New Orleans, Louisiana

June 17, 2020

A special meeting of the Board of Liquidation, City Debt (Board) was held via video-conference this date online at www.webex.com meeting number 1264691930, per the Governor's Proclamation 33JBE2020, and pursuant to notice duly given as provided by law. The special video-conference meeting was called to order at 4:05 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:	Mr. Johnson	SIX MEMBERS AND
	Mr. Kimbrough	A QUORUM
	Mr. McDonald	
	Mr. Montaño (for Mayor Cantrell)	
	Mr. Sloss	
	Ms. Zervigon	
ABSENT:	Councilmember Moreno	
	Mr. O'Connor	
	Councilmember Williams	

Also present via video conference were Ms. Lisa L. Daniel, PFM Financial Advisors and Mr. Shawn Barney, CLB Porter, co-financial advisors; Mr. Jason Akers, Foley & Judell L.L.P., and Ms. Maria Auzenne, Auzenne and Associates LLC, co-bond counsel; Mr. William R. Forrester, Jr., legal counsel; and Ms. Laurie Conkerton, Chief Financial Officer of the Audubon Commission.

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

The President acknowledged the Governor's Proclamation Number 75, allowing state and municipal boards and commissions to continue to hold essential meetings via telephone and video conference until June 26, 2020. The Secretary stated that in accordance with 33 JBE 2020, Sec. 4, the meeting notice constitutes a certification by the Board of Liquidation, City Debt, that meeting by video-conference is necessary because of the social distancing mandates imposed by the Governor and the Mayor of the City of New Orleans and that the Board would otherwise be unable to operate due to the quorum requirements of La. R.S. 42:19 – insofar as they mandate the physical presence of Board members in one location.

The President stated that the minutes of the May 27, 2020, special video conference 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 letter for the month of April 2020, was emailed to each member prior to this meeting for their review. She asked the members to review the letter and address any questions to the Secretary. There being none, the monthly audit letter was ordered filed.

The President asked the Secretary to address item #4 on the agenda, a resolution to advertise the sale of not to exceed $9,500,000 Audubon Commission Limited Tax Bonds, Series 2020, of the City of New Orleans, Louisiana, and other matter in connection therewith. The Secretary stated that the Audubon Commission and the City Council have both adopted resolutions authorizing the process to sell these bonds. The resolution before the Board authorizes the application to the Louisiana State Bond Commission as well as the publication for a Notice of Sale to be advertised. He asked Mr. Jason Akers, co-bond counsel to address the resolution and Ms. Lisa Daniel, co-financial advisor to speak to the timeline proposed for the sale of these bonds.

Mr. Akers stated that this resolution before the Board gives preliminary authority to the issuance of not to exceed $9.5 Million of Limited Tax Bonds, to benefit the Audubon Commission. He said the voters in New Orleans approved a new Parks Millage in 2019, of which 1.95 mills is dedicated to the Audubon Commission, and collection of this new ad valorem tax will become effective in 2021. He said the resolution adopted by the Audubon Commission requests the use of the revenue generated from the 1.95 mills of this special ad valorem tax to secure the debt service on the proposed bonds. He said these bonds will only have a claim on the Audubon Commission's portion of the 2021 Parks Millage and will not impact the revenues of the other tax recipient bodies included in this millage, such as Parks & Parkways Commission, NORDC or City Park. He said the bonds will be sold on a competitive basis with the publication of a Notice of Sale and a preliminary official statement. He stated that the proceeds from these bonds will also serve as matching funds for various grants awarded to the Audubon Commission for capital projects. He said the $9.5 million will generate as much as $30 to $40 million in projects. He said Ms. Laurie Conkerton, Chief Financial Officer of the Audubon Commission, is joining the video conference meeting and is available to answer any questions from the Board regarding the use of the proceeds. Mr. Akers said Audubon bonds previously sold by the Board were issued pursuant to specific statutory authorizations with regard to the collection of the ad valorem taxes supporting the bonds. He said the City, as tax collector, remitted directly to the Board, the special tax dedicated to the Audubon Commission. He said the Board would then draw down the amount necessary to pay the annual debt service transferring the funds to the Board Debt Administration Fund Account. He stated that the new Parks Millage does not have this statutory requirement, therefore a Cooperative Endeavor Agreement (CEA) to mandate those procedures for this series of bonds and approval of that CEA will be part pf the final resolution to be adopted by the Board at the next Board meeting scheduled to sell the bonds. He said the ad valorem tax collection procedures to fund the annual debt service on these bonds will be contractual instead of statutory, but enforceable just the same.

Ms. Lisa Daniel, co-financial advisor then addressed the timeline proposed for the sale of the not to exceed $9,500,000 Audubon Commission Limited Tax Bonds, Series 2020. Ms. Daniel stated that the goal was to price and sell the proposed bonds in August at the regular Board meeting. She said that would give enough time, if approved today, to prepare a preliminary official statement, publish a completed Notice of Sale and schedule rating agency meetings. She said the rating agency analysis will include the credit of the limited tax revenues as well as the operations of the Audubon Commission and their audited financial reports. She said tentatively the rating agency meetings would be in early August, with the bond sale on August 19, the regularly monthly scheduled meeting date of the Board. She said with this timeframe the bond proceeds would be available for the Audubon Commission in second half of September. Mr. Montaño asked if the 1.95 mills recently authorized by the voters would be pledged to repay the bonds and if that millage would generate approximately $8 million in ad valorem tax collection. Ms. Daniel stated that the new millage would be pledged generating approximately $8 million in tax revenue and the debt service schedule would be structured to fit the budgeted needs of the Audubon Commission. Mr. Montaño asked if the operations of the Audubon Commission included the impact of the COVID 19 pandemic effect on revenues and budgets and if this would be a good time to be pledging ad valorem tax revenue to debt service while revenues from operations are uncertain. Ms. Laurie Conkerton, Chief Financial Officer of the Audubon Commission, stated that the bond sale and incurring debt service payments were included in the Audubon Commission 2020 budget. She stated that debt service was a small percentage of the ad valorem tax collection and even a smaller percentage of the total revenues of the Audubon Commission budget. She said the annual debt service payments on these proposed bonds is approximately $685,000 per year and the Audubon Commission has been funding over $3,800,000 debt service per year on the outstanding bonds which will be completely paid off in 2021.She said the bond proceeds would also help at the state level with capital outlay project funding, primarily projects at the Aquarium. Mr. Montaño asked how far out of an analysis has the Audubon Commission made to address the impact the COVID 19 pandemic. Ms. Conkerton stated the Audubon Commission has forecasted through the end of 2020, but has not forecasted an analysis for 2021, since numbers and predictions are changing daily with such uncertainty. Mr. Montaño asked if a baseline revenue prediction for 2021 was made and how that compared to the baseline revenue for 2020. Ms. Conkerton said a baseline revenue for 2021 has not been made at this time. Mr. Montaño stated he was concerned about the shifting of revenue in the coming year from the operational needs of the Audubon Commission budget in 2021, to the capital budget. Ms. Zervigon stated she was concerned about using terms such as post COVID 19. She said until there is a vaccine, there is no after COVID 19 and that making a forecast based on a specific date causes her concern. Mr. Akers stated that the outstanding Audubon bonds currently pay $3.8 million in debt service per year and will be paid out in 2021, where this new issue would only require approximately $650,000 per year in debt service payments from the ad valorem tax revenue. Ms. Daniel stated that the debt service in 2021 for the new bonds would be interest only and require approximately $350,000 against the 2021 budget. The President asked if there were any other comments from the members. She asked the Secretary if he had received any questions or comments from the public. The Secretary said he had received no comments or questions from the public regarding the items on the meeting agenda. The President then asked if there was a motion on agenda item #4.

Mr. Sloss moved to adopt the resolution to advertise the sale of not to exceed $9,500,000 Audubon Commission Limited Tax Bonds, Series 2020, of the City of New Orleans, Louisiana and other matters in connection therewith. Mr. Johnson seconded and on roll call the vote was as follows:

AYES:	JOHNSON, KIMBROUGH, McDONALD, MONTAÑO (FOR MAYOR CANTRELL), SLOSS; ZERVIGON
NAYS:	NONE
ABSENT:	MORENO; O’CONNOR, WILLIAMS

And the resolution was adopted.

There being no further business to come before the Board, Ms. Zervigon motioned for adjournment, Mr. Kimbrough seconded, there being no objections, the meeting was adjourned by the President at 4:22 P.M.

David W. Gernhauser
Secretary