,537,632)</u>
Receipts	\$ 517,542,856	\$ 213,665,368	\$ 303,877,488
Disbursements	<u>537,764,196</u>	<u>223,023,471</u>	<u>314,740,725</u>
(Deficiency) of receipts over disbursements	\$ <u>(20,221,340)</u>	\$ <u>(9,358,103)</u>	\$ <u>(10,863,237)</u>

Key Changes in Assets and Liabilities include:

- Assets increased \$1,347,124 in debt administration due to additional general obligation bond ad valorem tax receipts.
- Assets decreased \$21,568,464 in the custodial accounts due to payment of debt.

Key changes in receipts include:

Debt Administration

- Ad valorem tax receipts increased \$2,246,019.
- Bond proceeds increased \$285,423,803 due to the sale of general obligation and DDD Bonds.
- Debt service funds increased \$10,376,963.
- Interest on investments decreased \$3,942.
- Excess debt service and reserve decreased \$20,213.



BOARD OF LIQUIDATION, CITY DEBT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Continued)  
DECEMBER 31, 2012

Key changes in receipts include: (Cont'd)

Custodial Accounts

- Ad valorem taxes increased \$1,572,788.
- Interest on investments decreased \$44,364.
- Revenue Sharing - State of Louisiana decreased \$46,873.
- Bond proceeds increased \$4,417,331.
- Fee - Current year increased \$70,881.
- Fee - Prior years decreased \$82,662.
- Excess reserve and debt service funds decreased \$32,225.

Key changes in disbursements include:

Debt Administration

- Interest payments increased \$2,233,938. This increase follows the payments required under the debt service schedules.
- Principal payments on bonds decreased \$120,954,580. The majority of this decrease was due to refunded bonds called in 2012.
- Premium received on bonds decreased \$470,235 due to Audubon Aquarium Bonds Series 2001A and 2001B called October 1, 2011.
- Purchase of securities increased \$176,506,735. This is due to the purchase of escrow securities for the refunded general obligation and DDD bonds.
- Funds returned to the City of New Orleans, Sewerage & Water Board, and Audubon Park Commission decreased by \$2,462,403.
- Cost of Issuance increased \$532,601.
- Personal services decreased \$9,277. This is mainly due to the employer's pension contribution rate decreasing from 23.814% in 2011 to 20.655% in 2012.

Custodial Accounts

- Warrants paid increased \$16,188,485.
- Debt service decreased \$1,243,489.

*Long-term Debt Administration*

At the end of the fiscal year, the Board administers total bonded debt outstanding of \$470,076,615 in General Obligation Bonds and \$21,500,000 in Limited Tax Bonds. The General Obligation Bonds are backed and fully funded with an unlimited ad valorem tax levy through the Board's statutory authority. The Limited Tax Bonds are supported by a voter approved tax millage of 2.5 mills collected by the City of New Orleans and remitted to the Board daily. Other Custodial long-term debt is supported by voter approved special tax millages and revenues generated through the custodial agencies. Debt service is collected from these custodial special taxes to pay debt service on special tax bonds. Debt service on the Revenue Bonds are supported by revenues remitted to the Board on a monthly basis by the Sewerage & Water Board of New Orleans. The Board holds restricted debt service funds for the Sewerage Service Revenue Bonds 2010 A&B sold to the Louisiana Department of Health and Hospitals.

BOARD OF LIQUIDATION, CITY DEBT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Continued)  
DECEMBER 31, 2012

*Long-term Debt Administration (Cont'd)*

Outstanding bonds administered by the Board at December 31, 2012 and 2011 are as follows:

	<u>2012</u>	<u>2011</u>
<b>City of New Orleans:</b>		
General Obligation Bonds	\$470,076,615	\$509,543,556
Limited Tax Bonds	\$ 21,500,000	\$ 23,360,000
<b>Sewerage &amp; Water Board of New Orleans:</b>		
Drainage System Bonds	\$ 17,630,000	\$ 18,990,000
Sewerage Service Revenue Bonds	\$148,585,000	\$160,985,000
Sewerage Service Revenue Bonds Louisiana Department of Health and Hospitals	\$ 2,310,000	\$ 2,400,000
Sewerage Service Subordinate Revenue Bonds Louisiana Department of Environmental Quality	\$ 9,000,000	\$ 9,000,000
Water Revenue Bonds	\$ 30,090,000	\$ 32,415,000
<b>Audubon Park Commission:</b>		
Audubon Park Improvement Bonds	\$ 1,345,000	\$ 1,635,000
Audubon Aquarium Bonds	\$ 27,695,000	\$ 30,260,000
<b>Downtown Development District:</b>		
Downtown Development District Bonds	\$ 5,205,000	\$ 5,450,000

*Bond Ratings*

Bond ratings for the General Obligation Bonds of the City of New Orleans at December 31, 2012 were Standard and Poor's Rating BBB; Fitch Ratings A-; and Moody's Rating Service A3. Although investment grade rated by all three agencies, the City general obligation ratings continue to feel the effects of Hurricanes Katrina and Rita in 2005, as well as the national economic crisis in 2008.

**Contacting the Board's Financial Management**

This financial report is designed to provide a general overview of the Board's finances, compliance with finance-related laws and regulations, and demonstrate the Board's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the Board at: Board of Liquidation, City Debt, 1300 Perdido Street, Room 8E17, New Orleans, Louisiana 70112 or visit the Board of Liquidation's website at [www.boardofliquidation.com](http://www.boardofliquidation.com).

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(1932-2003)  
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(Retired)

INDEPENDENT AUDITOR'S REPORT

Mrs. Mary K. Zervigon, President, and Members  
Board of Liquidation, City Debt  
New Orleans, Louisiana

We have audited the accompanying financial statements of the Board of Liquidation, City Debt, a component unit of the City of New Orleans, as of and for the year ended December 31, 2012 as listed in the table of contents, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis, which is a comprehensive basis of accounting other than 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 financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity'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 financial statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Board of Liquidation, City Debt, as of December 31, 2012, and cash receipts, disbursements and changes in liabilities, custodial, debt service and reserve fund balances thereof for the year then ended in accordance with the basis of accounting described in Note B.

### **Other-Matters**

The modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 be presented to supplement the basic financial statements. such information, although not a part of the basic 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 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 financial statements, and other knowledge we obtained during our audit of the basic 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board of Liquidation, City Debt's financial statements as a whole. The accompanying supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The supplemental information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used

Mrs. Mary K. Zervigon, President, and Members  
Board of Liquidation, City Debt

to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The composition and transmittal sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Paciera, Gautreau & Priest, LLC*

March 22, 2013

FINANCIAL STATEMENTS

BOARD OF LIQUIDATION, CITY DEBT  
 FIDUCIARY FUND TYPE - AGENCY FUND  
 COMBINING STATEMENT OF ASSETS, LIABILITIES, CUSTODIAL,  
 DEBT SERVICE AND RESERVE FUNDS-MODIFIED CASH BASIS  
 DECEMBER 31, 2012

	<u>Debt Administration</u>	<u>Account of Sewerage &amp; Water Board</u>
<u>ASSETS</u>		
Cash	\$ 740,597	\$ 228,379
Money market accounts	95,049,513	15,562,760
<i>Total Assets</i>	\$ 95,790,110	\$ 15,791,139
 <u>LIABILITIES, CUSTODIAL, DEBT SERVICE AND RESERVE FUNDS</u>		
Interest payable	\$ 87,819	\$ 0
Principal payable	163,200	0
Cost of Issuance Payable	16,917	0
Tax Credit Bond loan payable	26,302,293	73,776,956
Reserve funds	51,456,590	0
Debt service funds	17,763,291	0
Custodial fund balance (deficit)	0	(57,985,817)
<i>Total Liabilities, Custodial, Debt Service and Reserve Funds</i>	\$ 95,790,110	\$ 15,791,139

See accompanying notes to financial statements.

Account of Downtown Development District	Account of Audubon Park Commission	Accounts of Special Taxing Districts	Total (Memorandum Only)
\$ 32,706	\$ 30,239	\$ 0	\$ 1,031,921
2,598,407	1,081,438	1,922,441	116,214,559
<u>\$ 2,631,113</u>	<u>\$ 1,111,677</u>	<u>\$ 1,922,441</u>	<u>\$ 117,246,480</u>
\$ 0	\$ 0	\$ 0	\$ 87,819
0	0	0	163,200
0	0	0	16,917
1,523,966	11,286,754	0	112,889,969
0	0	0	51,456,590
0	0	0	17,763,291
<u>1,107,147</u>	<u>(10,175,077)</u>	<u>1,922,441</u>	<u>(65,131,306)</u>
<u>\$ 2,631,113</u>	<u>\$ 1,111,677</u>	<u>\$ 1,922,441</u>	<u>\$ 117,246,480</u>



BOARD OF LIQUIDATION, CITY DEBT  
 FIDUCIARY FUND TYPE - AGENCY FUND  
 COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN LIABILITIES,  
 CUSTODIAL, DEBT SERVICE AND RESERVE FUNDS-MODIFIED CASH BASIS  
 YEAR ENDED DECEMBER 31, 2012

	<u>Debt Administration</u>	<u>Account of Sewerage &amp; Water Board</u>
<u>RECEIPTS</u>		
Ad valorem taxes-Current year	\$ 67,086,446	\$ 41,764,578
Ad valorem taxes-Prior years	2,232,691	1,461,518
Bond proceeds-new issue	309,818,881	8,328,806
Bond proceeds-premium	26,127,849	0
Bond proceeds-cost of issuance	859,914	0
Fee-Current year	0	0
Fee-Prior years	0	0
Revenue sharing-State of Louisiana	0	276,270
Debt service funds	41,659,352	0
Debt service-reserve funds-Capitalized Interest Escrow	325,578	0
Debt service funds-Federal subsidy-Taxable Build America Bonds	1,112,192	0
Interest on investments	208,598	86,825
Excess reserve and debt service funds	53,073	27,982
<i>Total receipts</i>	449,484,574	51,945,979
<u>DISBURSEMENTS</u>		
Interest on bonds	59,859,731	0
Interest on bonds-Tax Credit Bond Loan	5,499,960	0
Principal on bonds	174,609,942	0
Principal on bonds-Tax Credit Bond Loan	5,643,645	0
Purchase escrow securities	201,114,997	0
Administrative expenses-LADHH	18,796	0
Warrants	0	69,490,213
Debt service	0	2,610,148
Personal services	388,600	0
Contractual services	67,419	0
Office expenses	31,264	0
Funds returned to City of New Orleans, Sewerage & Water Board, and Audubon Park Commission	49,482	0
Cost of issuance	853,614	0
<i>Total disbursements</i>	448,137,450	72,100,361
Excess (Deficiency) of receipts over disbursements	1,347,124	(20,154,382)
Liabilities, Custodial, Debt Service and Reserve Funds at:		
December 31, 2011	94,442,986	35,945,521
December 31, 2012	\$ 95,790,110	\$ 15,791,139

See accompanying notes to financial statements.

Account of Downtown Development District	Account of Audubon Park Commission	Accounts of Special Taxing Districts	Total (Memorandum Only)
\$ 5,289,482	\$ 8,342,887	\$ 969,070	\$ 123,452,463
188,403	294,173	23,069	4,199,854
0	0	0	318,147,687
0	0	0	26,127,849
0	0	0	859,914
0	0	946,693	946,693
0	0	41,767	41,767
0	0	0	276,270
0	0	0	41,659,352
0	0	0	325,578
0	0	0	1,112,192
5,668	3,730	6,493	311,314
407	461	0	81,923
<u>5,483,960</u>	<u>8,641,251</u>	<u>1,987,092</u>	<u>517,542,856</u>
0	0	0	59,859,731
0	0	0	5,499,960
0	0	0	174,609,942
0	0	0	5,643,645
0	0	0	201,114,997
0	0	0	18,796
4,966,989	4,659,158	2,123,600	81,239,960
671,034	5,105,558	0	8,386,740
0	0	0	388,600
0	0	0	67,419
0	0	46	31,310
0	0	0	49,482
0	0	0	853,614
<u>5,638,023</u>	<u>9,764,716</u>	<u>2,123,646</u>	<u>537,764,196</u>
(154,063)	(1,123,465)	(136,554)	(20,221,340)
<u>2,785,176</u>	<u>2,235,142</u>	<u>2,058,995</u>	<u>137,467,820</u>
<u>\$ 2,631,113</u>	<u>\$ 1,111,677</u>	<u>\$ 1,922,441</u>	<u>\$ 117,246,480</u>

BOARD OF LIQUIDATION, CITY DEBT  
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS  
DECEMBER 31, 2012

A. General Information

The Board of Liquidation, City Debt (the "Board") is a component unit of the City of New Orleans (the "City"). The Board has exclusive control and direction of all matters relating to the bonded debt of the City. Accordingly, all of the City's general obligation bonds, and the limited tax bonds issued for the Sewerage & Water Board of New Orleans, the Downtown Development District of New Orleans, and the Audubon Park Commission of New Orleans are sold by and through the Board. No bonds may be sold without approval of the members of the Board. All property taxes levied by the City and dedicated to the payment of outstanding general obligation and limited tax bonds are collected by the City and, as required by law, paid over to the Board, day by day as collected. Such tax revenues are invested in fully secured money market accounts, certificates of deposit, and/or full faith and credit obligations of the U.S. Government until applied by the Board to the payment of principal and interest on outstanding bonds.

The Board annually determines the amount of Ad Valorem Tax millage necessary to be levied and collected by the City in the next fiscal year for the payment during such year of principal and interest on all outstanding general obligation bonds of the City and all such general obligation bonds proposed to be issued by the City in such year. This determination is based upon an analysis by the Board of the current and anticipated assessed value of taxable property in the City and current and anticipated cash reserves held by the Board. The assessed value of property in the City for each year is determined by the Orleans Parish Assessor and certified by the Louisiana Tax Commission as complying with the Louisiana Constitution of 1974. The annual determination of the necessary tax millage to service bonds of the City is adopted by resolution of the Board that is submitted to the City Council. The millage recommended by the Board is then levied by the City Council.

No general obligation bonds, special tax bonds, or revenue bonds of the agencies mentioned above may be issued by the City without the approval of the Board and the City Council. The Board requires as a condition of such approval that a) the reasonably anticipated property tax revenues of the City be adequate to service the proposed bond issue and all outstanding bonds of the City and to maintain reasonable reserves, b) the proposed bond issue comply with any applicable legal debt limitation, and c) the purposes for which the bonds are sold be capital in nature. All new general obligation bond issuance must be approved by a majority of the voters in the City. Act 1 of 1994 by the Louisiana Legislature establishes the legal debt limit for the City. Act 4 of 1916, as amended, by the Louisiana Legislature and Article VI, Section 33 of the Louisiana Constitution of 1974 provides that the full faith and credit of the City are pledged for its general obligation bonds and the City is authorized to levy taxes upon all taxable property in the City without limitation of rate or amount sufficient to pay the principal and interest on such bonds as they mature.

BOARD OF LIQUIDATION, CITY DEBT  
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS  
(Continued)  
DECEMBER 31, 2012

General Information (Cont'd)

The Board issues bonds for the Sewerage & Water Board of New Orleans, the Downtown Development District of New Orleans, and the Audubon Park Commission of New Orleans. Issued in the name of the City, these bonds may be funded by the dedicated millage or water and sewer rates. The Sewerage & Water Board, the City Council, and the Board, must approve the water and sewerage service rates necessary to fund any bonds. Ad Valorem Tax millage necessary to service special tax bonds is set by statute and levied by the City Council each year. Ad Valorem Tax millage necessary to service the general obligation bonded debt each year is determined by the Board, and is levied by the City Council annually.

In addition, the Board serves in a custodial capacity for the accounts of the Sewerage & Water Board of New Orleans, the Downtown Development District of New Orleans, the Audubon Park Commission of New Orleans, the Lake Forest Estates Improvement District, the Garden District Security Tax District, the Spring Lake Improvement District, the Lake Barrington Subdivision Improvement District, the Lake Bullard Neighborhood Improvement District, the Lake Carmel Subdivision Improvement District, Lake Oaks Subdivision Improvement District, the Huntington Park Subdivision Improvement District, the McKendall Estates Neighborhood Improvement District, the Upper Hurstville Security District, the Touro-Boulogny Security District, the Kingswood Subdivision Improvement District and the Twinbrook Security District.

Funds collected for these agencies are deposited in special accounts or invested in money market accounts, certificates of deposit, and/or full faith and credit obligations of the U.S. Government. The Board pays any expenditure made from these accounts as authorized by warrants and supporting resolutions of the various agencies.

Administration expenditures paid in connection with the operations of the Board are recorded within Debt Administration.

B. Summary of Significant Accounting Policies

Fund Accounting

The Board maintains one Fiduciary Fund to account for its activities, the Agency Fund. An Agency fund is used to account for assets held for other funds, governments, or individuals. Accordingly, the accounts of the Board are organized and maintained on the basis of funds, each of which is considered a separate accounting entity, and is maintained for the purpose of attaining objectives in accordance with the various special restrictions, regulations and limitations.

Method of Accounting

The Board prepares its financial statements on the modified cash basis of accounting wherein receipts are recognized when received rather than when earned and disbursements are recognized when disbursed rather than when incurred, except for matured and unpaid bonds and coupons, certain cost of issuance and the tax credit bond loan proceeds, which are reflected as liabilities when the obligation is incurred.

BOARD OF LIQUIDATION, CITY DEBT  
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS  
(Continued)  
DECEMBER 31, 2012

C. Bank Balances

At December 31, 2012, the Board's deposits with banks consisted of cash and money market accounts as follows:

Demand accounts	\$ 2,626,457
Money market accounts	<u>116,773,899</u>
Total Bank Balances	<u>\$119,400,356</u>

These deposits were covered by Federal Deposit Insurance or by collateral held by a third party in the Board's name as follows:

Insured	\$ 750,000
Collateralized	<u>118,650,356</u>
Total Bank Balances	<u>\$119,400,356</u>

D. Annual and Sick Leave

All present employees of the Board are permitted to accumulate annual and sick leave. Upon termination of employment, an employee is paid for their accumulated annual leave based on their current hourly rate of pay, and for their accumulated sick leave on a formula basis. If termination is the result of retirement, the employee has the option of converting their accrued sick leave to additional years of service.

As described in Note B, the Board's financial statements are prepared on the modified cash basis of accounting; accordingly, the Board's liability for annual and sick leave is not reflected in the accompanying financial statements.

At December 31, 2012 the Board's liability for annual and sick leave totaled \$144,000.

E. Pension Plan

Employees of the Board are covered under a City of New Orleans Employees' Pension Plan, a single-employer, and contributory defined benefit pension plan. The plan issues a publicly available financial report that includes financial statements and required supplementary information for the plan. This report may be obtained by writing or calling the plan at:

Employee Retirement System of New Orleans  
1300 Perdido Street, Room 1E08  
New Orleans, Louisiana 70112  
(504) 658-1850

Under this plan, employees with thirty years of service, or who attain age sixty with ten years of service, or age sixty-five, irrespective of length of service are entitled to a retirement allowance. The retirement allowance consists of an annuity, which is the actuarial equivalent of the employees' accumulated contribution plus an annual pension, which, together with the annuity, provides a total retirement allowance equal to 2% to 4% of average compensation times the number of years of service. The maximum pension may not exceed 100% of average compensation. Pension

BOARD OF LIQUIDATION, CITY DEBT  
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS  
(Continued)  
DECEMBER 31, 2012

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Pension Plan (Cont'd)

amounts are reduced for service retirement prior to age sixty-two. Average compensation is defined as average earned annual compensation for the highest thirty-six consecutive months of service. Mandatory retirement age is seventy. The retirement board has increased the consecutive months of service for average compensation to sixty months for employees not eligible for retirement on December 31, 2011.

Pension benefits vest at age sixty or after completion of ten years of service. The Employees' Pension Plan also provides death and disability benefits.

Employees contribute 5% of their salary in 2012, increasing to 6% in 2013. Employer contributions to the plan are based upon the amount necessary to fund normal cost and amortization of past service costs over a period of thirty years beginning July 1, 1974, using the level percentage of payroll method. The Board's contributions to the Plan during the year totaled \$49,206 and is included in 'Personal services'.

F. Gulf Opportunity Tax Credit Bond Loan Program

On July 19, 2006 the Board entered into Cooperative Endeavor Agreements with the State of Louisiana to secure proceeds from the State's Gulf Opportunity Tax Credit Bond Loan Program. These agreements are intended for the following purposes:

Paying debt service of the City on outstanding debt for general obligation and special limited tax bonds.

Paying outstanding debt for special tax bonds of the:

Downtown Development District,

Audubon Commission, and

Sewerage & Water Board of New Orleans, and

Paying outstanding sewerage revenue and water revenue bonds of the Sewerage & Water Board.

The loan proceeds were distributed to the Bank of New York, the Board's paying agent, as debt service maturities became payable. Once transferred, the debt service payments were made and the loan proceeds were recorded as loans payable in the appropriate custodial accounts.

These loans matured on July 15, 2012, at which time the borrower applied for a five year deferment, which was denied by the Louisiana Office of Administration. All borrowers have elected to make semi-annual payments in accordance with the fifteen year debt service schedule that ends on July 15, 2026.

BOARD OF LIQUIDATION, CITY DEBT  
 NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS  
 (Continued)  
 DECEMBER 31, 2012

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Gulf Opportunity Tax Credit Bond Loan Program (Cont'd)

Total amounts borrowed and payable under these loans at December 31, 2012 are:

Cooperative Endeavor Agreement between the State and:

	<u>Borrowed</u>	<u>Paid 2012</u>	<u>Outstanding at 12/31/12</u>
Board of Liquidation:			
General obligation bonds	\$ 24,713,549	\$1,176,666	\$ 23,536,883
Limited tax bonds	<u>2,903,660</u>	<u>138,250</u>	<u>2,765,410</u>
	<u>27,617,209</u>	<u>1,314,916</u>	<u>26,302,293</u>
Downtown Development District	<u>1,600,153</u>	<u>76,187</u>	<u>1,523,966</u>
Audubon Park Commission:			
Audubon Park Commission 0.32 Mills	1,091,230	51,956	1,039,274
Audubon Park Commission 2.99 Mills	<u>10,759,776</u>	<u>512,296</u>	<u>10,247,480</u>
	<u>11,851,006</u>	<u>564,252</u>	<u>11,286,754</u>
Sewerage & Water Board	<u>77,465,247</u>	<u>3,688,291</u>	<u>73,776,956</u>
	<u>\$118,533,615</u>	<u>\$5,643,646</u>	<u>\$112,889,969</u>

As of December 31, 2012, the \$24,713,549 available for general obligation bonds was borrowed to make fiscal year 2006 debt service payments.

As of December 31, 2012, the \$2,903,660 available for the City of New Orleans Limited Tax bonds was borrowed to make the debt service payment that was due September 1, 2006 and March 1, 2007 debt service payment.

As of December 31, 2012, \$1,600,153 available for the Downtown Development District was borrowed to make the debt service payments due on December 1, 2006, June 1, 2007, December 1, 2007, June 1, 2008, December 1, 2008 and June 1, 2009.

As of December 31, 2012, the \$11,851,006 available for the Audubon Commission was borrowed to make the debt service payments due on October 1, 2006, December 1, 2006, April 1, 2007, June 1, 2007, October 1, 2007, December 1, 2007, April 1, 2008, June 1, 2008, October 1, 2008, December 1, 2008 and June 1, 2009.

In addition to the above loans, the Audubon Park Commission's Cooperative endeavor agreement includes an additional \$4,907,500 for their 1997 Aquarium Revenue Bonds. These bonds are not part of the Board's responsibility; accordingly, the related loan is not included in the accompanying financial statements.

As of December 31, 2012, the entire \$77,465,247 available for the Sewerage & Water Board of New Orleans was borrowed. \$45,965,247 was used to make debt service payments on the Drainage System special tax bonds, Sewerage Service Revenue and Water Revenue bonds that were due on December 1, 2006, June 1, 2007, December 1, 2007, June 1, 2008, and \$31,500,000 was used to make a partial payment on the maturing Sewerage Service Revenue bond anticipation notes that matured on July 26, 2006.

Debt service payments made through the Gulf Opportunity Tax Credit Loan Program, if present, are recorded as defeased bonds and listed separately from the outstanding bonds of the Audubon Commission, Downtown Development District, and Sewerage & Water Board of New Orleans.

BOARD OF LIQUIDATION, CITY DEBT  
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS  
(Continued)  
DECEMBER 31, 2012

G. Louisiana Department of Health and Hospitals Drinking Water Revolving Loan Fund

On February 1, 2010, the Board, Sewerage & Water Board of New Orleans, and Louisiana Department of Health and Hospitals entered into a loan agreement whereby \$3,400,00 of proceeds from the Drinking Water Revolving Loan Fund were borrowed through the issuance of Revenue Bonds, Series 2010A&B. The proceeds are transferred to the Sewerage & Water Board through the Board, acting as custodian for the purpose of paying a portion of the costs of capital improvements to the water system of the City, including, but not limited to, a sodium hypochlorite facility.

Security for the Revenue Bonds, Series 2010A&B, comes from a pledge of Sewerage & Water Board Construction and Extension Fund ad valorem taxes that were on hand with the Board acting as custodian. The funds are restricted to the Debt Administration fund to repay the loan.

The Louisiana Department of Health and Hospitals agrees to forgive 30% of the loan proceeds as the funds are drawn and agrees to set the interest rate at 2.95%. In addition to the interest there is an administrative fee of .50%. The interest and fee are payable on August 1, and February 1, until the loan is repaid. Repayment will be with the funds held in the Board's restricted debt administration account.

H. Audubon Park Commission Aquarium Refunding

On September 22, 2011, the Audubon Park Commission entered into two transactions. First, they issued \$24,370,000 of Aquarium Tax Bonds, Series 2011A-1, tax exempt refunding bonds, for the purpose of refunding outstanding Aquarium Bonds, Series 2001A and 2001B. Second, they issued \$630,000 of Aquarium Tax Bonds, Series 2011A-2, taxable bonds, for the purpose of paying a portion of accrued interest on the Aquarium Bonds, Series 2011A-1.

Proceeds from both issues were placed in the irrevocable cash escrow account to defease outstanding Aquarium 2001A and 2001B bonds and provide amounts sufficient for payment of all principal, interest and premium on the refunded bonds as of the call date, October 3, 2012. Accordingly, the escrow account and refunded bonds are not included on these financial statements. At December 31, 2012, the escrow balance consists of \$296,771 to be used for payment of capitalized interest.

I. Louisiana Department of Environmental Quality Revolving Loan Fund

On November 22, 2011, the Board, Sewerage & Water Board of New Orleans, and Louisiana Department of Environmental Quality entered into a loan agreement whereby \$9,000,000 of proceeds from the Revolving Loan Fund were borrowed through the issuance of Sewerage Service Subordinate Revenue Bonds, Series 2011. The proceeds are transferred to the Sewerage & Water Board through the Board acting as custodian. The funds are for the purpose of paying costs of constructing and acquiring improvements and replacements to the public sewerage system.

Security for the Subordinate Revenue Bonds, Series 2011, comes from a pledge of Sewerage & Water Board sewerage service revenues. Sinking fund payments to the Board, as custodian, are deposited monthly.



BOARD OF LIQUIDATION, CITY DEBT  
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS  
(Continued)  
DECEMBER 31, 2012

Louisiana Department of Environmental Quality Revolving Loan Fund (Cont'd)

The Louisiana Department of Environmental Quality has agreed to set the interest rate at 0.45%. In addition to the interest there is an administrative fee of 0.50%. The interest and fee are payable on May 1, and November 1. The first principal payment is due November 1, 2013.

J. Downtown Development District Limited Tax Refunding Bonds, Series 2012

On June 13, 2012, the Downtown Development District of New Orleans entered into a transaction whereby it issued \$5,485,000 of Limited Tax Refunding Bonds, Series 2012, on a tax exempt private placement basis with Sun Trust Equipment Finance & Leasing Corporation, for the purpose of refunding outstanding Limited Tax Bonds, Series 2001. Net proceeds from issuance of the refunding bonds, along with excess debt service funds and excess debt service reserve funds, were placed in an irrevocable escrow account and were used for payment of all principal and interest on the refunded bonds. At December 31, 2012, the outstanding balance of the refunded Limited Tax Bonds totaled \$-0-.

K. City of New Orleans General Obligation Refunding Bonds, Series 2012

On August 28, 2012, the City of New Orleans entered into a transaction whereby it issued \$167,840,000 of general obligation bonds for the purpose of refunding a portion of its outstanding general obligation bonds outstanding at August 28, 2012. Net proceeds from issuance of the refunding bonds were placed in an irrevocable escrow account and invested in U.S. Treasury obligations that, together with interest earned thereon, will provide amounts sufficient for payment of all principal and interest on the refunded bonds. Accordingly, the escrow account and the refunded bonds are not included in these financial statements. At December 31, 2012, the outstanding balance of the refunded general obligation bonds totaled \$59,325,000.

L. Total (Memorandum Only) Columns

The total columns are captioned "memorandum only" because they do not represent consolidated financial information and are presented only to make financial analysis easier. Data in these columns do not present financial position in accordance with the other comprehensive basis of accounting disclosed in Note B. Interfund eliminations have not been made in the aggregation of this data.

SUPPLEMENTAL INFORMATION

BOARD OF LIQUIDATION, CITY DEBT  
DEBT ADMINISTRATION  
COMBINING SCHEDULE OF ASSETS, LIABILITIES AND  
DEBT SERVICE AND RESERVE FUNDS-MODIFIED CASH BASIS  
DECEMBER 31, 2012

	General Obligation Bonds	Capital Improvement Limited Tax	LADHH Loan Revenue Bonds	Drainage System Bonds 6 mill	Drainage System Bonds 9 mill
<u>ASSETS</u>					
Cash	\$ 505,189	\$ 0	\$ 2,340	\$ 80	\$ 23,905
Money market accounts	53,987,433	5,118,180	2,218,299	0	95,786
<i>Total Assets</i>	<u>\$ 54,492,622</u>	<u>\$ 5,118,180</u>	<u>\$ 2,220,639</u>	<u>\$ 80</u>	<u>\$ 119,691</u>
<u>LIABILITIES, DEBT SERVICE AND RESERVE FUNDS</u>					
Interest payable	\$ 38,554	\$ 0	\$ 0	\$ 80	\$ 5,755
Principal payable	74,300	0	0	0	18,150
Cost of Issuance payable	16,917	0	0	0	0
Tax Credit Bond loan payable	23,536,883	2,765,410	0	0	0
Reserve funds	30,825,968	0	0	0	0
Debt service funds	0	2,352,770	2,220,639	0	95,786
<i>Total Liabilities, Debt Service and Reserve Funds</i>	<u>\$ 54,492,622</u>	<u>\$ 5,118,180</u>	<u>\$ 2,220,639</u>	<u>\$ 80</u>	<u>\$ 119,691</u>

Water Revenue Bonds	Sewerage Service Revenue Bonds	Sewerage & Water Board Matured Bonds	Audubon Park Commission Bonds	Audubon Park Commission Aquarium Bonds	Downtown Develop- ment District Tax Bonds	Defeased Bonds	Total
\$ 7,561	\$ 22,938	\$ 37,142	\$ 3,821	\$ 72,485	\$ 2,124	\$ 63,012	\$ 740,597
5,196,670	27,656,603	0	328,127	182,000	266,415	0	95,049,513
<u>\$ 5,204,231</u>	<u>\$ 27,679,541</u>	<u>\$ 37,142</u>	<u>\$ 331,948</u>	<u>\$ 254,485</u>	<u>\$ 268,539</u>	<u>\$ 63,012</u>	<u>\$ 95,790,110</u>
\$ 2,506	\$ 810	\$ 12,142	\$ 710	\$ 0	\$ 0	\$ 27,262	\$ 87,819
5,000	5,000	25,000	0	0	0	35,750	163,200
0	0	0	0	0	0	0	16,917
0	0	0	0	0	0	0	26,302,293
3,928,380	16,164,124	0	307,088	0	231,030	0	51,456,590
1,268,345	11,509,607	0	24,150	254,485	37,509	0	17,763,291
<u>\$ 5,204,231</u>	<u>\$ 27,679,541</u>	<u>\$ 37,142</u>	<u>\$ 331,948</u>	<u>\$ 254,485</u>	<u>\$ 268,539</u>	<u>\$ 63,012</u>	<u>\$ 95,790,110</u>

BOARD OF LIQUIDATION, CITY DEBT  
ACCOUNT OF SEWERAGE & WATER BOARD OF NEW ORLEANS  
COMBINING SCHEDULE OF ASSETS, LIABILITIES AND  
CUSTODIAL FUNDS-MODIFIED CASH BASIS  
DECEMBER 31, 2012

	Drainage System Fund 3 mill	Drainage System Fund 6 mill	Drainage System Fund 9 mill
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>ASSETS</u>			
Cash	\$ 2,762	\$ 19,415	\$ 5,411
Money market accounts	546,491	3,021,917	7,892,654
<i>Total Assets</i>	<u>\$ 549,253</u>	<u>\$ 3,041,332</u>	<u>\$ 7,898,065</u>
 <u>LIABILITIES AND CUSTODIAL FUNDS</u>			
Tax Credit Bond loan payable	\$ 0	\$ 0	\$ 4,128,711
Custodial fund balance (deficit)	549,253	3,041,332	3,769,354
<i>Total Liabilities and Custodial Funds</i>	<u>\$ 549,253</u>	<u>\$ 3,041,332</u>	<u>\$ 7,898,065</u>

<u>Drainage System Bond Proceeds</u>	<u>Water Revenue Bond Proceeds</u>	<u>Sewerage Service Revenue Bond Proceeds</u>	<u>Total</u>
\$ 7,704	\$ 124,148	\$ 68,939	\$ 228,379
0	1,831,919	2,269,779	15,562,760
<u>\$ 7,704</u>	<u>\$ 1,956,067</u>	<u>\$ 2,338,718</u>	<u>\$ 15,791,139</u>
\$ 0	\$ 6,482,943	\$ 63,165,302	\$ 73,776,956
7,704	(4,526,876)	(60,826,584)	(57,985,817)
<u>\$ 7,704</u>	<u>\$ 1,956,067</u>	<u>\$ 2,338,718</u>	<u>\$ 15,791,139</u>

BOARD OF LIQUIDATION, CITY DEBT  
ACCOUNT OF DOWNTOWN DEVELOPMENT DISTRICT OF NEW ORLEANS  
COMBINING SCHEDULE OF ASSETS, LIABILITIES AND  
CUSTODIAL FUNDS-MODIFIED CASH BASIS  
DECEMBER 31, 2012

	Special Tax Fund	DDD Bond Proceeds	Total
<u>ASSETS</u>			
Cash	\$ 29,819	\$ 2,887	\$ 32,706
Money market accounts	2,242,000	356,407	2,598,407
<i>Total Assets</i>	\$ 2,271,819	\$ 359,294	\$ 2,631,113
 <u>LIABILITES AND CUSTODIAL FUNDS</u>			
Tax Credit Bond loan payable	\$ 1,523,966	\$ 0	\$ 1,523,966
Custodial fund balance	747,853	359,294	1,107,147
<i>Total Liabilites and Custodial Funds</i>	\$ 2,271,819	\$ 359,294	\$ 2,631,113

BOARD OF LIQUIDATION, CITY DEBT  
ACCOUNT OF AUDUBON PARK COMMISSION OF NEW ORLEANS  
COMBINING SCHEDULE OF ASSETS, LIABILITIES AND  
CUSTODIAL FUNDS-MODIFIED CASH BASIS  
DECEMBER 31, 2012

	Aquarium Tax Fund	Aquarium Bond Proceeds	Special Tax Fund	Total
<u>ASSETS</u>				
Cash	\$ 26,585	\$ 0	\$ 3,654	\$ 30,239
Money market accounts	0	1,081,438	0	1,081,438
<i>Total Assets</i>	<u>\$ 26,585</u>	<u>\$ 1,081,438</u>	<u>\$ 3,654</u>	<u>\$ 1,111,677</u>
<u>LIABILITES AND CUSTODIAL FUNDS</u>				
Tax Credit Bond loan payable	\$ 10,247,480	\$ 0	\$ 1,039,274	\$ 11,286,754
Custodial fund balance (deficit)	(10,220,895)	1,081,438	(1,035,620)	(10,175,077)
<i>Total Liabilites and Custodial Funds</i>	<u>\$ 26,585</u>	<u>\$ 1,081,438</u>	<u>\$ 3,654</u>	<u>\$ 1,111,677</u>



BOARD OF LIQUIDATION, CITY DEBT  
 ACCOUNTS OF SPECIAL TAXING DISTRICTS OF NEW ORLEANS  
 COMBINING SCHEDULE OF ASSETS AND  
 CUSTODIAL FUNDS-MODIFIED CASH BASIS  
 DECEMBER 31, 2012

	Garden District Security Tax District	Huntington Park Subdivision Improvement District	Kingswood Subdivision Improvement District	Lake Barrington Subdivision Improvement District	Lake Bullard Subdivision Improvement District	Lake Carmel Subdivision Improvement District
<u>ASSETS</u>						
Money market accounts	\$ 996,031	\$ 18,025	\$ 25,522	\$ 16,853	\$ 16,269	\$ 54,232
<u>CUSTODIAL FUND</u>						
<u>BALANCE</u>	<u>\$ 996,031</u>	<u>\$ 18,025</u>	<u>\$ 25,522</u>	<u>\$ 16,853</u>	<u>\$ 16,269</u>	<u>\$ 54,232</u>

<u>Lake Forest Estates Improvement District</u>	<u>Lake Oaks Subdivision Improvement District</u>	<u>McKendall Estates Neighborhood Improvement District</u>	<u>Springlake Improvement District</u>	<u>Touro- Boulogny Security District</u>	<u>Twinbrook Security District</u>	<u>Upper Hurtsville Security District</u>	<u>Total</u>
<u>\$ 102,141</u>	<u>\$ 61,108</u>	<u>\$ 36,150</u>	<u>\$ 30,678</u>	<u>\$ 244,972</u>	<u>\$ 136,541</u>	<u>\$ 183,919</u>	<u>\$ 1,922,441</u>
<u>\$ 102,141</u>	<u>\$ 61,108</u>	<u>\$ 36,150</u>	<u>\$ 30,678</u>	<u>\$ 244,972</u>	<u>\$ 136,541</u>	<u>\$ 183,919</u>	<u>\$ 1,922,441</u>

BOARD OF LIQUIDATION, CITY DEBT  
DEBT ADMINISTRATION  
COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES  
IN LIABILITIES, DEBT SERVICE AND RESERVE FUNDS-MODIFIED CASH BASIS  
YEAR ENDED DECEMBER 31, 2012

	General Obligation Bonds	Capital Improvement Limited Tax	LADHH Loan Revenue Bonds	Drainage System Bonds 6 mill	Drainage System Bonds 9 mill
<b>RECEIPTS</b>					
Ad valorem taxes-Current year	\$ 64,274,769	\$ 2,811,677	\$ 0	\$ 0	\$ 0
Ad valorem taxes-Prior years	2,232,691	0	0	0	0
Bond proceeds-Refunding	166,762,147	0	0	0	0
Bond proceeds-Premium	26,127,849	0	0	0	0
Bond proceeds-cost of issuance	773,240	0	0	0	0
Bond proceeds-reserve funds	0	0	0	0	0
Revenue sharing-State of Louisiana	0	0	0	0	0
Debt service funds	0	0	1,336	0	2,608,812
Debt service funds-Capitalized					
Interest Escrow	0	0	0	0	0
Debt service funds-Federal subsidy-					
Taxable Build America Bonds	1,112,192	0	0	0	0
Cost of Issuance-new bond issue	0	0	0	0	0
Interest on investments	208,598	0	0	0	0
Excess debt service funds	0	0	0	0	0
Excess reserve and debt service funds	0	0	3,360	0	0
<i>Total receipts</i>	<u>261,491,486</u>	<u>2,811,677</u>	<u>4,696</u>	<u>0</u>	<u>2,608,812</u>
<b>DISBURSEMENTS</b>					
Interest on bonds	42,421,996	1,112,200	45,652	0	846,048
Interest on bonds-Tax Credit Bond Loan	1,146,709	134,730	0	0	201,149
Principal on bonds	20,069,942	1,860,000	90,000	0	1,360,000
Principal on bonds-Tax Credit Bond Loan	1,176,666	138,250	0	0	206,404
Purchase of escrow securities	195,636,247	0	0	0	0
Administrative Expenses	0	0	7,738	0	0
Personal services	388,600	0	0	0	0
Contractual services	67,419	0	0	0	0
Office expenses	31,264	0	0	0	0
Funds returned to City of New Orleans, Sewerage & Water Board, and Audubon Park Commission	0	0	0	0	0
Cost of issuance	756,323	0	0	0	0
<i>Total disbursements</i>	<u>261,695,166</u>	<u>3,245,180</u>	<u>143,390</u>	<u>0</u>	<u>2,613,601</u>
Excess (Deficiency) of receipts over disbursements	(203,680)	(433,503)	(138,694)	0	(4,789)
Liabilities, Debt Service and Reserve funds at:					
December 31, 2011	54,696,302	5,551,683	\$ 2,359,333	80	124,480
December 31, 2012	<u>\$ 54,492,622</u>	<u>\$ 5,118,180</u>	<u>\$ 2,220,639</u>	<u>\$ 80</u>	<u>\$ 119,691</u>

Water Revenue Bonds	Sewerage Service Revenue Bonds	Sewerage & Water Board Matured Bonds	Audubon Park Commission Bonds	Audubon Park Commission Aquarium Bonds	Downtown Development District Tax Bonds	Defeased Bonds	Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 67,086,446
0	0	0	0	0	0	0	2,232,691
0	0	0	0	0	5,398,327	137,658,407	309,818,881
0	0	0	0	0	86,674	0	26,127,849
0	0	0	0	0	0	0	859,914
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
4,720,302	28,552,310	0	476,114	4,629,444	671,034	0	41,659,352
0	0	0	0	325,578	0	0	325,578
0	0	0	0	0	0	0	1,112,192
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	208,598
0	0	0	0	0	0	0	0
9,391	39,466	0	461	0	395	0	53,073
4,729,693	28,591,776	0	476,575	4,955,022	6,156,430	137,658,407	449,484,574
1,592,393	7,872,640	0	84,730	1,390,357	204,783	4,288,932	59,859,731
315,847	3,077,391	0	50,633	499,254	74,247	0	5,499,960
2,325,000	12,400,000	0	290,000	2,565,000	280,000	133,370,000	174,609,942
324,098	3,157,788	0	51,956	512,296	76,187	0	5,643,645
0	0	0	0	0	5,478,750	0	201,114,997
0	11,058	0	0	0	0	0	18,796
0	0	0	0	0	0	0	388,600
0	0	0	0	0	0	0	67,419
0	0	0	0	0	0	0	31,264
9,381	39,233	0	461	0	407	0	49,482
0	3,817	0	0	8,924	84,550	0	853,614
4,566,719	26,561,927	0	477,780	4,975,831	6,198,924	137,658,932	448,137,450
162,974	2,029,849	0	(1,205)	(20,809)	(42,494)	(525)	1,347,124
5,041,257	25,649,692	37,142	333,153	275,294	311,033	63,537	94,442,986
\$ 5,204,231	\$ 27,679,541	\$ 37,142	\$ 331,948	\$ 254,485	\$ 268,539	\$ 63,012	\$ 95,790,110

BOARD OF LIQUIDATION, CITY DEBT  
ACCOUNT OF SEWERAGE & WATER BOARD OF NEW ORLEANS  
COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND  
CHANGES IN LIABILITIES AND CUSTODIAL FUNDS-MODIFIED CASH BASIS  
YEAR ENDED DECEMBER 31, 2012

	LADHH Loan Revenue Bonds	Construction & Extention Fund 2 mill	Drainage System Fund 3 mill
<u>RECEIPTS</u>			
Ad valorem taxes-Current year	\$ 0	\$ 0	\$ 11,845,609
Ad valorem taxes-Prior years	0	1,336	414,108
Bond proceeds	955,676	0	0
Revenue sharing-State of Louisiana	0	0	276,270
Interest on investments	0	0	32,880
Excess reserve and debt service funds	0	0	0
<i>Total receipts</i>	955,676	1,336	12,568,867
<u>DISBURSEMENTS</u>			
Warrants	955,676	0	17,172,488
Debt service	0	1,336	0
<i>Total disbursements</i>	955,676	1,336	17,172,488
Excess (Deficiency) of receipts over disbursements	0	0	(4,603,621)
Liabilities and Custodial Fund Balance at:			
December 31, 2011	0	0	5,152,874
December 31, 2012	\$ 0	\$ 0	\$ 549,253

Drainage System Fund 6 mill	Drainage System Fund 9 mill	Drainage System Bond Proceeds	Water Revenue Bond Proceeds	Service Revenue Bond Proceeds	Total
\$ 11,972,577	\$ 17,946,392	\$ 0	\$ 0	\$ 0	\$ 41,764,578
418,634	627,440	0	0	0	1,461,518
0	0	0	0	7,373,130	8,328,806
0	0	0	0	0	276,270
22,214	23,605	458	2,782	4,886	86,825
0	0	0	3,718	24,264	27,982
<u>12,413,425</u>	<u>18,597,437</u>	<u>458</u>	<u>6,500</u>	<u>7,402,280</u>	<u>51,945,979</u>
13,439,932	26,884,173	1,019,617	98,484	9,919,843	69,490,213
0	2,608,812	0	0	0	2,610,148
<u>13,439,932</u>	<u>29,492,985</u>	<u>1,019,617</u>	<u>98,484</u>	<u>9,919,843</u>	<u>72,100,361</u>
(1,026,507)	(10,895,548)	(1,019,159)	(91,984)	(2,517,563)	(20,154,382)
4,067,839	18,793,613	1,026,863	2,048,051	4,856,281	35,945,521
<u>\$ 3,041,332</u>	<u>\$ 7,898,065</u>	<u>\$ 7,704</u>	<u>\$ 1,956,067</u>	<u>\$ 2,338,718</u>	<u>\$ 15,791,139</u>

BOARD OF LIQUIDATION, CITY DEBT  
ACCOUNT OF DOWNTOWN DEVELOPMENT DISTRICT OF NEW ORLEANS  
COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND  
CHANGES IN LIABILITIES AND CUSTODIAL FUNDS-MODIFIED CASH BASIS  
YEAR ENDED DECEMBER 31, 2012

	Special Tax Fund	DDD Bond Proceeds	Total
<u>RECEIPTS</u>			
Ad valorem taxes-Current year	\$ 5,289,482	\$ 0	\$ 5,289,482
Ad valorem taxes-Prior years	188,403	0	188,403
Interest on investments	5,132	536	5,668
Excess reserve and debt service funds	0	407	407
<i>Total receipts</i>	5,483,017	943	5,483,960
<u>DISBURSEMENTS</u>			
Warrants	4,966,989	0	4,966,989
Debt service	671,034	0	671,034
<i>Total disbursements</i>	5,638,023	0	5,638,023
Excess (Deficiency) of receipts over disbursements	(155,006)	943	(154,063)
Liabilities and Custodial Fund Balance at:			
December 31, 2011	2,426,825	358,351	2,785,176
December 31, 2012	\$ 2,271,819	\$ 359,294	\$ 2,631,113

BOARD OF LIQUIDATION, CITY DEBT  
ACCOUNT OF AUDUBON PARK COMMISSION OF NEW ORLEANS  
COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES  
IN LIABILITIES AND CUSTODIAL FUNDS-MODIFIED CASH BASIS  
YEAR ENDED DECEMBER 31, 2012

	Aquarium Tax Fund	Aquarium Bond Proceeds	Special Tax Fund	Total
<u>RECEIPTS</u>				
Ad valorem taxes-Current year	\$ 7,536,288	\$ 0	\$ 806,599	\$ 8,342,887
Ad valorem taxes-Prior years	265,705	0	28,468	294,173
Interest on investments	0	3,730	0	3,730
Excess reserve and debt service funds	0	0	461	461
<i>Total receipts</i>	<u>7,801,993</u>	<u>3,730</u>	<u>835,528</u>	<u>8,641,251</u>
<u>DISBURSEMENTS</u>				
Warrants	3,218,500	1,076,158	364,500	4,659,158
Debt service	4,629,444	0	476,114	5,105,558
<i>Total disbursements</i>	<u>7,847,944</u>	<u>1,076,158</u>	<u>840,614</u>	<u>9,764,716</u>
Excess of receipts over disbursements	(45,951)	(1,072,428)	(5,086)	(1,123,465)
Liabilities and Custodial Fund Balance at:				
December 31, 2011	72,536	2,153,866	8,740	2,235,142
December 31, 2012	<u>\$ 26,585</u>	<u>\$ 1,081,438</u>	<u>\$ 3,654</u>	<u>\$ 1,111,677</u>



BOARD OF LIQUIDATION, CITY DEBT  
ACCOUNTS OF SPECIAL TAXING DISTRICTS OF NEW ORLEANS  
COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND  
CHANGES IN CUSTODIAL FUNDS-MODIFIED CASH BASIS  
YEAR ENDED DECEMBER 31, 2012

	Garden District Security Tax District	Huntington Park Improvement District	Kingswood Subdivision Improvement District	Lake Barrington Subdivision Improvement District	Lake Bullard Neighborhood Improvement District	Lake Carmel Subdivision Improvement District
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RECEIPTS

Ad valorem taxes- Current year	\$ 700,030	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Ad valorem taxes- Prior years	16,217	0	0	0	0	0
Fee-Current year	0	22,374	68,538	58,820	63,596	74,712
Fee-Prior year	0	1,848	11,167	0	6,118	8,073
Interest on investments	3,087	60	250	79	193	184
<i>Total receipts</i>	719,334	24,282	79,955	58,899	69,907	82,969

DISBURSEMENTS

Warrants	745,000	20,000	200,000	42,000	120,000	65,000
Office expenses	0	0	0	46	0	0
<i>Total disbursements</i>	745,000	20,000	200,000	42,046	120,000	65,000

Excess (Deficiency) of receipts over disbursements	(25,666)	4,282	(120,045)	16,853	(50,093)	17,969
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Custodial Fund Balance at:

December 31, 2011	1,021,697	13,743	145,567	0	66,362	36,263
December 31, 2012	\$ 996,031	\$ 18,025	\$ 25,522	\$ 16,853	\$ 16,269	\$ 54,232

Lake Forest Estates Improvement District	Lake Oaks Subdivision Improvement District	McKendall Estates Neighborhood Improvement District	Springlake Improvement District	Touro-Bouligny Security District	Twinbrook Security District	Upper Hurtsville Security District	Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 269,040	\$ 0	\$ 0	\$ 969,070
0	0	0	0	6,852	0	0	23,069
80,548	95,235	46,777	34,650	0	229,114	172,329	946,693
5,210	347	742	4,356	0	3,485	421	41,767
309	204	100	101	810	510	606	6,493
<u>86,067</u>	<u>95,786</u>	<u>47,619</u>	<u>39,107</u>	<u>276,702</u>	<u>233,109</u>	<u>173,356</u>	<u>1,987,092</u>
80,000	96,600	25,000	40,000	300,000	230,000	160,000	2,123,600
0	0	0	0	0	0	0	46
<u>80,000</u>	<u>96,600</u>	<u>25,000</u>	<u>40,000</u>	<u>300,000</u>	<u>230,000</u>	<u>160,000</u>	<u>2,123,646</u>
6,067	(814)	22,619	(893)	(23,298)	3,109	13,356	(136,554)
96,074	61,922	13,531	31,571	268,270	133,432	170,563	2,058,995
<u>\$ 102,141</u>	<u>\$ 61,108</u>	<u>\$ 36,150</u>	<u>\$ 30,678</u>	<u>\$ 244,972</u>	<u>\$ 136,541</u>	<u>\$ 183,919</u>	<u>\$ 1,922,441</u>

BOARD OF LIQUIDATION, CITY DEBT  
SCHEDULE OF BOND SALES  
DECEMBER 31, 2012

Downtown Development District Limited Tax Refunding Bonds, Series 2012

Sold: May 16, 2012      Delivered: June 13, 2012

Bonds Dated: June 13, 2012, and due December 1, 2012 through December 1, 2026

Average life of issue: 8.048253 years

Net Interest Cost: 2.68%

True Interest Cost: 2.68%

Sold to: SunTrust Equipment Finance & Leasing Corp.

Sources:

Bond Proceeds	\$ 5,485,000
Excess Debt Service Fund-DDD Tax	37,584
Excess Debt Service Reserve Fund-BP01	42,839
Total	\$ 5,565,423

Uses:

Deposit to Escrow Account	\$ 5,398,326
Deposit to Debt Service Fund-DDD Tax to Escrow Account	37,584
Deposit to Debt Service Reserve Fund-DDD Tax to Escrow Account	42,839
Cost of Issuance - Bank Discount	5,000
Cost of Issuance	81,674
Total	\$ 5,565,423

General Obligation Refunding Bonds, Series 2012

Sold: July 25, 2012      Delivered: August 28, 2012

Bonds Dated: August 28, 2012, and due December 1, 2012 through December 1, 2033

Average life of issue: 11.132 years

Net Interest Cost: 3.557265%

True Interest Cost: 3.231320%

Sold to: CitiGroup Global Markets, Inc.

Sources:

Par Amount of Bond Proceeds	\$ 167,840,000
Net Original Issue Premium	26,127,849
Underwriters Discount	(304,613)
Excess Debt Service Funds to Escrow Account	2,746,251
Total	\$ 196,409,487

Uses:

Purchase Escrow Securities	\$ 195,636,247
Assured Guaranty - Bond Insurance	222,211
Cost of Issuance	551,029
Total	\$ 196,409,487

BOARD OF LIQUIDATION, CITY DEBT  
SCHEDULE OF BONDED DEBT ADMINISTERED BY BOARD OF LIQUIDATION, CITY DEBT  
DECEMBER 31, 2012

	Date of Bonds	Final Serial Maturity	Average Annual Interest Cost
<u>GENERAL OBLIGATION BONDS (Note B.)</u>			
General Obligation Refunding Bonds, Series 1991 (Notes C. and D.)	Sep. 1, 1991	Sep. 1, 2021	7.071%
General Obligation Refunding Bonds, Series 1998 (Note D.)	Dec. 1, 1998	Dec. 1, 2026	4.948%
Public Improvement Bonds, Issue of 2001	Apr. 1, 2001	Dec. 1, 2030	5.225%
Public Improvement Bonds, Issue of 2002	Apr. 1, 2002	Dec. 1, 2031	5.307%
General Obligation Refunding Bonds, Series 2002	Apr. 1, 2002	Sep. 1, 2021	5.384%
Public Improvement Bonds, Issue of 2003 (Note D.)	Oct. 1, 2003	Oct. 1, 2033	5.021%
Public Improvement Bonds, Issue of 2004 (Note D.)	July 13, 2004	Dec. 1, 2033	5.096%
Public Improvement Bonds, Issue of 2005A	May 24, 2005	Dec. 1, 2034	4.347%
General Obligation Refunding Bonds, Series 2005	July 6, 2005	Dec. 1, 2029	5.180%
Public Improvement Bonds, Issue of 2007A	Dec. 14, 2007	Dec. 1, 2036	5.086%
Public Improvement Bonds, Issue of 2010A Taxable Build America Bonds	Jan. 19, 2010	Dec. 1, 2039	8.405%
General Obligation Refunding Bonds, Series 2012	Aug. 28, 2012	Dec. 1, 2033	3.231%
<u>LIMITED TAX BONDS (Note E.)</u>			
Series 2005	July 6, 2005	Mar. 1, 2021	4.045%
<u>DRAINAGE SYSTEM SPECIAL TAX BONDS (Note F.)</u>			
Drainage System Bonds, Series 1998 (9 mill)	Dec. 1, 1998	Dec. 1, 2018	4.838%
Series 2002 (9 mill)	Oct. 1, 2002	Dec. 1, 2022	4.457%
<u>SEWERAGE SERVICE REVENUE BONDS (Note G.)</u>			
Bond Series 1997	June 1, 1997	June 1, 2017	5.359%
Bond Series 1998	Dec. 1, 1998	June 1, 2018	4.817%
Bond Series 2000	May 1, 2000	June 1, 2020	5.478%
Bond Series 2000B	Nov. 1, 2000	June 1, 2020	5.424%
Bond Series 2001	Dec. 1, 2001	June 1, 2021	5.018%
Bond Series 2002	Dec. 1, 2002	June 1, 2022	4.362%
Bond Series 2003	Dec. 3, 2003	June 1, 2023	3.939%
Bond Series 2004	Dec. 16, 2004	June 1, 2024	4.262%
Bond Series 2009	July 14, 2009	June 1, 2029	6.282%

See accompanying notes.

Principal due 2013	Interest due 2013	Debt Service due 2013	Amount Outstanding (Note A.)
\$ 5,513,423	\$ 19,931,577	\$ 25,445,000	\$ 27,826,615
3,945,000	3,159,475	7,104,475	57,445,000
0	0	0	0
0	0	0	0
0	0	0	0
1,040,000	54,600	1,094,600	1,040,000
790,000	103,025	893,025	2,495,000
380,000	616,575	996,575	14,015,000
4,590,000	4,813,950	9,403,950	92,550,000
1,645,000	3,514,075	5,159,075	69,065,000
760,000	3,136,900	3,896,900	38,550,000
1,950,000	8,087,800	10,037,800	167,090,000
<u>\$ 20,613,423</u>	<u>\$ 43,417,977</u>	<u>\$ 64,031,400</u>	<u>\$ 470,076,615</u>
<u>\$ 1,950,000</u>	<u>\$ 1,026,250</u>	<u>\$ 2,976,250</u>	<u>\$ 21,500,000</u>
\$ 595,000	\$ 198,280	\$ 793,280	\$ 4,040,000
830,000	593,218	1,423,218	13,590,000
<u>\$ 1,425,000</u>	<u>\$ 791,498</u>	<u>\$ 2,216,498</u>	<u>\$ 17,630,000</u>
\$ 1,940,000	\$ 532,903	\$ 2,472,903	\$ 10,875,000
1,510,000	461,294	1,971,294	10,215,000
1,465,000	750,391	2,215,391	14,505,000
1,120,000	564,295	1,684,295	10,995,000
1,685,000	881,700	2,566,700	18,370,000
2,790,000	1,727,750	4,517,750	35,950,000
260,000	137,971	397,971	3,530,000
1,485,000	948,481	2,433,481	22,885,000
765,000	1,243,675	2,008,675	21,260,000
<u>\$ 13,020,000</u>	<u>\$ 7,248,460</u>	<u>\$ 20,268,460</u>	<u>\$ 148,585,000</u>

BOARD OF LIQUIDATION, CITY DEBT  
 SCHEDULE OF BONDED DEBT ADMINISTERED BY BOARD OF LIQUIDATION, CITY DEBT (CONTINUED)  
 DECEMBER 31, 2012

	Date of Bonds	Final Serial Maturity	Average Annual Interest Cost
<u>LADHH LOAN REVENUE BONDS (Note G.)</u>			
Series 2010A	Feb. 1, 2010	Feb. 1, 2031	2.950%
Series 2010B	Feb. 1, 2010	Feb. 1, 2031	2.950%
<u>SEWERAGE SERVICE REVENUE SUBORDINATE BONDS (Note G.)</u>			
LA Department of Environmental Quality Revolving Loan			
Series 2011	Nov. 22, 2011	Nov. 1, 2032	0.950%
<u>WATER REVENUE BONDS (Note H.)</u>			
Series 1998	Dec. 1, 1998	Dec. 1, 2018	4.817%
Series 2002	Oct. 1, 2002	Dec. 1, 2022	4.567%
<u>AUDUBON PARK COMMISSION BONDS .4 MILL (Note I.)</u>			
Refunding & Improvement Bonds, Series 1997			
	Jan. 1, 1997	Dec. 1, 2016	5.422%
<u>AUDUBON PARK COMMISSION AQUARIUM BONDS 3.8 MILL (Note J.)</u>			
Refunding Bonds, Series 2003A	July 9, 2003	Oct. 1, 2013	3.726%
Bond Series 2011A-1	Sept. 22, 2011	Oct. 1, 2021	3.085%
Taxable Bond Series 2011A-2	Sept. 22, 2011	Oct. 1, 2014	1.872%
<u>DOWNTOWN DEVELOPMENT DISTRICT TAX BONDS 22.97 MILL (Note K.)</u>			
Limited Tax Bonds Series 2012	June 13, 2012	Dec. 1, 2026	2.680%

See accompanying notes.

Principal due 2013	Interest due 2013	Debt Service due 2013	Amount Outstanding (Note A.)
\$ 34,000	\$ 22,006	\$ 56,006	\$ 747,000
56,000	36,642	92,642	1,563,000
<u>\$ 90,000</u>	<u>\$ 58,648</u>	<u>\$ 148,648</u>	<u>\$ 2,310,000</u>
<u>\$ 411,000</u>	<u>\$ 85,500</u>	<u>\$ 496,500</u>	<u>\$ 9,000,000</u>
\$ 965,000	\$ 315,630	1,280,630	\$ 6,535,000
1,470,000	1,177,750	2,647,750	23,555,000
<u>\$ 2,435,000</u>	<u>\$ 1,493,380</u>	<u>\$ 3,928,380</u>	<u>\$ 30,090,000</u>
<u>\$ 310,000</u>	<u>\$ 69,940</u>	<u>\$ 379,940</u>	<u>\$ 1,345,000</u>
\$ 2,695,000	\$ 134,750	\$ 2,829,750	\$ 2,695,000
0	1,089,150	1,089,150	24,370,000
0	10,710	10,710	630,000
<u>\$ 2,695,000</u>	<u>\$ 1,234,610</u>	<u>\$ 3,929,610</u>	<u>\$ 27,695,000</u>
<u>\$ 305,000</u>	<u>\$ 139,494</u>	<u>\$ 444,494</u>	<u>\$ 5,205,000</u>

BOARD OF LIQUIDATION, CITY DEBT  
 SCHEDULE OF BONDED DEBT ADMINISTERED BY BOARD OF LIQUIDATION, CITY DEBT (CONTINUED)  
 DECEMBER 31, 2012

	Date of Bonds	Date of Defeasance	Date of Calls or Final Maturity
<u>DEFEASED BONDS - DEBT SERVICE</u>			
<u>GUARANTEED BY ESCROW AGREEMENTS</u>			
GENERAL OBLIGATION BONDS-			
DEFEASED (Note L.)			
Public Improvement Bonds, Issue of 2003	Oct. 1, 2003	Aug. 28, 2012	Dec. 1, 2013
Public Improvement Bonds, Issue of 2004	July 13, 2004	Aug. 28, 2012	Dec. 1, 2014

	Date of Bonds	Escrow Established	Date of Final Capitalized Interest Payment
<u>CAPITALIZED INTEREST PAYMENTS-</u>			
<u>DEBT SERVICE GUARANTEED</u>			
<u>BY ESCROW AGREEMENT</u>			

AUDUBON PARK COMMISSION AQUARIUM-  
 CAPITALIZED INTEREST (Note M.)

Audubon Park Commission Aquarium Series 2011A-2 Taxable	Oct. 1, 2011	Oct. 1, 2011	Oct. 1, 2013
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See accompanying notes.



Principal due 2013	Interest and Premium due 2013	Debt Service due 2013	Amount Outstanding (Note A.)
\$ 33,350,000	\$ 1,667,500	\$ 35,017,500	\$ 33,350,000
0	1,343,763	1,343,763	25,975,000
<u>\$ 33,350,000</u>	<u>\$ 3,011,263</u>	<u>\$ 36,361,263</u>	<u>\$ 59,325,000</u>

Principal due 2013	Interest and Premium due 2013	Debt Service due 2013	Amount Outstanding (Note A.)
\$ 0	\$ 296,771	\$ 296,771	\$ 0

BOARD OF LIQUIDATION, CITY DEBT  
NOTES TO SCHEDULE OF BONDED DEBT ADMINISTERED  
BY BOARD OF LIQUIDATION, CITY DEBT  
DECEMBER 31, 2012

- Note A. Amount Outstanding - Amount excludes balances recorded as liabilities in the Combining Statement of Assets, Liabilities, and Custodial, Debt Service and Reserve Funds-Modified Cash Basis
- Note B. General Obligation Bonds - Legal Debt Limit: \$1,232,669,000; Debt Service Coverage: Unlimited Ad Valorem Tax Levy; Reserve Fund: Sufficient to cover 1/2 of the high year's Principal and Interest due.
- Note C. General Obligation Bonds, Series 1991 - A portion of these Issues Refunded in 1998 and 2002. Debt Service guaranteed by Escrow Agreement.
- Note D. General Obligation Refunding Bonds, Series 1998, Public Improvement, Issue 2003, and Public Improvement, Series 2004 - A portion of these Issues Refunded in 2012. Debt Service guaranteed by Escrow Agreement.
- Note E. Limited Tax Bonds - Debt Service Coverage: 2012 Tax Yield 100% of Debt Service due.
- Note F. Drainage System Bonds - Debt Service Coverage: 2012 Tax Yield 810% of Debt Service Due- 9 mill
- Note G. Sewerage Service Revenue Bonds - Bond Debt Service Coverage: Rates sufficient to produce revenues over and above the amount required for operation and maintenance of the system which shall be not less than 130% of the maximum of Debt Service due in any calendar year on all outstanding bonds. Bond Reserve Fund: 125% average aggregate debt service. LADHH Loan Revenue Bonds 2010A and B are payable February and August as loan proceeds are drawn from Louisiana Department of Health and Hospitals Drinking Water Revolving Loan Fund. At December 31, 2012, \$3,113,511 was drawn from the loan fund. LADEQ Sewerage Service Subordinate Revenue Bonds, Series 2011 payable May and November as loan proceeds drawn not to exceed \$9,000,000 from the LA State Revolving Loan Program. At December 31, 2012, \$7,471,505 was drawn from the loan fund.
- Note H. Water Revenue Bonds - Debt Service Coverage: Rates sufficient to produce revenues over and above the amount required for operation and maintenance of the system which shall be not less than 130% of the maximum of Debt Service due in any calendar year on all outstanding bonds. Reserve Fund: Highest year's principal and interest due.
- Note I. Audubon Park Commission .4 Mill Bonds - Debt Service Coverage: 2012 Tax Yield 212% of Debt Service due. Reserve Fund: Sufficient to cover 1/2 of high year's Principal and Interest due.
- Note J. Audubon Park Commission 3.8 Mill Bonds - Debt Service Coverage: 2012 Tax Yield 192% of Debt Service due. Reserve Fund: None.
- Note K. Downtown Development District Bonds - Debt Service Coverage: 2012 Tax Yield 1,190% of Debt Service due. Reserve Fund: Sufficient to cover 1/2 of the high year's Principal and Interest due. This issue was used to refund the outstanding portion of Downtown Development District Bonds, Series 2001.
- Note L. General Obligation Bonds - Defeased: Only a portion are refunded in 2012. Defeased bonds are not obligations of the City of New Orleans.
- Note M. Audubon Park Commission Aquarium Bonds, Series 2011A-2 Taxable: An Escrow with the Bank of New York Mellon was created on September 22, 2011, to pay debt service due with capitalized interest payments from escrow on April 1, 2012, October 1, 2012, April 1, 2013, and October 1, 2013.

BOARD OF LIQUIDATION, CITY DEBT  
 SCHEDULE OF DEDICATED AD VALOREM TAX MILLAGE  
 AVAILABLE FOR SERVICING OF BONDED DEBT  
 DECEMBER 31, 2012

	1993 through 2002
<u>DEBT SERVICE</u>	26.90
<u>CAPITAL IMPROVEMENT LIMITED TAX (Note B.)</u>	2.50
<u>SEWERAGE &amp; WATER BOARD:</u>	
Construction & Extension of Sewerage, Water & Drainage System (Tax expired 12/31/91)	N/A
Operation, Maintenance and Construction & Extension of Drainage System	6.40
Operation, Maintenance and Construction of Drainage System	6.48
Operation, Maintenance and Construction of Drainage System	9.71
<u>AUDUBON PARK COMMISSION:</u>	
Audubon Park Zoo	0.44
Audubon Park Aquarium (Note C.)	4.11
<u>DOWNTOWN DEVELOPMENT DISTRICT</u>	15.90

See accompanying notes.

Millage (Note A.)

2003 through <u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	2010 through <u>2013</u>
28.40	38.20	31.70	23.80	23.80	25.50
2.50	2.50	2.50	1.82	1.82	1.82
N/A	N/A	N/A	N/A	N/A	N/A
6.40	6.40	6.40	4.66	4.54	4.66
6.48	6.48	6.48	4.71	4.60	4.71
9.71	9.71	9.71	7.06	6.89	7.06
0.44	0.44	0.44	0.32	0.32	0.32
4.11	4.11	4.11	2.99	2.99	2.99
15.90	15.90	15.90	14.76	14.76	14.76

BOARD OF LIQUIDATION, CITY DEBT  
NOTES TO SCHEDULE OF DEDICATED AD VALOREM TAX MILLAGE  
AVAILABLE FOR SERVICING OF BONDED DEBT  
DECEMBER 31, 2012

- Note A. Millage is approved in December of each year by the City Council of New Orleans for the new tax year.
- Note B. The 2.5 mills for Capital Improvement Limited Tax is in effect for the first time in 1996.
- Note C. The 3.8 mills for Audubon Park Aquarium was in effect for the first time in 1987.

BOARD OF LIQUIDATION, CITY DEBT  
 SCHEDULE OF SEWERAGE & WATER BOARD MATURED BONDS-DEBT ADMINISTRATION  
 DECEMBER 31, 2012

	Sewerage, Water & Drainage Bonds 2 mill *	Drainage System Bonds 3 mill 6.40	Total
<u>ASSETS</u>			
Cash	\$ 30,243	\$ 6,899	\$ 37,142
<i>Total Assets</i>	\$ 30,243	\$ 6,899	\$ 37,142
<u>LIABILITIES</u>			
Interest payable	\$ 10,243	\$ 1,899	\$ 12,142
Principal payable	20,000	5,000	25,000
<i>Total Liabilities</i>	\$ 30,243	\$ 6,899	\$ 37,142

\* Tax expired December 31, 1991.

BOARD OF LIQUIDATION, CITY DEBT  
 SCHEDULE OF DEFEASED BONDS-DEBT ADMINISTRATION  
 COMBINING SCHEDULE OF ASSETS AND LIABILITIES-MODIFIED CASH BASIS  
 DECEMBER 31, 2012

	General Obligation Bonds	Sewerage Service Revenue Bonds	Water Revenue Bonds	Audubon Park Commission Improve- ment Bonds	Downtown Develop- ment District	Total
<u>ASSETS</u>						
Cash	\$ 38,678	\$ 14,320	\$ 7,795	\$ 2,219	\$ 0	\$ 63,012
<u>LIABILITIES</u>						
Interest payable	\$ 15,463	\$ 1,785	\$ 7,795	\$ 2,219	\$ 0	\$ 27,262
Principal payable	23,215	12,535	0	0	0	35,750
<i>Total Liabilities</i>	<u>\$ 38,678</u>	<u>\$ 14,320</u>	<u>\$ 7,795</u>	<u>\$ 2,219</u>	<u>\$ 0</u>	<u>\$ 63,012</u>

BOARD OF LIQUIDATION, CITY DEBT  
 SCHEDULE OF DEFEASED BONDS-DEBT ADMINISTRATION  
 COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN  
 LIABILITIES - MODIFIED CASH BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	General Obligation Bonds	Sewerage Service Revenue Bonds
	Bonds	Bonds
<u>RECEIPTS</u>		
Debt service funds-Escrow Interest	\$ 4,259,657	\$ 0
Debt service funds-Escrow Principal	127,920,000	0
<i>Total Receipts</i>	132,179,657	0
<u>DISBURSEMENTS</u>		
Interest on refunded bonds	4,259,657	0
Principal on refunded bonds	127,920,000	0
<i>Total Disbursements</i>	132,179,657	0
Excess of receipts over disbursements	0	0
December 31, 2011	38,678	14,320
December 31, 2012	\$ 38,678	\$ 14,320



Water Revenue Bonds	Audubon Park Commission Improvement Bonds	Downtown Development District	Total
\$ 0	\$ 0	\$ 28,750	\$ 4,288,407
0	0	5,450,000	133,370,000
0	0	5,478,750	137,658,407
525	0	28,750	4,288,932
0	0	5,450,000	133,370,000
525	0	5,478,750	137,658,932
(525)	0	0	(525)
8,320	2,219	0	63,537
\$ 7,795	\$ 2,219	\$ 0	\$ 63,012

BOARD OF LIQUIDATION, CITY DEBT  
SCHEDULE OF ITEMIZED DISBURSEMENTS-INTEREST, PREMIUM AND PRINCIPAL PAID  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Interest Paid	
	Debt Service Fund	Federal Subsidy Taxable BAB
<b>BONDS</b>		
<u>GENERAL OBLIGATION BONDS</u>		
Street Improvement Bonds, Series D	\$ 2,160	\$ 0
Public Improvement Bonds, Issue of 2001	497,593	0
Public Improvement Bonds, Issue of 2002	751,709	0
Public Improvement Bonds, Issue of 2003	941,113	0
Public Improvement Bonds, Issue of 2004	804,906	0
Public Improvement Bonds, Issue of 2005A	636,650	0
Public Improvement Bonds, Issue of 2007A	3,593,075	0
Public Improvement Bonds, Issue of 2010A	2,065,500	1,112,192
General Obligation Refunding Bonds, Series 1991	19,473,059	0
General Obligation Refunding Bonds, Series 1998	3,908,981	0
General Obligation Refunding Bonds, Series 2002	1,509,384	0
General Obligation Refunding Bonds, Series 2005	5,032,450	0
General Obligation Refunding Bonds, Series 2012	2,093,223	0
<i>Total General Obligation Bonds</i>	41,309,803	1,112,192
<u>SPECIAL TAX BONDS</u>		
Limited Tax Bonds, Series 2005	1,112,200	0
<u>SEWER &amp; WATER BOARD SPECIAL TAX BONDS</u>		
Drainage System Bonds, Series 1998	224,785	0
Drainage System Bonds, Series 2002	621,263	0
Total Drainage System 9 mill bonds	846,048	0
<u>SEWER &amp; WATER BOARD REVENUE BONDS</u>		
Sewerage Service Revenue Bonds, Series 1997	632,128	0
Sewerage Service Revenue Bonds, Series 1998	530,194	0
Sewerage Service Revenue Bonds, Series 2000	826,984	0
Sewerage Service Revenue Bonds, Series 2000B	619,355	0
Sewerage Service Revenue Bonds, Series 2001	960,093	0
Sewerage Service Revenue Bonds, Series 2002	1,863,625	0
Sewerage Service Revenue Bonds, Series 2003	150,721	0
Sewerage Service Revenue Bonds, Series 2004	1,004,100	0
Sewerage Service Revenue Bonds, Series 2009	1,275,488	0
Total Sewerage Service Revenue Bonds	7,862,688	0
Water Revenue Bonds, Series 1998	358,643	0
Water Revenue Bonds, Series 2002	1,233,750	0
Total Water Revenue Bonds	\$ 1,592,393	\$ 0

Total Interest	Premium Paid	Principal Paid	Total Interest, Premium and Principal
	Debt Service Fund	Debt Service Fund	
\$ 2,160	\$ 0	\$ 8,000	\$ 10,160
497,593	0	0	497,593
751,709	0	820,000	1,571,709
941,113	0	1,005,000	1,946,113
804,906	0	750,000	1,554,906
636,650	0	365,000	1,001,650
3,593,075	0	1,580,000	5,173,075
3,177,692	0	735,000	3,912,692
19,473,059	0	5,971,942	25,445,001
3,908,981	0	3,715,000	7,623,981
1,509,384	0	0	1,509,384
5,032,450	0	4,370,000	9,402,450
2,093,223	0	750,000	2,843,223
<u>42,421,995</u>	<u>0</u>	<u>20,069,942</u>	<u>62,491,937</u>
1,112,200	0	1,860,000	2,972,200
224,785	0	570,000	794,785
621,263	0	790,000	1,411,263
<u>846,048</u>	<u>0</u>	<u>1,360,000</u>	<u>2,206,048</u>
632,128	0	1,840,000	2,472,128
530,194	0	1,445,000	1,975,194
826,984	0	1,385,000	2,211,984
619,355	0	1,060,000	1,679,355
960,093	0	1,615,000	2,575,093
1,863,625	0	2,645,000	4,508,625
150,721	0	250,000	400,721
1,004,100	0	1,430,000	2,434,100
1,275,488	0	730,000	2,005,488
<u>7,862,688</u>	<u>0</u>	<u>12,400,000</u>	<u>20,262,688</u>
358,643	0	925,000	1,283,643
1,233,750	0	1,400,000	2,633,750
<u>\$ 1,592,393</u>	<u>\$ 0</u>	<u>\$ 2,325,000</u>	<u>\$ 3,917,393</u>

BOARD OF LIQUIDATION, CITY DEBT  
SCHEDULE OF ITEMIZED DISBURSEMENTS-INTEREST, PREMIUM AND PRINCIPAL PAID (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Interest Paid	
	Debt Service Fund	Federal Subsidy Taxable BAB
<u>LADHH LOAN REVENUE BONDS</u>		
Revenue Bonds, Series 2010A, Taxable ARRA	\$ 18,930	\$ 0
Revenue Bonds, Series 2010B, Taxable ARRA	26,723	0
Total Revenue Bonds-LADHH	45,653	0
<u>SEWERAGE &amp; WATER BOARD SUBORDINATE REVENUE BONDS</u>		
Sewerage Revenue Subordinate Bonds, Series 2011	9,952	0
<u>AUDUBON COMMISSION SPECIAL TAX BONDS</u>		
Audubon Park Commission Improvement Bonds, Series 1997	84,730	0
Audubon Park Commission Aquarium Bonds, Series 2003A	263,000	0
Audubon Park Commission Aquarium Bonds, Series 2011A-1	1,116,379	0
Audubon Park Commission Aquarium Bonds, Series 2011A-2	10,978	0
Total Audubon Park Commission Aquarium Bonds	1,390,357	0
<u>DOWNTOWN DEVELOPMENT DISTRICT SPECIAL TAX BONDS</u>		
Downtown Development District Special Tax Bonds, Series 2001	136,184	0
Downtown Development District Special Tax Bonds, Series 2012	68,599	0
Total Downtown Development District Bonds	204,783	0
<u>DEFEASED BONDS</u>		
<u>GENERAL OBLIGATION DEFEASED BONDS</u>		
General Obligation Refunding Bonds, Series 1998	266,533	0
General Obligation Refunding Bonds, Series 2002	1,534,541	0
Public Improvement Bonds, Issue of 2001	243,268	0
Public Improvement Bonds, Issue of 2002	709,684	0
Public Improvement Bonds, Issue of 2003	833,750	0
Public Improvement Bonds, Issue of 2004	671,881	0
Total General Obligation Defeased Bonds	4,259,657	0
<u>SEWER &amp; WATER BOARD REVENUE BONDS</u>		
Water Revenue Bonds, Series E	525	0
<u>DOWNTOWN DEVELOPMENT DISTRICT SPECIAL TAX BONDS</u>		
Downtown Development District Special Tax Bonds, Series 2001	\$ 28,750	\$ 0
 <i>Total Itemized Disbursements-Interest, Principal and Premium Paid excluding GO Zone Loan Payments</i>	 \$ 58,747,539	 \$ 1,112,192

	Premium Paid	Principal Paid	
Total Interest	Debt Service Fund	Debt Service Fund	Total Interest, Premium and Principal
\$ 18,930	\$ 0	\$ 53,000	\$ 71,930
26,723	0	37,000	63,723
<u>45,653</u>	<u>0</u>	<u>90,000</u>	<u>135,653</u>
9,952	0	0	9,952
84,730	0	290,000	374,730
263,000	0	2,565,000	2,828,000
1,116,379	0	0	1,116,379
10,978	0	0	10,978
<u>1,390,357</u>	<u>0</u>	<u>2,565,000</u>	<u>3,955,357</u>
136,184	0	0	136,184
68,599	0	280,000	348,599
<u>204,783</u>	<u>0</u>	<u>280,000</u>	<u>484,783</u>
266,533	0	22,955,000	23,221,533
1,534,541	0	58,415,000	59,949,541
243,268	0	19,610,000	19,853,268
709,684	0	26,940,000	27,649,684
833,750	0	0	833,750
671,881	0	0	671,881
<u>4,259,657</u>	<u>0</u>	<u>127,920,000</u>	<u>132,179,657</u>
525	0	0	525
\$ 28,750	0	\$ 5,450,000	\$ 5,478,750
<u>\$ 59,859,731</u>	<u>\$ 0</u>	<u>\$ 174,609,942</u>	<u>\$ 234,469,673</u>

BOARD OF LIQUIDATION, CITY DEBT  
 SCHEDULE OF ITEMIZED DISBURSEMENTS-INTEREST, PREMIUM AND PRINCIPAL PAID (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Interest Paid	
Debt Service Fund	Federal Subsidy Taxable BAB	
<b>GO ZONE LOAN PAID TO LA DEPARTMENT OF ADMINISTRATION</b>		
<u>GENERAL OBLIGATION BONDS</u>		
General Obligation Bonds	\$ 1,146,709	\$ 0
 <u>SPECIAL TAX BONDS</u>		
Limited Tax Bonds, Series 2005	134,730	0
 <u>SEWER &amp; WATER BOARD SPECIAL TAX BONDS</u>		
Drainage System Bonds, Series 1998	71,528	0
Drainage System Bonds, Series 2002	129,757	0
Total Drainage System 9 mill bonds	201,285	0
 <u>SEWER &amp; WATER BOARD REVENUE BONDS</u>		
Sewerage Service Revenue Bonds, Series 1997	232,916	0
Sewerage Service Revenue Bonds, Series 1998	184,033	0
Sewerage Service Revenue Bonds, Series 2000	129,757	0
Sewerage Service Revenue Bonds, Series 2000B	155,996	0
Sewerage Service Revenue Bonds, Series 2001	246,216	0
Sewerage Service Revenue Bonds, Series 2002	412,636	0
Sewerage Service Revenue Bonds, Series 2003	23,004	0
Sewerage Service Revenue Bonds, Series 2004	231,119	0
Sewerage Service Revenue Bonds, Series 2009	1,461,478	0
Total Sewerage Service Revenue Bonds	3,077,155	0
 Water Revenue Bonds, Series 1998	 115,380	 0
Water Revenue Bonds, Series 2002	200,567	0
Total Water Revenue Bonds	315,947	0
 <u>AUDUBON COMMISSION SPECIAL TAX BONDS</u>		
Audubon Commission Improvement Bonds .44 Mills	50,633	0
Audubon Commission Aquarium Bonds 4.11 Mills	499,254	0
Total Audubon Commission Special Bonds	549,887	0
 <u>DOWNTOWN DEVELOPMENT DISTRICT SPECIAL TAX BONDS</u>		
Downtown Development District Special Tax Bonds	74,247	0
 <i>Total GO Zone Paid to LA Department of Administration</i>	 <i>\$ 5,499,960</i>	 <i>\$ 0</i>
 <i>Total Itemized Disbursements-Interest, Principal and Premium Paid</i>	 <i>\$ 64,247,499</i>	 <i>\$ 1,112,192</i>

	Premium Paid	Principal Paid	
Total Interest	Debt Service Fund	Debt Service Fund	Total Interest, Premium and Principal
\$ 1,146,709	\$ 0	\$ 1,176,666	\$ 2,323,375
134,730	0	138,250	272,980
71,528	0	73,389	144,917
129,757	0	133,016	262,773
201,285	0	206,405	407,690
232,916	0	238,955	471,871
184,033	0	188,684	372,717
129,757	0	133,314	263,071
155,996	0	160,022	316,018
246,216	0	252,787	499,003
412,636	0	423,420	836,056
23,004	0	23,671	46,675
231,119	0	237,151	468,270
1,461,478	0	1,499,784	2,961,262
3,077,155	0	3,157,788	6,234,943
115,380	0	118,197	233,577
200,567	0	205,901	406,468
315,947	0	324,098	640,045
50,633	0	51,956	102,589
499,254	0	512,297	1,011,551
549,887	0	564,253	1,114,140
74,247	0	76,187	150,434
\$ 5,499,960	\$ 0	\$ 5,643,647	\$ 11,143,607
\$ 65,359,691	\$ 0	\$ 180,253,589	\$ 245,613,280

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## INDEPENDENT AUDITOR'S REPORT

### 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

Mrs. Mary K. Zervigon, President, and Members  
Board of Liquidation, City Debt  
New Orleans, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Board of Liquidation, City Debt as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Board of Liquidation, City Debt's basic financial statements, and have issued our report thereon dated March 22, 2013.

#### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board of Liquidation, City Debt'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board of Liquidation, City Debt's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board of Liquidation, City Debt's internal control.

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 a 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 *signification 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.



Mrs. Mary K. Zervigon, President, and Members  
Board of Liquidation, City Debt

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. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board of Liquidation, City Debt's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Paciera, Gautreau & Priest, LLC*

March 22, 2013