New Orleans, Louisiana

July 20, 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 4:03 P.M. by Board Member, Mr. Lynes R. Sloss. Mr. Sloss asked the Secretary to call the roll and announce the number of members present. The roll call was as follows:

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

*Arrived 4:05PM;

Also present were Ms. Lisa Lawrence and Mr. Ricardo Callender, PFM Financial Advisors (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.

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

Board Member, Mr. Sloss, stated that the minutes of the May 18, 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.

Board Member, Mr. Sloss, also stated that the auditor's letter for the months of May 2022 and June 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 President asked the Secretary to address item #4 on the agenda, to select a president and vice president from the current syndicate members. The Secretary stated that the Home Rule charter calls for the board to elect a new president and vice president as early as July 1st of every year and that this term expire June 30, 2023. The President asked if there were a motion for president. Mr. Sloss motioned Ms. Mary Zervigon for president. Councilmember Morrell seconded and on roll call, the vote was as follows:

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

NAYS: NONE

ABSENT: JOHNSON; McDONALD; MORENO;

And the motion was adopted.

Then Mr. Madison stated that we have to select the vice president and currently Ralph Johnson is serving in this role. Mr. Madison advised that Mr. Johnson is absent today but was recently nominated a month ago. The President asked if there were a motion for vice president. Mr. Julius Kimbrough motioned Mr. Ralph Johnson for vice president. Ms. Markowitz seconded and on roll call, the vote was as follows:

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

NAYS: NONE

ABSENT: JOHNSON; McDONALD; MORENO;

And the motion was adopted.

The President asked the Secretary to address item #5 on the agenda, a resolution approving the issuance of not to exceed 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. The Secretary stated that the City of New Orleans would like to refinance some of their outstanding debt which includes General Obligation Bonds, Issue 2012, Taxable Public Improvement Bonds Issues 2013 and 2014. Mr. Madison asked Ms. Maria Auzenne with Auzenne and Associates LLC, co-bond counsel, to address the resolution.

Ms. Auzenne stated that the resolution has already been passed by the City Council at their last meeting. She said that it is really a simple deal-$135,000,000 refunding bonds as Mr. Madison stated and that it is purely an economic savings for the citizens. She asked Mr. Ricardo Callender, with PFM Financial Advisors LLC, to address how much the savings might be.

Mr. Callender stated that this is an opportunity to refund for savings because it is subject to market conditions and that market is going to continue to fluctuate between now all the way up until the day and the moment that the bonds can be price, which is when the rates will be locked in. He stated that the current estimates of savings for the three series of bonds were approximately $9,000,000 net present value. Ms. Markowitz asked what the rate is assumed in that net present value. Mr. Callender stated the average interest cost of capital between the three issues of bonds for the entirety is approximately 3.75%.

Mr. Sloss then asked if the present market condition will affect the 0.95% rate on the bonds that was just approved at the last meeting. Mr. Madison explained to Mr. Sloss that these bonds are not DEQ bonds but are public improvement bonds. The DEQ bonds are loans with the State with the flat rate of 0.95%.

Ms. Auzenne stated that there is a ceiling not to exceed of 6%, but the hope is that it will not be anywhere near 6%. She further stated that after the Board’s approval, the resolution will become before the State Bond Commission tomorrow. Mr. Madison stated that some of these bonds have a 5% coupon rate.

Ms. Markowitz asked if at 6%, would there still be a savings. Mr. Callender stated likely not. Then the President asked Ms. Auzenne if the rate is 6.5% and the bond attorneys or the financial analysts consider this a really good deal, will the refunding still go forward. Ms. Auzenne stated the interest rate cannot exceed the parameters of the resolution approved by the Board. Then Mr. Madison advised that if the savings is not there then we will not move forward with it.

The President 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. Councilmember Morrell seconded and on roll call, the vote was as follows:

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

And the resolution was adopted.

There being no further business to come before the Board, Ms. Zervigon motioned for adjournment, Mr. Johnson seconded, there being no objections, the meeting was adjourned by the President at 4:15 P.M.

Tracy D. Madison
Secretary