

New Orleans, Louisiana, January 27, 2016

A special meeting of the Board of Liquidation, City Debt (Board) was held this date at the office of the Board, Room 8E17, New Orleans, Louisiana pursuant to notice duly given as provided by law. The regular meeting was called to order at 4:00 P.M. by the President, Ms. Mary K. Zervigon. Ms. Zervigon asked the Secretary to call the roll and announce the number of members present. The roll call was as follows:

PRESENT: Councilmember Head*
Mr. Kopplin (For Mayor Landrieu)
Mr. Moody SIX MEMBERS AND A
Mr. O'Connor QUORUM
Mr. Wolfe
Ms. Zervigon

ABSENT: Mr. Arnold
Councilmember Williams

VACANCY: One
* Arrived 4:05PM

Also present were Mr. William R. Forrester, Jr., Beirne, Maynard & Parsons, LLP, special counsel to the Board; Ms. Lisa L. Daniel, Public Financial Management, Inc. (by conference call) and Mr. Shawn M. Barney, CLB Porter LLC, co-financial advisor. Ms. Meredith Hathorn (by conference call), Foley & Judell LLP; Mr. Randy G. McKee, The McKee Law Firm LLC; and Mr. N. Sundiata Haley, The Haley Law Firm LLC, co-bond counsel.

The notice calling the meeting more than 48 hours prior to the date of the meeting was received and ordered filed in the minutes.

The President stated that the minutes of the November 18, 2015, regular meeting had been circulated to the members. She asked if there were any comments, there being none the minutes were adopted as circulated.

The President also stated that the auditor's report for the months of November 2015 and December 2015 were in each member's folder. She asked the members to review the reports and address any questions to the Secretary. There being none, the reports were ordered filed.

The President asked the Secretary to address item #4 on the agenda, a resolution approving the special election authorizing the incurrence of debt and issuance of general obligation bonds, subsequent to the City Council Resolution No. R-16-4, approved January 7, 2016. The Secretary stated that a draft copy of the Board resolution, as well as the adopted City Council Resolution R-16-4, were in the member's folders. He asked Mr. Randy McKee, co-bond counsel, with the McKee Law Firm, LLC, to address the resolution before the Board. Mr. McKee stated that the Board resolution will ratify the City Council resolution which orders the calling of an election to be held April 9, 2016. Mr. McKee said the City Council ordinance calling the election must be approved by a resolution adopted by a majority of the members of the Board, which is before the Board today. He said the resolution allows for the incurring of debt authorizing \$120,000,000 of general obligation bonds; application to the State Bond Commission and required advertisement of the bonds. He said the resolution allows for a maximum interest rate of 8% on the bonds. The President stated this resolution must be adopted as presented without amendment. Mr. O'Connor asked if issuing bonds would require a millage increase. The Secretary stated that the Board had discussed the millage impact at the last meeting and determined, based upon then market conditions, issuing \$50,000,000 to \$60,000,000 in 2016 would not require an increase in millage in 2017. He said that the savings as a result of the 2015 refunding of general obligation bonds and the funds received from the BP settlement used in that refunding allowed for no increase in the millage in 2016. Mr. Kopplin said the bonds are to be issued by the City of New Orleans but sold through the Board. He said the Board would set the millage rate sufficient to meet the debt service obligations. Mr. Wolfe asked the function of the Board voting on this resolution. The Secretary stated that the City Council calls for the election and this resolution provides for the election to authorize the incurring of debt and issuance of bonds, which is a function of the Board. The President stated that if an increase in millage is required as a result of issuing bonds, it would be the Board's responsibility to notify the City Administration.

The President asked for a motion to adopt the resolution approving the election authorizing the incurring of debt and issuance of general obligation bonds. Mr. Kopplin moved for adoption of the resolution and Mr. O'Connor seconded, and on roll call the vote was as follows:

AYES: HEAD, KOPPLIN (FOR LANDRIEU), MOODY, O'CONNOR, WOLFE,
ZERVIGON

NAYS: NONE

ABSENT: ARNOLD, WILLIAMS

VACANCY: ONE

And the resolution was adopted.

There being no further business to come before the Board, Ms. Zervigon motioned for adjournment, Mr. Wolfe seconded, there being no objections, and the meeting was adjourned by the President at 4:08 P.M.

David W. Gernhauser
Secretary