



**CITY OF NEW ORLEANS
BOARD OF LIQUIDATION
CITY DEBT
ANNUAL STATEMENT
DECEMBER 31, 2013**

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BOARD OF LIQUIDATION, CITY DEBT
NEW ORLEANS, LOUISIANA
DECEMBER 31, 2013

TABLE OF CONTENTS

	<u>Page</u>
<u>COMPOSITION AND AUTHORITY OF THE BOARD OF LIQUIDATION, CITY DEBT</u>	3
<u>LETTER OF TRANSMITTAL</u>	4
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS</u>	5-11
<u>INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS</u>	12-14
<u>FINANCIAL STATEMENTS</u>	
COMBINING STATEMENT OF ASSETS, LIABILITIES, AND NET POSITION - MODIFIED CASH BASIS.....	15
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN NET POSITION - MODIFIED CASH BASIS.....	16
<u>NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS</u>	17-25
<u>SUPPLEMENTAL INFORMATION</u>	
DEBT ADMINISTRATION COMBINING SCHEDULE OF ASSETS, LIABILITIES, AND NET POSITION - MODIFIED CASH BASIS.....	26
ACCOUNT OF SEWERAGE & WATER BOARD OF NEW ORLEANS COMBINING SCHEDULE OF ASSETS, LIABILITIES AND NET POSITION - MODIFIED CASH BASIS.....	27
ACCOUNT OF DOWNTOWN DEVELOPMENT DISTRICT OF NEW ORLEANS COMBINING SCHEDULE OF ASSETS, LIABILITIES AND NET POSITION - MODIFIED CASH BASIS.....	28
ACCOUNT OF AUDUBON PARK COMMISSION OF NEW ORLEANS COMBINING SCHEDULE OF ASSETS AND NET POSITION - MODIFIED CASH BASIS.....	29
ACCOUNTS OF SPECIAL TAXING DISTRICTS OF NEW ORLEANS COMBINING SCHEDULE OF ASSETS AND NET POSITION - MODIFIED CASH BASIS.....	30
DEBT ADMINISTRATION COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN NET POSITION - MODIFIED CASH BASIS.....	31
ACCOUNT OF SEWERAGE & WATER BOARD OF NEW ORLEANS COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN NET POSITION - MODIFIED CASH BASIS.....	32

BOARD OF LIQUIDATION, CITY DEBT
NEW ORLEANS, LOUISIANA
DECEMBER 31, 2013

TABLE OF CONTENTS (Continued)

	<u>Page</u>
<u>SUPPLEMENTAL INFORMATION (Continued)</u>	
ACCOUNT OF DOWNTOWN DEVELOPMENT DISTRICT OF NEW ORLEANS COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN NET POSITION - MODIFIED CASH BASIS.....	33
ACCOUNT OF AUDUBON PARK COMMISSION OF NEW ORLEANS COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN NET POSITION - MODIFIED CASH BASIS.....	34
ACCOUNTS OF SPECIAL TAXING DISTRICTS OF NEW ORLEANS COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN NET POSITION - MODIFIED CASH BASIS.....	35
SCHEDULE OF BOND SALES	36
SCHEDULE OF BONDED DEBT ADMINISTERED BY THE BOARD OF LIQUIDATION, CITY DEBT.....	37-39
NOTES TO SCHEDULE OF BONDED DEBT ADMINISTERED BY THE BOARD OF LIQUIDATION, CITY DEBT.....	40
SCHEDULE OF DEDICATED AD VALOREM TAX MILLAGE AVAILABLE FOR SERVICING OF BONDED DEBT.....	41
NOTES TO SCHEDULE OF DEDICATED AD VALOREM TAX MILLAGE AVAILABLE FOR SERVICING OF BONDED DEBT.....	42
SEWERAGE & WATER BOARD MATURED BONDS - DEBT ADMINISTRATION COMBINING SCHEDULE OF ASSETS AND LIABILITIES - MODIFIED CASH BASIS.....	43
DEFEASED BONDS - DEBT ADMINISTRATION COMBINING SCHEDULE OF ASSETS, LIABILITIES AND NET POSITION - MODIFIED CASH BASIS.....	44
SCHEDULE OF ITEMIZED DISBURSEMENTS - INTEREST, PREMIUM AND PRINCIPAL PAID.....	45-47
<u>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</u>	<u>48-49</u>

**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

Beirne, Maynard & Parsons, LLP

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
Stacy S. Head, Council at Large Ex-Officio
Mitchell J. Landrieu, Mayor Ex-Officio

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ALAN C. ARNOLD
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, 2014

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, 2013, 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 Subdivision 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, 2013

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 year ended December 31, 2013. The Board's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures 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 include:

- The Combining Statement of Assets, Liabilities, and Net Position - Modified Cash Basis
- Combining Statement of Cash Receipts, Disbursements and Changes in Net Position - 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.

BOARD OF LIQUIDATION, CITY DEBT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)
DECEMBER 31, 2013

Basic Financial Statements

The Combining Statement of Assets, Liabilities, and Net Position - Modified Cash Basis presents 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 Net Position - Modified Cash Basis, reports the Board's inflows and outflows of cash and other changes in net position. 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.

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, and Net Position - Modified Cash Basis for all activities administered by the Board
- Combining Schedules of Cash Receipts, Disbursements and Changes in Net Position - Modified Cash Basis 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.

BOARD OF LIQUIDATION, CITY DEBT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)
DECEMBER 31, 2013

Financial Analysis of the Board's Funds

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

Fiduciary Funds

The Restricted Net Position Debt service and reserve funds in the Debt Administration section of the financial report have a balance of \$72,988,487. The Tax Credit Bond loan payable balance of \$96,288,138 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 in July of 2006. 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 2013 millage levy is 25.5 mills, remaining the same as 2012.

The following table provides a summary of the Board's Assets, Liabilities, and Net Position and the related changes in Receipts over Disbursements:

	Debt Administration		
	2013	2012	Changes
Assets	\$ 98,160,805	\$ 95,790,110	\$ 2,370,695
Liabilities	<u>25,172,318</u>	<u>26,570,229</u>	<u>(1,397,911)</u>
Net Position	<u>\$ 72,988,487</u>	<u>\$ 69,219,881</u>	<u>\$ 3,768,606</u>
Receipts	\$ 192,520,865	\$ 449,484,574	\$ (256,963,709)
Disbursements	<u>190,150,170</u>	<u>448,137,450</u>	<u>(257,987,280)</u>
Excess of Receipts Over (Under) Disbursements	<u>\$ 2,370,695</u>	<u>\$ 1,347,124</u>	<u>\$ 1,023,571</u>

BOARD OF LIQUIDATION, CITY DEBT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)
DECEMBER 31, 2013

	Custodial Funds		
	2013	2012	Changes
Assets	\$ 9,309,965	\$ 21,456,370	\$ (12,146,405)
Liabilities	<u>71,361,773</u>	<u>86,587,676</u>	<u>(15,225,903)</u>
Net Position	<u>\$ (62,051,808)</u>	<u>\$ (65,131,306)</u>	<u>\$ 3,079,498</u>
Receipts	\$ 65,023,345	\$ 68,058,282	\$ (3,034,937)
Disbursements	<u>77,169,750</u>	<u>89,626,746</u>	<u>(12,456,996)</u>
Excess of Receipts Over (Under) Disbursements	<u>\$ (12,146,405)</u>	<u>\$ (21,568,464)</u>	<u>\$ 9,422,059</u>
	Totals		
	2013	2012	Changes
Assets	\$ 107,470,770	\$ 117,246,480	\$ (9,775,710)
Liabilities	<u>96,534,091</u>	<u>113,157,905</u>	<u>(16,623,814)</u>
Net Position	<u>\$ 10,936,679</u>	<u>\$ 4,088,575</u>	<u>\$ 6,848,104</u>
Receipts	\$ 257,544,210	\$ 517,542,856	\$ (259,998,646)
Disbursements	<u>267,319,920</u>	<u>537,764,196</u>	<u>(270,444,276)</u>
Excess of Receipts Over (Under) Disbursements	<u>\$ (9,775,710)</u>	<u>\$ (20,221,340)</u>	<u>\$ 10,445,630</u>

Key Changes in Assets and Liabilities include:

- Assets increased \$2,370,695 in debt administration due to additional general obligation bond ad valorem tax receipts.
- Assets decreased \$12,146,405 in the custodial accounts due to payment and transfer of debt.

BOARD OF LIQUIDATION, CITY DEBT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)
DECEMBER 31, 2013

Key changes in Receipts include:

Debt Administration

- Current year ad valorem tax receipts increased \$5,350,474 due to the increase in assessments.
- Bond proceeds decreased \$296,697,304 due to the refunding in 2012 which was not present in 2013.
- Debt service funds increased \$34,540,677.
- Interest on investments increased \$29,956 due to the increase in tax collections.

Custodial Accounts

- Current year ad valorem taxes increased \$3,938,238 due to the increase in assessments.
- Interest on investments decreased \$24,272.
- Revenue Sharing - State of Louisiana increased \$175,221.
- Bond proceeds decreased \$6,896,679.
- Fee - Current year increased \$25,095.
- Fee - Prior years increased \$1,644.

Key changes in Disbursements include:

Debt Administration

- Interest payments decreased \$275,842. This decrease follows the payments required under the debt service schedules.
- Principal payments on bonds decreased \$95,761,652. The majority of this decrease was due to refunded bonds called in 2013.
- Funds returned to the City of New Orleans, Sewerage & Water Board, and Audubon Park Commission increased by \$39,710,740. The increase is due to the new Public Improvement Bond proceeds being transferred to the City Treasury.
- Cost of Issuance decreased \$623,154 as a function of less bonds sold in 2013 versus 2012.

BOARD OF LIQUIDATION, CITY DEBT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)
DECEMBER 31, 2013

- Personal services increased \$27,804. This is mainly due to an employee retiring and being paid for accumulated annual and sick leave.
- Purchase of securities decreased \$201,114,997. There was no purchase of escrow securities in 2013. There was a large amount of escrow securities purchased in 2012 due to the refunding of bonds.
- Administrative costs related to the Louisiana Department of Health and Hospitals Loan Revenue Bonds increased \$30,483. This is mainly due to additional work needed to pay down the balances due.

Custodial Accounts

- Warrants paid increased \$12,131,007.
- Debt service decreased \$326,060.

Bond Ratings

Bond ratings for the General Obligation Bonds of the City of New Orleans at December 31, 2013 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.

Long-term Debt Administration

At the end of the year, the Board administers total bonded debt outstanding of \$529,463,192 in General Obligation Bonds and \$19,550,000 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 is 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 sold to the Louisiana Department of Health and Hospitals.

BOARD OF LIQUIDATION, CITY DEBT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)
DECEMBER 31, 2013

Outstanding bonds administered by the Board at December 31, 2013 and 2012 are as follows:

City of New Orleans:	2013	2012
General Obligation Bonds	\$ 529,463,192	\$ 470,076,615
Limited Tax Bonds	19,550,000	21,500,000
	549,013,192	491,576,615
Sewerage & Water Board of New Orleans:		
Drainage System Special Tax Bonds	16,205,000	17,630,000
Sewerage Service Revenue Bonds	135,565,000	148,585,000
Sewerage Service Revenue Bonds Louisiana Department of Health and Hospitals Sewerage Service Subordinate Revenue	3,740	2,310,000
Bonds Louisiana Department of Environmental Quality	8,420,402	9,000,000
Water Revenue Bonds	27,655,000	30,090,000
	187,849,142	207,615,000
Audubon Park Commission:		
Audubon Park Improvement Bonds	1,035,000	1,345,000
Audubon Aquarium Bonds	25,000,000	27,695,000
	26,035,000	29,040,000
Downtown Development District:		
Downtown Development District Bonds	4,900,000	5,205,000
	\$ 767,797,334	\$ 733,436,615

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.bolcd.com.

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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, 2013, and the related notes to the financial statements which collectively comprise the Board's basic financial statements as listed in the table of contents.

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 from 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

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

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, 2013, 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

Required Supplementary Information

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 12 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board of Liquidation, City Debt's basic financial statements. The Composition and Authority of the Board of Liquidation, City Debt, the Letter of Transmittal, and the accompanying supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 supplementary information is fairly stated in all material respects in relation to the basic 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.

A handwritten signature in black ink that reads "Paciera, Gautreau & Priest, LLC". The signature is written in a cursive, flowing style.

March 24, 2014

FINANCIAL STATEMENTS

BOARD OF LIQUIDATION, CITY DEBT
 COMBINING STATEMENT OF ASSETS, LIABILITIES
 AND NET POSITION - MODIFIED CASH BASIS
 DECEMBER 31, 2013

	Debt Administration	Account of Sewerage & Water Board
<u>ASSETS</u>		
Cash	\$ 513,020	\$ 216,476
Money market accounts	97,647,785	4,628,020
<i>Total Assets</i>	\$ 98,160,805	\$ 4,844,496
 <u>LIABILITIES AND NET POSITION</u>		
LIABILITIES:		
Interest payable	\$ 87,778	\$ 0
Principal payable	158,175	0
Tax Credit Bond loan payable	24,926,365	69,917,529
<i>Total Liabilities</i>	25,172,318	69,917,529
 NET POSITION:		
Restricted for:		
Debt service:		
Reserve funds	54,005,893	0
Debt service funds	18,982,594	0
Other purposes:		
Custodial funds (deficit)	0	(65,073,033)
<i>Total Net Position</i>	72,988,487	(65,073,033)
<i>Total Liabilities and Net Position</i>	\$ 98,160,805	\$ 4,844,496

See accompanying notes to financial statements.

Account of Downtown Development District	Account of Audubon Park Commission	Accounts of Special Taxing Districts	Total (Memorandum Only)
\$ 2,235	\$ 860	\$ 0	\$ 732,591
2,468,693	0	1,993,681	106,738,179
<u>\$ 2,470,928</u>	<u>\$ 860</u>	<u>\$ 1,993,681</u>	<u>\$ 107,470,770</u>
\$ 0	\$ 0	\$ 0	\$ 87,778
0	0	0	158,175
1,444,244	0	0	96,288,138
<u>1,444,244</u>	<u>0</u>	<u>0</u>	<u>96,534,091</u>
0	0	0	54,005,893
0	0	0	18,982,594
1,026,684	860	1,993,681	(62,051,808)
<u>1,026,684</u>	<u>860</u>	<u>1,993,681</u>	<u>10,936,679</u>
<u>\$ 2,470,928</u>	<u>\$ 860</u>	<u>\$ 1,993,681</u>	<u>\$ 107,470,770</u>

BOARD OF LIQUIDATION, CITY DEBT
 COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS AND
 CHANGES IN NET POSITION - MODIFIED CASH BASIS
 YEAR ENDED DECEMBER 31, 2013

	<u>Debt Administration</u>	<u>Account of Sewerage & Water Board</u>
<u>RECEIPTS</u>		
Ad valorem taxes - Current year	\$ 72,436,920	\$ 44,727,587
Ad valorem taxes - Prior years	2,045,795	1,341,233
Bond proceeds	39,709,340	1,432,127
Bond proceeds - Good faith deposit	400,000	0
Fee - Current year	0	0
Fee - Prior years	0	0
Revenue sharing - State of Louisiana	0	451,491
Debt service funds	76,330,397	0
Debt service - reserve funds - Capitalized interest escrow	296,771	0
Debt service funds - Federal subsidy - Taxable Build America Bonds	1,010,631	0
Interest on investments	238,554	65,486
Excess reserve and debt service funds	52,457	27,967
<i>Total Receipts</i>	192,520,865	48,045,891
<u>DISBURSEMENTS</u>		
Interest on bonds	59,845,755	0
Interest on bonds - Tax Credit Bond Loan	5,238,094	0
Principal on bonds	78,586,423	0
Principal on bonds - Tax Credit Bond Loan	5,905,512	0
Premium on bonds	25	0
Administrative expenses - LADHH	49,279	0
Warrants	0	56,373,253
Debt service	0	2,619,281
Personal services	416,404	0
Contractual services	84,572	0
Office expenses	33,424	0
Funds returned to City of New Orleans, Sewerage & Water Board, and Audubon Park Commission	39,760,222	0
Cost of issuance	230,460	0
<i>Total Disbursements</i>	190,150,170	58,992,534
Excess of Receipts Over (Under) Disbursements	2,370,695	(10,946,643)
<u>OTHER SOURCES</u>		
Change in accrued liabilities:		
Principal on bonds	5,025	0
Tax Credit Bond Loan payments	1,375,928	3,859,427
Tax Credit Bond Loan transfers	0	0
Cost of issuance payable	16,917	0
Interest payable	41	0
<i>Total Other Sources</i>	1,397,911	3,859,427
Change in Net Position	3,768,606	(7,087,216)
Net Position at:		
Beginning of Year	69,219,881	(57,985,817)
End of Year	\$ 72,988,487	\$ (65,073,033)

See accompanying notes to financial statements.

Account of Downtown Development District	Account of Audubon Park Commission	Accounts of Special Taxing Districts	Total (Memorandum Only)
\$ 5,587,922	\$ 9,010,674	\$ 978,072	\$ 132,741,175
82,852	270,178	18,775	3,758,833
0	0	0	41,141,467
0	0	0	400,000
0	0	971,788	971,788
0	0	43,411	43,411
0	0	0	451,491
0	0	0	76,330,397
0	0	0	296,771
0	0	0	1,010,631
5,359	1,288	6,311	316,998
363	461	0	81,248
<u>5,676,496</u>	<u>9,282,601</u>	<u>2,018,357</u>	<u>257,544,210</u>
0	0	0	59,845,755
0	0	0	5,238,094
0	0	0	78,586,423
0	0	0	5,905,512
0	0	0	25
0	0	0	49,279
5,243,603	5,545,097	1,947,000	69,108,953
593,078	4,848,321	0	8,060,680
0	0	0	416,404
0	0	0	84,572
0	0	117	33,541
0	0	0	39,760,222
0	0	0	230,460
<u>5,836,681</u>	<u>10,393,418</u>	<u>1,947,117</u>	<u>267,319,920</u>
<u>(160,185)</u>	<u>(1,110,817)</u>	<u>71,240</u>	<u>(9,775,710)</u>
0	0	0	5,025
79,722	590,434	0	5,905,511
0	10,696,320	0	10,696,320
0	0	0	16,917
0	0	0	41
<u>79,722</u>	<u>11,286,754</u>	<u>0</u>	<u>16,623,814</u>
(80,463)	10,175,937	71,240	6,848,104
<u>1,107,147</u>	<u>(10,175,077)</u>	<u>1,922,441</u>	<u>4,088,575</u>
<u>\$ 1,026,684</u>	<u>\$ 860</u>	<u>\$ 1,993,681</u>	<u>\$ 10,936,679</u>

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BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
DECEMBER 31, 2013

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.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2013

General Information (Continued)

The Board requires as a condition of such approval that:

- 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,
- the proposed bond issue comply with any applicable legal debt limitation, and
- 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.

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.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2013

General Information (Continued)

In addition, the Board serves in a custodial capacity for the accounts of the:

- Sewerage & Water Board of New Orleans,
- Downtown Development District of New Orleans,
- Audubon Park Commission of New Orleans,
- Lake Forest Estates Improvement District,
- Garden District Security Tax District,
- Spring Lake Improvement District,
- Lake Barrington Subdivision Improvement District,
- Lake Bullard Neighborhood Improvement District,
- Lake Carmel Subdivision Improvement District,
- Lake Oaks Subdivision Improvement District,
- Huntington Park Subdivision Improvement District,
- McKendall Estates Neighborhood Improvement District,
- Upper Hurstville Security District,
- Touro-Bouligny Security District,
- Kingswood Subdivision Improvement District, and
- 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.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2013

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.

Net Position

Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. Net position for debt service is restricted by enabling legislation. Net position restricted for other purposes include the amounts held on behalf of the special taxing districts.

The Account of Sewerage and Water Board has a deficit net position due to the Gulf Opportunity Tax Credit Bond Loan Program disclosed in Note F.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2013

C. Bank Balances

At December 31, 2013, the Board's deposits with banks consisted of cash and money market accounts as follows:

Demand accounts	\$ 732,591
Money market accounts	<u>106,738,179</u>
Total Bank Balances	\$ <u>107,470,770</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	\$ 732,591
Collateralized	<u>106,738,179</u>
Total Bank Balances	\$ <u>107,470,770</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, 2013 the Board's liability for annual and sick leave totaled \$148,392.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2013

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 amounts are reduced for service retirement prior to age sixty-two. Average compensation is defined as average earned annual compensation for the highest sixty consecutive months of service. Mandatory retirement age is seventy.

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 6% of their salary 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, using the level percentage of payroll method. The Board's contributions to the Plan during the year totaled \$52,888 and is included in 'Personal services'.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2013

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.

In July 2006 \$24,713,549 was borrowed to make fiscal year 2006 debt service payments for general obligation bonds. The balance payable as of December 31, 2013 is \$22,305,619.

In July 2006 \$2,903,660 was borrowed to make the debt service payment that was due September 1, 2006 and March 1, 2007 debt service payment for the City of New Orleans Limited Tax bonds. The balance payable as of December 31, 2013 is \$2,620,746.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2013

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

In July 2006 the Downtown Development District borrowed \$1,600,153 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. The balance payable as of December 31, 2013 is \$1,444,244.

In July 2006 the Audubon Commission borrowed \$11,851,006 to make the debt service payments on their tax bond issues 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. Initially, the Board of Liquidation recorded the loan and made debt service payments; however, beginning in 2013, by virtue of the Cooperative Endeavor Agreement between the Audubon Park Commission, City of New Orleans and State of Louisiana, this loan was transferred to the Audubon Commission. Accordingly, all of the debt service due on the Audubon Park Commission loan subsequent to this transfer is to be paid directly from the Audubon Park Commission to the State of Louisiana. During the year ended December 31, 2013 the Board made a principle payment of \$590,434 to the State of Louisiana and transferred the remaining \$10,696,320 to the Audubon Commission. As of December 31, 2013, the balance payable reflected in these financial statements is \$0.

In July 2006, the Sewerage & Water Board of New Orleans borrowed \$77,465,247. \$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. As of December 31, 2013 the balance payable is \$69,917,529.

G. Bond Sale

On March 1, 2013, the City of New Orleans, through the Board of Liquidation, City Debt, entered into a transaction whereby it issued \$40,000,000 of Taxable Public Improvement Bonds, Issue of 2013A, at a discount of \$290,660 below par for the purpose of improvements to major and minor streets,

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2013

Bond Sale (Continued)

including rehabilitation, reconstruction, base stabilization, drainage adjustments and related sidewalks, curbing, bridge replacement and improvement, urban systems, traffic signal control, improvements required under the Americans with Disabilities Act, and related administrative and maintenance facilities. Debt service is due on June 1 and December 1, of each year beginning June 1, 2013 through December 1, 2042.

H. Subsequent Bond Sale

On December 11, 2013, the City of New Orleans, through the Board of Liquidation, City Debt, issued \$40,000,000 Taxable Public Improvement Bonds, Issue of 2014A, at a discount of \$406,563 below par. The bond closing was January 21, 2014, with \$39,593,437 of bond proceeds transferred to the Treasury Department of the City of New Orleans. Debt service is due on June 1, and December 1, of each year and the 2014 millage levy includes and is sufficient to meet the additional debt service requirement.

I. Change in Accounting Principle

For 2013, the Board implemented Governmental Accounting Standards Board (GASB) Statement Number 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". GASB No. 63 identifies net position, rather than net assets, as the residual of all other elements presented in a statement of financial position. This change was incorporated in the Board's 2013 financial statements; however, there was no effect on beginning net position/fund balance.

J. 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. Inter-fund eliminations have not been made in the aggregation of this data.

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SUPPLEMENTAL INFORMATION

BOARD OF LIQUIDATION, CITY DEBT
DEBT ADMINISTRATION
COMBINING SCHEDULE OF ASSETS, LIABILITIES AND NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2013

	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	\$ 360,327	\$ 0	\$ 287	\$ 80	\$ 23,905
Money market accounts	58,538,813	5,149,496	95,358	0	90,775
<i>Total Assets</i>	<u>\$ 58,899,140</u>	<u>\$ 5,149,496</u>	<u>\$ 95,645</u>	<u>\$ 80</u>	<u>\$ 114,680</u>
<u>LIABILITES AND NET POSITION</u>					
Liabilities:					
Interest payable	\$ 38,554	\$ 0	\$ 0	\$ 80	\$ 5,755
Principal payable	74,300	0	0	0	18,150
Tax Credit Bond loan payable	22,305,619	2,620,746	0	0	0
<i>Total Liabilites</i>	<u>22,418,473</u>	<u>2,620,746</u>	<u>0</u>	<u>80</u>	<u>23,905</u>
Net Position:					
Reserve funds	33,375,271	0	0	0	0
Debt service funds	3,105,396	2,528,750	95,645	0	90,775
<i>Total Net Position</i>	<u>36,480,667</u>	<u>2,528,750</u>	<u>95,645</u>	<u>0</u>	<u>90,775</u>
<i>Total Liabilities and Net Position</i>	<u>\$ 58,899,140</u>	<u>\$ 5,149,496</u>	<u>\$ 95,645</u>	<u>\$ 80</u>	<u>\$ 114,680</u>

Water Revenue Bonds	Sewerage Service Revenue Bonds	Sewerage & Water Board Matured Bonds	Audubon Park Commission Bonds	Downtown Develop- ment District Tax Bonds	Defeased Bonds	Total
\$ 7,561	\$ 22,938	\$ 37,142	\$ 710	\$ 2,124	\$ 57,946	\$ 513,020
5,195,896	28,005,772	0	307,127	264,548	0	97,647,785
<u>\$ 5,203,457</u>	<u>\$ 28,028,710</u>	<u>\$ 37,142</u>	<u>\$ 307,837</u>	<u>\$ 266,672</u>	<u>\$ 57,946</u>	<u>\$ 98,160,805</u>
\$ 2,506	\$ 810	\$ 12,142	\$ 710	\$ 0	\$ 27,221	\$ 87,778
5,000	5,000	25,000	0	0	30,725	158,175
0	0	0	0	0	0	24,926,365
<u>7,506</u>	<u>5,810</u>	<u>37,142</u>	<u>710</u>	<u>0</u>	<u>57,946</u>	<u>25,172,318</u>
3,928,380	16,164,124	0	307,088	231,030	0	54,005,893
1,267,571	11,858,776	0	39	35,642	0	18,982,594
<u>5,195,951</u>	<u>28,022,900</u>	<u>0</u>	<u>307,127</u>	<u>266,672</u>	<u>0</u>	<u>72,988,487</u>
<u>\$ 5,203,457</u>	<u>\$ 28,028,710</u>	<u>\$ 37,142</u>	<u>\$ 307,837</u>	<u>\$ 266,672</u>	<u>\$ 57,946</u>	<u>\$ 98,160,805</u>

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF SEWERAGE & WATER BOARD OF NEW ORLEANS
COMBINING SCHEDULE OF ASSETS, LIABILITIES AND
NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2013

	<u>Drainage System Fund 3 mill</u>	<u>Drainage System Fund 6 mill</u>	<u>Drainage System Fund 9 mill</u>
<u>ASSETS</u>			
Cash	\$ 11,826	\$ 940	\$ 125,120
Money market accounts	646,858	942,352	1,586,736
<i>Total Assets</i>	<u>\$ 658,684</u>	<u>\$ 943,292</u>	<u>\$ 1,711,856</u>
 <u>LIABILITIES AND NET POSITION</u>			
Liabilities:			
Tax Credit Bond loan payable	\$ 0	\$ 0	\$ 3,912,729
Net Position:			
Custodial fund (deficit)	<u>658,684</u>	<u>943,292</u>	<u>(2,200,873)</u>
<i>Total Liabilities and Net Position</i>	<u>\$ 658,684</u>	<u>\$ 943,292</u>	<u>\$ 1,711,856</u>

Water Revenue Bond Proceeds	Sewerage Service Revenue Bond Proceeds	Total
\$ 1,944	\$ 76,646	\$ 216,476
0	1,452,074	4,628,020
<u>\$ 1,944</u>	<u>\$ 1,528,720</u>	<u>\$ 4,844,496</u>
\$ 6,143,807	\$ 59,860,993	\$ 69,917,529
<u>(6,141,863)</u>	<u>(58,332,273)</u>	<u>(65,073,033)</u>
<u>\$ 1,944</u>	<u>\$ 1,528,720</u>	<u>\$ 4,844,496</u>

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BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DOWNTOWN DEVELOPMENT DISTRICT OF NEW ORLEANS
COMBINING SCHEDULE OF ASSETS, LIABILITIES AND
NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2013

	Special Tax Fund	DDD Bond Proceeds	Total
<u>ASSETS</u>			
Cash	\$ 1,872	\$ 363	\$ 2,235
Money market accounts	2,468,693	0	2,468,693
<i>Total Assets</i>	\$ 2,470,565	\$ 363	\$ 2,470,928
 <u>LIABILITES AND NET POSITION</u>			
Liabilities:			
Tax Credit Bond loan payable	\$ 1,444,244	\$ 0	\$ 1,444,244
Net Position:			
Custodial funds	1,026,321	363	1,026,684
<i>Total Liabilites and Net Position</i>	\$ 2,470,565	\$ 363	\$ 2,470,928

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BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF AUDUBON PARK COMMISSION OF NEW ORLEANS
COMBINING SCHEDULE OF ASSETS AND
NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2013

	Aquarium Tax Fund	Special Tax Fund	Total
<u>ASSETS</u>			
Cash	\$ 474	\$ 386	\$ 860
<u>NET POSITION</u>	\$ 474	\$ 386	\$ 860

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNTS OF SPECIAL TAXING DISTRICTS OF NEW ORLEANS
COMBINING SCHEDULE OF ASSETS AND
NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2013

	Garden District Security Tax District	Huntington Park Subdivision Improvement District	Kingswood Subdivision Improvement District	Lake Barrington Subdivision Improvement District	Lake Bullard Neighborhood Improvement District	Lake Carmel Subdivision Improvement District
<u>ASSETS</u>						
Money market accounts	\$ 873,225	\$ 16,627	\$ 100,217	\$ 23,658	\$ 47,977	\$ 70,553
<u>NET POSITION</u>	<u>\$ 873,225</u>	<u>\$ 16,627</u>	<u>\$ 100,217</u>	<u>\$ 23,658</u>	<u>\$ 47,977</u>	<u>\$ 70,553</u>

<u>Lake Forest Estates Improvement District</u>	<u>Lake Oaks Subdivision Improvement District</u>	<u>McKendall Estates Neighborhood Improvement District</u>	<u>Spring Lake Improvement District</u>	<u>Touro- Boulogny Security District</u>	<u>Twinbrook Security District</u>	<u>Upper Hurstville Security District</u>	<u>Total</u>
<u>\$ 113,525</u>	<u>\$ 64,307</u>	<u>\$ 45,589</u>	<u>\$ 39,210</u>	<u>\$ 308,297</u>	<u>\$ 146,372</u>	<u>\$ 144,124</u>	<u>\$ 1,993,681</u>
<u>\$ 113,525</u>	<u>\$ 64,307</u>	<u>\$ 45,589</u>	<u>\$ 39,210</u>	<u>\$ 308,297</u>	<u>\$ 146,372</u>	<u>\$ 144,124</u>	<u>\$ 1,993,681</u>

BOARD OF LIQUIDATION, CITY DEBT
DEBT ADMINISTRATION
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN NET POSITION - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2013

	General Obligation Bonds	Capital Improvement Limited Tax	LADHH Loan Revenue Bonds	Drainage System Bonds 9 mill
<u>RECEIPTS</u>				
Ad valorem taxes - Current year	\$ 69,419,420	\$ 3,017,500	\$ 0	\$ 0
Ad valorem taxes - Prior years	2,045,795	0	0	0
Bond proceeds	39,709,340	0	0	0
Bond proceeds - Good faith deposit	400,000	0	0	0
Debt service funds	0	0	241	2,619,040
Debt service funds - Capitalized interest escrow	0	0	0	0
Debt service funds - Federal subsidy - Taxable Build America Bonds	1,010,631	0	0	0
Interest on investments	238,554	0	0	0
Excess reserve and debt service funds	0	0	1,576	0
<i>Total Receipts</i>	<u>112,823,740</u>	<u>3,017,500</u>	<u>1,817</u>	<u>2,619,040</u>
<u>DISBURSEMENTS</u>				
Interest on bonds	44,743,128	1,026,250	51,143	791,497
Interest on bonds - Tax Credit Bond Loan	1,220,427	0	0	191,572
Principal on bonds	20,613,423	1,950,000	2,067,000	1,425,000
Principal on bonds - Tax Credit Bond Loan	1,231,264	144,664	0	215,982
Premium on bonds	0	0	0	0
Administrative Expenses	0	0	8,668	0
Personal services	416,404	0	0	0
Contractual services	84,572	0	0	0
Office expenses	33,424	0	0	0
Funds returned to City of New Orleans, Sewerage & Water Board, and Audubon Park Commission	39,709,390	0	0	0
Cost of issuance	230,460	0	0	0
<i>Total Disbursements</i>	<u>108,282,492</u>	<u>3,120,914</u>	<u>2,126,811</u>	<u>2,624,051</u>
Excess of Receipts Over (Under) Disbursements	<u>4,541,248</u>	<u>(103,414)</u>	<u>(2,124,994)</u>	<u>(5,011)</u>
<u>OTHER SOURCES (USES)</u>				
Change in accrued liabilities:				
Principal on bonds	0	0	0	0
Tax Credit Bond Loan payments	1,231,264	144,664	0	0
Tax Credit Bond Loan transfers	(134,730)	134,730	0	0
Cost of issuance payable	16,917	0	0	0
Interest payable	0	0	0	0
<i>Total Other Sources</i>	<u>1,113,451</u>	<u>279,394</u>	<u>0</u>	<u>0</u>
Change in Net Position	5,654,699	175,980	(2,124,994)	(5,011)
Net Position at:				
Beginning of Year	30,825,968	2,352,770	\$ 2,220,639	95,786
End of Year	<u>\$ 36,480,667</u>	<u>\$ 2,528,750</u>	<u>\$ 95,645</u>	<u>\$ 90,775</u>

Water Revenue Bonds	Sewerage Service Revenue Bonds	Audubon Park Commission Bonds	Audubon Park Commission Aquarium Bonds	Downtown Development District Tax Bonds	Defeased Bonds	Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 72,436,920
0	0	0	0	0	0	2,045,795
0	0	0	0	0	0	39,709,340
0	0	0	0	0	0	400,000
4,567,547	27,340,907	458,418	4,389,904	593,078	36,361,262	76,330,397
0	0	0	296,771	0	0	296,771
0	0	0	0	0	0	1,010,631
0	0	0	0	0	0	238,554
9,470	40,604	461	0	346	0	52,457
<u>4,577,017</u>	<u>27,381,511</u>	<u>458,879</u>	<u>4,686,675</u>	<u>593,424</u>	<u>36,361,262</u>	<u>192,520,865</u>
1,493,380	7,285,010	69,940	1,234,610	139,494	3,011,303	59,845,755
300,808	2,930,870	48,222	475,483	70,712	0	5,238,094
2,435,000	13,431,000	310,000	2,695,000	305,000	33,355,000	78,586,423
339,136	3,304,310	54,367	536,067	79,722	0	5,905,512
0	0	0	0	0	25	25
0	40,611	0	0	0	0	49,279
0	0	0	0	0	0	416,404
0	0	0	0	0	0	84,572
0	0	0	0	0	0	33,424
9,467	40,541	461	0	363	0	39,760,222
0	0	0	0	0	0	230,460
<u>4,577,791</u>	<u>27,032,342</u>	<u>482,990</u>	<u>4,941,160</u>	<u>595,291</u>	<u>36,366,328</u>	<u>190,150,170</u>
(774)	349,169	(24,111)	(254,485)	(1,867)	(5,066)	2,370,695
0	0	0	0	0	5,025	5,025
0	0	0	0	0	0	1,375,928
0	0	0	0	0	0	0
0	0	0	0	0	0	16,917
0	0	0	0	0	41	41
0	0	0	0	0	5,066	1,397,911
(774)	349,169	(24,111)	(254,485)	(1,867)	0	3,768,606
5,196,725	27,673,731	331,238	254,485	268,539	0	69,219,881
<u>\$ 5,195,951</u>	<u>\$ 28,022,900</u>	<u>\$ 307,127</u>	<u>\$ 0</u>	<u>\$ 266,672</u>	<u>\$ 0</u>	<u>\$ 72,988,487</u>

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF SEWERAGE & WATER BOARD OF NEW ORLEANS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN NET POSITION - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2013

	LADHH Loan Revenue Bonds	Construction & Extention Fund 2 mill	Drainage System Fund 3 mill
<u>RECEIPTS</u>			
Ad valorem taxes - Current year	\$ 0	\$ 0	\$ 12,686,028
Ad valorem taxes - Prior years	0	241	380,323
Bond proceeds	72,229	0	0
Revenue sharing - State of Louisiana	0	0	451,491
Interest on investments	0	0	22,053
Excess reserve and debt service funds	0	0	0
<i>Total Receipts</i>	<u>72,229</u>	<u>241</u>	<u>13,539,895</u>
<u>DISBURSEMENTS</u>			
Warrants	72,229	0	13,430,464
Debt service	0	241	0
<i>Total Disbursements</i>	<u>72,229</u>	<u>241</u>	<u>13,430,464</u>
Excess of Receipts Over (Under) Disbursements	<u>0</u>	<u>0</u>	<u>109,431</u>
<u>OTHER SOURCES</u>			
Change in accrued liabilities: Tax Credit Bond Loan payments	<u>0</u>	<u>0</u>	<u>0</u>
Change in Net Position	0	0	109,431
Net Position at:			
Beginning of Year	0	0	549,253
End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 658,684</u>

Drainage System Fund 6 mill	Drainage System Fund 9 mill	Drainage System Bond Proceeds	Water Revenue Bond Proceeds	Sewerage Service Revenue Bond Proceeds	Total
\$ 12,821,952	\$ 19,219,607	\$ 0	\$ 0	\$ 0	\$ 44,727,587
384,463	576,206	0	0	0	1,341,233
0	0	0	0	1,359,898	1,432,127
0	0	0	0	0	451,491
31,068	7,052	0	2,328	2,985	65,486
0	0	0	3,716	24,251	27,967
<u>13,237,483</u>	<u>19,802,865</u>	<u>0</u>	<u>6,044</u>	<u>1,387,134</u>	<u>48,045,891</u>
15,335,523	23,370,034	7,704	1,960,167	2,197,132	56,373,253
0	2,619,040	0	0	0	2,619,281
<u>15,335,523</u>	<u>25,989,074</u>	<u>7,704</u>	<u>1,960,167</u>	<u>2,197,132</u>	<u>58,992,534</u>
<u>(2,098,040)</u>	<u>(6,186,209)</u>	<u>(7,704)</u>	<u>(1,954,123)</u>	<u>(809,998)</u>	<u>(10,946,643)</u>
0	215,982	0	339,136	3,304,309	3,859,427
<u>(2,098,040)</u>	<u>(5,970,227)</u>	<u>(7,704)</u>	<u>(1,614,987)</u>	<u>2,494,311</u>	<u>(7,087,216)</u>
3,041,332	3,769,354	7,704	(4,526,876)	(60,826,584)	(57,985,817)
<u>\$ 943,292</u>	<u>\$ (2,200,873)</u>	<u>\$ 0</u>	<u>\$ (6,141,863)</u>	<u>\$ (58,332,273)</u>	<u>\$ (65,073,033)</u>

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BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DOWNTOWN DEVELOPMENT DISTRICT OF NEW ORLEANS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN NET POSITION - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2013

	<u>Special Tax Fund</u>	<u>DDD Bond Proceeds</u>	<u>Total</u>
<u>RECEIPTS</u>			
Ad valorem taxes - Current year	\$ 5,587,922	\$ 0	\$ 5,587,922
Ad valorem taxes - Prior years	82,852	0	82,852
Interest on investments	5,327	32	5,359
Excess reserve and debt service funds	0	363	363
<i>Total Receipts</i>	<u>5,676,101</u>	<u>395</u>	<u>5,676,496</u>
 <u>DISBURSEMENTS</u>			
Warrants	4,884,277	359,326	5,243,603
Debt service	593,078	0	593,078
<i>Total Disbursements</i>	<u>5,477,355</u>	<u>359,326</u>	<u>5,836,681</u>
Excess of Receipts Over (Under) Disbursements	<u>198,746</u>	<u>(358,931)</u>	<u>(160,185)</u>
 <u>OTHER SOURCES</u>			
Change in accrued liabilities: Tax Credit Bond Loan payments	<u>79,722</u>	<u>0</u>	<u>79,722</u>
Change in Net Position	278,468	(358,931)	(80,463)
Net Position at:			
Beginning of Year	747,853	359,294	1,107,147
End of Year	<u>\$ 1,026,321</u>	<u>\$ 363</u>	<u>\$ 1,026,684</u>

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BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF AUDUBON PARK COMMISSION OF NEW ORLEANS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN NET POSITION - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2013

	Aquarium Tax Fund	Aquarium Bond Proceeds	Special Tax Fund	Total
<u>RECEIPTS</u>				
Ad valorem taxes - Current year	\$ 8,139,522	\$ 0	\$ 871,152	\$ 9,010,674
Ad valorem taxes - Prior years	244,042	0	26,136	270,178
Interest on investments	0	1,288	0	1,288
Excess reserve and debt service funds	0	0	461	461
<i>Total Receipts</i>	8,383,564	1,288	897,749	9,282,601
<u>DISBURSEMENTS</u>				
Warrants	4,019,771	1,082,726	442,600	5,545,097
Debt service	4,389,904	0	458,417	4,848,321
<i>Total Disbursements</i>	8,409,675	1,082,726	901,017	10,393,418
Excess of Receipts Over (Under) Disbursements	(26,111)	(1,081,438)	(3,268)	(1,110,817)
<u>OTHER SOURCES</u>				
Change in accrued liabilities:				
Tax Credit Bond Loan payments	536,067	0	54,367	590,434
Tax Credit Bond Loan transfers	9,711,413	0	984,907	10,696,320
<i>Total Other Sources</i>	10,247,480	0	1,039,274	11,286,754
Change in Net Position	10,221,369	(1,081,438)	1,036,006	10,175,937
Net Position at:				
Beginning of Year	(10,220,895)	1,081,438	(1,035,620)	(10,175,077)
End of Year	\$ 474	\$ 0	\$ 386	\$ 860

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNTS OF SPECIAL TAXING DISTRICTS OF NEW ORLEANS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN NET POSITION - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2013

	Garden District Security Tax District	Huntington Park Subdivision Improvement District	Kingswood Neighborhood Improvement District	Lake Barrington Subdivision Improvement District	Lake Bullard Neighborhood Improvement District	Lake Carmel Subdivision Improvement District
RECEIPTS						
Ad valorem taxes -						
Current year	\$ 684,913	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Ad valorem taxes -						
Prior years	9,532	0	0	0	0	0
Fee - Current year	0	25,146	67,005	59,786	64,350	75,733
Fee - Prior year	0	2,401	7,494	6,930	7,189	10,379
Interest on investments	2,788	55	196	89	169	209
<i>Total Receipts</i>	<u>697,233</u>	<u>27,602</u>	<u>74,695</u>	<u>66,805</u>	<u>71,708</u>	<u>86,321</u>
DISBURSEMENTS						
Warrants	820,000	29,000	0	60,000	40,000	70,000
Office expenses	39	0	0	0	0	0
<i>Total Disbursements</i>	<u>820,039</u>	<u>29,000</u>	<u>0</u>	<u>60,000</u>	<u>40,000</u>	<u>70,000</u>
Change in Net Position	(122,806)	(1,398)	74,695	6,805	31,708	16,321
Net Position at:						
Beginning of Year	996,031	18,025	25,522	16,853	16,269	54,232
End of Year	<u>\$ 873,225</u>	<u>\$ 16,627</u>	<u>\$ 100,217</u>	<u>\$ 23,658</u>	<u>\$ 47,977</u>	<u>\$ 70,553</u>

Lake Forest Estates Improvement District	Lake Oaks Subdivision Improvement District	McKendall Estates Neighborhood Improvement District	Spring Lake Improvement District	Touro-Boulogny Security District	Twinbrook Security District	Upper Hurstville Security District	Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 293,159	\$ 0	\$ 0	\$ 978,072
0	0	0	0	9,243	0	0	18,775
84,426	109,296	48,015	35,645	0	248,455	153,931	971,788
6,623	696	(2,722)	2,772	0	882	767	43,411
335	207	146	115	923	533	546	6,311
<u>91,384</u>	<u>110,199</u>	<u>45,439</u>	<u>38,532</u>	<u>303,325</u>	<u>249,870</u>	<u>155,244</u>	<u>2,018,357</u>
80,000	107,000	36,000	30,000	240,000	240,000	195,000	1,947,000
0	0	0	0	0	39	39	117
<u>80,000</u>	<u>107,000</u>	<u>36,000</u>	<u>30,000</u>	<u>240,000</u>	<u>240,039</u>	<u>195,039</u>	<u>1,947,117</u>
11,384	3,199	9,439	8,532	63,325	9,831	(39,795)	71,240
102,141	61,108	36,150	30,678	244,972	136,541	183,919	1,922,441
<u>\$ 113,525</u>	<u>\$ 64,307</u>	<u>\$ 45,589</u>	<u>\$ 39,210</u>	<u>\$ 308,297</u>	<u>\$ 146,372</u>	<u>\$ 144,124</u>	<u>\$ 1,993,681</u>

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BOARD OF LIQUIDATION, CITY DEBT
SCHEDULE OF BOND SALES
YEAR ENDED DECEMBER 31, 2013

Taxable Public Improvement Bonds, Issue of 2013A

Sold: January 30, 2013 Delivered: March 1, 2013
Bonds Dated: March 1, 2013, and due December 1, 2014 through December 1, 2042

Average life of issue: 18.628 years
Net Interest Cost: 4.713%
True Interest Cost: 4.680%

Sold to: Raymond James & Associates, Inc.

Sources:

Bond Proceeds	\$ 40,000,000
Interest on good faith deposit	50
Net Original Issue Premium	263,102
Underwriters Discount	(553,762)
Total	\$ 39,709,390

Uses:

Proceeds transferred to City of New Orleans	\$ 39,709,390
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Bonds Proceeds transferred to City of New Orleans Treasury Department on March 1, 2013.

Taxable Public Improvement Bonds, Issue of 2014A

Sold: December 11, 2013 Delivered: January 21, 2014
Bonds Dated: January 21, 2014, and due December 1, 2014 through December 1, 2043

Average life of issue: 19.131 years
Net Interest Cost: 5.924%
True Interest Cost: 5.901%

Sold to: Raymond James & Associates, Inc.

Sources:

Bond Proceeds - Good faith deposit	\$ 400,000
Bond Proceeds	39,600,000
Interest on Good faith deposit	112
Net Original Issue Premium	182,365
Underwriters Discount	(588,928)
Total	\$ 39,593,549

Uses:

Proceeds transferred to City of New Orleans	\$ 39,593,549
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Subsequent to year end, the bond proceeds were transferred to City of New Orleans Treasury Department on January 21, 2014.

BOARD OF LIQUIDATION, CITY DEBT
SCHEDULE OF BONDED DEBT ADMINISTERED BY BOARD OF LIQUIDATION, CITY DEBT
DECEMBER 31, 2013

	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, 2018	7.071%
General Obligation Refunding Bonds, Series 1998 (Note D.)	Dec. 1, 1998	Dec. 1, 2021	4.948%
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%
Taxable Public Improvement Bonds, Issue of 2013A	March 1, 2013	Dec. 1, 2042	4.680%
Taxable Public Improvement Bonds, Issue of 2014A	Jan. 21, 2014	Dec. 1, 2043	5.901%
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 2014	Interest due 2014	Debt Service due 2014	Amount Outstanding (Note A.)
\$ 5,141,926	\$ 20,303,074	\$ 25,445,000	\$ 22,313,192
2,885,000	2,942,500	5,827,500	53,500,000
830,000	71,425	901,425	1,705,000
395,000	595,675	990,675	13,635,000
6,120,000	4,584,450	10,704,450	87,960,000
1,715,000	3,431,825	5,146,825	67,420,000
785,000	3,092,060	3,877,060	37,790,000
770,000	1,766,868	2,536,868	40,000,000
745,000	1,906,134	2,651,134	40,000,000
2,995,000	8,048,800	11,043,800	165,140,000
<u>\$ 22,381,926</u>	<u>\$ 46,742,811</u>	<u>\$ 69,124,737</u>	<u>\$ 529,463,192</u>
<u>\$ 2,040,000</u>	<u>\$ 926,500</u>	<u>\$ 2,966,500</u>	<u>\$ 19,550,000</u>
\$ 625,000	\$ 170,018	\$ 795,018	\$ 3,445,000
865,000	560,017	1,425,017	12,760,000
<u>\$ 1,490,000</u>	<u>\$ 730,035</u>	<u>\$ 2,220,035</u>	<u>\$ 16,205,000</u>
\$ 2,050,000	\$ 426,884	\$ 2,476,884	\$ 8,935,000
1,585,000	388,165	1,973,165	8,705,000
1,555,000	669,228	2,224,228	13,040,000
1,185,000	504,925	1,689,925	9,875,000
1,760,000	798,140	2,558,140	16,685,000
2,945,000	1,584,375	4,529,375	33,160,000
270,000	126,611	396,611	3,270,000
1,545,000	880,156	2,425,156	21,400,000
800,000	1,206,463	2,006,463	20,495,000
<u>\$ 13,695,000</u>	<u>\$ 6,584,947</u>	<u>\$ 20,279,947</u>	<u>\$ 135,565,000</u>

BOARD OF LIQUIDATION, CITY DEBT
 SCHEDULE OF BONDED DEBT ADMINISTERED BY BOARD OF LIQUIDATION, CITY DEBT (CONTINUED)
 DECEMBER 31, 2013

	Date of Bonds	Final Serial Maturity	Average Annual Interest Cost
<u>LADHH LOAN REVENUE BONDS (Note G.)</u>			
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>			
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 2014	Interest due 2014	Debt Service due 2014	Amount Outstanding (Note A.)
\$ 2,000	\$ 99	\$ 2,099	\$ 3,740
\$ 415,000	\$ 81,596	\$ 496,596	\$ 8,420,402
\$ 1,015,000	\$ 269,793	\$ 1,284,793	\$ 5,570,000
1,530,000	1,104,250	2,634,250	22,085,000
\$ 2,545,000	\$ 1,374,043	\$ 3,919,043	\$ 27,655,000
\$ 325,000	\$ 53,820	\$ 378,820	\$ 1,035,000
\$ 2,075,000	\$ 1,089,150	\$ 3,164,150	\$ 24,370,000
630,000	10,710	640,710	630,000
\$ 2,705,000	\$ 1,099,860	\$ 3,804,860	\$ 25,000,000
\$ 315,000	\$ 131,320	\$ 446,320	\$ 4,900,000

BOARD OF LIQUIDATION, CITY DEBT
 SCHEDULE OF BONDED DEBT ADMINISTERED BY BOARD OF LIQUIDATION, CITY DEBT (CONTINUED)
 DECEMBER 31, 2013

	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 2004	July 13, 2004	Aug. 28, 2012	Dec. 1, 2014

See accompanying notes.

Principal due 2014	Interest and Premium due 2014	Debt Service due 2014	Amount Outstanding (Note A.)
<u>\$ 25,795,000</u>	<u>\$ 1,343,763</u>	<u>\$ 27,138,763</u>	<u>\$ 25,975,000</u>

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BOARD OF LIQUIDATION, CITY DEBT
NOTES TO SCHEDULE OF BONDED DEBT ADMINISTERED
BY BOARD OF LIQUIDATION, CITY DEBT
DECEMBER 31, 2013

- 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
- B. General Obligation Bonds - Legal Debt Limit: \$1,252,707,103; Debt Service Coverage: Unlimited Ad Valorem Tax Levy; Reserve Fund: Sufficient to cover 1/2 of the high year's Principal and Interest due.
- C. General Obligation Bonds, Series 1991 - A portion of these Issues Refunded in 1998 and 2002. Debt Service guaranteed by Escrow Agreement.
- D. General Obligation Refunding Bonds, Series 1998 and Public Improvement Bonds, Series 2004 - A portion of these Issues Refunded in 2012. Debt Service guaranteed by Escrow Agreement.
- E. Limited Tax Bonds - Debt Service Coverage: 2013 Tax Yield 100% of Debt Service due.
- F. Drainage System Bonds - Debt Service Coverage: 2013 Tax Yield 866% of Debt Service Due- 9 mill
- 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 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, 2013, \$3,185,740 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, 2013, \$8,831,402 was drawn from the loan fund.
- 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.
- I. Audubon Park Commission .4 Mill Bonds - Debt Service Coverage: 2013 Tax Yield 230% of Debt Service due. Reserve Fund: Sufficient to cover 1/2 of high year's Principal and Interest due.
- J. Audubon Park Commission 3.8 Mill Bonds - Debt Service Coverage: 2013 Tax Yield 214% of Debt Service due. Reserve Fund: None.
- K. Downtown Development District Bonds - Debt Service Coverage: 2013 Tax Yield 1,254% 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.
- L. General Obligation Bonds - Defeased: Only a portion were refunded in 2012. Defeased bonds are not obligations of the City of New Orleans.

BOARD OF LIQUIDATION, CITY DEBT
 SCHEDULE OF DEDICATED AD VALOREM TAX MILLAGE
 AVAILABLE FOR SERVICING BONDED DEBT
 DECEMBER 31, 2013

	1993 through 2002
<u>DEBT SERVICE</u>	26.90
<u>CAPITAL IMPROVEMENT LIMITED TAX (Note B.)</u>	2.50
<u>SEWERAGE & 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>2014</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

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BOARD OF LIQUIDATION, CITY DEBT
NOTES TO SCHEDULE OF DEDICATED AD VALOREM TAX MILLAGE
AVAILABLE FOR SERVICING OF BONDED DEBT
DECEMBER 31, 2013

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

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BOARD OF LIQUIDATION, CITY DEBT
 SEWERAGE & WATER BOARD MATURED BONDS - DEBT ADMINISTRATION
 COMBINING SCHEDULE OF ASSETS AND LIABILITIES - MODIFIED CASH BASIS
 DECEMBER 31, 2013

	Sewerage, Water & Drainage Bonds 2 mill *	Drainage System Bonds 3 mill 6.40	Total
<u>ASSETS</u>			
Cash	\$ 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.

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BOARD OF LIQUIDATION, CITY DEBT
 DEFEASED BONDS - DEBT ADMINISTRATION COMBINING SCHEDULE
 OF ASSETS AND LIABILITIES - MODIFIED CASH BASIS
 DECEMBER 31, 2013

	General Obligation Bonds	Sewerage Service Revenue Bonds	Water Revenue Bonds	Audubon Park Commission Improve- ment Bonds	Total
<u>ASSETS</u>					
Cash	\$ 33,612	\$ 14,320	\$ 7,795	\$ 2,219	\$ 57,946
<u>LIABILITIES</u>					
Interest payable	\$ 15,422	\$ 1,785	\$ 7,795	\$ 2,219	\$ 27,221
Principal payable	18,190	12,535	0	0	30,725
<i>Total Liabilities</i>	<u>\$ 33,612</u>	<u>\$ 14,320</u>	<u>\$ 7,795</u>	<u>\$ 2,219</u>	<u>\$ 57,946</u>

BOARD OF LIQUIDATION, CITY DEBT
SCHEDULE OF ITEMIZED DISBURSEMENTS - INTEREST, PREMIUM AND PRINCIPAL PAID
FOR THE YEAR ENDED DECEMBER 31, 2013

	Interest Paid	
	Debt Service Fund	Federal Subsidy Taxable BAB
BONDS		
<u>GENERAL OBLIGATION BONDS</u>		
Public Improvement Bonds, Issue of 2003	\$ 54,600	\$ 0
Public Improvement Bonds, Issue of 2004	103,025	0
Public Improvement Bonds, Issue of 2005A	616,575	0
Public Improvement Bonds, Issue of 2007A	3,514,075	0
Public Improvement Bonds, Issue of 2010A BABs	2,126,269	1,010,631
Taxable Public Improvement Bonds, Issue of 2013A	1,325,151	0
General Obligation Refunding Bonds, Series 1991	19,931,577	0
General Obligation Refunding Bonds, Series 1998	3,159,475	0
General Obligation Refunding Bonds, Series 2005	4,813,950	0
General Obligation Refunding Bonds, Series 2012	8,087,800	0
<i>Total General Obligation Bonds</i>	43,732,497	1,010,631
 <u>SPECIAL TAX BONDS</u>		
Limited Tax Bonds, Series 2005	1,026,250	0
 <u>SEWER & WATER BOARD SPECIAL TAX BONDS</u>		
Drainage System Bonds, Series 1998	198,280	0
Drainage System Bonds, Series 2002	593,217	0
Total Drainage System 9 mill bonds	791,497	0
 <u>SEWER & WATER BOARD REVENUE BONDS</u>		
Sewerage Service Revenue Bonds, Series 1997	532,903	0
Sewerage Service Revenue Bonds, Series 1998	461,294	0
Sewerage Service Revenue Bonds, Series 2000	750,391	0
Sewerage Service Revenue Bonds, Series 2000B	564,295	0
Sewerage Service Revenue Bonds, Series 2001	881,700	0
Sewerage Service Revenue Bonds, Series 2002	1,727,750	0
Sewerage Service Revenue Bonds, Series 2003	137,971	0
Sewerage Service Revenue Bonds, Series 2004	948,481	0
Sewerage Service Revenue Bonds, Series 2009	1,243,675	0
Total Sewerage Service Revenue Bonds	7,248,460	0
Water Revenue Bonds, Series 1998	315,630	0
Water Revenue Bonds, Series 2002	1,177,750	0
Total Water Revenue Bonds	\$ 1,493,380	\$ 0

	Premium Paid	Principal Paid	
Total Interest	Debt Service Fund	Debt Service Fund	Total Interest, Premium and Principal
\$ 54,600	\$ 0	\$ 1,040,000	\$ 1,094,600
103,025	0	790,000	893,025
616,575	0	380,000	996,575
3,514,075	0	1,645,000	5,159,075
3,136,900	0	760,000	3,896,900
1,325,151	0	0	1,325,151
19,931,577	0	5,513,423	25,445,000
3,159,475	0	3,945,000	7,104,475
4,813,950	0	4,590,000	9,403,950
8,087,800	0	1,950,000	10,037,800
<u>44,743,128</u>	<u>0</u>	<u>20,613,423</u>	<u>65,356,551</u>
<u>1,026,250</u>	<u>0</u>	<u>1,950,000</u>	<u>2,976,250</u>
198,280	0	595,000	793,280
593,217	0	830,000	1,423,217
<u>791,497</u>	<u>0</u>	<u>1,425,000</u>	<u>2,216,497</u>
532,903	0	1,940,000	2,472,903
461,294	0	1,510,000	1,971,294
750,391	0	1,465,000	2,215,391
564,295	0	1,120,000	1,684,295
881,700	0	1,685,000	2,566,700
1,727,750	0	2,790,000	4,517,750
137,971	0	260,000	397,971
948,481	0	1,485,000	2,433,481
1,243,675	0	765,000	2,008,675
<u>7,248,460</u>	<u>0</u>	<u>13,020,000</u>	<u>20,268,460</u>
315,630	0	965,000	1,280,630
1,177,750	0	1,470,000	2,647,750
<u>\$ 1,493,380</u>	<u>\$ 0</u>	<u>\$ 2,435,000</u>	<u>\$ 3,928,380</u>

BOARD OF LIQUIDATION, CITY DEBT
SCHEDULE OF ITEMIZED DISBURSEMENTS-INTEREST, PREMIUM AND PRINCIPAL PAID (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013

	Interest Paid	
	Debt Service Fund	Federal Subsidy Taxable BAB
<u>LADHH LOAN REVENUE BONDS</u>		
Revenue Bonds, Series 2010A, Taxable ARRA	\$ 37,493	\$ 0
Revenue Bonds, Series 2010B, Taxable ARRA	13,650	0
Total Revenue Bonds-LADHH	51,143	0
<u>SEWERAGE & WATER BOARD SUBORDINATE REVENUE BONDS</u>		
Sewerage Revenue Subordinate Bonds, Series 2011	36,550	0
Total Sewerage Revenue Subordinate Bonds	36,550	0
<u>AUDUBON COMMISSION SPECIAL TAX BONDS</u>		
Audubon Park Commission Improvement Bonds, Series 1997	69,940	0
Audubon Park Commission Aquarium Bonds, Series 2003A	134,750	0
Audubon Park Commission Aquarium Bonds, Series 2011A-1	1,089,150	0
Audubon Park Commission Aquarium Bonds, Series 2011A-2	10,710	0
Total Audubon Park Commission Aquarium Bonds	1,234,610	0
<u>DOWNTOWN DEVELOPMENT DISTRICT SPECIAL TAX BONDS</u>		
Downtown Development District Special Tax Bonds, Series 2012	139,494	0
Total Downtown Development District Special Tax Bonds	139,494	0
DEFEASED BONDS		
<u>GENERAL OBLIGATION DEFEASED BONDS</u>		
Public Improvement Bonds, Issue of 1977	41	0
Public Improvement Bonds, Issue of 2003	1,667,500	0
Public Improvement Bonds, Issue of 2004	1,343,762	0
Total General Obligation Defeased Bonds	3,011,303	0
<i>Total Itemized Disbursements-Interest, Principal and Premium Paid excluding GO Zone Loan Payments</i>	\$ 58,835,124	\$ 1,010,631

	Premium Paid	Principal Paid	
Total Interest	Debt Service Fund	Debt Service Fund	Total Interest, Premium and Principal
\$ 37,493	\$ 0	\$ 746,000	\$ 783,493
13,650	0	1,321,000	1,334,650
<u>51,143</u>	<u>0</u>	<u>2,067,000</u>	<u>2,118,143</u>
36,550	0	411,000	447,550
69,940	0	310,000	379,940
134,750	0	2,695,000	2,829,750
1,089,150	0	0	1,089,150
10,710	0	0	10,710
<u>1,234,610</u>	<u>0</u>	<u>2,695,000</u>	<u>3,929,610</u>
139,494	0	305,000	444,494
41	25	5,000	5,066
1,667,500	0	33,350,000	35,017,500
1,343,762	0	0	1,343,762
<u>3,011,303</u>	<u>25</u>	<u>33,355,000</u>	<u>36,366,328</u>
<u>\$ 59,845,755</u>	<u>\$ 25</u>	<u>\$ 78,586,423</u>	<u>\$ 138,432,203</u>

BOARD OF LIQUIDATION, CITY DEBT
SCHEDULE OF ITEMIZED DISBURSEMENTS-INTEREST, PREMIUM AND PRINCIPAL PAID (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013

	Interest Paid	
	Debt Service Fund	Federal Subsidy Taxable BAB
GO ZONE LOAN PAID TO LA DEPARTMENT OF ADMINISTRATION		
<u>GENERAL OBLIGATION BONDS</u>		
General Obligation Bonds	\$ 1,220,427	\$ 0
<u>SPECIAL TAX BONDS</u>		
Limited Tax Bonds, Series 2005	0	0
<u>SEWER & WATER BOARD SPECIAL TAX BONDS</u>		
Drainage System Bonds, Series 1998	68,115	0
Drainage System Bonds, Series 2002	123,457	0
Total Drainage System 9 mill bonds	191,572	0
<u>SEWER & WATER BOARD REVENUE BONDS</u>		
Sewerage Service Revenue Bonds, Series 1997	221,785	0
Sewerage Service Revenue Bonds, Series 1998	175,125	0
Sewerage Service Revenue Bonds, Series 2000	123,734	0
Sewerage Service Revenue Bonds, Series 2000B	148,522	0
Sewerage Service Revenue Bonds, Series 2001	234,621	0
Sewerage Service Revenue Bonds, Series 2002	392,993	0
Sewerage Service Revenue Bonds, Series 2003	21,970	0
Sewerage Service Revenue Bonds, Series 2004	220,110	0
Sewerage Service Revenue Refunding BANS, Series 2005	1,392,010	0
Total Sewerage Service Revenue Bonds	2,930,870	0
Water Revenue Bonds, Series 1998	109,703	0
Water Revenue Bonds, Series 2002	191,105	0
Total Water Revenue Bonds	300,808	0
<u>AUDUBON COMMISSION SPECIAL TAX BONDS</u>		
Audubon Commission Improvement Bonds .44 Mills	48,222	0
Audubon Commission Aquarium Bonds 4.11 Mills	475,483	0
Total Audubon Commission Special Bonds	523,705	0
<u>DOWNTOWN DEVELOPMENT DISTRICT SPECIAL TAX BONDS</u>		
Downtown Development District Special Tax Bonds	70,712	0
<i>Total GO Zone Paid to LA Department of Administration</i>	<i>\$ 5,238,094</i>	<i>\$ 0</i>
<i>Total Itemized Disbursements-Interest, Principal and Premium Paid</i>	<i>\$ 64,073,218</i>	<i>\$ 1,010,631</i>

	Premium Paid	Principal Paid	
Total Interest	Debt Service Fund	Debt Service Fund	Total Interest, Premium and Principal
\$ 1,220,427	\$ 0	\$ 1,231,264	\$ 2,451,691
0	0	144,664	144,664
68,115	0	76,794	144,909
123,457	0	139,188	262,645
191,572	0	215,982	407,554
221,785	0	250,043	471,828
175,125	0	197,439	372,564
123,734	0	139,500	263,234
148,522	0	167,446	315,968
234,621	0	264,516	499,137
392,993	0	443,067	836,060
21,970	0	24,770	46,740
220,110	0	248,155	468,265
1,392,010	0	1,569,374	2,961,384
2,930,870	0	3,304,310	6,235,180
109,703	0	123,681	233,384
191,105	0	215,455	406,560
300,808	0	339,136	639,944
48,222	0	54,367	102,589
475,483	0	536,067	1,011,550
523,705	0	590,434	1,114,139
70,712	0	79,722	150,434
\$ 5,238,094	\$ 0	\$ 5,905,512	\$ 11,143,606
\$ 65,083,849	\$ 25	\$ 84,491,935	\$ 149,575,809

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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

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, 2013, 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 24, 2014.

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.



March 24, 2014