



**BOARD OF LIQUIDATION
CITY DEBT
New Orleans, Louisiana
ANNUAL STATEMENT
DECEMBER 31, 2019**

www.bolcd.com

**BOARD OF LIQUIDATION, CITY DEBT
NEW ORLEANS, LOUISIANA**

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**BOARD OF LIQUIDATION, CITY DEBT
NEW ORLEANS, LOUISIANA**

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CITY OF NEW ORLEANS
BOARD OF LIQUIDATION,
CITY DEBT
ANNUAL FINANCIAL REPORT

INTRODUCTORY SECTION

DECEMBER 31, 2019

MEMBERS OF BOARD

ALAN C. ARNOLD
RALPH W. JOHNSON
JULIUS E. KIMBROUGH, JR.
HENRY F. O'CONNOR, JR.
LYNES R. SLOSS
MARY K. ZERVIGON

LATOYA CANTRELL, EX OFFICIO
HELENA N. MORENO, EX OFFICIO
JASON R. WILLIAMS, EX OFFICIO

Board of Liquidation, City Debt

1300 PERDIDO STREET - ROOM 8E17

New Orleans, La. 70112

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March 20, 2020

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 an annual 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, 2019, 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-Bouligny Security District, the Twinbrook Security District, and the Upper Hurstville Security District.

Sincerely,



Mary K. Zervigon



David W. Gernhauser

**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
David W. Gernhauser, Secretary
Tracy David Madison, Assistant Secretary

COUNSEL

William R. Forrester, Jr. Esq.

MEMBERS OF THE BOARD

Mary K. Zervigon	Alan C. Arnold	Ralph W. Johnson
Julius E. Kimbrough, Jr.	Henry F. O'Connor, Jr.	Lynes R. Sloss

LaToya Cantrell, Mayor	Ex-Officio
Helena N. Moreno, Councilmember at Large	Ex-Officio
Jason R. Williams, Councilmember at Large	Ex-Officio

**BOARD OF LIQUIDATION, CITY DEBT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**

Introduction

Within this document 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, 2019. The Board's financial activities are discussed and analyzed within the context of the accompanying financial statements and disclosures following this document. Additional information is available in the letter of transmittal which precedes the *Management's Discussion and Analysis*. The discussion focuses on the Board's primary government. There are no component units to be reported separately from the primary government.

Background

The Board of Liquidation, City Debt was established by Act No. 133, of the Acts of 1880. By this law, the Board is to provide a detailed report of its receipts and its disbursements. The Board was most recently continued under the Louisiana Revised Statutes Title 33. Accordingly, the Board's financial statements are prescribed by statute and their financial statements are prepared using a Special Purpose Framework, the Modified Cash Basis of accounting. The Modified Cash Basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Modified Cash Basis of accounting receipts are recognized when received rather than when earned and disbursements are recognized when disbursed rather than when they are compelled to be disbursed, 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 fiduciary funds are compelled to be disbursed.

Fund Accounting

The Board maintains one fiduciary fund to account for its activities, the Custodial Fund. A custodial fund is used to account for assets held for other funds, governments, or individuals. In addition, accounts are organized and maintained by the Board as separate accounting entities for the purpose of attaining objectives in accordance with the various special restrictions, regulations and limitations.

**BOARD OF LIQUIDATION, CITY DEBT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)
DECEMBER 31, 2019**

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, the Custodial Fund, and include:

- Statement of Assets, Liabilities and Net Position - Modified Cash Basis
- Statement of Receipts, Disbursements and Changes in Net Position - Modified Cash Basis
- Notes to Financial Statements - Modified Cash Basis

The Board also includes in this report additional information to supplement the basic financial statements.

Basic Financial Statements

The 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 Statement of 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.

**BOARD OF LIQUIDATION, CITY DEBT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)
DECEMBER 31, 2019**

Other and Supplemental Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other and supplemental information. This information follows the notes to the financial statements and includes, but is not limited to, items such as:

- Combining Schedules of Assets, Liabilities and Net Position - Modified Cash Basis for all activities administered by the Board
- Combining Schedules of Receipts, Disbursements and Changes in Net Position - Modified Cash Basis for all activities administered by the Board
- Details of certain disbursements made during the year
- Details of bond sales during the year
- Details of debt administered by the Board
- Details of ad valorem tax millage available to service bonded debt

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 following table provides a comparison of the Board's financial balances and activities:

	<u>2019</u>	<u>2018</u>	<u>Changes</u>
Assets	\$118,643,894	\$141,476,320	\$(22,832,426)
Liabilities	<u>216,357</u>	<u>226,927</u>	<u>(10,570)</u>
Net Position	<u>\$118,427,537</u>	<u>\$141,249,393</u>	<u>\$(22,821,856)</u>
Receipts	\$273,130,211	\$247,012,333	\$ 26,117,878
Disbursements	<u>295,962,637</u>	<u>280,543,588</u>	<u>15,419,049</u>
Excess of receipts over (under) disbursements	(22,832,426)	(33,531,255)	10,698,829
Other sources (uses)	<u>10,570</u>	<u>52,605,866</u>	<u>(52,595,296)</u>
Change in net position	<u>\$ (22,821,856)</u>	<u>\$ 19,074,611</u>	<u>\$(41,896,467)</u>

Assets consist of cash, money market accounts, certificates of deposit and U.S. treasury securities.

**BOARD OF LIQUIDATION, CITY DEBT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)
DECEMBER 31, 2019**

The recorded liabilities consist of the matured and unpaid coupons and bonds.

Net position is restricted for debt service, reserve funds and for other governments. The amounts restricted for debt service is \$38,001,922. The amounts restricted for reserve funds are \$67,968,901. The amounts restricted for other governments are \$12,456,714. The debt service funds are restricted for future debt service payments and were included in calculating the millage necessary to service the General Obligation Debt for 2019. The 2019 millage levy is 22.5 mills, a reduction of 3 mills from 2018.

Receipts consist of ad valorem taxes, special taxing district fees, debt service funds, bond proceeds, etc.

Disbursements include principal and interest on bonded debt and the tax credit bond loan, warrants paid to other governments, administrative costs of the Board, cash defeasance, etc.

Other sources consist of the debt service payment on matured Public Improvement Bonds, Issue of 1966, in the amount of \$10,570.

Financial Highlights:

- Current year receipts include:
 - o Ad valorem tax receipts of \$160,496,656 represent approximately 59% of total receipts
 - o Bond proceeds of \$49,858,640 represent 18% of total receipts
 - o Debt service funds totaling \$57,224,392 represent approximately 21% of total receipts and include escrow receipts of \$16,516,531, debt service receipts from other governments of \$39,782,847, and Federal subsidy receipts of \$925,014.
- Current year disbursements include:
 - o Debt service payments of principal, interest and administrative fees totaling \$141,308,195 represent approximately 48% of total disbursements
 - o Cash defeasance of \$32,617,624 represents 11% of total disbursements
 - o Warrants disbursed to other governments of \$71,348,707 represent approximately 24% of total disbursements
 - o Funds returned to other governments of \$49,732,016 represents 17% of total disbursements

**BOARD OF LIQUIDATION, CITY DEBT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)
DECEMBER 31, 2019**

Bond Ratings

Bond ratings for the General Obligation Bonds of the City of New Orleans at December 31, 2019 were Standard and Poor's Rating AA-; Fitch Ratings A+; and Moody's Rating Service A2.

Long-term Debt Administration

The Board's financial statements are prepared on the modified cash basis of accounting and do not include the debt that they administer. This debt administration significantly affects the availability of resources for future use.

The bond sales during the fiscal year ending December 31, 2019, are as follows:

\$50,000,000 Taxable Public Improvement Bonds, Issue of 2019, sold September 17, 2019, at 2.382% true interest cost, maturing December 1, 2029, and delivered October 22, 2019. Proceeds received were \$49,731,090 which was net of an underwriter's discount.

\$10,000,000 Sewerage Service Revenue Bonds - LA Department of Environmental Quality (DEQ), Series 2019, at 0.95% interest rate, maturing June 1, 2040, and delivered November 20, 2019. Proceeds received were \$127,550.

On December 2, 2019, the Board cash defeased and called \$32,610,000 outstanding Taxable Public Improvement Bonds, Issue of 2010A Build America Bonds. Total disbursement included \$7,624 of interest.

At the end of the year, the Board administers total bonded debt outstanding of \$494,910,000 in General Obligation Bonds and \$7,557,981 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, currently 1.82 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 and the Tax Credit Bond Loan is supported by revenues remitted to the Board on a monthly basis by the Sewerage & Water Board of New Orleans.

**BOARD OF LIQUIDATION, CITY DEBT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)
DECEMBER 31, 2019**

Outstanding debts administered by the Board at December 31, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
City of New Orleans:		
General Obligation Bonds	\$494,910,000	\$ 523,950,000
Limited Tax Bonds	<u>7,557,981</u>	<u>11,227,062</u>
	<u>502,467,981</u>	<u>535,177,062</u>
Sewerage & Water Board of New Orleans:		
Drainage System Special Tax Bonds	5,850,000	7,665,000
Sewerage Service Revenue Bonds	199,365,000	210,440,000
Louisiana Department of Environmental Quality Revolving Loan	6,167,550	6,475,000
Water Revenue Bonds	<u>193,725,000</u>	<u>197,300,000</u>
	<u>405,107,550</u>	<u>421,880,000</u>
Audubon Park Commission:		
Audubon Aquarium Bonds	<u>7,100,000</u>	<u>10,405,000</u>
Downtown Development District:		
Downtown Development District Bonds	<u>2,875,000</u>	<u>3,240,000</u>
Sewerage & Water Board of New Orleans:		
Tax Credit Bond Loan	<u>42,695,640</u>	<u>47,762,154</u>
	<u>\$960,246,171</u>	<u>\$1,018,464,216</u>

Subsequent Event

On January 30, 2020, the World Health Organization declared the COVID-19 outbreak a public health emergency. The potential impact has not been recognized in these financial statements.

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.

CITY OF NEW ORLEANS
BOARD OF LIQUIDATION,
CITY DEBT
ANNUAL FINANCIAL REPORT

FINANCIAL SECTION

DECEMBER 31, 2019

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MEMBERS OF
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SOCIETY OF LOUISIANA
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SIDNEY T. SPILSBURY, C.P.A.
(1905-1985)
KEITH T. HAMILTON, C.P.A.
(1932-2003)
LEROY P. LEGENDRE, C.P.A.
(Retired)
RENE G. GAUTREAU, C.P.A.
(1958-2019)

INDEPENDENT AUDITOR'S REPORT

President and Members
Board of Liquidation, City Debt
New Orleans, Louisiana

Report on the Financial Statements

We have audited the Statement of Assets, Liabilities and Net Position—Modified Cash Basis, Statement of Receipts, Disbursements and Changes in Net Position—Modified Cash Basis, and the related Notes to Financial Statements—Modified Cash Basis, which collectively comprise the basic financial statements for the Board of Liquidation, City Debt, a blended component unit of the City of New Orleans, as of and for the year ended December 31, 2019.

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 described in Note B; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for 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 an opinion 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 judgment, 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 and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

**President and Members
Board of Liquidation, City Debt
New Orleans, Louisiana**

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis assets, liabilities and net position of the Board of Liquidation, City Debt, as of December 31, 2019, and the receipts, disbursements and changes in net position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note B.

Basis of Accounting

We draw attention to Note B of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Board of Liquidation, City Debt's basic financial statements. The introductory section and the statistical section, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information section on pages 25-45 is the responsibility of management and was derived from and relates 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 auditing standards generally accepted in the United States of America. In our opinion, the supplementary information listed above is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical 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.

**President and Members
Board of Liquidation, City Debt
New Orleans, Louisiana**

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2020, on our consideration of the Board of Liquidation, City Debt's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board of Liquidation, City Debt's internal control over financial reporting and compliance.



Metairie, Louisiana

March 20, 2020

CITY OF NEW ORLEANS
BOARD OF LIQUIDATION,
CITY DEBT
ANNUAL FINANCIAL REPORT

BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

BOARD OF LIQUIDATION, CITY DEBT
STATEMENT OF ASSETS, LIABILITIES
AND NET POSITION - MODIFIED CASH BASIS
FIDUCIARY FUND
DECEMBER 31, 2019

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,470,077
Money market accounts	12,076,752
Certificates of deposit	58,659,193
U.S. Treasuries	46,437,872
<i>Total Current Assets</i>	\$ 118,643,894
 <u>LIABILITIES AND NET POSITION</u>	
LIABILITIES:	
Payable within one year:	
Interest payable	\$ 84,182
Principal payable	132,175
<i>Total Current Liabilities</i>	216,357
 NET POSITION:	
Restricted for:	
Debt service:	
Reserve funds	67,968,901
Debt service funds	38,001,922
Held for other governments	12,456,714
<i>Total Net Position</i>	118,427,537
<i>Total Liabilities and Net Position</i>	\$ 118,643,894

BOARD OF LIQUIDATION, CITY DEBT
STATEMENT OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN NET POSITION - MODIFIED CASH BASIS
FIDUCIARY FUND
YEAR ENDED DECEMBER 31, 2019

	<u>Custodial Funds</u>
<u>RECEIPTS</u>	
Ad valorem taxes - Current year	\$ 156,573,784
Ad valorem taxes - Prior years	3,922,872
Bond proceeds	49,731,090
Bond Proceeds - DEQ	\$ 127,550
Fee - Current year	1,017,589
Fee - Prior years	29,543
Revenue sharing - State of Louisiana	396,363
Debt service funds	56,299,378
Debt service funds - Federal subsidy - Taxable Build America Bonds	925,014
Interest on investments	3,092,247
Excess reserve and debt service funds	1,014,781
<i>Total Receipts</i>	273,130,211
<u>DISBURSEMENTS</u>	
Interest on bonds	47,321,435
Interest - Tax Credit Bond Loan	2,216,164
Principal on bonds	86,704,081
Principal - Tax Credit Bond Loan	5,066,515
Cash Defeasance - Taxable PI 2010	32,617,624
Administrative expenses - LADEQ	32,375
Warrants	71,348,707
Personnel services	395,767
Contractual services	96,229
Office expenses	29,506
Cost of issuance	402,218
Funds returned to other governments	49,732,016
<i>Total Disbursements</i>	295,962,637
Excess of Receipts Over (Under) Disbursements	(22,832,426)
<u>OTHER SOURCES</u>	
Change in liabilities:	
Principal on bonds	10,000
Interest payable	570
<i>Total Other Sources</i>	10,570
Changes in Net Position	(22,821,856)
Net Position at:	
Beginning of Year	141,249,393
End of Year	\$ 118,427,537

See accompanying notes to financial statements.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
DECEMBER 31, 2019

A. General Information

The Board of Liquidation, City Debt (Board) is a blended component unit of the City of New Orleans (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 (S&WB), the Downtown Development District of New Orleans (DDD), and the Audubon Park Commission of New Orleans (APC) are sold by and through the Board. No bonds may be sold without approval 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, 2019

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 complies 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 S&WB, the DDD, and the APC. Issued in the name of the City, these bonds may be funded by the dedicated millage or water and sewer rates. The S&WB, 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.

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

- S&WB,
- DDD,
- APC,
- Lake Forest Estates Improvement District (Lake Forest),
- Garden District Security Tax District (Garden District),
- Spring Lake Improvement District (Spring Lake),
- Lake Barrington Subdivision Improvement District (Lake Barrington),
- Lake Bullard Neighborhood Improvement District (Lake Bullard),

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2019

- Lake Carmel Subdivision Improvement District (Lake Carmel),
- Lake Oaks Subdivision Improvement District (Lake Oaks),
- Huntington Park Subdivision Improvement District (Huntington Park),
- McKendall Estates Neighborhood Improvement District (McKendall Estates),
- Upper Hurstville Security District (Upper Hurstville),
- Touro-Boulogny Security District (Touro-Boulogny),
- Kingswood Subdivision Improvement District (Kingswood), and
- Twinbrook Security District (Twinbrook).

Funds collected for these other governments 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.

B. Summary of Significant Accounting Policies

Fund Accounting

The Board maintains one fiduciary fund to account for its activities, the Custodial Fund. A custodial fund is used to account for assets held for other funds, governments, or individuals. In addition, the Accounts are organized and maintained by the Board as separate accounting entities for the purpose of attaining objectives in accordance with the various special restrictions, regulations and limitations. Interfund eliminations have been made in the aggregation of this data.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2019

Method of Accounting

The Board of Liquidation, City Debt was established by Act No. 133, of the Acts of 1880. By this law, the Board is to provide a detailed report of its receipts and its disbursements. The Board was most recently continued under the Louisiana Revised Statutes Title 33. Accordingly, the Board's financial statements are prescribed by statute and their financial statements are prepared using a Special Purpose Framework, the Modified Cash Basis of accounting. The Modified Cash Basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Modified Cash Basis of accounting receipts are recognized when received rather than when earned and disbursements are recognized when disbursed rather than when they are compelled to be disbursed, except for matured and unpaid bonds and coupons which are reflected as liabilities when the fiduciary funds are compelled to be disbursed.

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 and is comprised of reserve funds, debt service funds, and amounts held for other governments. Reserve funds are restricted to pay debt service if pledged revenues are insufficient to satisfy the debt service requirements. Reserve fund requirements are stated in each government bond resolution. Debt service funds are restricted for the payment of debt service requirements. Issuers are required to make monthly deposits to assure the timely availability of sufficient funds for the payment of debt service requirements.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2019

Balances in net position restricted for debt service at December 31, 2019 is as follows:

	<u>General Obligation/ Limited Tax</u>	<u>Sewerage and Water Board</u>	<u>Downtown Development District</u>	<u>Total</u>
Reserve funds	\$35,648,679	\$32,089,192	\$231,030	\$ 67,968,901
Debt service funds	<u>26,248,014</u>	<u>11,750,425</u>	<u>3,483</u>	<u>38,001,922</u>
Total	<u>\$61,896,693</u>	<u>\$43,839,617</u>	<u>\$234,513</u>	<u>\$105,970,823</u>

See Note G for net position restricted for held for other governments.

Estimates

The Board uses estimates and assumptions in preparing the financial statements that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events

Subsequent events have been evaluated through March 20, 2020, which is the date the financial statements were available to be issued.

C. Cash, Money Market Accounts and Certificates of Deposit

At December 31, 2019, the Board's deposits with banks consisted of the following:

Cash	\$ 1,470,077
Money market accounts	12,076,752
Certificates of Deposit	<u>58,659,193</u>
	<u>\$72,206,022</u>

These deposits are stated at cost.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2019

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Board's deposits may not be returned. As of December 31, 2019, the total bank balance of \$72,206,022 were covered by Federal Deposit Insurance or by collateral held by a third party in the Board's name as follows:

Insured	\$ 702,023
Collateralized	<u>71,503,999</u>
	<u>\$72,206,022</u>

D. U.S. Treasury Securities

At December 31, 2019, the Board's investment in U.S. Treasury Bills, recorded at cost, totaled \$46,437,872.

E. 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.

F. Pension Plan

Employees of the Board are covered under the Employees' Retirement System of the City of New Orleans, a single-employer, and contributory defined benefit pension plan (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 the Plan at:

Employees' Retirement System of the City of New Orleans
1300 Perdido Street, Suite 1E12
New Orleans, Louisiana 70112

Under this plan, employees hired prior to January 1, 2018 with thirty years of service, or who attain age sixty with

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2019

ten years of service, or age sixty-five with five years of service are entitled to a retirement allowance. Employees hired after January 1, 2018 must have thirty years of service, attain age of sixty-two with twenty years of service, or age sixty-five with five years of service to be entitled to a retirement benefit. 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 1.9% 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.

Pension benefits vest at age sixty or after completion of ten to twenty years of service. The Employees' Pension Plan also provides death and disability benefits.

Employees contributed 6% of their salary in 2019. 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. During the year, the Board's contribution to the Plan was \$37,820. These disbursements are included in 'Personnel Services' in the accompanying financial statements.

As described in Note B, the Board's financial statements are prepared on the modified cash basis of accounting; accordingly, the Board's pension related assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with any net pension liabilities are not reflected in the accompanying financial statements.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2019

G. Net Position Restricted for Held for Other Governments

Net position restricted for held for other governments are custodial funds that are not yet compelled to be disbursed consists of the following:

S&WB	\$ 8,602,854
DDD	<u>1,278,723</u>
APC	<u>40,950</u>
Special Taxing Districts:	
Lake Forest	153,645
Garden District	1,131,382
Spring Lake	80,499
Lake Barrington	51,814
Lake Bullard	60,689
Lake Carmel	104,279
Lake Oaks	76,508
Huntington	1,488
McKendall Estates	18,444
Upper Hurstville	252,296
Touro-Boulogny	223,536
Kingswood	157,612
Twinbrook	<u>221,995</u>
Total	<u>\$12,456,714</u>

H. Bond Proceeds

The bond sales during the fiscal year ending December 31, 2019, are as follows:

\$50,000,000 Taxable Public Improvement Bonds, Issue of 2019, sold September 17, 2019, at 2.382% true interest cost, maturing December 1, 2029, and delivered October 22, 2019. Proceeds received were \$49,731,090 which was net of an underwriter's discount.

\$10,000,000 Sewerage Service Revenue Bonds - LA Department of Environmental Quality (DEQ), Series 2019, at 0.95% interest rate, maturing June 1, 2040, and delivered November 20, 2019. Proceeds received were \$127,550.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 2019

I. Cash Defeasance - Taxable PI 2010

On December 2, 2019, the Board cash defeased and called \$32,610,000 outstanding Taxable Public Improvement Bonds, Issue of 2010A Build America Bonds. Total disbursement included \$7,624 of interest.

J. Subsequent Event - COVID-19

On January 30, 2020, the World Health Organization declared the COVID-19 outbreak a public health emergency. The potential impact has not been recognized in these financial statements.

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BOARD OF LIQUIDATION, CITY DEBT
 COMBINING SCHEDULE OF ASSETS, LIABILITIES
 AND NET POSITION - MODIFIED CASH BASIS
 DECEMBER 31, 2019

	Account of Debt Administration	Account of Sewerage & Water Board
<u>ASSETS</u>		
Cash	\$ 753,714	\$ 661,088
Money market accounts	2,246,401	7,941,766
Certificates of deposit	56,749,193	0
U.S. Treasuries	46,437,872	0
<i>Total Current Assets</i>	\$ 106,187,180	\$ 8,602,854
 <u>LIABILITIES AND NET POSITION</u>		
LIABILITIES:		
Payable within one year:		
Interest payable	\$ 84,182	\$ 0
Principal payable	132,175	0
<i>Total Current Liabilities</i>	216,357	0
 NET POSITION:		
Restricted for:		
Debt service:		
Reserve funds	67,968,901	0
Debt service funds	38,001,922	0
Held for other governments	0	8,602,854
<i>Total Net Position</i>	105,970,823	8,602,854
<i>Total Liabilities and Net Position</i>	\$ 106,187,180	\$ 8,602,854

Account of Downtown Development District	Account of Audubon Park Commission	Accounts of Special Taxing Districts	Total
\$ 14,325	\$ 40,950	\$ 0	\$ 1,470,077
1,264,398	0	624,187	12,076,752
0	0	1,910,000	58,659,193
0	0	0	46,437,872
<u>\$ 1,278,723</u>	<u>\$ 40,950</u>	<u>\$ 2,534,187</u>	<u>\$ 118,643,894</u>
\$ 0	\$ 0	\$ 0	\$ 84,182
0	0	0	132,175
<u>0</u>	<u>0</u>	<u>0</u>	<u>216,357</u>
0	0	0	67,968,901
0	0	0	38,001,922
1,278,723	40,950	2,534,187	12,456,714
<u>1,278,723</u>	<u>40,950</u>	<u>2,534,187</u>	<u>118,427,537</u>
<u>\$ 1,278,723</u>	<u>\$ 40,950</u>	<u>\$ 2,534,187</u>	<u>\$ 118,643,894</u>

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DEBT ADMINISTRATION
COMBINING SCHEDULE OF ASSETS, LIABILITIES AND NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2019

	General Obligation Bonds	Capital Improvement Limited Tax	Drainage System Bonds 9 mill	Water Revenue Bonds
<u>ASSETS</u>				
Cash	\$ 617,705	\$ 0	\$ 23,905	\$ 7,561
Money market accounts	691,267	74,968	55,432	107,321
Certificates of deposit	14,160,000	0	0	16,473,550
U.S. Treasuries	46,437,872	0	0	0
<i>Total Assets</i>	<u>\$ 61,906,844</u>	<u>\$ 74,968</u>	<u>\$ 79,337</u>	<u>\$ 16,588,432</u>
<u>LIABILITIES AND NET POSITION</u>				
Liabilities:				
Interest payable	\$ 36,819	\$ 0	\$ 5,755	\$ 2,505
Principal payable	48,300	0	18,150	5,000
<i>Total Liabilities</i>	<u>85,119</u>	<u>0</u>	<u>23,905</u>	<u>7,505</u>
Net Position:				
Restricted for:				
Debt service:				
Reserve funds	35,648,679	0	0	13,473,550
Debt service funds	26,173,046	74,968	55,432	3,107,377
<i>Total Net Position</i>	<u>61,821,725</u>	<u>74,968</u>	<u>55,432</u>	<u>16,580,927</u>
<i>Total Liabilities and Net Position</i>	<u>\$ 61,906,844</u>	<u>\$ 74,968</u>	<u>\$ 79,337</u>	<u>\$ 16,588,432</u>

Sewerage Service Revenue Bonds	Sewerage & Water Board Matured Bonds	Audubon Park Commission Bonds	Downtown Development District Tax Bonds	Defeased Bonds	Total
\$ 8,401	\$ 35,362	\$ 710	\$ 2,124	\$ 57,946	\$ 753,714
1,085,024	0	0	232,389	0	2,246,401
26,115,643	0	0	0	0	56,749,193
0	0	0	0	0	46,437,872
<u>\$ 27,209,068</u>	<u>\$ 35,362</u>	<u>\$ 710</u>	<u>\$ 234,513</u>	<u>\$ 57,946</u>	<u>\$ 106,187,180</u>
\$ 810	\$ 10,362	\$ 710	\$ 0	\$ 27,221	\$ 84,182
5,000	25,000	0	0	30,725	132,175
<u>5,810</u>	<u>35,362</u>	<u>710</u>	<u>0</u>	<u>57,946</u>	<u>216,357</u>
18,615,642	0	0	231,030	0	67,968,901
8,587,616	0	0	3,483	0	38,001,922
<u>27,203,258</u>	<u>0</u>	<u>0</u>	<u>234,513</u>	<u>0</u>	<u>105,970,823</u>
<u>\$ 27,209,068</u>	<u>\$ 35,362</u>	<u>\$ 710</u>	<u>\$ 234,513</u>	<u>\$ 57,946</u>	<u>\$ 106,187,180</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, 2019

	<u>Construction & Extension Fund 2 mill</u>	<u>Drainage System Fund 3 mill</u>	<u>Drainage System Fund 6 mill</u>
<u>ASSETS</u>			
Cash	\$ 17,449	\$ 45,101	\$ 9,798
Money market accounts	0	2,227,746	1,207,595
<i>Total Assets</i>	<u>\$ 17,449</u>	<u>\$ 2,272,847</u>	<u>\$ 1,217,393</u>
 <u>NET POSITION</u>			
Net Position:			
Restricted for:			
Held for other governments	<u>\$ 17,449</u>	<u>\$ 2,272,847</u>	<u>\$ 1,217,393</u>
<i>Total Liabilities and Net Position</i>	<u>\$ 17,449</u>	<u>\$ 2,272,847</u>	<u>\$ 1,217,393</u>

Drainage System Fund 9 mill	Water Revenue Bond Proceeds	Sewerage Service Revenue Bond Proceeds	Total
\$ 210,922 4,451,812	\$ 235,256 48,635	\$ 142,562 5,978	\$ 661,088 7,941,766
<u>\$ 4,662,734</u>	<u>\$ 283,891</u>	<u>\$ 148,540</u>	<u>\$ 8,602,854</u>
<u>\$ 4,662,734</u>	<u>\$ 283,891</u>	<u>\$ 148,540</u>	<u>\$ 8,602,854</u>
<u><u>\$ 4,662,734</u></u>	<u><u>\$ 283,891</u></u>	<u><u>\$ 148,540</u></u>	<u><u>\$ 8,602,854</u></u>

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DOWNTOWN DEVELOPMENT DISTRICT OF NEW ORLEANS
COMBINING SCHEDULE OF ASSETS AND
NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2019

	Special Tax Fund	DDD Bond Proceeds	Total
<u>ASSETS</u>			
Cash	\$ 9,120	\$ 5,205	\$ 14,325
Money market accounts	1,264,398	0	1,264,398
<i>Total Assets</i>	\$ 1,273,518	\$ 5,205	\$ 1,278,723
 <u>NET POSITION</u>			
Net Position:			
Restricted for:			
Held for other governments	\$ 1,273,518	\$ 5,205	\$ 1,278,723
<i>Total Net Position</i>	\$ 1,273,518	\$ 5,205	\$ 1,278,723

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, 2019

	Aquarium Tax Fund	Special Tax Fund	Total
<u>ASSETS</u>			
Cash	\$ 37,053	\$ 3,897	\$ 40,950
<i>Total Assets</i>	\$ 37,053	\$ 3,897	\$ 40,950
<u>NET POSITION</u>			
Net Position:			
Restricted for:			
Held for other governments	\$ 37,053	\$ 3,897	\$ 40,950
<i>Total Net Position</i>	\$ 37,053	\$ 3,897	\$ 40,950

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, 2019

	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	\$ 101,382	\$ 1,488	\$ 37,612	\$ 21,814	\$ 30,689	\$ 44,279
Certificates of deposit	1,030,000	0	120,000	30,000	30,000	60,000
<i>Total Assets</i>	<u>\$ 1,131,382</u>	<u>\$ 1,488</u>	<u>\$ 157,612</u>	<u>\$ 51,814</u>	<u>\$ 60,689</u>	<u>\$ 104,279</u>
<u>NET POSITION</u>						
Restricted for: Held for other governments	\$ 1,131,382	\$ 1,488	\$ 157,612	\$ 51,814	\$ 60,689	\$ 104,279
<i>Total Net Position</i>	<u>\$ 1,131,382</u>	<u>\$ 1,488</u>	<u>\$ 157,612</u>	<u>\$ 51,814</u>	<u>\$ 60,689</u>	<u>\$ 104,279</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-Bouligny Security District</u>	<u>Twinbrook Security District</u>	<u>Upper Hurstville Security District</u>	<u>Total</u>
\$ 33,645	\$ 31,508	\$ 18,444	\$ 20,499	\$ 223,536	\$ 21,995	\$ 37,296	\$ 624,187
120,000	45,000	0	60,000	0	200,000	215,000	1,910,000
<u>\$ 153,645</u>	<u>\$ 76,508</u>	<u>\$ 18,444</u>	<u>\$ 80,499</u>	<u>\$ 223,536</u>	<u>\$ 221,995</u>	<u>\$ 252,296</u>	<u>\$ 2,534,187</u>
<u>\$ 153,645</u>	<u>\$ 76,508</u>	<u>\$ 18,444</u>	<u>\$ 80,499</u>	<u>\$ 223,536</u>	<u>\$ 221,995</u>	<u>\$ 252,296</u>	<u>\$ 2,534,187</u>
<u>\$ 153,645</u>	<u>\$ 76,508</u>	<u>\$ 18,444</u>	<u>\$ 80,499</u>	<u>\$ 223,536</u>	<u>\$ 221,995</u>	<u>\$ 252,296</u>	<u>\$ 2,534,187</u>

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DEBT ADMINISTRATION
SEWERAGE & WATER BOARD MATURED BONDS
COMBINING SCHEDULE OF ASSETS AND LIABILITIES - MODIFIED CASH BASIS
DECEMBER 31, 2019

	Sewerage, Water & Drainage Bonds 2 mill *	Drainage System Bonds 3 mill	Drainage System Bonds 6 mill	Total
<u>ASSETS</u>				
Cash	\$ 30,243	\$ 5,039	\$ 80	\$ 35,362
<i>Total Assets</i>	<u>\$ 30,243</u>	<u>\$ 5,039</u>	<u>\$ 80</u>	<u>\$ 35,362</u>
<u>LIABILITIES</u>				
Interest payable	\$ 10,243	\$ 39	\$ 80	\$ 10,362
Principal payable	20,000	5,000	0	25,000
<i>Total Liabilities</i>	<u>\$ 30,243</u>	<u>\$ 5,039</u>	<u>\$ 80</u>	<u>\$ 35,362</u>

* Tax expired December 31, 1991.

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DEBT ADMINISTRATION
DEFEASSED BONDS
COMBINING SCHEDULE OF ASSETS, LIABILITIES AND NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2019

	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
<i>Total Assets</i>	<u>\$ 33,612</u>	<u>\$ 14,320</u>	<u>\$ 7,795</u>	<u>\$ 2,219</u>	<u>\$ 57,946</u>
<u>LIABILITIES AND NET POSITION</u>					
Liabilities:					
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>
Net Position	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities and Net Position</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
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND
 CHANGES IN NET POSITION - MODIFIED CASH BASIS
 YEAR ENDED DECEMBER 31, 2019

	Account of Debt Administration	Account of Sewerage & Water Board
<u>RECEIPTS</u>		
Ad valorem taxes - Current year	\$ 81,228,506	\$ 55,862,234
Ad valorem taxes - Prior years	2,164,929	1,430,064
Bond proceeds	49,731,090	0
Bond Proceeds - DEQ	0	127,550
Fee - Current year	0	0
Fee - Prior years	0	0
Revenue sharing - State of Louisiana	0	396,363
Debt service funds	56,299,378	0
Debt service funds - Federal subsidy - Taxable Build America Bonds	925,014	0
Interest on investments	2,792,349	191,352
Excess reserve and debt service funds	5,563	1,008,063
<i>Total Receipts</i>	193,146,829	59,015,626
<u>DISBURSEMENTS</u>		
Interest on bonds	47,321,435	0
Interest on bonds - Tax Credit Bond Loan	2,216,164	0
Principal on bonds	86,704,081	0
Principal on bonds - Tax Credit Bond Loan	5,066,515	0
Cash Defeasance - Taxable PI 2010	32,617,624	0
Administrative expenses - LADEQ	32,375	0
Warrants	0	53,679,121
Personnel services	395,767	0
Contractual services	96,229	0
Office expenses	29,506	0
Cost of Issuance	274,668	127,550
Funds returned to other governments	49,732,016	0
<i>Total Disbursements</i>	224,486,380	53,806,671
Excess of Receipts Over (Under) Disbursements	(31,339,551)	5,208,955
<u>OTHER SOURCES (USES)</u>		
Transfers in (out)	6,706,608	(2,429,526)
Change in liabilities:		
Principal on bonds	10,000	0
Interest payable	570	0
<i>Total Other Sources (Uses)</i>	6,717,178	(2,429,526)
Changes in Net Position	(24,622,373)	2,779,429
Net Position at:		
Beginning of Year	130,593,196	5,823,425
End of Year	\$ 105,970,823	\$ 8,602,854

Account of Downtown Development District	Account of Audubon Park Commission	Accounts of Special Taxing Districts	Total
\$ 7,274,581	\$ 11,392,361	\$ 816,102	\$ 156,573,784
30,071	281,295	16,513	3,922,872
0	0	0	49,731,090
0	0	0	127,550
0	0	1,017,589	1,017,589
0	0	29,543	29,543
0	0	0	396,363
0	0	0	56,299,378
0	0	0	925,014
44,113	0	64,433	3,092,247
1,155	0	0	1,014,781
<u>7,349,920</u>	<u>11,673,656</u>	<u>1,944,180</u>	<u>273,130,211</u>
0	0	0	47,321,435
0	0	0	2,216,164
0	0	0	86,704,081
0	0	0	5,066,515
0	0	0	32,617,624
0	0	0	32,375
7,754,166	7,808,700	2,106,720	71,348,707
0	0	0	395,767
0	0	0	96,229
0	0	0	29,506
0	0	0	402,218
0	0	0	49,732,016
<u>7,754,166</u>	<u>7,808,700</u>	<u>2,106,720</u>	<u>295,962,637</u>
(404,246)	3,864,956	(162,540)	(22,832,426)
(451,832)	(3,825,250)	0	0
0	0	0	10,000
0	0	0	570
<u>(451,832)</u>	<u>(3,825,250)</u>	<u>0</u>	<u>10,570</u>
(856,078)	39,706	(162,540)	(22,821,856)
<u>2,134,801</u>	<u>1,244</u>	<u>2,696,727</u>	<u>141,249,393</u>
<u>\$ 1,278,723</u>	<u>\$ 40,950</u>	<u>\$ 2,534,187</u>	<u>\$ 118,427,537</u>

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DEBT ADMINISTRATION
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN NET POSITION - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2019

	General Obligation Bonds	Capital Improvement Limited Tax	Drainage System Bonds 9 mill
<u>RECEIPTS</u>			
Ad valorem taxes - Current year	\$ 77,373,092	\$ 3,855,414	\$ 0
Ad valorem taxes - Prior years	2,164,929	0	0
Bond proceeds	49,731,090	0	0
Debt service funds	0	0	0
Debt service funds - Federal subsidy - Taxable Build America Bonds	925,014	0	0
Interest on investments	2,792,349	0	0
Excess reserve and debt service funds	0	0	0
<i>Total Receipts</i>	<u>132,986,474</u>	<u>3,855,414</u>	<u>0</u>
<u>DISBURSEMENTS</u>			
Interest on bonds	25,795,404	222,730	213,550
Interest on bonds - Tax Credit Bond Loan	0	0	124,021
Principal on bonds	46,440,000	3,669,081	1,815,000
Principal on bonds - Tax Credit Bond Loan	0	0	283,533
Cash Defeasance - Taxable PI 2010	32,617,624	0	0
Administrative Expenses - LADEQ	0	0	0
Personnel services	395,767	0	0
Contractual services	96,229	0	0
Office expenses	29,506	0	0
Cost of Issuance	274,668	0	0
Funds returned to other governments	49,732,016	0	0
<i>Total Disbursements</i>	<u>155,381,214</u>	<u>3,891,811</u>	<u>2,436,104</u>
Excess of Receipts Over (Under) Disbursements	(22,394,740)	(36,397)	(2,436,104)
<u>OTHER SOURCES</u>			
Transfers in	0	0	2,429,526
Change in liabilities:			
Principal on bonds	10,000	0	0
Interest payable	570	0	0
<i>Total Other Sources</i>	<u>10,570</u>	<u>0</u>	<u>2,429,526</u>
Changes in Net Position	(22,384,170)	(36,397)	(6,578)
Net Position at:			
Beginning of Year	84,205,895	111,365	62,010
End of Year	<u>\$ 61,821,725</u>	<u>\$ 74,968</u>	<u>\$ 55,432</u>

Water Revenue Bonds	Sewerage Service Revenue Bonds	Sewerage & Water Board Matured Bonds	Audubon Park Commission Aquarium Bonds	Downtown Development District Tax Bonds	Defeased Bonds	Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 81,228,506
0	0	0	0	0	0	2,164,929
0	0	0	0	0	0	49,731,090
13,808,147	25,974,700	0	0	0	16,516,531	56,299,378
0	0	0	0	0	0	925,014
0	0	0	0	0	0	2,792,349
2,108	2,293	0	0	1,162	0	5,563
<u>13,810,255</u>	<u>25,976,993</u>	<u>0</u>	<u>0</u>	<u>1,162</u>	<u>16,516,531</u>	<u>193,146,829</u>
9,819,550	10,171,588	0	520,250	86,832	491,531	47,321,435
194,739	1,897,404	0	0	0	0	2,216,164
3,575,000	11,510,000	0	3,305,000	365,000	16,025,000	86,704,081
445,206	4,337,776	0	0	0	0	5,066,515
0	0	0	0	0	0	32,617,624
0	32,375	0	0	0	0	32,375
0	0	0	0	0	0	395,767
0	0	0	0	0	0	96,229
0	0	0	0	0	0	29,506
0	0	0	0	0	0	274,668
0	0	0	0	0	0	49,732,016
<u>14,034,495</u>	<u>27,949,143</u>	<u>0</u>	<u>3,825,250</u>	<u>451,832</u>	<u>16,516,531</u>	<u>224,486,380</u>
(224,240)	(1,972,150)	0	(3,825,250)	(450,670)	0	(31,339,551)
0	0	0	3,825,250	451,832	0	6,706,608
0	0	0	0	0	0	10,000
0	0	0	0	0	0	570
<u>0</u>	<u>0</u>	<u>0</u>	<u>3,825,250</u>	<u>451,832</u>	<u>0</u>	<u>6,717,178</u>
(224,240)	(1,972,150)	0	0	1,162	0	(24,622,373)
<u>16,805,167</u>	<u>29,175,408</u>	<u>0</u>	<u>0</u>	<u>233,351</u>	<u>0</u>	<u>130,593,196</u>
<u>\$ 16,580,927</u>	<u>\$ 27,203,258</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 234,513</u>	<u>\$ 0</u>	<u>\$ 105,970,823</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, 2019

	Construction & Extension Fund 2 mill	Drainage System Fund 3 mill	Drainage System Fund 6 mill
<u>RECEIPTS</u>			
Ad valorem taxes - Current year	\$ 0	\$ 15,351,622	\$ 16,210,991
Ad valorem taxes - Prior years	52	429,822	400,246
Bond Proceeds - LADEQ		0	0
Revenue sharing - State of Louisiana	0	396,363	0
Interest on investments	0	24,194	56,976
Excess reserve and debt service funds	0	0	0
<i>Total Receipts</i>	<u>52</u>	<u>16,202,001</u>	<u>16,668,213</u>
<u>DISBURSEMENTS</u>			
Warrants	0	14,102,115	15,566,179
Cost of issuance - bond issue		0	0
<i>Total Disbursements</i>	<u>0</u>	<u>14,102,115</u>	<u>15,566,179</u>
Excess of Receipts Over (Under) Disbursements	52	2,099,886	1,102,034
<u>OTHER SOURCES (USES)</u>			
Transfers (out)	0	0	0
Change in liabilities:			
Tax Credit Bond Loan	0	0	0
<i>Total Other Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>
Changes in Net Position	52	2,099,886	1,102,034
Net Position at:			
Beginning of Year	17,397	172,961	115,359
End of Year	<u>\$ 17,449</u>	<u>\$ 2,272,847</u>	<u>\$ 1,217,393</u>

Drainage System Fund 9 mill	Water Revenue Bond Proceeds	Sewerage Service Revenue Bond Proceeds	Total
\$ 24,299,621	\$ 0	\$ 0	\$ 55,862,234
599,944	0	0	1,430,064
0	0	127,550	127,550
0	0	0	396,363
107,662	2,472	48	191,352
0	428,019	580,044	1,008,063
<u>25,007,227</u>	<u>430,491</u>	<u>707,642</u>	<u>59,015,626</u>
17,939,157	5,591,292	480,378	53,679,121
0	0	127,550	127,550
<u>17,939,157</u>	<u>5,591,292</u>	<u>607,928</u>	<u>53,806,671</u>
7,068,070	(5,160,801)	99,714	5,208,955
(2,429,526)	0	0	(2,429,526)
0	0	0	0
<u>(2,429,526)</u>	<u>0</u>	<u>0</u>	<u>(2,429,526)</u>
4,638,544	(5,160,801)	99,714	2,779,429
24,190	5,444,692	48,826	5,823,425
<u>\$ 4,662,734</u>	<u>\$ 283,891</u>	<u>\$ 148,540</u>	<u>\$ 8,602,854</u>

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, 2019

	Special Tax Fund	DDD Bond Proceeds	Total
<u>RECEIPTS</u>			
Ad valorem taxes - Current year	\$ 7,274,581	\$ 0	\$ 7,274,581
Ad valorem taxes - Prior years	30,071	0	30,071
Interest on investments	44,113	0	44,113
Excess reserve and debt service funds	0	1,155	1,155
<i>Total Receipts</i>	7,348,765	1,155	7,349,920
<u>DISBURSEMENTS</u>			
Warrants	7,754,166	0	7,754,166
<i>Total Disbursements</i>	7,754,166	0	7,754,166
Excess of Receipts Over (Under) Disbursements	(405,401)	1,155	(404,246)
<u>OTHER SOURCES (USES)</u>			
Transfers (out)	(451,832)	0	(451,832)
Change in accrued liabilities:			
Tax Credit Bond Loan payments	0	0	0
<i>Total Other Sources (Uses)</i>	(451,832)	0	(451,832)
Changes in Net Position	(857,233)	1,155	(856,078)
Net Position at:			
Beginning of Year	2,130,751	4,050	2,134,801
End of Year	\$ 1,273,518	\$ 5,205	\$ 1,278,723

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, 2019

	Aquarium Tax Fund	Special Tax Fund	Total
<u>RECEIPTS</u>			
Ad valorem taxes - Current year	\$ 10,290,960	\$ 1,101,401	\$ 11,392,361
Ad valorem taxes - Prior years	254,098	27,197	281,295
<i>Total Receipts</i>	10,545,058	1,128,598	11,673,656
<u>DISBURSEMENTS</u>			
Warrants	6,683,000	1,125,700	7,808,700
<i>Total Disbursements</i>	6,683,000	1,125,700	7,808,700
Excess of Receipts Over Disbursements	3,862,058	2,898	3,864,956
<u>OTHER SOURCES (USES)</u>			
Transfers (out)	(3,825,250)	0	(3,825,250)
<i>Total Other Sources (Uses)</i>	(3,825,250)	0	(3,825,250)
Changes in Net Position	36,808	2,898	39,706
Net Position at:			
Beginning of Year	245	999	1,244
End of Year	\$ 37,053	\$ 3,897	\$ 40,950

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, 2019

	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
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RECEIPTS

Ad valorem taxes - Current year	\$ 816,102	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Ad valorem taxes - Prior years	13,808	0	0	0	0	0
Fee - Current year	0	0	65,398	64,090	91,080	83,952
Fee - Prior year	0	3,688	6,453	4,158	2,227	4,207
Interest on investments	31,365	107	3,232	1,100	1,325	1,619
<i>Total Receipts</i>	861,275	3,795	75,083	69,348	94,632	89,778

DISBURSEMENTS

Warrants	820,000	17,500	85,000	74,500	90,000	75,000
<i>Total Disbursements</i>	820,000	17,500	85,000	74,500	90,000	75,000
Excess of Receipts Over (Under) Disbursements	41,275	(13,705)	(9,917)	(5,152)	4,632	14,778
Changes in Net Position	41,275	(13,705)	(9,917)	(5,152)	4,632	14,778
Net Position at:						
Beginning of Year	1,090,107	15,193	167,529	56,966	56,057	89,501
End of Year	\$ 1,131,382	\$ 1,488	\$ 157,612	\$ 51,814	\$ 60,689	\$ 104,279

Lake Forest Estates Improvement District	Lake Oaks Subdivision Improvement District	McKendall Estates Neighborhood Improvement District	Spring Lake Improvement District	Touro-Bouligny Security District	Twinbrook Security District	Upper Hurstville Security District	Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 816,102
0	0	0	0	2,705	0	0	16,513
83,565	107,316	32,680	36,619	0	240,787	212,102	1,017,589
2,401	1,189	248	1,188	0	3,299	485	29,543
2,664	1,730	298	1,248	6,332	6,707	6,706	64,433
88,630	110,235	33,226	39,055	9,037	250,793	219,293	1,944,180
83,420	111,300	40,000	30,000	260,000	240,000	180,000	2,106,720
83,420	111,300	40,000	30,000	260,000	240,000	180,000	2,106,720
5,210	(1,065)	(6,774)	9,055	(250,963)	10,793	39,293	(162,540)
5,210	(1,065)	(6,774)	9,055	(250,963)	10,793	39,293	(162,540)
148,435	77,573	25,218	71,444	474,499	211,202	213,003	2,696,727
\$ 153,645	\$ 76,508	\$ 18,444	\$ 80,499	\$ 223,536	\$ 221,995	\$ 252,296	\$ 2,534,187

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DEBT ADMINISTRATION
DEFEASED BONDS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN NET POSITION - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2019

	<u>Sewerage Service Revenue Bonds</u>
<u>RECEIPTS</u>	
Debt service funds	<u>\$ 16,516,531</u>
 <u>DISBURSEMENTS</u>	
Interest on bonds	491,531
Principal on bonds	<u>16,025,000</u>
<i>Total Disbursements</i>	<u>16,516,531</u>
Excess of Receipts Over Disbursements	<u>0</u>
Changes in Net Position	0
Net Position at:	
Beginning of year	<u>0</u>
End of year	<u><u>\$ 0</u></u>

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DEBT ADMINISTRATION
SCHEDULE OF ITEMIZED DISBURSEMENTS - INTEREST, ADMINISTRATIVE
EXPENSES AND PRINCIPAL PAID - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Interest and Administrative	
	Debt Service Fund	Federal Subsidy Taxable BAB
BONDS		
<u>GENERAL OBLIGATION BONDS</u>		
Public Improvement Bonds, Issue of 1966	\$ 570	\$ 0
Public Improvement Bonds, Issue of 2010A BABs	1,888,076	925,014
Taxable Public Improvement Bonds, Issue of 2013A	1,635,817	0
Taxable Public Improvement Bonds, Issue of 2014A	2,111,625	0
Taxable Public Improvement Bonds, Issue of 2015A	2,532,366	0
Taxable Public Improvement Bonds, Issue of 2016	2,779,136	0
General Obligation Refunding Bonds, Series 1998	2,043,800	0
General Obligation Refunding Bonds, Series 2012	7,250,000	0
General Obligation Refunding Bonds, Series 2015	2,627,275	0
General Obligation Refunding Bonds, Series 2016	2,001,725	0
<i>Total General Obligation Bonds</i>	24,870,390	925,014
<u>SPECIAL TAX BONDS</u>		
Limited Tax Bonds, Series 2015A	145,475	0
Taxable Limited Tax Bonds, Series 2015B	77,255	0
<i>Total Limited Tax Bonds</i>	222,730	0
<u>SEWER & WATER BOARD SPECIAL TAX BONDS</u>		
Drainage System Bonds, Series 2014	213,550	0
<u>SEWER & WATER BOARD REVENUE BONDS</u>		
Sewerage Service Revenue Bonds, Series 2014	5,142,450	0
Sewerage Service Revenue Bonds, Series 2015	5,000,000	0
Water Revenue Bonds, Series 2014	4,900,000	0
Water Revenue Bonds, Series 2015	4,919,550	0
<i>Total Sewer & Water Board Revenue Bonds</i>	19,962,000	0
<u>SEWERAGE & WATER BOARD SUBORDINATE REVENUE BONDS</u>		
LA Dept. of Environmental Quality Revolving Loan, Series 2011	61,513	0
<u>AUDUBON COMMISSION SPECIAL TAX BONDS</u>		
Audubon Park Commission Aquarium Bonds, Series 2011A-1	520,250	0
<u>DOWNTOWN DEVELOPMENT DISTRICT SPECIAL TAX BONDS</u>		
Downtown Development District Special Tax Bonds, Series 2012	86,832	0

<u>Expenses Paid</u>	<u>Principal Paid</u>	
Total	Debt Service Fund	Total
\$ 570	\$ 10,000	\$ 10,570
2,813,090	950,000	3,763,090
1,635,817	900,000	2,535,817
2,111,625	725,000	2,836,625
2,532,366	1,355,000	3,887,366
2,779,136	1,450,000	4,229,136
2,043,800	11,705,000	13,748,800
7,250,000	19,080,000	26,330,000
2,627,275	7,190,000	9,817,275
2,001,725	3,075,000	5,076,725
<u>25,795,404</u>	<u>46,440,000</u>	<u>72,235,404</u>
145,475	2,575,087	2,720,562
77,255	1,093,994	1,171,249
<u>222,730</u>	<u>3,669,081</u>	<u>3,891,811</u>
213,550	1,815,000	2,028,550
5,142,450	11,075,000	16,217,450
5,000,000	0	5,000,000
4,900,000	2,800,000	7,700,000
4,919,550	775,000	5,694,550
<u>19,962,000</u>	<u>14,650,000</u>	<u>34,612,000</u>
61,513	435,000	496,513
520,250	3,305,000	3,825,250
86,832	365,000	451,832

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DEBT ADMINISTRATION
SCHEDULE OF ITEMIZED DISBURSEMENTS - INTEREST, ADMINISTRATIVE
EXPENSES AND PRINCIPAL PAID - MODIFIED CASH BASIS
(CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019

	Interest and Administrative	
	Debt Service Fund	Federal Subsidy Taxable BAB
DEFEASED BONDS		
<u>GENERAL OBLIGATION DEFEASED BONDS</u>		
Public Improvement Bonds, Issue of 2010A BABs	7,624	0
<u>SEWER & WATER BOARD REVENUE BONDS</u>		
Sewerage Service Revenue Bonds, Series 2009	491,531	0
<i>Total Itemized Disbursements-Interest, Principal and Premium Paid excluding GO Zone Loan Payments</i>	46,436,420	925,014
GO ZONE LOAN PAID TO LA DEPARTMENT OF ADMINISTRATION		
<u>SEWER & WATER BOARD OF NEW ORLEANS GO ZONE</u>		
	2,216,164	0
<i>Total GO Zone Paid to LA Department of Administration</i>	2,216,164	0
<i>Total Itemized Disbursements-Interest, Principal and Premium Paid</i>	\$48,652,584	\$ 925,014

<u>Expenses Paid</u>	<u>Principal Paid</u>	
<u>Total Interest</u>	<u>Debt Service Fund</u>	<u>Total Interest, Premium and Principal</u>
<u>7,624</u>	<u>32,610,000</u>	<u>32,617,624</u>
<u>491,531</u>	<u>16,025,000</u>	<u>16,516,531</u>
<u>47,361,434</u>	<u>119,314,081</u>	<u>166,675,515</u>
<u>2,216,164</u>	<u>5,066,515</u>	<u>7,282,679</u>
<u>2,216,164</u>	<u>5,066,515</u>	<u>7,282,679</u>
<u>\$ 49,577,598</u>	<u>\$ 124,380,596</u>	<u>\$ 173,958,194</u>

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DEBT ADMINISTRATION
SCHEDULE OF ITEMIZED DISBURSEMENTS - PERSONNEL, CONTRACTUAL,
OFFICE AND COST OF ISSUANCE - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

PERSONNEL SERVICES

Salary	\$ 298,203
Hospitalization	37,069
Pension System of City of New Orleans	37,820
F.I.C.A. taxes	22,675
<i>Total Personnel Services Disbursements</i>	395,767

CONTRACTUAL SERVICES

Paying Agents	11,845
Attorney	11,250
Financial Consultants	42,330
Accountants	30,804
<i>Total Contractual Services Disbursements</i>	96,229

OFFICE EXPENSES

Computer-Hardware and Software	3,041
Other Expenses	16,548
Computer-Internet Technology	9,917
<i>Total Office Expense Disbursements</i>	29,506

<i>Total Personnel, Contractual, and Office Disbursements</i>	521,502
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COST OF ISSUANCE

Taxable Public Improvement Bonds, Issues of 2019	274,668
Sewerage Revenue Subordinate Bonds, Series 2019	127,550
<i>Total Cost of Issuance</i>	402,218

<i>Total Itemized Disbursements-Personnel, Contractual, Office and Cost of Issuance</i>	\$ 923,720
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BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DEBT ADMINISTRATION
SCHEDULE OF ITEMIZED DISBURSEMENTS - COST OF ISSUANCE - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Taxable Public Improvement Bonds, Issue of 2019	Sewerage Service Subordinate Bonds, Series 2019	Total
Advertising	\$ 3,625	\$ 0	\$ 3,625
Contractual Services	149,292	121,775	271,067
Louisiana State Bond Commission	24,175	5,775	29,950
Paying Agent	250	0	250
Printing	326	0	326
Rating Service	97,000	0	97,000
<i>Total Cost of Issuance</i>	\$ 274,668	\$ 127,550	\$ 402,218

BOARD OF LIQUIDATION, CITY DEBT
SCHEDULE OF BOND SALES
YEAR ENDED DECEMBER 31, 2019

Taxable Public Improvement Bonds, Issue of 2019

Sold: September 17, 2019 Delivered: October 22, 2019
Bonds Dated: October 22, 2019, and due December 1, 2020 through December 1, 2029

Average life of issue: 4.388 years
Net Interest Cost: 2.378%
True Interest Cost: 2.382%

Sold to: J.P. Morgan Securities LLC

Sources:

Bond Proceeds	\$ 50,000,000
Interest on Good Faith Deposit	926
Underwriter's Discount	(268,910)
Total	<u>\$ 49,732,016</u>

Uses:

Proceeds transferred to City of New Orleans	<u>\$ 49,732,016</u>
---	----------------------

Bonds Proceeds transferred to City of New Orleans Treasury Department on October 22, 2019.

Sewerage Service Revenue Bonds, Series 2019 (Louisiana Dept. of Environmental Quality)

Sold: August 20, 2019 Delivered: November 20, 2019
Bonds Dated: November 20, 2019, and due June 1, 2020 through December 1, 2040

Average life of issue: 11.882 years
Net Interest Cost: 0.95%
True Interest Cost: 0.95%

Sold to: Louisiana Dept. of Environmental Quality

Total Loan Proceeds Available	<u>\$ 10,000,000</u>
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Sources:

Loan Proceeds Drawn	<u>\$ 127,550</u>
Total	<u>\$ 127,550</u>

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DEBT ADMINISTRATION
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY
HEAD OR CHIEF EXECUTIVE OFFICER - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

Agency Head Name: David W. Gernhauser, Sr.

Purpose	Amount
Salary	\$135,114
Benefits- Insurance	\$9,327
Benefits- Retirement	N/A
Benefits- Any Other	N/A
Car Allowance	N/A
Vehicle provided by Gov.	N/A
Per diem	N/A
Reimbursements	N/A
Travel	N/A
Registration fees	N/A
Conference travel	N/A
Continuing professional education fees	N/A
Housing	N/A
Unvouchered expenses	N/A
Special Meals	N/A

1. BLCD paid \$777 per month to City of New Orleans Hospitalization.

CITY OF NEW ORLEANS
BOARD OF LIQUIDATION,
CITY DEBT
ANNUAL FINANCIAL REPORT

**STATISTICAL SECTION -
UNAUDITED**

DECEMBER 31, 2019

BOARD OF LIQUIDATION, CITY DEBT
SCHEDULE OF DEBT ADMINISTERED BY BOARD OF LIQUIDATION, CITY DEBT
DECEMBER 31, 2019
(Unaudited)

	Date of Bonds	Final Serial Maturity	Average Annual Interest Cost
<u>GENERAL OBLIGATION BONDS</u>			
General Obligation Refunding Bonds, Series 1998 (Note B.)	Dec. 1, 1998	Dec. 1, 2021	4.948%
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%
Taxable Public Improvement Bonds, Issue of 2015A	April 29, 2015	Dec. 1, 2044	4.215%
Taxable Public Improvement Bonds, Issue of 2016	Dec. 8, 2016	Dec. 1, 2046	4.363%
Taxable Public Improvement Bonds, Issue of 2019	Oct. 22, 2019	Dec. 1, 2029	2.382%
General Obligation Refunding Bonds, Series 2012	Aug. 28, 2012	Dec. 1, 2033	3.231%
General Obligation Refunding Bonds, Series 2015	Nov. 24, 2015	Dec. 1, 2034	2.667%
General Obligation Refunding Bonds, Series 2016	Sept. 28, 2016	Dec. 1, 2036	2.723%
<u>LIMITED TAX BONDS</u>			
Refunding Bonds, Series 2015A	Feb. 26, 2015	Sept. 1, 2021	1.845%
Tax Bonds, Series 2015B	Feb. 26, 2015	Sept. 1, 2021	2.310%
<u>DRAINAGE SYSTEM SPECIAL TAX BONDS</u>			
Drainage System Bonds, Series 2014 (9 mill)	Nov. 20, 2014	Dec. 1, 2022	1.888%
<u>SEWERAGE SERVICE REVENUE BONDS</u>			
Bond Series 2014	July 2, 2014	June 1, 2044	3.858%
Bond Series 2015	Dec. 17, 2015	June 1, 2045	4.060%
<u>SEWERAGE SERVICE REVENUE SUBORDINATE BONDS (Note C.)</u>			
LA Dept. of Environmental Quality Revolving Loan, Series 2011	Nov. 22, 2011	Nov. 1, 2032	0.950%
LA Dept. of Environmental Quality Revolving Loan, Series 2019	Nov. 20, 2019	June 1, 2040	0.950%

Principal due 2020	Interest due 2020	Debt Service due 2020	Amount Outstanding (Note A.)
\$ 12,375,000	\$ 1,400,025	\$ 13,775,025	\$ 25,455,000
935,000	1,599,818	2,534,818	35,020,000
760,000	2,075,375	2,835,375	35,860,000
1,410,000	2,478,166	3,888,166	59,880,000
1,475,000	2,753,325	4,228,325	65,720,000
3,000,000	1,211,999	4,211,999	50,000,000
19,745,000	6,296,000	26,041,000	126,420,000
7,490,000	2,339,675	9,829,675	48,390,000
2,105,000	1,847,975	3,952,975	48,165,000
<u>\$ 49,295,000</u>	<u>\$ 22,002,358</u>	<u>\$ 71,297,358</u>	<u>\$ 494,910,000</u>
\$ 2,627,890	\$ 97,952	\$ 2,725,842	\$ 5,307,605
1,113,985	25,992	1,139,977	2,250,376
<u>\$ 3,741,875</u>	<u>\$ 123,944</u>	<u>\$ 3,865,819</u>	<u>\$ 7,557,981</u>
<u>\$ 1,895,000</u>	<u>\$ 140,950</u>	<u>\$ 2,035,950</u>	<u>\$ 5,850,000</u>
\$ 11,660,000	\$ 4,574,075	\$ 16,234,075	\$ 99,365,000
0	5,000,000	5,000,000	100,000,000
<u>\$ 11,660,000</u>	<u>\$ 9,574,075</u>	<u>\$ 21,234,075</u>	<u>\$ 199,365,000</u>
\$ 439,000	\$ 57,380	\$ 496,380	\$ 6,040,000
\$ 0	\$ 0	\$ 0	\$ 127,550
<u>\$ 439,000</u>	<u>\$ 57,380</u>	<u>\$ 496,380</u>	<u>\$ 6,167,550</u>

BOARD OF LIQUIDATION, CITY DEBT
 SCHEDULE OF DEBT ADMINISTERED BY BOARD OF LIQUIDATION, CITY DEBT
 (CONTINUED)
 DECEMBER 31, 2019
 (Unaudited)

	Date of Bonds	Final Serial Maturity	Average Annual Interest Cost
<u>WATER REVENUE BONDS</u>			
Series 2014	Jul. 2, 2014	Dec. 1, 2044	4.429%
Series 2015	Dec. 17, 2015	Dec. 1, 2045	4.052%
<u>AUDUBON PARK COMMISSION AQUARIUM</u>			
<u>BONDS 3.8 MILL</u>			
Bond Series 2011A-1	Sept. 22, 2011	Oct. 1, 2021	3.085%
<u>DOWNTOWN DEVELOPMENT DISTRICT TAX</u>			
<u>BONDS 22.97 MILL</u>			
Limited Tax Bonds Series 2012	June 13, 2012	Dec. 1, 2026	2.680%
<u>SEWERAGE & WATER BOARD OF NEW</u>			
<u>ORLEANS (NOTE D.)</u>			
Tax Credit Bond Loan	July 19, 2006	July 15, 2026	4.640%

Principal due 2020	Interest due 2020	Debt Service due 2020	Amount Outstanding (Note A.)
\$ 2,930,000	\$ 4,760,000	\$ 7,690,000	\$ 95,200,000
895,000	4,888,550	5,783,550	98,525,000
<u>\$ 3,825,000</u>	<u>\$ 9,648,550</u>	<u>\$ 13,473,550</u>	<u>\$ 193,725,000</u>
\$ 3,470,000	\$ 355,000	\$ 3,825,000	\$ 7,100,000
\$ 370,000	\$ 77,050	\$ 447,050	\$ 2,875,000
\$ 3,557,970	\$ 1,307,607	\$ 4,865,577	\$ 42,695,640

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO SCHEDULE OF DEBT ADMINISTERED
BY BOARD OF LIQUIDATION, CITY DEBT
DECEMBER 31, 2019
(Unaudited)

- A. Amount Outstanding - Amount excludes balances recorded as liabilities in the Combining Schedule of Assets, Liabilities and Net Position - Modified Cash Basis.

- B. General Obligation Refunding Bonds, Series 1998 - Portions of this series were refunded in 2012. The debt service is guaranteed by escrow agreements.

- C. On June 18, 2014, as a result of the issuance of Sewerage Service Revenue and Refunding Bonds, Series 2014, the LADEQ Sewerage Service Subordinate Revenue Bonds, Series 2011, were elevated to parity status.

- D. The Sewerage and Water Board of New Orleans renegotiated and amended the Tax Credit Loan between the SWBNO and Louisiana Office of Community Development Division of Administration (LADOA) on July 11, 2019. The SWBNO entered into the Cooperative Endeavor Agreement (CEA) with the LADOA on July 19, 2006. This CEA was amended to extend the final debt service payment to January 15, 2031, and reduce the total debt service due from July 15, 2020, to January 15, 2025, by 50%. The debt service payments from July 15, 2025, through July 15, 2026, were not amended. The debt service payments from January 15, 2027, through January 15, 2031, each will total \$1,985,479.18, under the amended CEA.

BOARD OF LIQUIDATION, CITY DEBT
 SCHEDULE OF DEDICATED AD VALOREM TAX MILLAGE
 AVAILABLE FOR SERVICING BONDED DEBT
 DECEMBER 31, 1993 THROUGH DECEMBER 31, 2020
 (Unaudited)

	1993 through 2002
<u>DEBT SERVICE</u>	26.90
<u>CAPITAL IMPROVEMENT LIMITED TAX (Note B.)</u>	2.50
<u>SEWERAGE & WATER BOARD (Note C):</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	4.11
<u>DOWNTOWN DEVELOPMENT DISTRICT</u>	15.90

Millage (Note A.)

2003 through <u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	2010 through <u>2018</u>	<u>2019</u>	<u>2020</u>
28.40	38.20	31.70	23.80	23.80	25.50	22.50	22.50
2.50	2.50	2.50	1.82	1.82	1.82	1.82	1.82
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6.40	6.40	6.40	4.66	4.54	4.66	4.66	4.66
6.48	6.48	6.48	4.71	4.60	4.71	4.71	4.71
9.71	9.71	9.71	7.06	6.89	7.06	7.06	7.06
0.44	0.44	0.44	0.32	0.32	0.32	0.32	0.25
4.11	4.11	4.11	2.99	2.99	2.99	2.99	1.70
15.90	15.90	15.90	14.76	14.76	14.76	14.76	14.76

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO SCHEDULE OF DEDICATED AD VALOREM TAX MILLAGE
AVAILABLE FOR SERVICING OF BONDED DEBT
DECEMBER 31, 2019
(Unaudited)

- 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 was effective beginning in 1996.

- C. The Sewerage & Water Board Drainage System Fund 3 Mill Tax was renewed on December 10, 2016 for 30 years.

CITY OF NEW ORLEANS
BOARD OF LIQUIDATION,
CITY DEBT
ANNUAL FINANCIAL REPORT

**OTHER GOVERNMENTAL
REPORTING INFORMATION**

DECEMBER 31, 2019

PACIERA, GAUTREAU & PRIEST, LLC

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SOCIETY OF LOUISIANA
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(1905-1985)
KEITH T. HAMILTON, C.P.A.
(1932-2003)
LEROY P. LEGENDRE, C.P.A.
(Retired)
RENE G. GAUTREAU, C.P.A.
(1958-2019)

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

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 Statement of Assets, Liabilities and Net Position – Modified Cash Basis, Statement of Receipts, Disbursements and Changes in Net Position – Modified Cash Basis, and related Notes to Financial Statements – Modified Cash Basis, which collectively comprise the basic financial statements of the Board of Liquidation, City Debt, a blended component unit of the City of New Orleans, as of and for the year ended December 31, 2019, and have issued our report thereon dated March 20, 2020.

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 opinion 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.

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.

**President and Members
Board of Liquidation, City Debt
New Orleans, Louisiana**

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.



Metairie, Louisiana

March 20, 2020

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Board of Liquidation, City Debt and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Board of Liquidation, City Debt (Board) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. The Board's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed, and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedures. Additionally, certain procedures listed below may not have been performed in accordance with guidance provided by the LLA, the specified user of the report. For those procedures, we will note that the procedures were not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.

The procedures and associated findings are as follows:

Written Policies and Procedures

These procedures were not performed due to no exceptions occurring for these procedures in the prior year or the existence of mitigating internal controls as asserted by the entity.

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase

orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

- c) ***Disbursements***, including processing, reviewing, and approving
- d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) ***Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Board or Finance Committee

These procedures were not performed due to no exceptions occurring for these procedures in the prior year or the existence of mitigating internal controls as asserted by the entity.

The Board of Liquidation, City Debt and the Louisiana Legislative Auditor

Page 3

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Bank Reconciliations

These procedures were not performed due to no exceptions occurring for these procedures in the prior year or the existence of mitigating internal controls as asserted by the entity.

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections

These procedures were not performed due to no exceptions occurring for these procedures in the prior year or the existence of mitigating internal controls as asserted by the entity.

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

- e) Trace the actual deposit per the bank statement to the general ledger.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

These procedures were not performed due to no exceptions occurring for these procedures in the prior year or the existence of mitigating internal controls as asserted by the entity.

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employees' job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

These procedures were not performed due to no exceptions occurring for these procedures in the prior year or the existence of mitigating internal controls as asserted by the entity.

- 11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons

who maintained possession of the cards. Obtain management's representation that the listing is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

These procedures were not performed due to no exceptions occurring for these procedures in the prior year or the existence of mitigating internal controls as asserted by the entity.

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

These procedures were not performed due to no exceptions occurring for these procedures in the prior year or the existence of mitigating internal controls as asserted by the entity.

- 15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

These procedures were not performed due to no exceptions occurring for these procedures in the prior year or the existence of mitigating internal controls as asserted by the entity.

- 16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- 17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Ethics

These procedures were not performed due to no exceptions occurring for these procedures in the prior year or the existence of mitigating internal controls as asserted by the entity.

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Debt Service

These procedures were not performed due to no exceptions occurring for these procedures in the prior year or the existence of mitigating internal controls as asserted by the entity.

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Other

These procedures were not performed due to no exceptions occurring for these procedures in the prior year or the existence of mitigating internal controls as asserted by the entity.

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



Metairie, Louisiana
March 02, 2020