New Orleans, Louisiana
September 21, 2022

A regular 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 4:05 P.M. by the Vice President, Mr. Ralph Johnson. Mr. Johnson asked the Secretary to call the roll and announce the number of members present. The roll call was as follows:

PRESENT:	Mr. Johnson	SIX MEMBERS AND A QUORUM
	Mr. Kimbrough	
	Ms. Markowitz	
	Mr. McDonald*	
	Mr. Montaño (for Mayor Cantrell)	
	Mr. Sloss	
ABSENT:	Councilmember Moreno	
	Councilmember Morrell	
VACANT:	1 Board Member Vacancy	

*Arrived 4:15PM;

Also present were Mr. William R. Forrester, Jr., legal counsel; Ms. Lisa Lawrence and Mr. Ricardo Callender, PFM Financial Advisors (co-financial advisors); Mr. Shawn Barney and Mr. Kyle Wright, CLB Porter (co-financial advisors); Mr. Jason Akers and Ms. Tiffaney Trosclair, Foley & Judell L.L.P., and Ms. Maria Auzenne, Auzenne and Associates LLC, co-bond counsel; Mr. E. Grey Lewis, Sewerage & Water Board.

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 Vice President asked that we take a moment of silence for the late President Mary K. Zervigon who served on the Board from May 20, 1992 to August 27, 2022.

The Vice President stated that the minutes of the July 20, 2022, regular meeting had been circulated to the members. He asked if there are any comments, there being none the minutes was adopted as circulated.

The Vice President also stated that the auditor's letter for the months of July 2022 and August 2022 are in each member's folder for their review. He asked the members to review the letters and address any questions to the Secretary. There being none, the monthly audit letters were ordered filed.

The Vice President asked the Secretary to address item #8 on the agenda, to consider the succession of Board Officers. The Secretary stated that the Board must select a president since Ms. Zervigon's vacancy from the syndicate membership. The Vice President asked if there was a motion for president. Mr. Sloss motioned Mr. Ralph Johnson for president. Mr. Kimbrough seconded and on roll call, the vote was as follows:

AYES: JOHNSON; KIMBROUGH; MARKOWITZ; MONTAÑO (FOR MAYOR CANTRELL); SLOSS

NAYS:	NONE
ABSENT:	McDONALD; MORENO; MORRELL
VACANT:	1 Board Member Vacancy

And the motion was adopted.

Mr. Madison then stated that we now have to select the vice president from the syndicate membership since Mr. Ralph Johnson is the new president-elect. The President-Elect asked if there was a motion for vice president. Mr. Julius Kimbrough motioned Mr. Poco Sloss for vice president. Ms. Markowitz seconded and on roll call, the vote was as follows:

AYES:	JOHNSON; KIMBROUGH; MARKOWITZ; MONTAÑO (FOR MAYOR CANTRELL); SLOSS
NAYS:	NONE
ABSENT:	McDONALD; MORENO; MORRELL
VACANT:	1 Board Member Vacancy

And the motion was adopted.

The President-Elect asked the Secretary to address item #7 on the agenda, a resolution providing for the preliminary approval of not exceeding Forty-Five Million Dollars ($45,000,000) of Drainage System Limited Tax Bonds of the City of New Orleans, Louisiana, and providing for other matters in connection therewith. The Secretary asked Mr. Jason Akers with Foley & Judell L.L.P., co-bond counsel to address the resolution.

Mr. Akers stated that this bond will benefit the drainage system in the City of New Orleans as a whole and more specifically, providing a portion of the funding for the West Power Complex. He then explained that unlike the sewer revenue bonds or the water revenue bonds, which are usually paid out of user fees, the drainage system does not actually produce revenue, but instead is funded by three different ad valorem taxes; specifically the 9 mill tax which is not levied at 9 mills, but at 7.06 mills, will serve as security for these bonds. He said that there is one series of bonds that is currently outstanding secured by this tax, the 2014 Refunding bonds and the final maturity is December 1, 2022. Mr. Akers said that this is the first round of the preliminary approvals; first approval was with SWBNO this morning, tomorrow the Public Works Committee of the City Council, and then the full City Council is on October 6th. He said that the application has been completed and filed with the State Bond Commission with the anticipation of the completion of all these approvals and that he expect to receive State Bond Commission approval on October 20th. The resolution calls for the Board to conduct a RFP to find a bank purchaser/lender for the bonds, since they will be short term and the final maturity is December 1, 2028. He stated the reason for this is because there is three mileages which fund the drainage system and they all expires at different times. PFM and Mr. Lewis (with SWBNO) did an analysis to determine the funding term that will not jeopardize the operations of the drainage system.

Mr. Akers asked if Mr. Lewis, Ms. Lawrence or Mr. Callender would like to add to the discussion of the resolution. Ms. Lisa Lawrence stated that the analysis, which was included in the packet, does include the required SELA payments which are estimated amounts since they are not fully defined yet. Mr. Akers then stated that this resolution is expected to come back before the Board of Liquidation, City Debt in the November 2022 meeting, at which time the Board may be levying a mileage for 2023, and there will be final approval of the resolution and sale terms at that time.

Mr. Montaño asked if the City's rating score with Moody was taken into account, relative to the market. Ms. Lawrence stated that this issue does not require a rating since it will be a direct placement with a bank.

The President-Elect asked if there were any questions or further discussion and asked for a motion.

Mr. Montaño moved to adopt the resolution providing for the preliminary approval of not exceeding Forty-Five Million Dollars ($45,000,000) of Drainage System Limited Tax Bonds of the City of New Orleans, Louisiana, and providing for other matters in connection therewith. Mr. Sloss seconded and on roll call, the vote was as follows:

AYES:	JOHNSON; KIMBROUGH; MARKOWITZ; McDONALD; MONTAÑO (FOR MAYOR CANTRELL); SLOSS
NAYS:	NONE
ABSENT:	MORENO; MORRELL
VACANT:	1 Board Member Vacancy

And the resolution was adopted.

The President-Elect asked the Secretary to address item #5 on the agenda, a resolution selecting senior underwriter and co-managers from the responses to the RFP to the not to exceed One Hundred Thirty-Five Million Dollars ($135,000,000) of General Obligation Refunding Bonds of the City of New Orleans, Louisiana, Series 2022. The Secretary asked Mr. Ricardo Callender with PFM Financial, co-financial advisors, to address the resolution.

Mr. Callender stated that the co-financial advisors and Secretary issued a RFP to solicit proposals for underwriting services for the proposed refunding. In August 2022, a RFP was circulated to more than thirty (30) financial firms providing underwriting services. There were seventeen (17) responses received back with thirteen (13) proposals to serve as senior manager or co-manager and four (4) proposals to serve solely as co-manager. He said that overall the seventeen proposals shows that there is a lot of interest in the City's bonds and all were from qualified firms. Therefore, with the size of this refunding, a team must be selected who will provide a broad access to marketing investors and support in the case of any marketing volatility. The selection criterion, which was noted in the circulated memo, included both qualification and experience of the firms, respondent's evaluation of the City's credit and marketing strategy for the bond issue, as well as the fee proposal to serve as senior manager. As a result of a thorough review of the responses based on these criterions, the co-financial advisors recommend that the underwriting teams include Co-Senior Managers consisting of J.P. Morgan and Loop Capital, and a Co-Manager team consisting of four firms: FHN Financial Capital Markets, Piper Sandler, Siebert Williams Shank & Co., LLC, and Raymond James.

The President-Elect asked if there were any questions or further discussion and asked for a motion.

Mr. Kimbrough moved to adopt the resolution selecting senior underwriter and co-managers from the responses to the RFP to the not to exceed One Hundred Thirty-Five Million Dollars ($135,000,000) of General Obligation Refunding Bonds of the City of New Orleans, Louisiana, Series 2022. Mr. Montaño seconded and on roll call, the vote was as follows:

AYES:	JOHNSON; KIMBROUGH; MARKOWITZ; McDONALD; MONTAÑO (FOR MAYOR CANTRELL); SLOSS
NAYS:	NONE
ABSENT:	MORENO; MORRELL
VACANT:	1 Board Member Vacancy

And the resolution was adopted.

The President-Elect asked the Secretary to address item #6 on the agenda, a bond sale resolution not to exceed One Hundred Thirty-Five Million Dollars ($135,000,000) of General Obligation Refunding Bonds of the City of New Orleans, Louisiana, Series 2022 and providing for other matters in connection therewith. The Secretary asked Mr. Jason Akers with Foley & Judell L.L.P., co-bond counsel, to address the resolution.

Mr. Akers stated that Mr. Callender has just explained the purpose behind the resolution and this is the sale resolution for the One Hundred Thirty-Five Million Dollars ($135,000,000) of General Obligation Refunding Bonds. He said that the resolution allows the bonds to be sold in one or more series. The intent for this is to allow the co-financial advisors along with the Secretary to find the most feasible options for refunding to maximize the savings that would be available to the Board. Mr. Akers stated that the resolution authorizes the sale to the underwriting syndicate through its representative. He said that with the Board's approval and following the recommendations made in the prior resolution, the names will be inserted under the underwriter definition. It also authorizes the execution of the bond purchase agreement, which will lock in the terms of the sale, and is executed by the Secretary along with the certificate of determination, which reflects the terms of the sale, and will be distributed to the Board following the sale. This is the final approval and the Board is authorizing the President and Secretary to move forward with the advice and consent of the co-financial advisors and co-bond counsels as necessary. He said that this does require a vote of two-thirds majority because it is a negotiated sale so six votes are needed in favor. Lastly, he stated that there was a section added to the resolution that allows the Secretary to select a verification agent or investment advisor in connection with the bond proceeds if there would be an escrow involved.

The President-Elect asked if there were any questions or further discussion and asked for a motion. Mr. Montaño moved to adopt the resolution authorizing the issuance of not exceeding One Hundred Thirty-Five Million Dollars ($135,000,000) of General Obligation Refunding Bonds of the City of New Orleans, Louisiana in one or more series; and providing for other matters in connection therewith. Mr. Kimbrough seconded and on roll call, the vote was as follows:

AYES:	JOHNSON; KIMBROUGH; MARKOWITZ; McDONALD; MONTAÑO (FOR MAYOR CANTRELL); SLOSS
NAYS:	NONE

ABSENT: MORENO; MORRELL

VACANT: 1 Board Member Vacancy

And the resolution was adopted.

The President-Elect asked the Secretary to address item #9 on the agenda, to consider the Service Wide Increases of Salaries and Cost of Living Adjustment (COLA) from the Mayor's Recommendation. The Secretary stated that the Board of Liquidation normally follows what the City of New Orleans does when it comes to raises. The Mayor and the Administration have requested several Service Wide Increases for CNO employees. These increases were approved by the Civil Service Commission at its August 12, 2022 meeting. The City Council then approved these raises on September 1, 2022. Mr. Madison stated that he would like for the staff of the Board of Liquidation to participate in the same rate increases recommendation that have been approved by both the Civil Service Commission and City Council.

Mr. Sloss asked the Secretary to explain the recommendation. The Secretary stated that the first part of the recommendation is a one-time 5% Cost of Living increase that will take place before October 15, 2022. The next part of the recommendation is a series of rate increases for the years 2023 through 2025 as follows: 5% in 2023, 2.5% in 2024 and finally 2.5% in 2025. Mr. Madison stated that the one time Cost of Living increase to the Board of Liquidation is about $19,000 and will not have any effect on this year budget as our interest earnings far exceeded the amount budgeted due to the high rate of interest in 2022.

Mr. Kimbrough asked if the Board serves as their own Civil Service Commission, relative to the staff. Mr. Madison answered "yes", that is correct.

The President-Elect asked if there were any questions or further discussion and asked for a motion.

Mr. Johnson motioned for the Board to approve the 5% COLA increase and then also to follow the final recommended changes for the City associated with subsequent increases for the Board's staff. Mr. Montaño seconded and on roll call, the vote was as follows:

AYES: JOHNSON; KIMBROUGH; MARKOWITZ; McDONALD; MONTAÑO (FOR MAYOR CANTRELL); SLOSS

NAYS: NONE

ABSENT: MORENO; MORRELL

VACANT: 1 Board Member Vacancy

And the motion was adopted.

There being no further business to come before the Board, Mr. Sloss motioned for adjournment, Mr. Montano seconded, there being no objections, the meeting was adjourned by the President at 4:39 P.M.

Tracy D. Madison
Secretary