

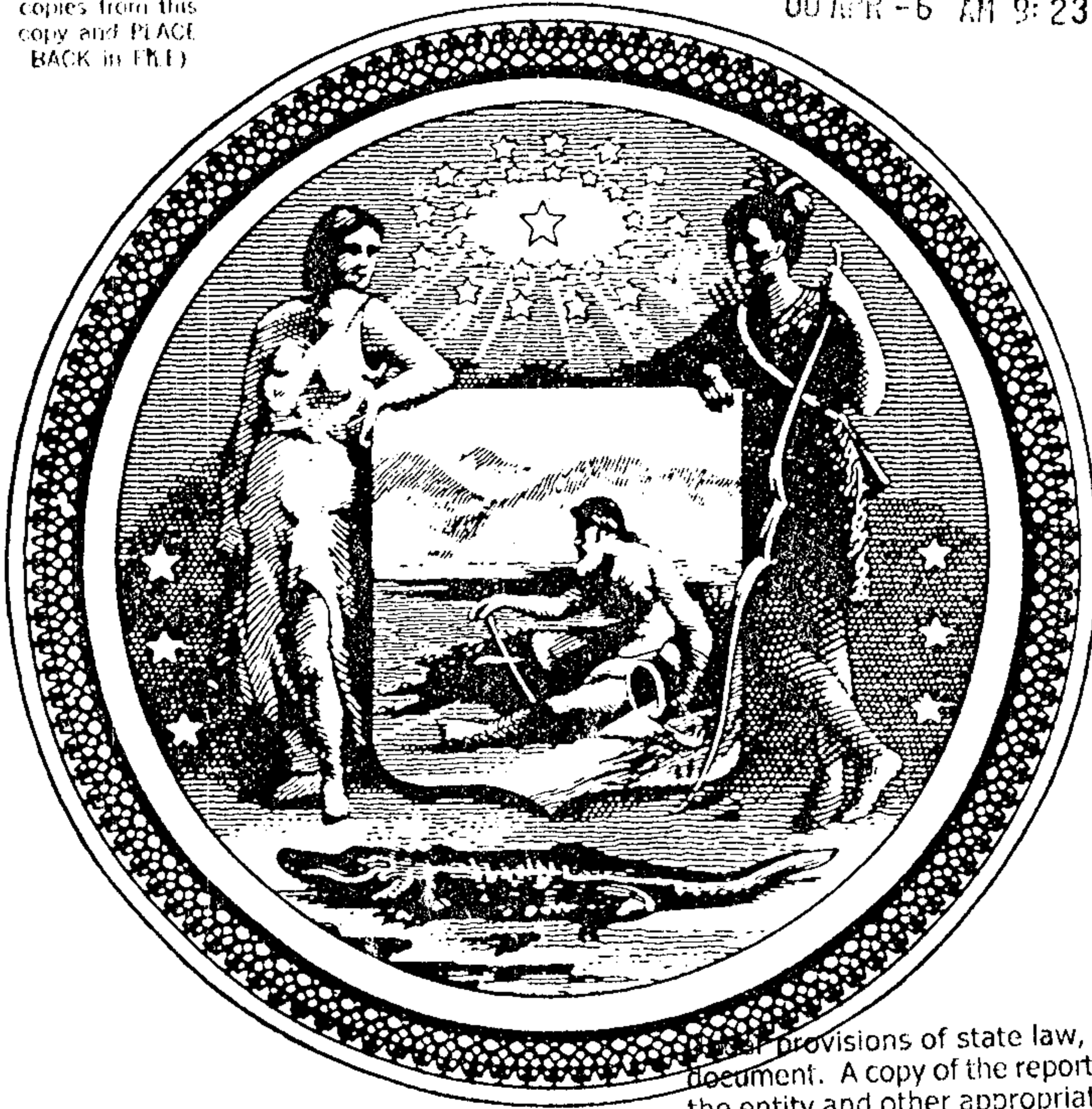
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Release Date 4/19/00

**CITY OF NEW ORLEANS
BOARD OF LIQUIDATION
CITY DEBT
Annual Statement**

December 31, 1999

BOARD OF LIQUIDATION, CITY DEBT
NEW ORLEANS, LOUISIANA
DECEMBER 31, 1999

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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

J. Thomas Lewis, President
Janice Martin Foster, Vice President
Otis B. Alexander, Jr., Secretary
David W. Gernhauser, Assistant Secretary

COUNSEL

Lemle & Kelleher

MEMBERS OF THE BOARD

Barbara Lamont

Janice Martin Foster

Mary K. Zervigon

Alden J. Laborde

J. Thomas Lewis

Vacant

Marc H. Morial, Mayor)

James M. Singleton, Councilman)

Eddie L. Sapir, Councilman)

Ex-Officio

J. THOMAS LEWIS
PRESIDENT

JANICE MARTIN FOSTER
VICE PRESIDENT

OTIS B. ALEXANDER, JR.
SECRETARY

DAVID W. GERNHAUSER
ASST. SECRETARY

MEMBERS OF BOARD

JANICE MARTIN FOSTER
ALDEN J. LABORDE
BARBARA LAMONT
J. THOMAS LEWIS
MARY E. ZERVIGON

MARC H. MORIAL, EX OFFICIO
EDDIE L. SAPIR, EX OFFICIO
JAMES M. SINGLETON, EX OFFICIO

Board of Liquidation, City Debt

1300 PERDIDO STREET - ROOM 8E17

New Orleans, La. 70112

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January 4, 2000

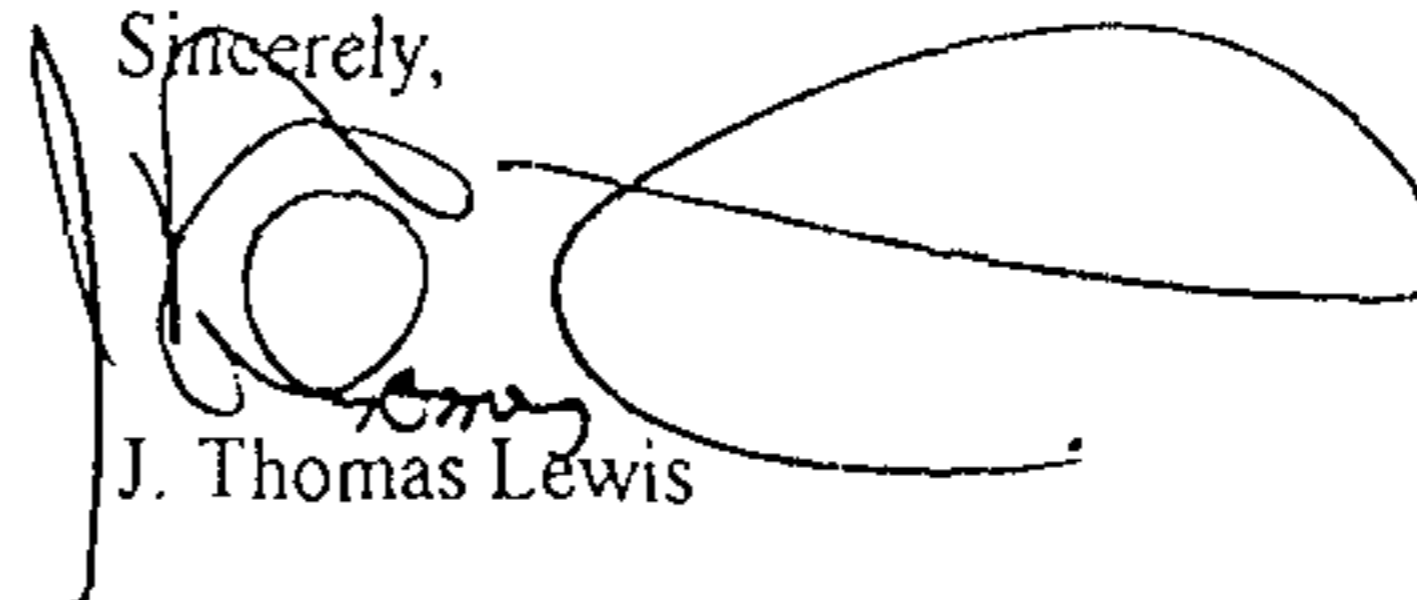
President and Members
Council of the City of New Orleans
City Hall
New Orleans, Louisiana 70112

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 a 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, 1999, 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 Lake Forest Estates Improvement District, the Garden District Security Tax District and the Springlake Improvement District.

Sincerely,



J. Thomas Lewis



Otis B. Alexander, Jr.

SPILSBURY, HAMILTON, LEGENDRE & PACIERA

KEITH T. HAMILTON, C.P.A.
LEROY P. LEGENDRE, C.P.A.
KIRTH M. PACIERA, C.P.A.

CERTIFIED PUBLIC ACCOUNTANTS
4731 CANAL ST.
NEW ORLEANS, LA. 70119
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SIDNEY T. SPILSBURY, C.P.A.
(1905-1985)

MEMBERS OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Mr. J. Thomas Lewis, President, and Members,
Board of Liquidation, City Debt
New Orleans, Louisiana

We have audited the accompanying statement of assets, liabilities, custodial, and debt service and reserve funds - modified cash basis, of the Board of Liquidation, City Debt, as of December 31, 1999, and the related statements of cash receipts, disbursements, and changes in fund balances - modified cash basis, for the year then ended. These financial statements are the responsibility of the management of the Board of Liquidation, City Debt. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note A, these financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, custodial, and debt service and reserve funds of the Board of Liquidation, City Debt, at December 31, 1999, and cash receipts, disbursements and changes in fund balances for the year then ended, on the basis of accounting described in Note A.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 2000 on our consideration of the Board of Liquidation, City Debt's internal control over financial reporting and our tests of its compliance with certain provision of laws; regulations, contracts and grants.

Mr. J. Thomas Lewis, President, and Members,
Board of Liquidation, City Debt

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information included in this report, listed in the foregoing table of contents, is presented for the purposes of additional analysis, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion is fairly stated in all material respects in relation to the financial statements taken as a whole.

Spilbury, Hamilton, Legendre & Paciera

February 15, 2000

BOARD OF LIQUIDATION, CITY DEBT
 COMBINED STATEMENT OF ASSETS, LIABILITIES, CUSTODIAL
 AND DEBT SERVICE AND RESERVE FUNDS-MODIFIED CASH BASIS
 DECEMBER 31, 1999

	Account of					Total (Memorandum Only)
	Debt Administration	Account of Sewerage & Water Board	Account of Downtown Development District	Account of Audubon Park Commission	Accounts of Special Taxing Districts	
<u>ASSETS</u>						
Cash	\$ 1,523,780	\$ 192,953	\$ 2,423	\$ 9,378	\$ 1,143	\$ 1,729,677
Certificates of deposit	43,516,286	61,359,200	3,105,000	0	0	107,980,486
U.S. Treasury Bills - cost	2,083,097	8,338,987	225,151	0	59,020	10,706,255
U.S. Treasury Strips - cost	0	24,214,613	0	0	0	24,214,613
<u>Total Assets</u>	<u>\$ 47,123,163</u>	<u>\$ 94,105,753</u>	<u>\$ 3,332,574</u>	<u>\$ 9,378</u>	<u>\$ 60,163</u>	<u>\$ 144,631,031</u>
<u>LIABILITIES, CUSTODIAL, AND DEBT</u>						
<u>SERVICE & RESERVE FUNDS</u>						
Interest payable	\$ 138,560	\$ 0	\$ 0	\$ 0	\$ 0	\$ 138,560
Principal payable	658,940	0	0	0	0	658,940
Principal payable - Chase	1,165,640	0	0	0	0	1,165,640
Reserve funds	33,632,001	0	0	0	0	33,632,001
Debt service funds	11,500,489	0	0	0	0	11,500,489
Cost of issuance	27,533	0	0	0	0	27,533
Custodial	0	94,105,753	3,332,574	9,378	60,163	97,507,868
<u>Total Liabilities, Custodial, and Debt</u>	<u>\$ 47,123,163</u>	<u>\$ 94,105,753</u>	<u>\$ 3,332,574</u>	<u>\$ 9,378</u>	<u>\$ 60,163</u>	<u>\$ 144,631,031</u>
<u>Service & Reserve Funds</u>						

BOARD OF LIQUIDATION, CITY DEBT
 COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES
 IN FUND BALANCES - MODIFIED CASH BASIS
 YEAR ENDED DECEMBER 31, 1999

	Account of					Total (Memorandum Only)
	Debt Administration	Sewerage & Water Board	Downtown Development District	Account of Audubon Park Commission	Accounts of Special Taxing Districts	
RECEIPTS						
Ad valorem taxes - Current year	\$ 39,165,129	\$ 31,312,104	\$ 3,688,899	\$ 6,306,503	\$ 339,765	\$ 80,812,400
Ad valorem taxes - Prior years	1,866,208	1,512,079	80,215	300,700	0	3,759,202
Accrued interest	597,839	0	0	0	0	597,839
Bond proceeds - Refunding Issue	110,454,510	0	0	0	0	110,454,510
Revenue sharing - State of Louisiana	0	808,197	0	0	0	808,197
Debt service funds	14,156,979	0	0	0	0	14,156,979
Fee - Current year	0	0	0	0	95,058	95,058
Fee - Prior year	0	0	0	0	7,800	7,800
Interest on investments	3,485,871	4,962,363	254,251	20,013	9,630	8,732,128
Interest on delinquent taxes	0	0	2,177	0	0	2,177
Reimbursement from EPA	0	5,943,303	0	0	0	5,943,303
Excess debt service funds	0	211,548	0	0	0	211,548
Excess debt reserve funds	0	0	0	77,256	0	77,256
Debt service fund - escrow accounts	35,059,858	0	0	0	0	35,059,858
Total receipts	204,786,394	44,749,594	4,025,542	6,704,472	452,253	260,718,255
DISBURSEMENTS						
Interest on bonds	42,935,785	0	0	0	0	42,935,785
Principal on bonds	50,957,655	0	0	0	0	50,957,655
Premium on bonds	33,075	0	0	0	0	33,075
Cost of escrow - Refunding bonds	109,793,870	0	0	0	0	109,793,870
Cost of Insurance - Refunding bonds	381,305	0	0	0	0	381,305
Warrants	0	46,641,058	4,709,793	2,454,949	400,600	54,206,400
Debt service	0	1,972,685	0	4,244,743	0	6,217,428
Personal services	280,315	0	0	0	0	280,315
Contractual services	55,248	0	0	0	0	55,248
Legal and office expenses	37,793	0	0	0	0	37,793
Funds returned to City of New Orleans, Sewerage & Water Board, and Audubon Park Commission	565,790	0	0	0	0	565,790
Cost of issuance - new bond issue	498,476	0	0	0	0	498,476
Total disbursements	205,539,312	48,613,743	4,709,793	6,699,692	400,600	265,963,140
Excess (deficiency) of receipts over disbursements	(752,918)	(3,864,149)	(684,251)	4,780	51,653	(5,244,885)
Balances at December 31, 1998	47,876,081	97,969,902	4,016,825	4,598	8,510	149,875,916
Balances at December 31, 1999	\$ 47,123,163	\$ 94,105,753	\$ 3,332,574	\$ 9,378	\$ 60,163	\$ 144,631,031

See Accompanying Notes to Financial Statements

BOARD OF LIQUIDATION, CITY DEBT
DEBT ADMINISTRATION
COMBINING STATEMENT OF ASSETS, LIABILITIES, CUSTODIAL AND
DEBT SERVICE AND RESERVE FUNDS-MODIFIED CASH BASIS
DECEMBER 31, 1999

	General Obligation Bonds	Capital				Sewerage Service Revenue Bonds	Sewerage & Water Board Matured Bonds		Audubon Park Commission Aquarium Bonds 3.8 mill		Total
		Improve- ment Limited Tax Bonds (2.5) mill	Drainage System Bonds 6 mill	Drainage System Bonds 9 mill	Water Revenue Bonds		Audubon Park Commis- sion Bonds .4 mill	Audubon Park Commission Aquarium Bonds 3.8 mill			
Cash	\$ 77,375	\$ 0	\$ 165,010	\$ 92,542	\$ 70,221	\$ 18,580	\$ 37,142	\$ 710	\$ 161	\$ 1,062,039	\$ 1,523,780
Certificates of deposit	31,269,960	1,654,202	0	4,215,931	6,069,105	0	0	307,088	0	0	43,516,286
U.S. Treasury Bills - cost	149,204	0	0	0	0	0	0	0	1,933,893	0	2,083,097
Total Assets	\$31,496,539	\$1,654,202	\$165,010	\$4,286,152	\$6,087,685	\$37,142	\$307,798	\$1,934,054	\$1,062,039	\$47,123,163	

**LIABILITIES, DEBT
SERVICE &
RESERVE FUNDS**

Interest payable	\$ 62,378	\$ 0	\$ 7,855	\$ 5,755	\$ 2,506	\$ 810	\$ 12,142	\$ 710	\$ 0	\$ 46,404	\$ 138,560
Municipal payable	124,300	0	57,155	18,150	5,000	5,000	25,000	0	0	424,335	658,940
Municipal payable - Chase	358,840	0	100,000	60,500	55,000	0	0	0	0	591,300	1,165,640
Reserve funds	23,325,948	0	0	3,613,436	4,451,475	4,451,475	0	307,088	1,934,054	0	33,632,001
Cost of issuance	7,625,073	1,654,202	0	602,989	1,618,225	1,618,225	0	0	0	0	11,500,489
Total Liabilities, Debt Service & Reserve funds	0	0	0	8,137	7,221	12,175	0	0	0	0	27,533
Total	\$31,496,539	\$1,654,202	\$165,010	\$4,286,152	\$6,087,685	\$37,142	\$307,798	\$1,934,054	\$1,062,039	\$47,123,163	

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF SEWERAGE & WATER BOARD OF NEW ORLEANS
COMBINING STATEMENT OF ASSETS, LIABILITIES, CUSTODIAL AND
DEBT SERVICE AND RESERVE FUNDS-MODIFIED CASH BASIS

DECEMBER 31, 1999

	Drainage System Fund				Drainage System Fund		Water Revenue Bond		Sewerage Service Revenue Bond		Total
	2 mill	3 mill	6 mill	9 mill	6 mill	9 mill	Proceeds	Proceeds	Proceeds	Proceeds	
ASSETS											
Cash	\$ 3,450	\$ 53,073	\$ 102,995	\$ 9,261	\$ 9,565	\$ 7,140	\$ 7,469	\$ 192,953			
Certificates of deposit	12,825,000	5,800,000	8,100,000	8,520,000	6,745,000	2,935,000	16,434,200	61,359,200			
U.S. Treasury Bills - cost	294,362	1,498,517	1,495,260	1,061,422	710,016	669,165	2,610,245	8,338,987			
U.S. Treasury Strips - cost	0	0	0	0	2,823,708	12,015,261	9,375,644	24,214,613			
<i>Total Assets</i>	<u>\$ 13,122,812</u>	<u>\$ 7,351,590</u>	<u>\$ 9,698,255</u>	<u>\$ 9,590,683</u>	<u>\$ 10,288,289</u>	<u>\$ 15,626,566</u>	<u>\$ 28,427,558</u>	<u>\$ 94,105,753</u>			
CUSTODIAL											
Custodial	13,122,812	7,351,590	9,698,255	9,590,683	10,288,289	15,626,566	28,427,558	94,105,753			
<i>Total Custodial</i>	<u>\$ 13,122,812</u>	<u>\$ 7,351,590</u>	<u>\$ 9,698,255</u>	<u>\$ 9,590,683</u>	<u>\$ 10,288,289</u>	<u>\$ 15,626,566</u>	<u>\$ 28,427,558</u>	<u>\$ 94,105,753</u>			

See Accompanying Notes to Financial Statements

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DOWNTOWN DEVELOPMENT DISTRICT OF NEW ORLEANS
COMBINING STATEMENT OF ASSETS, LIABILITIES, CUSTODIAL AND
DEBT SERVICE AND RESERVE FUNDS-MODIFIED CASH BASIS
DECEMBER 31, 1999

	Special Tax Fund 16.85 mill
<u>ASSETS</u>	
Cash	\$ 2,423
Certificates of deposit	3,105,000
U.S. Treasury Bills - cost	225,151
<i>Total Assets</i>	\$ 3,332,574
 <u>CUSTODIAL</u>	 \$ 3,332,574

See Accompanying Notes to Financial Statements

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF AUDUBON PARK COMMISSION OF NEW ORLEANS
COMBINING STATEMENT OF ASSETS, LIABILITIES, CUSTODIAL AND
DEBT SERVICE AND RESERVE FUNDS-MODIFIED CASH BASIS
DECEMBER 31, 1999

	Aquarium Tax Fund 3.8 mill	Special Tax Fund .4 mill	Total
<u>ASSETS</u>			
Cash	\$ 7,665	\$ 1,713	\$ 9,378
<u>CUSTODIAL</u>	\$ 7,665	\$ 1,713	\$ 9,378

See Accompanying Notes to Financial Statements

BOARD OF LIQUIDATION, CITY DEBT
 ACCOUNTS OF SPECIAL TAXING DISTRICTS OF NEW ORLEANS
 COMBINING STATEMENT OF ASSETS, LIABILITIES AND
 DEBT SERVICE AND RESERVE FUNDS-MODIFIED CASH BASIS
 DECEMBER 31, 1999

	Garden District Security Tax District	Lake Forest Estates Improvement District	Springlake Improvement District	Total
<u>ASSETS</u>				
Cash	\$ 22	\$ 894	\$ 227	\$ 1,143
U.S. Treasury Bills - cost	43,444	15,576	0	59,020
<i>Total Assets</i>	<u>\$ 43,466</u>	<u>\$ 16,470</u>	<u>\$ 227</u>	<u>\$ 60,163</u>
 <u>CUSTODIAL</u>	 <u>\$ 43,466</u>	 <u>\$ 16,470</u>	 <u>\$ 227</u>	 <u>\$ 60,163</u>

BOARD OF LIQUIDATION, CITY DEBT
DEBT ADMINISTRATION
COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND
CHANGES IN FUND BALANCES-MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 1999

	Capital			
	General Obligation Bonds	Improvement Limited Tax (2.5)	Drainage System Bonds 6 mill	Drainage System Bonds 9 mill
RECEIPTS				
Ad valorem taxes - Current year	\$ 37,286,278	\$ 1,878,851	\$ 0	\$ 0
Ad valorem taxes - Prior years	1,813,323	52,885	0	0
Accrued interest	597,839	0	0	0
Bond proceeds - Refunding Issue	110,454,510	0	0	0
Debt service funds	0	0	1,196,808	775,877
Interest on investments	2,920,081	0	0	0
Debt service fund - escrow accounts	0	0	0	0
<i>Total receipts</i>	<u>153,072,031</u>	<u>1,931,736</u>	<u>1,196,808</u>	<u>775,877</u>
DISBURSEMENTS				
Interest on bonds	21,237,270	591,955	261,808	498,011
Principal on bonds	22,230,579	1,375,000	985,000	340,000
Premium on bonds	0	0	0	0
Cost of escrow - Refunding bonds	109,793,870	0	0	0
Cost of Insurance - Refunding bonds	381,305	0	0	0
Personal services	280,315	0	0	0
Contractual services	55,248	0	0	0
Legal and office expenses	37,793	0	0	0
Funds returned to City of New Orleans, Sewerage & Water Board, and Audubon Park Commission	0	0	0	0
Cost of issuance - new bond issue	373,438	0	0	22,885
<i>Total disbursements</i>	<u>154,389,818</u>	<u>1,966,955</u>	<u>1,246,808</u>	<u>860,896</u>
Excess (deficiency) of receipts over disbursements	(1,317,787)	(35,219)	(50,000)	(85,019)
Balances at December 31, 1998	32,814,326	1,689,421	215,010	177,561
Balances at December 31, 1999	<u>\$ 31,496,539</u>	<u>\$ 1,654,202</u>	<u>\$ 165,010</u>	<u>\$ 92,542</u>

See Accompanying Notes to Financial Statements

Water Revenue Bonds	Sewerage Service Revenue Bonds	Sewerage & Water Board Matured Bonds	Audubon Park Commission Bonds .4 mill	Audubon Park Commission Aquarium Bonds 3.8 mill	Defeased Bonds	Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 39,165,129
0	0	0	0	0	0	1,866,208
0	0	0	0	0	0	597,839
0	0	0	0	0	0	110,454,510
3,402,140	4,537,411	0	376,635	3,868,108	0	14,156,979
204,496	284,039	0	6,081	71,174	0	3,485,871
0	0	0	0	0	35,059,858	35,059,858
<u>3,606,636</u>	<u>4,821,450</u>	<u>0</u>	<u>382,716</u>	<u>3,939,282</u>	<u>35,059,858</u>	<u>204,786,394</u>
1,168,436	2,761,973	0	236,635	2,533,108	13,646,589	42,935,785
2,115,000	1,230,000	0	140,000	1,340,226	21,201,850	50,957,655
0	0	0	0	0	33,075	33,075
0	0	0	0	0	0	109,793,870
0	0	0	0	0	0	381,305
0	0	0	0	0	0	280,315
0	0	0	0	0	0	55,248
0	0	0	0	0	0	37,793
204,496	284,039	0	11,307	65,948	0	565,790
48,396	53,757	0	0	0	0	498,476
<u>3,536,328</u>	<u>4,329,769</u>	<u>0</u>	<u>387,942</u>	<u>3,939,282</u>	<u>34,881,514</u>	<u>205,539,312</u>
70,308	491,681	0	(5,226)	0	178,344	(752,918)
4,215,844	5,596,004	37,142	313,024	1,934,054	883,695	47,876,081
<u>\$ 4,286,152</u>	<u>\$ 6,087,685</u>	<u>\$ 37,142</u>	<u>\$ 307,798</u>	<u>\$ 1,934,054</u>	<u>\$ 1,062,039</u>	<u>\$ 47,123,163</u>

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF SEWERAGE & WATER BOARD OF NEW ORLEANS
COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND
CHANGES IN FUND BALANCES-MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 1999

	Construction & Extension Fund				Drainage System Fund		Drainage System Fund		Drainage System Fund		Water Revenue Bond		Sewerage Service Revenue Bond		Total
	2 mill	3 mill	6 mill	9 mill	6 mill	9 mill	System Fund	System Fund	System Fund	System Fund	Proceeds	Proceeds	Proceeds	Proceeds	
RECEIPTS															
Ad valorem taxes - Current year	\$ 0	\$ 8,871,059	\$ 8,982,094	\$ 13,458,951	\$	\$	0	0	0	0	0	0	0	0	\$ 31,312,104
Ad valorem taxes - Prior years	11,636	425,125	430,620	644,698											1,512,079
Revenue sharing - State of Louisiana	0	808,197	0	0	0	0	0	0	0	0	0	0	0	0	808,197
Interest on investments	583,600	401,866	478,459	618,617	478,459	618,617	315,364	315,364	153,574	153,574	2,410,883	2,410,883	2,410,883	4,962,363	
Reimbursement from EPA	0	0	0	0	0	0	0	0	0	0	5,943,303	5,943,303	5,943,303	5,943,303	
Excess debt service funds	0	0	0	0	0	0	0	0	13,909	13,909	197,639	197,639	197,639	211,548	
Total receipts	595,236	10,506,247	9,891,173	14,722,266	9,891,173	14,722,266	315,364	315,364	167,483	167,483	8,551,825	8,551,825	8,551,825	44,749,594	
DISBURSEMENTS															
Warrants	360,427	8,190,155	4,723,201	12,427,425	4,723,201	12,427,425	3,285	3,285	263,733	263,733	20,672,832	20,672,832	20,672,832	46,641,058	
Debt service	0	0	1,196,808	775,877	1,196,808	775,877	0	0	0	0	0	0	0	1,972,685	
Total disbursements	360,427	8,190,155	5,920,009	13,203,302	5,920,009	13,203,302	3,285	3,285	263,733	263,733	20,672,832	20,672,832	20,672,832	48,613,743	
Excess (deficiency) of receipts over disbursements	234,809	2,316,092	3,971,164	1,518,964	3,971,164	1,518,964	312,079	312,079	(96,250)	(96,250)	(12,121,007)	(12,121,007)	(12,121,007)	(3,864,149)	
Balances at December 31, 1998	12,888,003	5,035,498	5,727,091	8,071,719	5,727,091	8,071,719	9,976,210	9,976,210	15,722,816	15,722,816	40,548,565	40,548,565	40,548,565	97,969,902	
Balances at December 31, 1999	\$ 13,122,812	\$ 7,351,590	\$ 9,698,255	\$ 9,590,683	\$ 9,698,255	\$ 9,590,683	\$ 10,288,289	\$ 10,288,289	\$ 15,626,566	\$ 15,626,566	\$ 28,427,558	\$ 28,427,558	\$ 28,427,558	\$ 94,105,753	

See Accompanying Notes to Financial Statements

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF DOWNTOWN DEVELOPMENT DISTRICT OF NEW ORLEANS
COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND
CHANGES IN FUND BALANCES-MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 1999

	Special Tax Fund 16.85 <u>mill</u>
<u>RECEIPTS</u>	
Ad valorem taxes - Current year	\$ 3,688,899
Ad valorem taxes - Prior years	80,215
Interest on investments	254,251
Interest on delinquent taxes	2,177
<i>Total receipts</i>	<u>4,025,542</u>
 <u>DISBURSEMENTS</u>	
Warrants	4,709,793
<i>Total disbursements</i>	<u>4,709,793</u>
Excess (deficiency) of receipts over disbursements	(684,251)
Balances at December 31, 1998	4,016,825
Balances at December 31, 1999	<u>\$ 3,332,574</u>

BOARD OF LIQUIDATION, CITY DEBT
ACCOUNT OF AUDUBON PARK COMMISSION OF NEW ORLEANS
COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND
CHANGES IN FUND BALANCES-MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 1999

	Aquarium Tax Fund 3.8 mill	Aquarium Bond Proceeds	Special Tax Fund .4 mill	Total
<u>RECEIPTS</u>				
Ad valorem taxes - Current year	\$ 5,696,805	\$ 0	\$ 609,698	\$ 6,306,503
Ad valorem taxes - Prior years	271,762	0	28,938	300,700
Interest on investments	15,003	0	5,010	20,013
Excess debt reserve funds	0	65,949	11,307	77,256
<i>Total receipts</i>	<u>5,983,570</u>	<u>65,949</u>	<u>654,953</u>	<u>6,704,472</u>
<u>DISBURSEMENTS</u>				
Warrants	2,112,000	65,949	277,000	2,454,949
Debt service	3,868,108	0	376,635	4,244,743
<i>Total disbursements</i>	<u>5,980,108</u>	<u>65,949</u>	<u>653,635</u>	<u>6,699,692</u>
Excess (deficiency) of receipts over disbursements	3,462	0	1,318	4,780
Balances at December 31, 1998	4,203	0	395	4,598
Balances at December 31, 1999	<u>\$ 7,665</u>	<u>\$ 0</u>	<u>\$ 1,713</u>	<u>\$ 9,378</u>

See Accompanying Notes to Financial Statements

BOARD OF LIQUIDATION, CITY DEBT
 ACCOUNTS OF SPECIAL TAXING DISTRICTS OF NEW ORLEANS
 COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND
 CHANGES IN FUND BALANCES-MODIFIED CASH BASIS
 YEAR ENDED DECEMBER 31, 1999

	Lake Forest			Total
	Garden District Security Tax District	Estates Improvement District	Springlake Improvement District	
<u>RECEIPTS</u>				
Ad valorem taxes - Current year	\$ 339,765	\$ 0	\$ 0	\$ 339,765
Fee - Current year	0	57,458	37,600	95,058
Fee - Prior year	0	7,800	0	7,800
Interest on investments	7,401	1,702	527	9,630
<i>Total receipts</i>	<u>347,166</u>	<u>66,960</u>	<u>38,127</u>	<u>452,253</u>
<u>DISBURSEMENTS</u>				
Warrants	303,700	59,000	37,900	400,600
<i>Total disbursements</i>	<u>303,700</u>	<u>59,000</u>	<u>37,900</u>	<u>400,600</u>
Excess of receipts over disbursements	43,466	7,960	227	51,653
Balances at December 31, 1998	0	8,510	0	8,510
Balances at December 31, 1999	<u>\$ 43,466</u>	<u>\$ 16,470</u>	<u>\$ 227</u>	<u>\$ 60,163</u>

See Accompanying Notes to Financial Statements

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
DECEMBER 31, 1999

General Information

The Board of Liquidation, City Debt ("Board") is a component unit of the City of New Orleans. The Board has exclusive control and direction of all matters relating to the bonded debt of the City of New Orleans. Accordingly, all of the City of New Orleans general obligation bonds, and the revenue and limited tax bonds issued for the Sewerage and Water Board of New Orleans, the Downtown Development District of New Orleans, and the Audubon Park Commission of New Orleans are sold by and through the Board. No bonds may be sold without approval of the members 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 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 of New Orleans for each year is determined by the Board of Assessors, comprised of seven elected officials, 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 of Liquidation, City Debt, and the Council of the City of New Orleans. The Board requires as a condition of such approval that a) 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, b) the proposed bond issue comply with any applicable legal debt limitation, and c) 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 of New Orleans. 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 of New Orleans 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 of Liquidation issues bonds for the Sewerage and Water Board of New Orleans, the Downtown Development District of New Orleans, and the Audubon Park Commission of New Orleans. Issued in the name of the City of New Orleans, these bonds may be funded by the dedicated millage or water and sewer rates. The Sewerage and Water Board, the Council of the City of New Orleans, and the Board of Liquidation, City Debt, must approve the water and sewerage service rates necessary to fund any bonds. Ad Valorem Tax millage necessary to service special tax bonds is levied by the Council of the City of New Orleans each year. Ad Valorem Tax millage necessary to service the general obligation bonded debt each year is determined by the Board of Liquidation, City Debt, and is levied by the Council of the City of New Orleans annually.

In addition, the Board of Liquidation, City Debt, serves in a custodial capacity for the accounts of the Sewerage and Water Board of New Orleans, the Downtown Development District of New Orleans, the Audubon Park Commission of New Orleans, the Lake Forest Estates Improvement District, the Garden District Security Tax District and the Springlake Improvement District.

Funds collected for these agencies are deposited in special accounts or invested in Certificates of Deposit and/or full faith and credit obligations of the U.S. Government. Any expenditures made from these accounts are paid by the Board of Liquidation, City Debt, as authorized by warrants and supporting resolutions of the various agencies.

Administration expenditures paid in connection with the operations of the Board are recorded under the General Obligation Bonds.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 1999

A. Summary of Significant Accounting Policies

Fund Accounting

The accounts of the Board are organized and operated on the basis of funds and accounting groups, each of which is considered a separate accounting entity, and is maintained for the purpose of attaining objectives in accordance with the various special restrictions, regulations and limitations.

Method of Accounting

The Board prepares its financial statements on the modified cash basis of accounting wherein receipts are recognized when received rather than when earned and disbursements are recognized when disbursed rather than when incurred, except for matured and unpaid bonds and coupons which are reflected as liabilities when the obligation is incurred.

Cash and Time Certificates of Deposit

At December 31, 1999 the Board's deposits with banks consisted of cash totaling \$1,729,677, and time certificates of deposit of \$107,980,486. These deposits were covered by Federal Deposit Insurance or by collateral held by a third party in the Board's name.

Funds Held in Trust

At December 31, 1999, the Board's paying agent, Chase Manhattan Bank, was holding cash in trust of \$1,165,640. These funds are to be used to pay matured or called bonds when they are presented for payment. This balance is included in cash at December 31, 1999. Also, the related bonds payable is included in the principal payable balance at December 31, 1999.

Investments

Investments are stated at cost. Discounts and premiums on purchases of investments are not amortized over the life of the investment. At December 31, 1999 the carrying amount of the Board's investment in U.S. Treasury Bills was \$10,706,255 with a market value of \$10,920,043. At December 31, 1999 the carrying amount of the Board's investment in U.S. Treasury Strips was \$24,214,613 with a market value of \$25,183,282. The Board's agent in the Board's name holds these uninsured and unregistered investments.

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 his accumulated annual leave based on his current hourly rate of pay and for his accumulated sick leave on a formula basis. If termination is the result of retirement, the employee has the option of converting his accrued sick leave to additional years of service. At December 31, 1999 this amount totaled \$79,036.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 1999

B. Pension Plan

Employees of the Board are covered under a City of New Orleans Employees' Pension Plan. Under this plan, employees with thirty years of service, or who attain age sixty with ten years of service, or age sixty-five, irrespective of length of service are entitled to a retirement allowance. 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 2% 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 annual earned compensation for the highest thirty-six consecutive months of service, less \$1,200. Mandatory retirement age is seventy.

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

Employees contribute 4% of their salary in excess of \$1,200 per year. 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 beginning July 1, 1974, using the level percentage of payroll method. The Board's contributions to the Plan during the year totaled \$8,671.

C. Advance Refunding

On August 29, 1986, the Sewerage and Water Board (Enterprise Fund) issued \$31,350,000 in water revenue bonds and \$21,280,000 in sewerage service revenue bonds to effect the retirement of all outstanding water and sewerage service bonds, which amounted to \$50,848,000 as of August 1, 1986. The entire proceeds were placed in an irrevocable escrow account and invested in U.S. Treasury obligations that, together with interest earned thereon, will provide amounts sufficient for payment of all principal and interest on the refunded bonds on the call dates. Accordingly, the escrow account and the refunded bonds are not included in these financial statements. At December 31, 1999, the outstanding balance of the refunded water and sewerage service revenue bonds totaled \$3,310,000.

As approved by a referendum on July 13, 1991, the City of New Orleans on September 19, 1991 entered into a refunding transaction whereby it issued \$179,880,829 of general obligation bonds, for the purpose of refunding, readjusting, restructuring, extending and unifying a portion of its outstanding general obligation bonds outstanding at September 30, 1991. Net proceeds from issuance of the refunding bonds were placed in an irrevocable escrow account and invested in U.S. Treasury obligations that, together with interest earned thereon, will provide amounts sufficient for payment of all principal and interest on the refunded bonds. Accordingly, the escrow account and the refunded bonds are not included in these financial statements. At December 31, 1999, the outstanding balance of the refunded general obligation bonds totaled \$43,860,000.

As approved by a referendum on July 15, 1995, the City of New Orleans on September 26, 1995 entered into a refunding transaction whereby it issued \$167,340,000 of general obligation bonds, for the proposed of refunding a portion of its outstanding general obligation bonds outstanding at September 30, 1995. Net proceeds from issuance of the refunding bonds were placed in an irrevocable escrow account and invested in U.S. Treasury obligations that, together with interest earned thereon, will provide amounts sufficient for payment of all principal and interest on the refunded bonds. Accordingly, the escrow account and the refunded bonds are not included in these financial statements. At December 31, 1991, the outstanding balance of the refunded general obligation bonds totaled \$5,890,000.

On November 20, 1998, the City of New Orleans entered into a transaction whereby it issued \$106,520,000 of general obligation bonds for the purpose of refunding a portion of its outstanding general obligation bonds outstanding at December 31, 1998. Net proceeds from issuance of the refunding bonds were placed in an irrevocable escrow account and invested in U.S. Treasury obligations that, together with the interest earned thereon, will provide amounts sufficient for payment of all principal and interest on the refunding bonds. Accordingly, the escrow account and the refunded bonds are not included in these financial statements. At December 31, 1999, the outstanding balance of the refunded general obligation bonds totaled \$94,620,000.

BOARD OF LIQUIDATION, CITY DEBT
NOTES TO FINANCIAL STATEMENTS-MODIFIED CASH BASIS
(Continued)
DECEMBER 31, 1999

D. Total (Memorandum Only) Columns

The total columns are captioned "memorandum only" because they do not represent consolidated financial information and are presented only to make financial analysis easier. Data in these columns do not present financial position in accordance with generally accepted accounting principles. Interfund eliminations have been made in the aggregation of this data.

SUPPLEMENTAL INFORMATION

BOARD OF LIQUIDATION, CITY DEBT
 SCHEDULE OF BONDED DEBT ADMINISTERED BY BOARD OF LIQUIDATION, CITY DEBT
 DECEMBER 31, 1999

	Date of Bonds	Final Serial Maturity	Average Annual		Principal due 2000	Interest due 2000	Debt Service due 2000	Amount Outstanding
			Interest Cost	Interest				
General Obligation Refunding Bonds, Series 1991 + Public Improvement Bonds, Issue of 1992 *	Sept. 1, 1991	Sept. 1, 2021	7.071%	0	\$ 3,367,800	\$ 3,367,800	\$ 155,015,829	
General Obligation Refunding Bonds, Series 1995	Mar. 1, 1992	Sept. 1, 2021	6.840%	1,290,000	247,595	1,537,595	4,145,000	
Public Improvement Bonds, Issue of 1995 + Public Improvement Bonds, Issue of 1997A + Public Improvement Bonds, Issue of 1998A + Public Improvement Bonds, Issue of 1999	Sept. 1, 1995	Oct. 1, 2021	6.029%	17,625,000	8,939,751	26,564,751	148,165,000	
General Obligation Refunding Bonds, Series 1998 Limited Tax Bonds, Series 1996	Nov. 1, 1995	Nov. 1, 2025	5.879%	345,000	143,840	488,840	2,480,000	
	Jan. 1, 1997	Dec. 1, 2026	5.762%	715,000	350,156	1,065,156	6,225,000	
	Feb. 1, 1998	Dec. 1, 2027	5.196%	615,000	1,735,806	2,350,806	32,360,000	
	Nov. 1, 1999	Nov. 1, 2029	5.843%	390,000	1,902,515	2,292,515	32,400,000	
	Dec. 1, 1998	Dec. 1, 2026	4.948%	0	5,416,558	5,416,558	104,365,000	
	Mar. 1, 1996	Mar. 1, 2006	4.822%	1,445,000	526,373	1,971,373	11,880,000	
					\$ 22,630,394	\$ 45,055,394	\$ 497,035,829	

Legal Debt Limit: \$774,304,000; Debt Service Coverage: Unlimited Ad Valorem Tax Levy
 Reserve Fund: Sufficient to cover 1/2 of the high year's Principal and Interest due.

+ A portion of these Issues Refunded in 1998. Debt Service guaranteed by Escrow Agreement.

* A portion of these Issues Refunded in 1995. Debt Service guaranteed by Escrow Agreement.

DRAINAGE SYSTEM SPECIAL TAX BONDS

Drainage System Refunding Bonds, Series 1994 (6-mill)	Apr. 1, 1994	Nov. 1, 2003	5.058%	\$ 980,000	\$ 215,058	\$ 1,195,058	\$ 4,235,000
Drainage System Bonds, Series 1998 (9-mill)	Dec. 1, 1998	Dec. 1 2018	4.838%	\$ 320,000	\$ 479,711	\$ 799,711	\$ 9,700,000

Legal Debt Limit:

6-mill \$18,000,000; Debt Service Coverage: 1999 Tax Yield 752% of Debt Service Due - 6 mill

9-mill \$68,000,000; Debt Service Coverage: 1999 Tax Yield 1683% of Debt Service Due - 9 mill

BOARD OF LIQUIDATION, CITY DEBT
 SCHEDULE OF BONDED DEBT ADMINISTERED BY BOARD OF LIQUIDATION, CITY DEBT (CONTINUED)
 DECEMBER 31, 1999

Date of Bonds	Final Serial Maturity	Average Annual		Principal due 2000	Interest due 2000	Debt Service due 2000	Amount Outstanding
		Interest Cost					
June 1, 1997	June 1, 2017	5.359%		\$ 910,000	\$ 1,490,188	\$ 2,400,188	\$ 28,345,000
Dec. 1, 1998	June 1, 2018	4.816%		835,000	1,192,498	2,027,498	24,625,000
				<u>\$1,745,000</u>	<u>\$ 2,682,686</u>	<u>\$ 4,427,686</u>	<u>\$ 52,970,000</u>

SEWERAGE SERVICE REVENUE BONDS

Sewerage Service Revenue Bonds, Series 1997
 Sewerage Service Revenue Bonds, Series 1998

Debt Service Coverage: Rates sufficient to produce revenues over and above the amount required for operation and maintenance of the system which shall be not less than 130% of the maximum of Debt Service due in any calendar year on all outstanding bonds.
 Reserve Fund: High year's principal and interest due.

WATER REVENUE BONDS

Water Revenue Bonds, Series 1986
 Water Revenue Bonds, Series 1998

Aug. 1, 1986	Dec. 1, 2003	6.729%		\$ 2,055,000	\$ 241,850	\$ 2,296,850	\$ 3,455,000
Dec. 1, 1998	Dec. 1, 2018	4.817%		535,000	781,586	1,316,586	15,760,000
				<u>\$ 2,590,000</u>	<u>\$ 1,023,436</u>	<u>\$ 3,613,436</u>	<u>\$ 19,215,000</u>

Debt Service Coverage: Rates sufficient to produce revenues over and above the amount required for operation and maintenance of the system which shall be not less than 130% of the maximum of Debt Service due in any calendar year on all outstanding bonds.
 Reserve Fund: High year's principal and interest due.

AUDUBON PARK COMMISSION BONDS (.4 MILL)

Audubon Park Commission Refunding & Improvement Bonds, Series 1997

Jan. 1, 1997	Dec. 1, 2016	5.422%		\$ 150,000	\$ 227,535	\$ 377,535	\$ 4,105,000
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Debt Service Coverage: 1999 Tax Yield 162% of Debt Service due.

AUDUBON PARK COMMISSION BONDS (3.8 MILL)

Audubon Park Commission Aquarium Bonds, Series 1993

Jan. 1, 1993	Oct. 1, 2017	6.179%		\$ 1,400,000	\$ 2,465,690	\$ 3,865,690	\$ 42,015,000
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Debt Service Coverage: 1999 Tax Yield 147% of Debt Service due.
 Reserve Fund: Sufficient to cover 1/2 of the high year's Principal and Interest due.

BOARD OF LIQUIDATION, CITY DEBT
 SCHEDULE OF BONDED DEBT ADMINISTERED BY BOARD OF LIQUIDATION, CITY DEBT (CONTINUED)
 DECEMBER 31, 1999

	Date of Bonds	Date of Defeasance	Date of Calls		Interest &		Debt Service due 2000	Amount Outstanding
			or Final Maturity	Principal due 2000	Premium due 2000			
<u>DEFEASSED BONDS - DEBT SERVICE GUARANTEED BY ESCROW AGREEMENTS</u>								
<u>General Obligation Bonds</u>								
General Obligation Bonds, Series 1986	Sept. 1, 1986	Sept. 30, 1991	Dec. 1, 2003	\$10,625,000	\$ 2,918,965	\$ 13,543,965	\$ 43,860,000	
Only a portion of the above issue was refunded in 1991.								
<u>Public Improvement Bonds, Issue of 1992</u>								
Public Improvement Bonds, Issue of 1992	Mar. 1, 1992	Sept. 26, 1995	Sept. 1, 2002	\$ 0	\$ 4,078,460	\$ 4,078,460	\$ 58,905,000	
Only a portion of the above issue was refunded in 1995.								
<u>General Obligation Refunding Bonds, Series 1991</u>								
General Obligation Refunding Bonds, Series 1991	Sept. 1, 1991	Nov. 20, 1998	Sept. 1, 2001	\$ 0	\$ 1,491,900	\$ 1,491,900	\$ 24,865,000	
<u>Public Improvement Bonds, Issue of 1995</u>								
Public Improvement Bonds, Issue of 1995	Nov. 1, 1995	Nov. 20, 1998	Nov. 1, 2005	0	1,255,205	1,255,205	21,340,000	
<u>Public Improvement Bonds, Issue of 1997A</u>								
Public Improvement Bonds, Issue of 1997A	Jan., 1, 1997	Nov. 20, 1998	Dec. 1, 2006	0	2,405,475	2,405,475	41,910,000	
<u>Public Improvement Bonds, Issue of 1998A</u>								
Public Improvement Bonds, Issue of 1998A	Feb. 1, 1998	Nov. 20, 1998	Dec. 1, 2007	0	325,250	325,250	6,505,000	
Only a portion of the above issues were refunded in 1998.								
<u>Water Revenue Bonds</u>								
<u>Water Revenue Bonds, Series E</u>								
Water Revenue Bonds, Series E	Nov. 1, 1978	Aug. 29, 1986	Nov. 1, 2003	\$ 380,000	\$ 94,498	\$ 474,498	\$ 1,655,000	
<u>Water Revenue Bonds, Series F</u>								
Water Revenue Bonds, Series F	July 1, 1980	Aug. 29, 1986	July 1, 2000	1,655,000	103,438	1,758,438	1,655,000	
				\$ 2,035,000	\$ 197,936	\$ 2,232,936	\$ 3,310,000	

Defeased bonds are not obligations of the City of New Orleans or the Sewerage & Water Board of New Orleans.

BOARD OF LIQUIDATION, CITY DEBT
SCHEDULE OF BOND SALES
FOR THE YEAR ENDED DECEMBER 31, 1999

City of New Orleans Public Improvement Bonds - Issue of 1999

Sold: September 29, 1999 Delivered: November 10, 1999

Bonds Dated: November 1, 1999, and due November 1, 2000 through November 1, 2029

Average life of issue: 19.646451 years

True Interest Cost: 5.843096%

Sold to: Duncan Williams

Sources:

Principal sum	\$ 32,400,000
Accrued Interest	47,563
Total	<u>\$ 32,447,563</u>

The proceeds of \$32,400,000 were delivered to the Treasury of the City of New Orleans on November 10, 1999.

BOARD OF LIQUIDATION, CITY DEST
 SCHEDULE OF DEDICATED AD VALOREM TAX MILLAGE AVAILABLE FOR SERVICING OF BONDED DEBT
 DECEMBER 31, 1999

	Millage (See Note A)						
	1985	1986	1987	1988	1989	1990 & 1991	1992 through 1999
<u>DEBT SERVICE</u>	27.6	32.3	30.7	34.2	37.9	35.3	26.9
<u>CAPITAL IMPROVEMENT LIMITED TAX (See Note B)</u>	N/A	N/A	N/A	N/A	N/A	N/A	2.5
<u>SEWERAGE & WATER BOARD:</u>							
Construction & Extension of Sewerage, Water & Drainage System (Tax expired 12/31/91)	3.94	3.94	3.94	4.00	4.00	4.00	N/A
Operation, Maintenance and Construction & Extension of Drainage System	5.92	5.92	5.92	6.01	6.01	6.01	6.40
Operation, Maintenance and Construction of Drainage System	6.00	6.00	6.00	6.09	6.09	6.09	6.48
Operation, Maintenance and Construction of Drainage System	9.00	9.00	9.00	9.13	9.13	9.13	9.71
<u>AUDUBON PARK COMMISSION:</u>							
Audubon Park Zoo	.40	.40	.40	.41	.41	.41	.44
Audubon Park Aquarium (See Note C)	N/A	N/A	N/A	3.86	3.86	3.86	4.11
<u>DOWNTOWN DEVELOPMENT DISTRICT</u>	18.25	18.25	12.50	12.50	13.24	13.24	15.68
16.85							

NOTES

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 is in effect for the first time in 1996.

C - The 3.8 mills for Audubon Park Aquarium was in effect for the first time in 1987.

BOARD OF LIQUIDATION, CITY DEBT
 SCHEDULE OF SEWERAGE & WATER BOARD MATURED BONDS
 DECEMBER 31, 1999

	Sewerage, Water & Drainage Bonds 2-mill *	Drainage System Bonds 3-mill (6.40)	Total
<u>ASSETS</u>			
Cash	\$ 30,243	\$ 6,899	\$ 37,142
<i>Total Assets</i>	<u>\$ 30,243</u>	<u>\$ 6,899</u>	<u>\$ 37,142</u>
<u>LIABILITIES</u>			
Interest Payable	\$ 10,243	\$ 1,899	\$ 12,142
Principal Payable	20,000	5,000	25,000
<i>Total Liabilities</i>	<u>\$ 30,243</u>	<u>\$ 6,899</u>	<u>\$ 37,142</u>

* Tax expired December 31, 1991.

BOARD OF LIQUIDATION, CITY DEBT
 SCHEDULE OF DEFEASED BONDS
 FOR THE YEAR ENDED DECEMBER 31, 1999

	Sewerage		Water Revenue Bonds	Audubon Park		Total
	General Obligation Bonds	Service Revenue Bonds		Audubon Park Commission Aquarium Bonds	Audubon Park Commission Improvement Bonds	
\$	13,322,293	\$ 0	\$ 332,440	\$ 0	\$ 0	\$ 13,654,733
	19,490,000	600	1,880,000	0	0	21,370,600
	34,525	0	0	0	0	34,525
<i>Total Receipts</i>	32,846,818	600	2,212,440	0	0	35,059,858

13,313,413	0	333,176	0	0	13,646,589
19,241,350	0	1,900,000	60,500	0	21,201,850
33,075	0	0	0	0	33,075
<i>Total disbursements</i>	32,587,838	0	2,233,176	60,500	34,881,514

258,980	600	(20,736)	0	0	178,344
595,538	13,720	69,118	203,100	2,219	883,695
\$ 854,518	\$ 14,320	\$ 48,382	\$ 142,600	\$ 2,219	\$ 1,062,039

\$ 854,518	\$ 14,320	\$ 48,382	\$ 142,600	\$ 2,219	\$ 1,062,039
\$ 854,518	\$ 14,320	\$ 48,382	\$ 142,600	\$ 2,219	\$ 1,062,039

\$ 24,018	\$ 1,785	\$ 18,382	\$ 0	\$ 2,219	\$ 46,404
381,800	12,535	30,000	0	0	424,335
448,700	0	0	142,600	0	591,300
\$ 854,518	\$ 14,320	\$ 48,382	\$ 142,600	\$ 2,219	\$ 1,062,039

RECEIPTS
 Debt service funds - Escrow Accounts
 Interest
 Principal
 Premium
Total Receipts

DISBURSEMENTS
 Interest on refunded bonds
 Principal on refunded bonds
 Premium on bonds
Total disbursements

Excess (deficiency) of receipts over disbursements
 Balances at December 31, 1998
 Balances at December 31, 1999

ASSETS
 Cash
Total Assets

LIABILITIES
 Interest payable
 Principal payable
 Principal payable - Chase
Total Liabilities

BOARD OF LIQUIDATION, CITY DEBT
 SCHEDULE OF ITEMIZED DISBURSEMENTS-INTEREST, PRINCIPAL AND PREMIUM PAID
 FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>Interest</u>	<u>Principal</u>	<u>Premium</u>
<u>GENERAL OBLIGATION BONDS</u>			
Public Improvement Bonds, Issue of 1974	\$ 125	\$ 15,000	\$ 0
Public Improvement Bonds, Issue of 1976	7,994	15,000	0
Public Improvement Bonds, Issue of 1977	22,703	165,000	0
Public Improvement Bonds, Issue of 1992	316,280	1,205,000	0
Public Improvement Bonds, Issue of 1995	162,690	325,000	0
Public Improvement Bonds, Issue of 1997A	387,563	665,000	0
Public Improvement Bonds, Issue of 1998A	1,776,756	585,000	0
General Obligation Refunding Bonds, Series 1991	3,367,800	0	0
General Obligation Refunding Bonds, Series 1995	9,692,601	16,730,000	0
General Obligation Refunding Bonds, Series 1998	5,502,758	2,155,000	0
Matured unredeemed registered bonds	0	370,579	0
<i>Total General Obligation Bonds</i>	<u>21,237,270</u>	<u>22,230,579</u>	<u>0</u>
<u>SPECIAL TAX BONDS</u>			
Limited Tax Bonds, Series 1996	591,955	1,375,000	0
Drainage System Bonds, Issue of 1994	261,808	935,000	0
Matured unredeemed registered bonds	0	50,000	0
Total Drainage System 6-mill bonds	<u>261,808</u>	<u>985,000</u>	<u>0</u>
Drainage System Bonds, Series 1998	498,011	300,000	0
Matured unredeemed registred bonds	0	40,000	0
Total Drainage System 9-mill bonds	<u>498,011</u>	<u>340,000</u>	<u>0</u>
Sewerage Service Revenue Bonds, Series 1997	1,533,175	855,000	0
Sewerage Service Revenue Bonds, Series 1998	1,228,798	375,000	0
Total Sewerage Service Revenue Bonds	<u>2,761,973</u>	<u>1,230,000</u>	<u>0</u>
Water Revenue Bonds, Series 1986	374,850	1,875,000	0
Water Revenue Bonds, Series 1998	793,586	240,000	0
Total Water Revenue Bonds	<u>1,168,436</u>	<u>2,115,000</u>	<u>0</u>
Audubon Park Commission Improvement Bonds, Series 1997	236,635	140,000	0
Audubon Park Commission Aquarium Bonds, Series 1993	2,533,108	1,335,000	0
Matured unredeemed registered bonds	0	5,226	0
Total Audubon Park Commission Aquarium Bonds	<u>2,533,108</u>	<u>1,340,226</u>	<u>0</u>
<i>Total Special Tax Bonds</i>	<u>8,051,926</u>	<u>7,525,226</u>	<u>0</u>

BOARD OF LIQUIDATION, CITY DEBT
 SCHEDULE OF ITEMIZED DISBURSEMENTS-INTEREST, PRINCIPAL AND PREMIUM PAID (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>Interest</u>	<u>Principal</u>	<u>Premium</u>
<u>DEFEASED BONDS</u>			
Public Improvement Bonds, Issue of 1976	\$ 67,370	\$ 2,644,750	\$ 0
Public Improvement Bonds, Issue of 1977	61,588	6,620,000	33,075
Public Improvement Bonds, Issue of 1992	4,078,460	0	0
Public Improvement Bonds, Issue of 1995	1,255,205	0	0
Public Improvement Bonds, Issue of 1997A	2,405,475	0	0
Public Improvement Bonds, Issue of 1998A	325,250	0	0
General Obligation Bonds, Series 1986	3,628,165	9,850,000	0
General Obligation Bonds, Series 1991	1,491,900	0	0
Matured unredeemed registered bonds	0	126,600	0
Total General Obligation Defeased Bonds	<u>13,313,413</u>	<u>19,241,350</u>	<u>33,075</u>
Water Revenue Bonds, Series E	116,198	360,000	0
Water Revenue Bonds, Series F	216,978	1,540,000	0
	<u>333,176</u>	<u>1,900,000</u>	<u>0</u>
Audubon Park Commission Matured unredeemed registered bonds	<u>0</u>	<u>60,500</u>	<u>0</u>
<i>Total Defeased Bonds</i>	<u>13,646,589</u>	<u>21,201,850</u>	<u>33,075</u>
<i>Total Itemized Disbursements-Interest, Principal and Premium Paid</i>	<u>\$ 42,935,785</u>	<u>\$ 50,957,655</u>	<u>\$ 33,075</u>

SPILSBURY, HAMILTON, LEGENDRE & PACIERA

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND
ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Mr. J. Thomas Lewis, President, and Members
Board of Liquidation, City Debt
New Orleans, Louisiana

We have audited the financial statements of Board of Liquidation, City Debt as of and for the year ended December 31, 1999, and have issued our report thereon dated February 15, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Board of Liquidation, City Debt's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Board of Liquidation, City Debt's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the members of the Board, management, the City of New Orleans, and the Louisiana Legislative Auditor, and is intended to be and should not be used by anyone other than these specified parties.

Spilsbury, Hamilton, Legendre & Paciera

February 15, 2000