



**FINAL AGENDA  
STATE BOND COMMISSION  
January 18, 2024  
8:00 AM - SENATE COMMITTEE ROOM A-B  
State Capitol Building**

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**1. Call to Order and Roll Call**

**2. Approval of the minutes of the December 14, 2023 meeting.**

**3. State Bond Commission Presentation**

Presentation and brief overview of the role and functions of the State Bond Commission, including processes and guidelines.

**Local Governmental Units - Elections (April 27, 2024)**

**4. L24-001 - Ascension Parish, City of Gonzales**

3.27 mills tax, 10 years, 2026-2035, constructing, maintaining, and operating fire department stations and equipment.

**5. L24-009 - Calcasieu Parish, Recreation District No. 1, Ward 3**

Not exceeding \$30,000,000 (General Obligation Bonds), not exceeding 15 years, not exceeding 7%, establishing, acquiring, constructing, improving, extending and maintaining recreational system and facilities, with all necessary equipment and installations, including both movable and immovable property.

**Local Political Subdivisions - Cash Flow Borrowings**

**6. L24-003 - Tensas Parish Police Jury**

Not exceeding \$340,000 Revenue Anticipation Notes, not exceeding 6%, mature no later than March 1, 2025, current operations.

**Local Political Subdivisions - Loans**

**7. L23-286 - Allen Parish, Northwest Allen Parish Waterworks District (LDH Program)**

Not exceeding \$2,313,000 Taxable Excess Revenue Bonds, non-interest bearing, not exceeding 10 years, constructing and acquiring improvements, extensions, and replacements to the drinking water system, including equipment, fixtures, and accessories.

**8. L23-256 - Iberville Parish, Town of Maringouin (DEQ Project)**

Not exceeding \$800,000 Taxable Excess Revenue Bond, non-interest bearing, not exceeding 10 years, constructing and acquiring improvements, extensions, and replacements to the sewerage system, including equipment, fixtures, and accessories.

**9. L24-006 - Rapides Parish, Fire Protection District No. 18**

Not exceeding \$700,000 Limited Tax Bonds, not exceeding 6%, mature no later than March 1, 2028, acquiring and constructing fire protection facilities, vehicles and equipment.

**10. L24-008 - St. James Parish Council**

Not exceeding \$6,000,000 Limited Tax Bonds, not exceeding 6%, mature no later than March 1, 2027, constructing and improving public hospital buildings.

**Local Political Subdivisions - Bonds - Final Approval**

**11. L24-007 - St. John the Baptist Parish Council, Sales Tax District (DEQ Project)**

Not exceeding \$3,602,575 Taxable Sales Tax Bonds, not exceeding 0.95%, not exceeding 22 years, constructing, acquiring, extending, and improving sewers and sewage disposal facilities and acquiring equipment.

**12. L22-264 - Vermilion Parish, Southeast Waterworks District No. 2**

Not exceeding \$1,530,000 Water Revenue Bonds, not exceeding 6%, not exceeding 20 years, constructing and acquiring extensions, improvements and replacements to the water system, including equipment and fixtures.

**State Agencies, Boards and Commissions**

**13. S20-001A - Louisiana Housing Corporation (Millennium Studios III, LLC)**

Not exceeding \$1,500,000 Multifamily Housing Revenue Bonds (Volume Cap), not exceeding 12%, not exceeding 40 years, acquisition, construction, and equipping of a 122-unit multifamily housing facility in Shreveport.

**14. S24-001 - Louisiana Housing Corporation (Greenwood Terrace Project)**

Not exceeding \$11,000,000 Multifamily Housing Revenue Bonds (Volume Cap), not exceeding 10%, not exceeding 40 years, acquisition, rehabilitation, and equipping of a 100-unit multifamily housing development in Shreveport.

**Political Subdivisions - Bonds**

**15. S20-079A - Louisiana Community Development Authority (McNeese State University - Cowboy Facilities, Inc. Student Union Project)**

Not exceeding \$15,000,000 Revenue Bonds, not exceeding 7%, not exceeding 30 years, (1) acquisition, additions, repairs, maintenance, renovation, expansions and equipping of a new student union on the campus of McNeese State University, (2) paying capitalized interest during construction, (3) funding a deposit to the Maintenance Reserve Fund and (4) funding a deposit to the Debt Service Reserve Fund.

**Costs of Issuance Reporting**

**16. L23-045A - Beauregard Parish School Board, Parishwide School District**

Reporting on changes in costs of issuance.

**17. S23-004A - Louisiana Public Facilities Authority (Waste Pro USA, Inc. Project)**

Reporting on changes in costs of issuance.

**18. S23-015A - Louisiana Public Facilities Authority (Louisiana Children's Medical Center Project)**

Reporting on changes in costs of issuance.

**State of Louisiana**

**19. Disclosure Counsel**

Authorization for the Director to execute an amendment to the Disclosure Counsel Contract to extend the term for one additional year.

**20. Request for Qualifications**

Discussion and consideration of the evaluation teams recommendations for selection of a pool of Bond Counsels and Co-Bond Counsels on proposals submitted in response to the December 12, 2023 Request for Qualifications for Bond Counsel Services and Co-Bond Counsel Services for new money General Obligation Bonds and refunding bonds of certain General Obligation Bonds, and other financings and refundings at the discretion of the Commission.

**21. Net State Tax Supported Debt (NSTSD)**

Presentation and consideration of the Net State Tax Supported Debt (NSTSD) Report in accordance with Article VII, Section 6(F) of the Louisiana Constitution, as amended, La. R.S. 39:1367, et seq. and the Debt Limit Rule of the State Bond Commission.

## **Other Business**

### **22. State Bond Commission Resolution - Ad Hoc Elections Subcommittee**

Consideration of a resolution providing for the continuation of the Ad Hoc Election Subcommittee of the State Bond Commission and the delegation of power and authority of the State Bond Commission to the Ad Hoc Election Subcommittee to consider and approve, or deny approval of all propositions for bond, debt, or tax elections, and all other election propositions.

### **23. State Bond Commission Resolution - Emergency Elections Subcommittee**

Consideration of a resolution providing for the continuation of the Emergency Election Subcommittee of the State Bond Commission for the authority to consider and make recommendations to the State Bond Commission regarding applications for emergency elections as authorized under La. Const. art. VI, §30(B) and La. Admin. Code tit. 71, pt. III, §103.V.

### **24. Monthly Reports**

n/a

### **25. Adjourn**

**Notice is hereby further provided that the Commission may vote to hold an Executive Session on any agenda or other duly approved item that is exempted from discussion at an open meeting pursuant to La.R.S. 42:17.**

**In compliance with Americans with Disabilities Act, contact Cassie Berthelot at (225) 342-0040**

**To advise special assistance is needed and describe the type of assistance necessary.**



**MINUTES  
STATE BOND COMMISSION**

**December 14, 2023**

**10:00 AM - Senate Committee Room A-B  
State Capitol Building**

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**1. Call to Order and Roll Call**

The items listed on the Agenda are incorporated and considered to be a part of the minutes herein.

Treasurer Schroder called the meeting to order. Then Ms. Snell called the roll.

**MEMBERS PRESENT:**

Ms. Tina Vanichchagorn, representing Governor John Bel Edwards  
Honorable William H. Nungesser, Lieutenant Governor  
Mr. Charlton Meginley, representing Secretary of State R. Kyle Ardoin  
Mr. Craig Cassagne, representing Attorney General Jeffrey Landry  
Senator Patrick Page Cortez, President of the Senate  
Senator Mack White, Chair, Senate Finance Committee  
Senator Bret Allain, Chair, Senate Revenue and Fiscal Affairs Committee  
Senator Mike Reese, Senator at Large  
Representative Clay Schexnayder, Speaker of the House  
Representative Jerome Zeringue, Chair, House Appropriations Committee  
Representative Stuart Bishop, Chair, House Ways and Means Committee  
Representative John Stefanski, Representative at Large  
Mr. Jay Dardenne, Commissioner of Administration  
Honorable John M. Schroder, State Treasurer

**MEMBERS ABSENT:**

None

**2. Approval of the minutes of the November 16, 2023 meeting.**

Representative Clay Schexnayder, Speaker of the House moved approval, seconded by Senator Patrick Page Cortez, President of the Senate and without objection, the minutes were approved.

**Local Political Subdivisions - Loans**

Ms. Folse provided a synopsis on Items 3 and 4.

**3. L23-246 - Concordia Parish Police Jury (DEQ Project)**

Not exceeding \$500,000 Taxable Excess Revenue Bonds, non-interest bearing, not exceeding 10 years, constructing and acquiring improvements, extensions and replacements for sewer improvements, including equipment, fixtures and accessories, a work of public improvement.

Representative Clay Schexnayder, Speaker of the House moved approval, seconded by Senator Patrick Page Cortez, President of the Senate and without objection, the item was approved.

**4. L23-290 - Livingston Parish Law Enforcement District**

Agenda Item # 2

Not exceeding \$4,200,000 Revenue Bonds, not exceeding 4.75%, not exceeding 11 years, financing or reimbursing the costs of the acquisition of property on which the Livingston Parish Emergency Response and Evacuation Center will be constructed.

**Representative Clay Schexnayder, Speaker of the House moved approval, seconded by Senator Patrick Page Cortez, President of the Senate and without objection, the item was approved.**

**Local Political Subdivisions - Bonds - Final Approval**

**Ms. Folse provided a synopsis on Items 5 through 7.**

**5. L23-288 - Beauregard Parish Police Jury**

Not exceeding \$6,000,000 Hurricane Recovery Revenue Notes, not exceeding 7%, not exceeding 20 years, abatement, demolition, rehabilitation, repair, reconstruction, renovation, restoration and improvement of the properties and facilities resulting from or related to Hurricane Laura, including purchasing any furnishings, fixtures and equipment.

**Representative Clay Schexnayder, Speaker of the House moved approval, seconded by Senator Patrick Page Cortez, President of the Senate and without objection, the item was approved.**

**6. L23-289 - Beauregard Parish Police Jury**

Not exceeding \$13,000,000 Hazard Mitigation Revenue Notes, not exceeding 7%, not exceeding 20 years, acquiring, constructing, improving, and renovating facilities to mitigate effects of future hazardous weather, including purchasing furnishings, fixtures and equipment.

**Representative Clay Schexnayder, Speaker of the House moved approval, seconded by Senator Patrick Page Cortez, President of the Senate and without objection, the item was approved.**

**7. L23-291 - Lincoln Parish, City of Ruston (Economic Development Projects – Interstate Twenty Economic Development Area)**

**(1)** Not exceeding \$15,000,000 Sales Tax Increment Revenue Bonds, not exceeding 7%, maturing no later than October 1, 2048, **(a)** financing economic development projects within or about the Economic Development Area, **(b)** funding a debt service reserve fund and **(c)** providing for capitalized interest, if necessary; **(2)** Approval of the amendment to the Cooperative Endeavor Agreement by and among the City of Ruston and the State extending the boundaries of the Economic Development Area and the term of the Agreement until December 31, 2048, in accordance with Act 77 of the 2023 Regular Session of the Legislature.

**Representative Clay Schexnayder, Speaker of the House moved approval, seconded by Senator Patrick Page Cortez, President of the Senate and without objection, the item was approved.**

**Treasurer Schroder acknowledged Mr. Ronny Walker, Mayor, City of Ruston.**

**State Agencies, Boards and Commissions**

**8. S22-022A - Louisiana Housing Corporation (KHA Affordable Properties Project)**

Not exceeding \$26,000,000 Multifamily Housing Revenue Bonds (Volume Cap), not exceeding 10%, not exceeding 40 years, acquisition, construction, rehabilitation and equipping of a 121-unit multifamily housing development in Kenner.

**Ms. Folse provided a synopsis. Representative Clay Schexnayder, Speaker of the House moved approval contingent upon verification of the subsequent certified resolution adopted on December 13, 2023, by Louisiana Housing Corporation authorizing the issuance of the bonds, seconded by Senator Patrick Page Cortez, President of the Senate and without objection, the item was conditionally approved.**

**9. S23-058A - Louisiana Public Facilities Authority (Department of Public Safety Project)**

Not exceeding \$110,000,000 Revenue Bonds, not exceeding 7% fixed or variable rate, not exceeding 21 years, (1) relocation, planning, acquisition, construction and equipping of a crime lab within the Department of Public Safety's Administrative Complex and (2) funding a reserve fund, if necessary.

**Ms. Folse provided a synopsis. Representative Clay Schexnayder, Speaker of the House moved approval, seconded by Senator Patrick Page Cortez, President of the Senate and without objection, the item was approved.**

**Costs of Issuance Reporting**

**10. S22-024C - Louisiana Housing Corporation (Park Homes at Iowa Project)**

Reporting on changes in costs of issuance.

**Ms. Folse provided a status update.**

**Lines of Credit**

**Ms. Folse provided a synopsis on Items 11 through 13.**

**11. Priority 5 - Non-Cash - State Projects**

Request submitted by the Office of the Commissioner, Division of Administration, Office of the Governor, for granting of Lines of Credit for which no cash expenditures will be made this fiscal year in the amount of \$907,078,650 for State projects contained in Priority 5 of the current Capital Outlay Act (Act 465 of the 2023 Regular Session) and listed in the attached exhibit.

**Representative Clay Schexnayder, Speaker of the House moved approval, seconded by Senator Patrick Page Cortez, President of the Senate and without objection, the item was approved.**

**12. Priority 5 - Non-Cash - Non-State Projects - Local Governments**

Request submitted by the Office of the Commissioner, Division of Administration, Office of the Governor, for granting of Lines of Credit for which no cash expenditures will be made this fiscal year in the amount of \$457,064,397 for Non-State - Local Government projects contained in Priority 5 of the current Capital Outlay Act (Act 465 of the 2023 Regular Session) and listed in the attached exhibit.

**Representative Clay Schexnayder, Speaker of the House moved approval, seconded by Senator Patrick Page Cortez, President of the Senate and without objection, the item was approved.**

**13. Priority 5 - Non-Cash - Non-State Projects - Non-Government Organizations**

Request submitted by the Office of the Commissioner, Division of Administration, Office of the Governor, for granting of Lines of Credit for which no cash expenditures will be made this fiscal year in the amount of \$89,911,000 for Non-State Non-Government Organization projects contained in Priority 5 of the current Capital Outlay Act (Act 465 of the 2023 Regular Session) and listed in the attached exhibit.

**Representative Clay Schexnayder, Speaker of the House moved approval, seconded by Senator Patrick Page Cortez, President of the Senate and without objection, the item was approved.**

**State of Louisiana**

**14. Disclosure Counsel**

Authorization for the Director to execute an amendment to the Disclosure Counsel Contract to extend the term for one additional year.

**Ms. Folse advised the item was being moved to the January 2024 State Bond Commission meeting.**

**15. Monthly Reports**

**Ms. Folse provided information relative to the monthly reports.**

**Treasurer Schroder announced there were resolutions thanking the members for their service to the Bond Commission and he mentioned there was a reception being held on the 3rd floor immediately following the adjournment of the Bond Commission meeting.**

**Senator Patrick Page Cortez, President of the Senate, Mr. Jay Dardenne, Commissioner of Administration, Representative Clay Schexnayder, Speaker of the House and Senator Mack White, Chair, Senate Finance Committee commended Treasurer Schroder and Mr. Mark Moses, Assistant Commissioner, Facility Planning and Control, for their years of service to the Bond Commission and the State of Louisiana.**

**Treasurer Schroder gave final comments and bid farewell to everyone.**

**16. Adjourn**

**On the motion of the Chairman and without any objection, the meeting was adjourned.**

(A verbatim transcript in specific order items were considered is available with the Bond Commission.)

# **Louisiana State Bond Commission**

## **Process and Guidelines**

Agenda Item # 3

### **I. Meeting; Location and Time**

Meetings will be held in Senate Committee Room A, unless another room is designated by the chairman. The committee meets at 10:00 am on the third Thursday of the month except meetings occurring during session, which begin at 8:00 am. Special meetings may be called by the chairman of the commission on any date. Meeting dates and deadlines are posted on the State Bond Commission website in October for the next calendar year.

### **II. Membership**

R.S. 39:1401 establishes membership, including designation of the State Treasurer as the Chair and any other officer necessary. Those members include:

- The governor, or his executive secretary or executive counsel;
- The lieutenant governor, or any of his administrative assistants;
- The president of the Senate, or any other member of the Senate;
- The speaker of the House of Representatives, or any other member of the House of Representatives;
- The state treasurer, or the first assistant state treasurer;
- The secretary of state, or the first assistant secretary of state, undersecretary of management and finance, or by legal counsel for the Department of State;
- The attorney general, or any full-time assistant attorney general;
- The Senate Finance Committee chairman, or any other member of the committee;
- The Senate Revenue and Fiscal Affairs Committee chairman, or any other member of the committee;
- The House Ways and Means Committee chairman, or any other member of the committee;
- The House Appropriations Committee chairman, or any other member of the committee;
- One member of the Senate appointed by the president of the Senate, or any other member of the Senate;
- One member of the House appointed by the speaker of the House of Representatives, or any other member of the House of Representatives;
- The commissioner of administration, or any full-time assistant to the commissioner of administration.

### **III. State Bond Commission Duties of Treasurer and Secretary**

- A. Duties of the Treasurer can be found in R.S. 39:1404, which include advising the Commission with the respect to the issuance of bonds and all other related matters; providing information to rating services, financial institutions, prospective bond buyers, other interested persons and the general public on all matters relating to the issuance and sale of bonds, debt structure and management of debt of the State and its entities. R.S. 39:1404 also requires the Treasurer to organize and administer, within the office of the state treasurer, a State Debt Management Section and to select such assistants necessary to carry out the imposed responsibilities.
- B. The Secretary of the Commission shall be the Director of the State Bond Commission and shall be responsible for certifying all official proceedings and acts, is the custodian of official records and documents, and performing other duties, as outlined in R.S. 39:1404.1. The Secretary is responsible for docketing all matters to be considered by the Commission. The Secretary is responsible for presenting all matters and shall provide a recommendation for approval, disapproval or no recommendation.
- C. The office of the State Bond Commission is established pursuant to R.S. 36:761 within the Department of Treasury. Pursuant to R.S. 36:768, the office of the State Bond Commission performs functions of the state relating to the management, analysis and control of state debt; functions relating to the issuance of state bonds, and other functions performed by the State Bond Commission.

### **IV. Commission Rules**

- A. Rules for the Commission can be found in Louisiana Administrative Code, Title 71.
- B. Meetings shall be conducted in accordance with Roberts Rules of Order.
- C. Applications are due at least 20 working days prior to meeting with all information due by 10 working days prior to meeting.
- D. Applications are reviewed for compliance with constitutional and statutory requirements and feasibility, including the ability to repay indebtedness.
- E. If the applications are in order, they are placed on an agenda for consideration by the commission.
- F. Preliminary notice and agenda are sent to members 6 days prior to meeting. In addition to the Rule requirement, a draft of the meeting packet is provided to members and staff and is also accessible via NovusAgenda with the preliminary notice and agenda.
- G. Prior to each meeting a docket meeting (agenda review meeting) is held with members' representatives and the Legislative Auditor.

### **V. Quorum**

For meetings, eight (8) members must be present to establish a quorum before the meeting can commence. One week prior to the scheduled meeting, the recording secretary contacts, via email, each member and/or staff responsible for scheduling to determine attendees. For those designated members not able to attend, an appropriate proxy is identified for which a letter from the member authorizing such designee to attend is provided.

## **VI. Meeting Decorum**

- A. All members and witnesses shall conduct themselves in a decorous manner.
- B. Upon commencement of the meeting, no person other than members or staff may come on the platform where the committee members are seated.
- C. Cell phones or other electronic devices with audible tones must be turned off or muted during a committee meeting. Cell phone use is not allowed during committee.

## **VII. Witness, Testimony, and Documentation**

- A. All persons addressing the commission should sign and deliver to the recording secretary a speaker card stating their name, agency, organization, or other interest represented, address, and the item or application number for which the person is appearing.
- B. All testimony shall be delivered from the witness table after being recognized by the chairman. Prepared statements may be submitted and filed in the commission record.

## **VIII. Hearing Procedure**

- A. Unless otherwise determined by the chairman, items on the agenda will be heard in the order in which they appear on the agenda as noticed 24 hours prior to meeting.
- B. Meeting notice and agenda is posted 24 hours in advance of the meeting.
- C. The agenda cannot be changed after this posting unless by a vote of the Commission.
- D. Upon unanimous approval of the members present at a meeting of a public body, the public body may take up a matter not on the agenda.
- E. Amending an item on the agenda requires a motion and a second.

## **IX. Motions and Voting**

- A. The Commission approves, disapproves or defers action on an item.
- B. There shall be a motion and a second from sitting commission members for approval of an item. It is within the discretion of the chairman to entertain motions while testimony is pending.
- C. During a roll call vote, each member must cast his vote when his name is called, and the recording secretary must repeat the member's vote as either "yea" or "nay".
- D. Items on the agenda require passage with a majority vote; however, from time to time, certain items may require a 2/3 vote. Additionally, once the agenda has been released 24 hours before the meeting, for an item to be added to the agenda, a unanimous vote is required.

## **X. Subcommittees of the Commission**

- A. Ad Hoc Elections Subcommittee - established by resolution to assist local governments with the ability to comply with the election code when the Secretary of State proposition filing deadlines is scheduled before the next regularly scheduled SBC meetings. The Ad Hoc Subcommittee reviews and approves elections only, excluding emergency elections. Membership consists of the Treasurer as the chair, the Secretary of State, the Attorney General, President of the Senate and Speaker of the House, or any authorized designee.
- B. Emergency Elections Subcommittee – established by resolution to review emergency elections and provide a recommendation to the full Commission. Membership consists of the Secretary of State as the chair, the Treasurer, Attorney General, President of the Senate, Speaker of the House and the Commissioner of Administration, or any authorized designee.

## **XI. Executive Session**

Upon 2/3's vote of the members present, the SBC may enter into executive session to discuss a matter exempted by R.S. 42:17 or other law. Upon leaving executive session, the recording secretary will call roll to ensure the maintenance of a quorum for the public meeting.

## **XII. Issuance of Bonds by the State Bond Commission and The Financing Team**

- A. The State Bond Commission issues certain debt on behalf of the State. Issuing debt requires a financing team to finalize the financing plan, develop offering documents, prepare for rating agency and investor presentations, market the bond offering to investors, price the bonds, close the transaction, and maintain compliance after the issuance of the bonds.
- B. The financing team may include the Commission staff, various other state agency staff, and other professionals such as the municipal advisor, bond counsel, bank/underwriter, bank/underwriter counsel, paying agent, escrow agent, trustee, disclosure counsel, etc. Other professionals are generally competitively selected. The role and responsibilities of the financing team may vary depending upon the bond offering and method of sale.
  - 1. State Working Group: Historically, the Commission practice has been to use a working group to represent the commission members when the Commission is issuing bonds on behalf of the State and to assist in the evaluation of proposals for financial professionals (municipal advisor, bond counsel, and underwriters). The members of the working group represent the Treasurer, Attorney General, Senate, House, Division of Administration and includes DOTD when they are the beneficiary of the financing. The working group typically participates in meetings and conference calls, reviews and evaluates proposals, makes recommendations to the Commission, when needed, reviews and provides comments/edits to bond documents, including

resolutions, preliminary official statements, official statements, etc. Additional departments and staff are included on an as needed basis to ensure the State's offering documents are complete and accurate as to the State's financial condition.

2. **Municipal Advisor:** The Municipal Advisor acts in a fiduciary capacity to the state, provides financial advice and generally assists the Commission in all aspects of the transaction.

3. **Bond Counsel:** The Bond Counsel drafts documents and provides legal advice. The Commission utilizes a pool of bond counsels and co-bond counsels on a rotation basis for the issuance of new General Obligation Bonds and refunding bonds of certain General Obligation Bonds, and other financings and refundings. The bond counsels and co-bond counsels are qualified to be in the pool through a Request for Qualification. The Commission also competitively selects bond counsel on a deal-by-deal basis when needed.

4. **Bank/Underwriter:** A bank's role is to underwrite or purchase the debt. The Commission competitively selects banks/underwriters.

5. **Disclosure Counsel:** Disclosure counsel provides legal services relative to the State's continuing disclosure obligations under state and federal securities laws and regulations including the Securities and Exchange Commission's Rule 15c2-12, as amended. The Commission competitively selects disclosure counsel.

#### C. Methods of Sale

1. **Competitive Sale** - Banks submit bids to purchase bonds electronically on an electronic bidding platform during a public meeting of the Commission. The Commission's municipal advisor verifies the bid prices. Upon verification of the bid prices, the Commission adopts a resolution to award the bonds to the bank with the lowest cost (True Interest Cost or TIC). A competitive sale is the process required by law to be used for the State's new money General Obligation Bonds (R.S. 39:1365). A negotiated or private placement sale may be utilized with a favorable 2/3 vote of the Commission and Joint Legislative Committee on the Budget.

2. **Negotiated Sale** - A bank is hired to purchase the bonds by assisting in structuring the bonds, selling the bonds to investors and retaining the bonds if all bonds are not sold in the initial public offering (primary market) to investors.

3. **Private Placement** - Some bonds are sold directly to an investor.

# Meeting Document Email Recap

Agenda Item # 3

<b>Sent</b>	<b>Subject Matter</b>	<b>Distribution Group</b>
<b>One week prior to meeting: Thursday</b>	Meeting Notice Letter and Novus agenda packet	Bond Commission Members /Bond Commission - Staff
	Preliminary Notice and Agenda (for posting the SBC website and distribution to Listserv)	Treasury IT Staff
	Preliminary Notice and Agenda (for posting to Legislature's website)	Senate Staff
<b>Thursday</b>	Novus agenda packet for Agenda Review on the following Monday	Agenda Review Committee/ SBC Office Staff
	Quorum email	Bond Commission Members - Quorum
<b>**** If LOC and/or GO Bond Sale</b>	Legislative notification	Legislature (House and Senate)
<b>Meeting Week:</b>		
<b>Tuesday</b>	Email to members staff that didn't respond to initial quorum email	Bond Commission Members - Staff
<b>Tuesday/ Wednesday</b> (Depending on time of meeting)	Notice and Agenda (for posting to SBC website and distribution to Listserv)	Treasury IT Staff
	Notice and Agenda (for posting to Legislature's website)	Senate Staff
	Updated Novus agenda packet	Bond Commission Members /Bond Commission - Staff
	Updated Novus agenda packet	Agenda Review Committee/ SBC Office Staff
<b>Thursday</b> One hour prior to meeting	Novus agenda packet (Media packet)	Press Members - Bond Commission Meetings
<b>Friday</b>	Final Agenda (for posting to SBC website)	Treasury IT Staff
<b>Friday or following week</b>	Minutes (for posting to SBC website)	Treasury IT Staff



# STATE BOND COMMISSION

## DEPARTMENT OF TREASURY

January 18, 2024

# Commission Overview

- 1968 - Created to centralize and administer the incurrence of debt
- 1969 - State Bond & Tax Board abolished, functions of approving issuance of debt transferred to the SBC
- 1974 - Placed in Constitution, Article VII, Section 8
- Approves
  - Certain elections of public entities (levying taxes, debt & other matters required by law)
  - Debt of public entities (including estimated costs of issuance)
  - Lines of Credit for projects included in the Capital Outlay Budget Act
- Issues debt on behalf of the State
- Meets the 3<sup>rd</sup> Thursday of every month

# Commission Membership

14 Member Board

Established by R.S.  
39:1401

- State Treasurer (Chairman)
- Governor
- Lieutenant Governor
- Secretary of State
- Attorney General
- Senate President
- Senate Finance Chairman
- Senate Revenue & Fiscal Affairs Chairman
- Senator at Large
- House Speaker
- House Appropriations Chairman
- House Ways & Means Chairman
- Representative at Large
- Commissioner of Administration

# Office of the State Bond Commission

Mission is to provide staff to assist the State Bond Commission to carry out its constitutional and statutory mandates

- Serves in an advisory capacity to the Commission
- Provides technical and compliance assistance on state and local government debt and elections
- Division within Department of Treasury

Lela M. Folsie  
Director

Cassie Berthelot  
Assistant Director

Jessyka Munoz  
Debt Officer

Stephanie Blanchard  
Debt Officer

Ty  
DeLee  
Debt Analyst

Brandon  
Rinaudo  
Debt Analyst

Clarrissa  
Johnson  
Debt Analyst

Conner  
Berthelot  
Debt Analyst

Telisha Snell  
Executive Staff Officer

Shirley Wright  
Administrative Assistant

# Election & Debt Applications

- Election applications reviewed for legal compliance and to ensure proposition is in proper form
- Debt applications are reviewed by Staff for:
  - Legal compliance
  - Ability to repay
  - Estimated cost of issuance
- Applications that are in order are placed on an agenda for consideration by SBC
- Staff makes a recommendation
- SBC approves, disapproves or defers action

Application and Meeting Timeline	
Filing Deadline	20 Working Days Prior to Meeting
Supporting Documentation Deadline	10 Working Days Prior to Meeting
Preliminary Agenda	1 Week Prior to Meeting
Agenda Review with SBC Members Staff & Legislative Auditor	Monday Prior to Meeting
Meeting Notice and Agenda	24 Hours Prior to Meeting
Meeting Date	3rd Thursday of Each Month

# Issues Debt on Behalf of State

## ■ State issues debt to:

- Fund capital projects
- Refinance outstanding debt
- Cash flow purposes, if needed

## ■ Issuing debt requires a financing team:

- State Working Group
- Municipal Advisor
- Bond Counsel
- Bank/Underwriter
- Disclosure Counsel

## ■ Staff is responsible for:

- Managing transaction & financing team
- Paying debt service
- SEC disclosure requirements
- IRS arbitrage calculations
- Credit ratings
- Monitoring bond proceeds

## ■ Manages \$6.6 Billion outstanding principal

- General Obligation Bonds
- Gasoline & Fuels Tax Bonds
- GARVEEs
- Deepwater Horizon TIFIA Loans
- State Highway Improvement Bonds
- Unclaimed Property Bonds

# Other Requirements

## Lines of Credit

- SBC considers Lines of Credit for projects included in the Capital Outlay Budget Act based on recommendations submitted by the Commissioner of Administration
- Lines of Credit are funded with General Obligation Bonds

## Net State Tax Supported Debt

- 6% Constitutional Debt Limit
- Staff calculates & tracks NSTSD
- Annual Report

## Private Activity Bonds (Volume Cap Allocation)

- Federally authorized program that allows the private sector, through a public entity, to finance eligible projects at tax-exempt interest rates
- Refers to the maximum amount of Tax-Exempt Private Activity Bonds that can be issued annually in each state
- Governor's Office grants allocations via Executive Order
- SBC is the Record Keeper

# SBC Subcommittees

## Ad Hoc Election

- SBC approval is required by the Secretary of State's proposition filing deadline
- Created to allow entities to meet the Secretary of State's proposition filing deadline that were not able to meet SBC meeting deadline
- Delegated authority to consider and approve or deny election applications
- Members
  - Treasurer (Chairman)
  - Secretary of State
  - Attorney General
  - Senate President
  - House Speaker

## Emergency Election

- Constitution requires an emergency be declared by a governing authority if a proposition is submitted to the electorate more than once in a 6-month period
- Created to review emergency elections
- Delegated authority to consider and make recommendations to the full Commission
- Members
  - Secretary of State (Chairman)
  - Treasurer
  - Attorney General
  - Senate President
  - House Speaker
  - Commissioner of Administration

# 2024 SBC Meeting Dates

All meetings held at 10:00 am (8:00 am during legislative session) in Senate Committee Room A unless posted otherwise

Last regularly scheduled SBC Meeting at which an entity could receive approval for an election is notated with the respective election date

Meeting Date	Election Date
January 18, 2024	
February 15, 2024	April 27, 2024
March 21, 2024	
April 18, 2024	
May 16, 2024	November 5, 2024
June 20, 2024	
July 18, 2024	
August 15, 2024	
September 19, 2024	December 7, 2024
October 17, 2024	
November 21, 2024	
December 19, 2024	March 29, 2025

# Statistics

## Debt/Election Applications

### FY 23

- 350 applications approved totaling \$7.76 B
  - 181 debt applications
  - 169 election applications
- 8 refinancing applications
  - Gross savings - \$22 M
  - NPV savings - \$4.5 M

### FY 22

- 453 applications approved totaling \$9.65 B
  - 247 debt applications
  - 206 election applications
- 45 refinancing applications
  - Gross savings - \$160.95 M
  - NPV savings - \$16.95 M

## Debt Issued by SBC

### FY 23

- Completed 4 transactions
  - 1 refinancing
  - 3 new money
- Paid \$668 M in debt service

### FY 22

- Completed 7 transactions
  - 3 refinancings
    - Gross savings - \$92.7 M
    - NPV savings - \$72.1 M
  - 3 new money
  - 1 interest rate swap novation
- Paid \$635 M in debt service

# Contact Information

Lela M. Folse

Director

[lfolse@treasury.la.gov](mailto:lfolse@treasury.la.gov)

225-342-0040



## STATE BOND COMMISSION

January 18, 2024

Local Governmental Units - Elections (April 27, 2024)

### SYNOPSIS

**APPLICATION NO:** L24-001

**ENTITY:** Ascension Parish, City of Gonzales

**TYPE OF REQUEST:** 3.27 Mills Ad Valorem Tax Proposition

**ANALYST:** Brandon Rinaudo

**SUBMITTED BY:**

Matthew I. Percy, Percy, Skias, & Schutte

**PARAMETERS:**

3.27 mills tax, 10 years, 2026-2035, constructing, maintaining, and operating fire department stations and equipment.

**LEGISLATIVE AUTHORITY:**

Article VI, Sections 27(B) & 32

**RECOMMENDATION:**

The Staff finds no technical problem with the proposition and on that basis recommends the proposition be presented to the voters.

**ATTACHMENTS:**

- ☐ **Analysis Summary**
- ☐ **Approval Parameter Form**



## STATE BOND COMMISSION

January 18, 2024

Local Governmental Units - Elections (April 27, 2024)

### ANALYSIS SUMMARY

**APPLICATION NO:** L24-001  
**ENTITY:** Ascension Parish, City of Gonzales  
**TYPE OF REQUEST:** 3.27 Mills Ad Valorem Tax Proposition  
**ANALYST:** Brandon Rinaudo

#### **PARAMETERS:**

Purposes for which proceeds will be used are:

3.27 mills tax, 10 years, 2026-2035, constructing, maintaining, and operating fire department stations and equipment.

Based on the current taxable assessed valuation of the City, a 3.27 mills tax will generate an estimated \$576,122 annually.

The proposed proposition was last presented to the voters at the March 28, 2015, election for which it passed.

The proposition is considered a renewal tax.

The Notice of Election reflects the estimated cost of the election is \$20,000.



**LOUISIANA STATE BOND COMMISSION  
APPROVAL PARAMETERS - ELECTIONS**

SBC Tracking # L24-001

Agenda Item # 4

Government Unit: \* City of Gonzales, State of Louisiana

Authority to Hold a Special Election \*

City of Gonzales, State of Louisiana (the "City"), on Saturday, April 27, 2024, to submit to the electors of the City the following proposition:

Proposition Language \*

Shall the City of Gonzales, State of Louisiana (the "City") be authorized to renew the levy and collection of a tax of 3.27 mills on assessed valuation of all property subject to taxation in the City (an estimated \$576,122.00 reasonable expected at this time to be collected from the levy of the tax for an entire year) (the "Tax"), for a period of ten (10) years beginning with the year 2026 and ending with the year 2035, with the proceeds of the Tax (after paying the reasonable and necessary costs and expenses of collection and administering the Tax), to be dedicated and used for the purpose of paying the costs of constructing, maintaining, and operating fire department stations and equipment and providing for other matters in connection therewith?

Citation(s): \* Article VI, Section 27(B) & Section 32

As Set Forth By: \* Resolution adopted by the City Council of the City of Gonzales, State of Louisiana on November 13, 2023

Subject To:

It is the policy of the State Bond Commission that all attorneys' fees involved in this matter must be approved by the Office of the State Attorney General prior to payment. Although this is not a conditional approval of this application, failure to obtain such approval may result in conditional approval of such application by the State Bond Commission in the future.

The approval does not constitute a recommendation, approval, or sanction by the Louisiana State Bond Commission or the State of Louisiana of the investment quality of the credit represented by the application. Further, the approval does not constitute any guaranty of repayment of the debt by the State Bond Commission or the State of Louisiana. The approval of the application by the Louisiana State Bond Commission should not be relied upon as advice by any current or potential holders or purchasers of any debt instruments subject to the application, including, but not limited to bonds, notes, and certificates of indebtedness. Nor shall the State Bond Commission or the State of Louisiana have any liability or legal responsibility to third party purchasers or investors arising out of, related to, or connected with the approval.



## STATE BOND COMMISSION

January 18, 2024

Local Governmental Units - Elections (April 27, 2024)

### SYNOPSIS

**APPLICATION NO:** L24-009

**ENTITY:** Calcasieu Parish, Recreation District No. 1, Ward 3

**TYPE OF REQUEST:** \$30,000,000 General Obligation Bond Proposition

**ANALYST:** Brandon Rinaudo

**SUBMITTED BY:**

John Morris, Jones Walker LLP

**PARAMETERS:**

Not exceeding \$30,000,000 (General Obligation Bonds), not exceeding 15 years, not exceeding 7%, establishing, acquiring, constructing, improving, extending and maintaining recreational system and facilities, with all necessary equipment and installations, including both movable and immovable property.

**LEGISLATIVE AUTHORITY:**

Article VI, Section 33

R.S. 33:4562-4566

R.S. 39:501, et seq.

**RECOMMENDATION:**

The Staff finds no technical problem with the proposition and on that basis recommends the proposition be presented to the voters.

**ATTACHMENTS:**

- ☐ **Analysis Summary**
- ☐ **Approval Parameter Form**
- ☐ **Fee Comparison Worksheet**

**STATE BOND COMMISSION**

January 18, 2024

Local Governmental Units - Elections (April 27, 2024)

**ANALYSIS SUMMARY**

**APPLICATION NO:** L24-009  
**ENTITY:** Calcasieu Parish, Recreation District No. 1, Ward 3  
**TYPE OF REQUEST:** \$30,000,000 General Obligation Bond Proposition  
**ANALYST:** Brandon Rinaudo

**PARAMETERS:**

Purposes for which proceeds will be used are:

Not exceeding \$30,000,000 (General Obligation Bonds), not exceeding 15 years, not exceeding 7%, establishing, acquiring, constructing, improving, extending and maintaining recreational system and facilities, with all necessary equipment and installations, including both movable and immovable property.

**Estimated Interest Cost and Debt Service:**

Estimated Interest Cost	7%
Estimated Maximum Debt Service	\$2,844,750

**Calculation of Debt Limit:**

	%	Amount
Outstanding G.O. Bonds		\$ 5,335,000
Proposed G.O. Bonds		\$ 30,000,000
Assessed Valuation		\$ 1,137,610,510
Legal Debt Limit	20%	\$ 227,522,102
Proposed & Outstanding Bonds	3%	\$ 35,335,000

Pursuant to R.S. 39:521(C)(1)(c), the District may incur debt and issue bonds, but such debt shall not exceed 20 percent of the assessed valuation.

**Estimated Millage Requirement:**

Current Millage	3.30
Projected New Millage	<u>3.00</u>
Total Millage	6.30

Outstanding Debt Secured by Same Pledge of Revenue Includes:  
 General Obligation Refunding Bonds, Series 2019A & 2019B

Staff has been informed that no immovable property with a value greater than \$3,000 will be purchased with bond proceeds.

The proposed proposition has never been presented to the voters.

Selection Method: TBD

Purchaser: Stifel, Nicolaus & Co., Inc.

Terms:

Interest Rate Not exceeding 7%

Maturity Not exceeding 15 years

Security: Unlimited Ad Valorem Taxes

The Notice of Election reflects the estimated cost of the election is \$87,300.



**LOUISIANA STATE BOND COMMISSION  
APPROVAL PARAMETERS - ELECTIONS**

SBC Tracking # L24-009  
Agenda Item # 5

Government Unit: \* Recreation District No. One of Ward Three of Calcasieu Parish, Louisiana

Authority to Hold a Special Election \*

on Saturday, the 27th day of April, 2024, to submit to the qualified electors of the District the following proposition, to wit:

Proposition Language \*

**BOND PROPOSITION**

Shall Recreation District No. One of Ward Three of Calcasieu Parish, Louisiana (the "District"), incur debt and issue bonds, in one or more series, in an amount not to exceed \$30,000,000 for a period not to exceed fifteen (15) years from the issuance thereof, with interest at a rate not exceeding 7.0% per annum, for the purpose of establishing, acquiring, constructing, improving, extending and maintaining within said District a recreational system and facilities for the benefit of all its citizens, with all necessary equipment and installations, including both movable and immovable property, owned or used by the District, in connection therewith, title to which shall be in the public, which said bonds shall be retired with, paid from and secured by an ad valorem tax on all taxable property within the limits of the District, sufficient in rate and amount to pay said bonds in principal and interest, with the estimated millage rate to be 3.00 mills in the first year of issue?

Citation(s): \* La. Con. VI, Section 33; La. R.S. 33:4562 through 33:4566; Part II Ch 4 Sub II 39

As Set Forth By: \* Resolution of the Board of Commissioners of Recreation District No. One of Ward Three of Calcasieu Parish, Louisiana, adopted November 15, 2023

Subject To:

It is the policy of the State Bond Commission that all attorneys' fees involved in this matter must be approved by the Office of the State Attorney General prior to payment. Although this is not a conditional approval of this application, failure to obtain such approval may result in conditional approval of such application by the State Bond Commission in the future.

The approval does not constitute a recommendation, approval, or sanction by the Louisiana State Bond Commission or the State of Louisiana of the investment quality of the credit represented by the application. Further, the approval does not constitute any guaranty of repayment of the debt by the State Bond Commission or the State of Louisiana. The approval of the application by the Louisiana State Bond Commission should not be relied upon as advice by any current or potential holders or purchasers of any debt instruments subject to the application, including, but not limited to bonds, notes, and certificates of indebtedness. Nor shall the State Bond Commission or the State of Louisiana have any liability or legal responsibility to third party purchasers or investors arising out of, related to, or connected with the approval.

**STATE BOND COMMISSION  
FEE COMPARISON WORKSHEET**

Agenda Item # 5

				\$30,000,000 L24-009 Calcasieu Parish, Recreation District No. 1, Ward 3		\$20,000,000 L21-306 Ouachita Parish School Board, East Ouachita School District	
		Paid From Proceeds		GO Bond Proposition January 18, 2024		GO Bond Proposition September 16, 2021	
	Firm/Vendor	Y / N	\$ Amount	\$ Per Bond	\$ Amount	\$ Per Bond	
<b>ISSUANCE COSTS</b>							
<b>Legal</b>							
Bond Counsel	Jones Walker, LLP	Y	73,400	2.45	43,620	2.18	
Co-Bond Counsel				0.00		0.00	
Issuer Counsel				0.00		0.00	
Underwriter Counsel	TBD	Y	25,000	0.83		0.00	
Underwriter Co-Counsel				0.00		0.00	
Preparation of Blue Sky Memo				0.00		0.00	
Preparation of Official Statements	Jones Walker, LLP	Y	30,000	1.00	22,500	1.13	
Bank Counsel *	TBD	Y	25,000	0.83		0.00	
Trustee Counsel				0.00		0.00	
<b>Total Legal</b>			<b>153,400</b>	<b>5.11</b>	<b>66,120</b>	<b>3.31</b>	
<b>Underwriting</b>							
Sales Commission				0.00	140,000	7.00	
Management Fees *	Stifel, Nicolaus, & Co.	Y	172,500	5.75		0.00	
MSRP/CUSIP/PSA *	Stifel, Nicolaus, & Co.	Y	7,500	0.25		0.00	
Takedown *	Stifel, Nicolaus, & Co.	Y	120,000	4.00		0.00	
Day Loan				0.00		0.00	
Placement Fee *	Stifel, Nicolaus, & Co.	Y	225,000	7.50		0.00	
<b>Total Underwriting</b>			<b>525,000</b>	<b>17.50</b>	<b>140,000</b>	<b>7.00</b>	
<b>Credit Enhancement</b>							
Bond Insurance	AGM or BAM	Y	185,000	6.17	58,911	2.95	
Letter of Credit				0.00		0.00	
Surety				0.00		0.00	
<b>Total Credit Enhancement</b>			<b>185,000</b>	<b>6.17</b>	<b>58,911</b>	<b>2.95</b>	
<b>Other</b>							
Publishing/Advertising	Official Journal	Y	6,000	0.20	3,500	0.18	
Rating Agency(s)	TBD	Y	35,000	1.17	20,000	1.00	
Insurance				0.00		0.00	
Bond Commission	SBC	Y	15,275	0.51	10,775	0.54	
Issuer Financing				0.00		0.00	
Municipal Advisor	Government Consultants	Y	75,000	2.50	50,000	2.50	
Trustee				0.00		0.00	
Escrow Agent				0.00		0.00	
Paying Agent	TBD	Y	6,000	0.20	2,500	0.13	
Feasibility Consultants				0.00		0.00	
POS/OS Printing	Imagemaster	Y	5,000	0.17		0.00	
Accounting				0.00		0.00	
Account Verification				0.00		0.00	
Parity Bidding				0.00	1,000	0.05	
Miscellaneous	Various	Y	3,000	0.10		0.00	
<b>Total Other</b>			<b>145,275</b>	<b>4.84</b>	<b>87,775</b>	<b>4.39</b>	
<b>TOTAL ISSUANCE COSTS</b>			<b>1,008,675</b>	<b>33.62</b>	<b>352,806</b>	<b>17.64</b>	

\* It has not yet been determined whether the bonds will be underwritten or placed. In no event will the Issuer incur both Placement and Underwriting Fees.



## STATE BOND COMMISSION

January 18, 2024

Local Political Subdivisions - Cash Flow Borrowings

### SYNOPSIS

**APPLICATION NO:** L24-003

**ENTITY:** Tensas Parish Police Jury

**TYPE OF REQUEST:** \$340,000 Budgetary Loan

**ANALYST:** Ty DeLee

**SUBMITTED BY:**

Alan L. Offner, Foley & Judell, LLP

**PARAMETERS:**

Not exceeding \$340,000 Revenue Anticipation Notes, not exceeding 6%, mature no later than March 1, 2025, current operations.

**LEGISLATIVE AUTHORITY:**

R.S. 39:527

**RECOMMENDATION:**

The Staff recommends approval of this application.

**ATTACHMENTS:**

- ❑ Analysis Summary
- ❑ Approval Parameter Form
- ❑ Fee Comparison Worksheet

**STATE BOND COMMISSION**

January 18, 2024

## Local Political Subdivisions - Cash Flow Borrowings

ANALYSIS SUMMARY

**APPLICATION NO:** L24-003  
**ENTITY:** Tensas Parish Police Jury  
**TYPE OF REQUEST:** \$340,000 Budgetary Loan  
**ANALYST:** Ty DeLee

**PARAMETERS:**

Not exceeding \$340,000 Revenue Anticipation Notes, not exceeding 6%, mature no later than March 1, 2025, current operations.

The Parish is requesting their annual budgetary loan for current operations. The amount requested is \$60,000, or 15% less than last year's request.

Budgeted Revenues - Year ending December 31, 2024      \$6,481,502  
Outstanding Budgetary Loan      \$400,000

The Parish originally incurred a \$300,000 loan in 2016, which grew to \$700,000 in 2018. The loan balance has since been annually paid down with available revenues while rolling over the remaining balance each year. The Parish intends to continue reducing the loan amount annually. The loan is expected to be fully paid down in 3-4 years or sooner if additional funds become available. Below is a recap of recent budgetary loan approvals and actually incurred debt:

<b>Fiscal Year</b>	<b>Amount Requested</b>	<b>Amount Incurred</b>	<b>Amount Paid</b>	<b>Ending Balance</b>	<b>Approved Rate (Not Exceeding)</b>	<b>Actual Rate</b>
2019	\$630,000	\$630,000	\$63,000	\$567,000	4.75%	4.75%
2020	\$567,000	\$567,000	\$47,000	\$520,000	4.00%	4.00%
2021	\$520,000	\$520,000	\$60,000	\$460,000	3.00%	3.00%
2022	\$460,000	\$460,000	\$60,000	\$400,000	3.50%	3.50%
2023 *	\$400,000	\$400,000	-	-	5.50%	5.50%
Proposed	\$340,000	-	-	-	6.00%	-

\* The existing budgetary loan is outstanding in the principal amount of \$400,000 and will be paid in full on March 1, 2024, from the proceeds of the proposed budgetary loan and from \$60,000 of available funds.

**STATE BOND COMMISSION**

Funds shown below represent all governmental funds of the Parish:

	Audited Actuals 12/31/2022	Adopted Budget 12/31/2024
Revenues	\$ 6,066,042	\$ 6,481,502
Expenses	\$ (5,145,766)	\$ (5,178,058)
Excess (Deficit)	\$ 920,276	\$ 1,303,444
Other Financing Sources & Uses	\$ -	\$ -
Excess (Deficit)	\$ 920,276	\$ 1,303,444
Beginning Fund Balance *	\$ 5,771,906	\$ 2,627,946
Ending Fund Balance	<u>\$ 6,692,182</u>	<u>\$ 3,931,390</u>
Restricted for Debt Service	\$ 17,517	
Restricted for Landfill Closure	\$ 1,265,832	
Committed for Special Revenue Projects	\$ 3,907,392	

\* The fund balances adopted in the FY24 budget do not include the balances of certain restricted funds including those for landfill closure, and do not reflect FY 23 ad valorem tax revenues. As of December 31, 2022, the Parish has approximately \$3,578,977 in cash and cash equivalents.

Selection Method: Private Placement

Purchaser: Tensas State Bank

Terms:

Interest Rate Not exceeding 6%

Maturity No later than March 1, 2025

Security: Revenues accruing to the Parish for the fiscal year ending December 31, 2024.

In a letter dated December 21, 2023, Tensas State Bank committed to purchase the Revenue Anticipation Notes at the above parameters.

Pursuant to R.S. 39:1426(B), Bonds sold in a private sale require approval by two-thirds of the members present and voting of the State Bond Commission.



LOUISIANA STATE BOND COMMISSION  
APPROVAL PARAMETERS - BONDS / LOANS

SBC Tracking # L24-003 Agenda Item # 6

Applicant: \*

Parish of Tensas, State of Louisiana

Parameters / Purposes: \*

not exceeding \$340,000 of Revenue Anticipation Notes, Series 2024, payable on or before March 1, 2025, and to bear interest at a rate not exceeding 6% per annum, for the purpose of paying the cost of current operations.

Citation(s): \*

La. R.S. 39:527

Security: \*

a pledge of all revenues accruing to the Parish for the fiscal year ending December 31, 2024

As Set Forth By: \*

A resolution adopted on November 28, 2023 by the Police Jury of the Parish of Tensas, State of Louisiana

Subject To:

It is the policy of the State Bond Commission that all attorneys' fees involved in this matter must be approved by the Office of the State Attorney General prior to payment. Although this is not a conditional approval of this application, failure to obtain such approval may result in conditional approval of such application by the State Bond Commission in the future.

The approval does not constitute a recommendation, approval, or sanction by the Louisiana State Bond Commission or the State of Louisiana of the investment quality of the credit represented by the application. Further, the approval does not constitute any guaranty of repayment of the debt by the State Bond Commission or the State of Louisiana. The approval of the application by the Louisiana State Bond Commission should not be relied upon as advice by any current or potential holders or purchasers of any debt instruments subject to the application, including, but not limited to bonds, notes, and certificates of indebtedness. Nor shall the State Bond Commission or the State of Louisiana have any liability or legal responsibility to third party purchasers or investors arising out of, related to, or connected with the approval.

**STATE BOND COMMISSION  
FEE COMPARISON WORKSHEET**

Agenda Item # 6

				\$340,000 L24-003 Tensas Parish Police Jury		\$500,000 L23-009 Grant Parish Law Enforcement District	
		Paid From Proceeds		Budgetary Loan January 18, 2024		Budgetary Loan January 19, 2023	
Firm/Vendor	Y / N		\$ Amount	\$ Per Bond	\$ Amount	\$ Per Bond	
<b>ISSUANCE COSTS</b>							
<b>Legal</b>							
Bond Counsel	Foley & Judell	Y	4,550	13.38	8,000	16.00	
Co-Bond Counsel				0.00		0.00	
Issuer Counsel				0.00		0.00	
Underwriter Counsel				0.00		0.00	
Underwriter Co-Counsel				0.00		0.00	
Preparation of Blue Sky Memo				0.00		0.00	
Preparation of Official Statements				0.00		0.00	
Purchaser Counsel				0.00		0.00	
Trustee Counsel				0.00		0.00	
<b>Total Legal</b>			<b>4,550</b>	<b>13.38</b>	<b>8,000</b>	<b>16.00</b>	
<b>Other</b>							
Publishing/Advertising	Tensas Gazette	Y	1,000	2.94	1,000	2.00	
Rating Agency(s)				0.00		0.00	
Insurance				0.00		0.00	
Bond Commission				0.00		0.00	
Issuer Financing				0.00		0.00	
Municipal Advisor				0.00		0.00	
Trustee				0.00		0.00	
Escrow Agent				0.00		0.00	
Paying Agent				0.00		0.00	
Feasibility Consultants				0.00		0.00	
POS/OS Printing				0.00		0.00	
Accounting				0.00		0.00	
Account Verification				0.00		0.00	
Escrow Verification				0.00		0.00	
Cash Flow Verification				0.00		0.00	
<b>Total Other</b>			<b>1,000</b>	<b>2.94</b>	<b>1,000</b>	<b>2.00</b>	
<b>TOTAL ISSUANCE COSTS</b>			<b>5,550</b>	<b>16.32</b>	<b>9,000</b>	<b>18.00</b>	



## STATE BOND COMMISSION

January 18, 2024

Local Political Subdivisions - Loans

### SYNOPSIS

**APPLICATION NO:** L23-286

**ENTITY:** Allen Parish, Northwest Allen Parish Waterworks District (LDH Program)

**TYPE OF REQUEST:** \$2,313,000 Revenue Bonds

**ANALYST:** Clarrissa Johnson

**SUBMITTED BY:**

Alan L. Offner, Foley & Judell, LLP

**PARAMETERS:**

Not exceeding \$2,313,000 Taxable Excess Revenue Bonds, non-interest bearing, not exceeding 10 years, constructing and acquiring improvements, extensions, and replacements to the drinking water system, including equipment, fixtures, and accessories.

**LEGISLATIVE AUTHORITY:**

R.S. 39:501, et seq. (R.S. 39:526)

**RECOMMENDATION:**

The Staff recommends approval of this application.

**ATTACHMENTS:**

- ❑ Analysis Summary
- ❑ Approval Parameter Form
- ❑ Fee Comparison Worksheet



## STATE BOND COMMISSION

January 18, 2024

Local Political Subdivisions - Loans

### ANALYSIS SUMMARY

**APPLICATION NO:** L23-286  
**ENTITY:** Allen Parish, Northwest Allen Parish Waterworks District (LDH Program)  
**TYPE OF REQUEST:** \$2,313,000 Revenue Bonds  
**ANALYST:** Clarrissa Johnson

#### **PARAMETERS:**

Not exceeding \$2,313,000 Taxable Excess Revenue Bonds, non-interest bearing, not exceeding 10 years, constructing and acquiring improvements, extensions, and replacements to the drinking water system, including equipment, fixtures, and accessories.

Bond proceeds will be used to install new manganese and iron filters to decrease manganese and iron concentration below the EPA's secondary maximum contaminant levels.

The proposed debt will be issued as taxable since the LDH's program has moved to offer a taxable option to borrowers in order to simplify the borrowing process by avoiding tax-exempt restrictions/regulations. This option does not result in a higher interest rate under the program guidelines; therefore, it is beneficial to the entity to issue the bonds as taxable instead of tax-exempt.

These bonds will be purchased by the Drinking Water Revolving Loan Fund (DWRLF), which is administered by the Louisiana Department of Health (LDH). The DWRLF is funded in part with capitalization grants from the U.S. Environmental Protection Agency (EPA). Under federal law, EPA requires that each state use a certain percentage of its annual grant funds to provide additional subsidization to loan recipients in the form of grants, negative interest rate loans and/or principal forgiveness.

LDH has formulated program guidelines, which essentially provides for partial forgiveness loans and 100% forgiveness loans. Staff has relied on the LDH Administrator to ensure the entity is a qualified applicant and meets all program eligibility requirements. Pursuant to a letter dated December 13, 2023, from LDH, the proposed loan shall be entitled to principal forgiveness of up to 100% of the total amount of draws on the Loan; however, the availability of principal forgiveness is conditioned upon availability of sums in the DWRLF that are eligible for principal forgiveness. At this time, it appears that there will be adequate principal forgiveness available for the Loan.

Selection Method: Private Placement  
Purchaser: Louisiana Department of Health (DWRLF)  
Terms:  
Interest Rate Non-interest bearing  
Maturity Not exceeding 10 years  
Security: Excess annual revenues above statutory, necessary and usual charges applicable fiscal years.

Pursuant to R.S. 39:1426(B), Bonds sold in a private sale require approval by two-thirds of the members present and voting of the State Bond Commission.



**LOUISIANA STATE BOND COMMISSION  
APPROVAL PARAMETERS - BONDS / LOANS**

Agenda Item # 7  
SBC Tracking # L23-286

Applicant: \*

Northwest Allen Parish Waterworks District, Allen Parish, Louisiana

Parameters / Purposes: \*

to issue a not exceeding \$2,313,000 Taxable Excess Revenue Bond to mature not exceeding ten (10) years from the date thereof and to be non-interest bearing, for the purpose of paying the cost of constructing and acquiring improvements, extensions and replacements to the drinking water system of the District, including equipment, fixtures and accessories therefor, a work of public improvement for the City and paying costs of issuance of the Bond.

Citation:

La. R.S. 39:526 and Part II of Chapter 4 of Subtitle II of Title 39

Citation(s): \*

See above

Security: \*

excess revenues of the District

As Set Forth By: \*

A resolution to be adopted on November 13, 2023 by the Board of Waterworks Commissioners of the District

Subject To:

It is the policy of the State Bond Commission that all attorneys' fees involved in this matter must be approved by the Office of the State Attorney General prior to payment. Although this is not a conditional approval of this application, failure to obtain such approval may result in conditional approval of such application by the State Bond Commission in the future.

The approval does not constitute a recommendation, approval, or sanction by the Louisiana State Bond Commission or the State of Louisiana of the investment quality of the credit represented by the application. Further, the approval does not constitute any guaranty of repayment of the debt by the State Bond Commission or the State of Louisiana. The approval of the application by the Louisiana State Bond Commission should not be relied upon as advice by any current or potential holders or purchasers of any debt instruments subject to the application, including, but not limited to bonds, notes, and certificates of indebtedness. Nor shall the State Bond Commission or the State of Louisiana have any liability or legal responsibility to third party purchasers or investors arising out of, related to, or connected with the approval.

**STATE BOND COMMISSION  
FEE COMPARISON WORKSHEET**

Agenda Item # 7

		\$2,313,000 L23-286 Allen Parish, Northwest Allen Parish Waterworks District (LDH Program) Revenue Bonds January 18, 2024			\$2,300,000 L23-072A Calcasieu Parish, City of Lake Charles (Center East Water Plant - LDH Program) Revenue Bonds July 20, 2023	
	Firm/Vendor	Paid From Proceeds Y / N	\$ Amount	\$ Per Bond	\$ Amount	\$ Per Bond
<b>ISSUANCE COSTS</b>						
<b>Legal</b>						
LDH/Bond Counsel	Foley & Judell, LLP	Y	29,272	12.66	29,375	12.77
Co-Bond Counsel				0.00		0.00
Issuer Counsel	Joe Green, Attorney	Y	2,250	0.97		0.00
Underwriter Counsel				0.00		0.00
Underwriter Co-Counsel				0.00		0.00
Preparation of Blue Sky Memo				0.00		0.00
Preparation of Official Statements				0.00		0.00
Purchaser Counsel				0.00	10,488	4.56
LDH Counsel				0.00		0.00
<b>Total Legal</b>			<b>31,522</b>	<b>13.63</b>	<b>39,863</b>	<b>17.33</b>
<b>Other</b>						
Publishing/Advertising	Kinder Courier News	Y	3,000	1.30	4,000	1.74
Rating Agency(s)				0.00		0.00
Insurance				0.00		0.00
Bond Commission	SBC	Y	1,413	0.61	1,405	0.61
Issuer Financing				0.00		0.00
Municipal Advisor				0.00		0.00
Trustee				0.00		0.00
Escrow Agent				0.00		0.00
Paying Agent				0.00		0.00
Feasibility Consultants				0.00		0.00
POS/OS Printing				0.00		0.00
Accounting				0.00		0.00
Account Verification				0.00		0.00
Escrow Verification				0.00		0.00
Cash Flow Verification				0.00		0.00
<b>Total Other</b>			<b>4,413</b>	<b>1.91</b>	<b>5,405</b>	<b>2.35</b>
<b>TOTAL ISSUANCE COSTS</b>			<b>35,935</b>	<b>15.54</b>	<b>45,268</b>	<b>19.68</b>



**STATE BOND COMMISSION**

January 18, 2024

Local Political Subdivisions - Loans

**SYNOPSIS**

**APPLICATION NO:** L23-256

**ENTITY:** Iberville Parish, Town of Maringouin (DEQ Project)

**TYPE OF REQUEST:** \$800,000 Revenue Bonds

**ANALYST:** Clarrissa Johnson

**SUBMITTED BY:**

J. Hardy Andrews, Foley & Judell, LLP

**PARAMETERS:**

Not exceeding \$800,000 Taxable Excess Revenue Bond, non-interest bearing, not exceeding 10 years, constructing and acquiring improvements, extensions, and replacements to the sewerage system, including equipment, fixtures, and accessories.

**LEGISLATIVE AUTHORITY:**

R.S. 39:501, et seq. (R.S. 39:526)

**RECOMMENDATION:**

The Staff recommends approval of this application.

**ATTACHMENTS:**

- ❑ **Analysis Summary**
- ❑ **Approval Parameter Form**
- ❑ **Fee Comparison Worksheet**



## STATE BOND COMMISSION

January 18, 2024

Local Political Subdivisions - Loans

### ANALYSIS SUMMARY

**APPLICATION NO:** L23-256  
**ENTITY:** Iberville Parish, Town of Maringouin (DEQ Project)  
**TYPE OF REQUEST:** \$800,000 Revenue Bonds  
**ANALYST:** Clarrissa Johnson

#### **PARAMETERS:**

Not exceeding \$800,000 Taxable Excess Revenue Bond, non-interest bearing, not exceeding 10 years, constructing and acquiring improvements, extensions, and replacements to the sewerage system, including equipment, fixtures, and accessories.

Bond proceeds will be utilized for the rehabilitation of the existing wastewater treatment system.

**These bonds will be issued under the provisions of the Federal Fiscal Year 2018 Appropriation Act (P.L. 115-141), which provides capitalization grants to clean water revolving funds of Title VI of the Water Quality Act of 1987. The Appropriation Act requires not less than 10% of the amount of capitalization grants shall be in a form that allows “forgiveness” of principal, negative interest loans, or grants and not less than 10% of the amount of capitalization grants shall be used for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. The grants are to be deposited in the State’s Clean Water Revolving Loan Fund, established pursuant to LA R.S. 30:2301, et seq. However, State regulations do not permit the use of moneys to make grants as a form of subsidization and the Louisiana Clean Water State Revolving Loan (CWSRL) Fund Program, administered by the Louisiana Department of Environmental Quality (DEQ) under the provisions of R.S. 30:2301, et seq., is not structured to make or administer grants. Therefore, the capitalization grants are being structured as “indebtedness” with the provision that upon approval by DEQ, the indebtedness can be forgiven.**

DEQ has formulated program guidelines, which essentially provides traditional loans, partial forgiveness loans, and 100% forgiveness loans. Staff has relied on the DEQ Administrator to assure the entity is a qualified applicant and meets all program eligibility requirements. Pursuant to a letter dated June 13, 2023, from DEQ, the Town meets all program eligibility requirements and has been granted a 100% forgiveness loan. The Town must satisfy all regulatory and financial requirements prior to closing the loan. In an email dated December 21, 2023, DEQ stated the Town can meet operations and maintenance requirements and would be able to close on the loan. Due to the nature of the transaction, a coverage ratio was not completed.

Selection Method: Private Placement  
Purchaser: Department of Environmental Quality (Clean Water State Revolving Loan Fund)  
Terms:  
Interest Rate Non-interest bearing  
Maturity Not exceeding 10 years  
Security: Revenues of the Town after payment from such revenues of all charges required by law or regulation, all contractual obligations, all necessary & usual charges provided for by ordinance or resolution, excluding depreciation, and all payments in respect of bonds for which a pledge or dedication of specified taxes or revenues has been provided by law or in proceedings authorizing such bonds.

Pursuant to R.S. 39:1426(B), Bonds sold in a private sale require approval by two-thirds of the members present and voting of the State Bond Commission.



**LOUISIANA STATE BOND COMMISSION  
APPROVAL PARAMETERS - BONDS / LOANS**

SBC Tracking # L23-256  
Agenda Item # 8

Applicant: \* Town of Maringouin, State of Louisiana

Parameters / Purposes: \*

to issue not exceeding \$800,000 of Taxable Excess Revenue Bond to mature not exceeding ten (10) years from the date thereof, and to be non-interest bearing, for the purpose of paying cost of constructing and acquiring improvements, extensions and replacements to the sewerage system of the Town, including equipment, fixtures and accessories therefor, and paying the costs of issuance.

This will be a 100% forgiveness loan by the La. DEQ.

Citation:

R.S. 39:526 and Sub-Part A of Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended.

Citation(s): \* see above

Security: \* the revenues of the Issuer of subsequent years, after the payment from such revenues of (1) all charges required by law or regulation, (2) all contractual obligations, (3) all necessary & usual charges provided for by ordinance or resolution, excluding depreciation and (4) all payments in respect of bonds for which a pledge or dedication of specified taxes

As Set Forth By: \* A resolution adopted on August 14, 2023 by the Mayor and Board of Alderman of the Town of Maringouin

Subject To:

It is the policy of the State Bond Commission that all attorneys' fees involved in this matter must be approved by the Office of the State Attorney General prior to payment. Although this is not a conditional approval of this application, failure to obtain such approval may result in conditional approval of such application by the State Bond Commission in the future.

The approval does not constitute a recommendation, approval, or sanction by the Louisiana State Bond Commission or the State of Louisiana of the investment quality of the credit represented by the application. Further, the approval does not constitute any guaranty of repayment of the debt by the State Bond Commission or the State of Louisiana. The approval of the application by the Louisiana State Bond Commission should not be relied upon as advice by any current or potential holders or purchasers of any debt instruments subject to the application, including, but not limited to bonds, notes, and certificates of indebtedness. Nor shall the State Bond Commission or the State of Louisiana have any liability or legal responsibility to third party purchasers or investors arising out of, related to, or connected with the approval.

**STATE BOND COMMISSION  
FEE COMPARISON WORKSHEET**

Agenda Item # 8

			\$800,000 L23-256 Iberville Parish, Town of Maringouin (DEQ Project) Revenue Bonds January 18, 2024		\$671,000 L23-091 Morehouse Parish, Village of Bonita (DEQ Project) Revenue Bonds May 18, 2023	
	Paid From Proceeds Y / N		\$ Amount	\$ Per Bond	\$ Amount	\$ Per Bond
Firm/Vendor						
ISSUANCE COSTS						
Legal						
DEQ/Bond Counsel	Foley & Judell, LLP	Y	13,500	16.88	12,565	18.73
Co-Bond Counsel				0.00		0.00
Issuer Counsel	Gerard Morgan	Y	1,250	1.56		0.00
Underwriter Counsel				0.00		0.00
Underwriter Co-Counsel				0.00		0.00
Preparation of Blue Sky Memo				0.00		0.00
Preparation of Official Statements				0.00		0.00
Purchaser Counsel				0.00		0.00
DEQ Counsel				0.00	6,875	10.25
Total Legal			14,750	18.44	19,440	28.97
Other						
Publishing/Advertising	Plaquemine Post South	Y	2,000	2.50	2,250	3.35
Rating Agency(s)				0.00		0.00
Insurance				0.00		0.00
Bond Commission	SBC	Y	505	0.63	428	0.64
Issuer Financing				0.00		0.00
Municipal Advisor				0.00		0.00
Trustee				0.00		0.00
Escrow Agent				0.00		0.00
Paying Agent				0.00		0.00
Feasibility Consultants				0.00		0.00
POS/OS Printing				0.00		0.00
Accounting				0.00		0.00
Account Verification				0.00		0.00
Escrow Verification				0.00		0.00
Cash Flow Verification				0.00		0.00
Total Other			2,505	3.13	2,678	3.99
TOTAL ISSUANCE COSTS			17,255	21.57	22,118	32.96



**STATE BOND COMMISSION**

January 18, 2024

Local Political Subdivisions - Loans

**SYNOPSIS**

**APPLICATION NO:** L24-006

**ENTITY:** Rapides Parish, Fire Protection District No. 18

**TYPE OF REQUEST:** \$700,000 Revenue Bonds

**ANALYST:** Clarrissa Johnson

**SUBMITTED BY:**

Brennan K. Black, Foley & Judell, LLP

**PARAMETERS:**

Not exceeding \$700,000 Limited Tax Bonds, not exceeding 6%, mature no later than March 1, 2028, acquiring and constructing fire protection facilities, vehicles and equipment.

**LEGISLATIVE AUTHORITY:**

R.S. 39:501, et seq. (39:522)

**RECOMMENDATION:**

The Staff recommends approval of this application.

**ATTACHMENTS:**

- ❑ **Analysis Summary**
- ❑ **Approval Parameter Form**
- ❑ **Fee Comparison Worksheet**

**STATE BOND COMMISSION**

January 18, 2024

Local Political Subdivisions - Loans

**ANALYSIS SUMMARY**

**APPLICATION NO:** L24-006  
**ENTITY:** Rapides Parish, Fire Protection District No. 18  
**TYPE OF REQUEST:** \$700,000 Revenue Bonds  
**ANALYST:** Clarrissa Johnson

**PARAMETERS:**

Not exceeding \$700,000 Limited Tax Bonds, not exceeding 6%, mature no later than March 1, 2028, acquiring and constructing fire protection facilities, vehicles, and equipment.

The proceeds will be used to construct and equip a new fire station on Highway 112 in LeCompte.

Maximum Interest Cost	6%
Maximum Debt Service	\$197,760

**Computation of Legal Bonds Test**

Estimated Ad Valorem Revenues*	\$	389,419
Maximum Allowable Debt Service	75% \$	292,064
Maximum Current Debt Service	\$	-
Estimated Maximum Debt Service Including Proposed Issue	\$	197,760
Legal Bonds Test Ratio		1.48

\*Figures are based on financial statements for FYE December 31, 2022.

Outstanding Debt Secured by Same Pledge of Revenue Includes: None

The purposes of the requested bonds are consistent with the proposition purposes for the millage pledged as security.

**Selection Method:** Private Placement  
**Purchaser:** Southern Heritage Bank - \$525,000  
 LPFA - \$175,000  
**Terms:**  
     **Interest Rate** Not exceeding 6%  
     **Maturity** No later than March 1, 2028  
**Security:** Avails of a 20.0 mills tax authorized at an election held on April 28, 2018, to be levied through 2027.

**Project Revenue Sources Include:**

Bond Proceeds	\$700,000
Funds of the District	\$206,000
<b>Total</b>	<b>\$906,000</b>

In a letter dated December 13, 2023, Southern Heritage Bank commits to purchase \$525,000 of the bonds. In a letter dated November 14, 2023, Louisiana Public Facilities has agreed to purchase the remaining \$175,000 of the bonds.

Pursuant to R.S. 39:1426(B), Bonds sold in a private sale require approval by two-thirds of the members present and voting of the State Bond Commission.



**LOUISIANA STATE BOND COMMISSION**  
**APPROVAL PARAMETERS - BONDS / LOANS**

SBC Tracking # L24-006  
Agenda Item # 9

Applicant: \*

Fire Protection District No. 18 of the Parish of Rapides, State of Louisiana (the "Issuer")

Parameters / Purposes: \*

Not exceeding Seven Hundred Thousand Dollars (\$700,000) of Limited Tax Bonds (the "Bonds") of the Issuer for the purpose of (i) acquiring and constructing fire protection facilities, vehicles and equipment (the "Project"), and (ii) paying the costs of issuance of the Bonds. The Bonds will be issued at an interest rate not exceeding 6% per annum and shall mature no later than March 1, 2028.

Citation(s): \*

Part II of Chap. 4 of Subtitle II of Title 39 of L.a. R.S.

Security: \*

A special ad valorem tax of 20 mills (such rate being subject to adjustment from time to time due to reassessment) authorized at an election held on April 28, 2018, which the Issuer is authorized to impose and collect each year through 2027.

As Set Forth By: \*

A resolution adopted by the governing authority on November 10, 2023 and the Police Jury on November 13, 2023.

Subject To:

It is the policy of the State Bond Commission that all attorneys' fees involved in this matter must be approved by the Office of the State Attorney General prior to payment. Although this is not a conditional approval of this application, failure to obtain such approval may result in conditional approval of such application by the State Bond Commission in the future.

The approval does not constitute a recommendation, approval, or sanction by the Louisiana State Bond Commission or the State of Louisiana of the investment quality of the credit represented by the application. Further, the approval does not constitute any guaranty of repayment of the debt by the State Bond Commission or the State of Louisiana. The approval of the application by the Louisiana State Bond Commission should not be relied upon as advice by any current or potential holders or purchasers of any debt instruments subject to the application, including, but not limited to bonds, notes, and certificates of indebtedness. Nor shall the State Bond Commission or the State of Louisiana have any liability or legal responsibility to third party purchasers or investors arising out of, related to, or connected with the approval.

**STATE BOND COMMISSION  
FEE COMPARISON WORKSHEET**

Agenda Item # 9

			\$700,000 L24-006 Rapides Parish, Fire Protection District No. 18 Revenue Bonds January 18, 2024		\$450,000 L22-076 Avoyelles Parish, Town of Evergreen Revenue Bonds March 17, 2022	
	Paid From Proceeds					
	Firm/Vendor	Y / N	\$ Amount	\$ Per Bond	\$ Amount	\$ Per Bond
ISSUANCE COSTS						
Legal						
Bond Counsel	Foley & Judell	Y	12,000	17.14	7,750	17.22
Co-Bond Counsel				0.00		0.00
Bank Counsel	TBD	Y	5,000	7.14		0.00
Underwriter Counsel				0.00		0.00
Underwriter Co-Counsel				0.00		0.00
Preparation of Blue Sky Memo				0.00		0.00
Preparation of Official Statements				0.00		0.00
Purchaser Counsel				0.00		0.00
Trustee Counsel				0.00		0.00
Total Legal			17,000	24.29	7,750	17.22
Other						
Publishing/Advertising	Town Talk	Y	1,500	2.14	2,500	5.56
Rating Agency(s)				0.00		0.00
Insurance				0.00		0.00
Bond Commission	SBC	Y	445	0.64	293	0.65
Issuer Financing				0.00		0.00
Municipal Advisor	Argent Advisors	Y	2,500	3.57		0.00
Trustee				0.00		0.00
Escrow Agent				0.00		0.00
Paying Agent	TBD	Y	2,500	3.57	2,500	5.56
Feasibility Consultants				0.00		0.00
POS/OS Printing				0.00		0.00
Accounting				0.00		0.00
Account Verification				0.00		0.00
Escrow Verification				0.00		0.00
Cash Flow Verification				0.00		0.00
Total Other			6,945	9.92	5,293	11.76
TOTAL ISSUANCE COSTS			23,945	34.21	13,043	28.98



**STATE BOND COMMISSION**

January 18, 2024

Local Political Subdivisions - Loans

**SYNOPSIS**

**APPLICATION NO:** L24-008

**ENTITY:** St. James Parish Council

**TYPE OF REQUEST:** \$6,000,000 Revenue Bonds

**ANALYST:** Conner Berthelot

**SUBMITTED BY:**

M. Jason Akers, Foley & Judell, LLP

**PARAMETERS:**

Not exceeding \$6,000,000 Limited Tax Bonds, not exceeding 6%, mature no later than March 1, 2027, constructing and improving public hospital buildings.

**LEGISLATIVE AUTHORITY:**

R.S 39:501, et seq. (R.S. 39:522)

**RECOMMENDATION:**

The Staff recommends approval of this application.

**ATTACHMENTS:**

- ❑ **Analysis Summary**
- ❑ **Approval Parameter Form**
- ❑ **Fee Comparison Worksheet**

**STATE BOND COMMISSION**

January 18, 2024

Local Political Subdivisions - Loans

**ANALYSIS SUMMARY**

**APPLICATION NO:** L24-008  
**ENTITY:** St. James Parish Council  
**TYPE OF REQUEST:** \$6,000,000 Revenue Bonds  
**ANALYST:** Conner Berthelot

**PARAMETERS:**

Not exceeding \$6,000,000 Limited Tax Bonds, not exceeding 6%, mature no later than March 1, 2027, constructing and improving public hospital buildings.

Due to an aging West Bank Clinic, St. James Parish Hospital plans to design and construct a replacement facility for its primary care practice in Vacherie as well as expand services such as therapy, rehab, and diagnostics, to provide greater access to an underserved population. The St. James Parish Council is responsible for levying the ad valorem tax and therefore, will issue the debt. Proceeds will be transferred to the hospital and the hospital will be responsible for managing the construction and improvements.

Maximum Interest Cost	6%
Maximum Debt Service	\$2,187,200
Ad Valorem Revenues	\$ 3,209,940
Maximum Allowable Debt Service	75% \$ 2,407,455
Maximum Current Debt Service	\$ -
Estimated Maximum Debt Service Including Proposed Issue	\$ 2,187,200
Legal Bonds Test Ratio	1.10

Outstanding Debt Secured by Same Pledge of Revenue Includes: None

The purposes of the requested bonds are consistent with the proposition purposes for the millage pledged as security.

**Selection Method:** Competitive  
**Purchaser:** TBD - RFP to local banks  
**Terms:**  
    **Interest Rate** Not exceeding 6%  
    **Maturity** No later than March 1, 2027  
**Security:** Avails of a 4.75 mills tax authorized at an election held on April 9, 2016, to be levied through the year 2026.

In a letter dated December 8, 2023, Trinity Capital Resources proposes selling the bonds via a competitive process, and views the proposed plan of finance as acceptable and marketable.



**LOUISIANA STATE BOND COMMISSION**  
**APPROVAL PARAMETERS - BONDS / LOANS**

SBC Tracking # L24-008

Agenda Item # 10

Applicant: \*

Parish of St. James, State of Louisiana (the "Issuer")

Parameters / Purposes: \*

Authority to issue, sell and deliver not exceeding \$6,000,000 of Limited Tax Bonds (Hospital) (the "Bonds") pursuant to the provisions of Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, for the purpose of (i) constructing and improving the public hospital buildings in the Issuer, and (iii) paying the costs of issuance of the Bonds. The Bonds shall bear interest at a rate or rates not to exceed six percent (6%) per annum and shall mature no later than March 1, 2027.

Citation(s): \*

Part II of Chapter 4 of Subtitle II of Title 39

Security: \*

A special tax of 4.75 mills authorized at an election held on April 9, 2016.

As Set Forth By: \*

Resolutions adopted by the St. James Parish Council April 18, 2019, as amended by a resolution adopted on December 6, 2023.

Subject To:

It is the policy of the State Bond Commission that all attorneys' fees involved in this matter must be approved by the Office of the State Attorney General prior to payment. Although this is not a conditional approval of this application, failure to obtain such approval may result in conditional approval of such application by the State Bond Commission in the future.

The approval does not constitute a recommendation, approval, or sanction by the Louisiana State Bond Commission or the State of Louisiana of the investment quality of the credit represented by the application. Further, the approval does not constitute any guaranty of repayment of the debt by the State Bond Commission or the State of Louisiana. The approval of the application by the Louisiana State Bond Commission should not be relied upon as advice by any current or potential holders or purchasers of any debt instruments subject to the application, including, but not limited to bonds, notes, and certificates of indebtedness. Nor shall the State Bond Commission or the State of Louisiana have any liability or legal responsibility to third party purchasers or investors arising out of, related to, or connected with the approval.

**STATE BOND COMMISSION  
FEE COMPARISON WORKSHEET**

Agenda Item # 10

		\$6,000,000 L24-008 St. James Parish Council		\$9,500,000 L23-057 West Baton Rouge Parish School Board		
		Paid From Proceeds	Revenue Bonds January 18, 2024		Revenue Bonds March 16, 2023	
Firm/Vendor	Y / N	\$ Amount	\$ Per Bond	\$ Amount	\$ Per Bond	
ISSUANCE COSTS						
Legal						
Bond Counsel	Foley & Judell, LLP	Y	43,775	7.30	51,025	5.37
Co-Bond Counsel				0.00		0.00
Bank Counsel	TBD	Y	10,000	1.67	15,000	1.58
Underwriter Counsel				0.00		0.00
Underwriter Co-Counsel				0.00		0.00
Preparation of Blue Sky Memo				0.00		0.00
Preparation of Official Statements				0.00		0.00
Purchaser Counsel				0.00		0.00
Trustee Counsel				0.00		0.00
Total Legal			53,775	8.96	66,025	6.95
Underwriting						
Commitment Fee	TBD		20,000	3.33		0.00
Management Fees				0.00		0.00
MSRP/CUSIP/PSA				0.00		0.00
Takedown				0.00		0.00
Day Loan				0.00		0.00
Placement Fee				0.00	38,000	4.00
Total Underwriting			20,000	3.33	38,000	4.00
Other						
Publishing/Advertising	News-Examiner-Enterprise		3,000	0.50	2,500	0.26
Rating Agency(s)				0.00		0.00
Insurance				0.00		0.00
Bond Commission	SBC		3,575	0.60	5,500	0.58
Issuer Financing				0.00		0.00
Municipal Advisor	Trinity Capital Resources		16,000	2.67	28,500	3.00
Trustee				0.00		0.00
Escrow Agent				0.00		0.00
Paying Agent	TBD		2,500	0.42	2,500	0.26
Feasibility Consultants				0.00		0.00
POS/OS Printing				0.00		0.00
Accounting				0.00		0.00
Account Verification				0.00		0.00
Escrow Verification				0.00		0.00
Miscellaneous				0.00	2,500	0.26
Total Other			25,075	4.18	41,500	4.37
TOTAL ISSUANCE COSTS			98,850	16.48	145,525	15.32



**STATE BOND COMMISSION**

January 18, 2024

Local Political Subdivisions - Bonds - Final Approval

**SYNOPSIS**

**APPLICATION NO:** L24-007

**ENTITY:** St. John The Baptist Parish Council, Sales Tax District (DEQ Project)

**TYPE OF REQUEST:** \$3,602,575 Revenue Bonds

**ANALYST:** Conner Berthelot

**SUBMITTED BY:**

M. Jason Akers, Foley & Judell, LLP

**PARAMETERS:**

Not exceeding \$3,602,575 Taxable Sales Tax Bonds, not exceeding 0.95%, not exceeding 22 years, constructing, acquiring, extending, and improving sewers and sewage disposal facilities and acquiring equipment.

**LEGISLATIVE AUTHORITY:**

R.S. 39:501-531 (R.S. 39:523)

**RECOMMENDATION:**

The Staff recommends approval of this application.

**ATTACHMENTS:**

- ❑ **Analysis Summary**
- ❑ **Approval Parameter Form**
- ❑ **Fee Comparison Worksheet**

**STATE BOND COMMISSION**

January 18, 2024

Local Political Subdivisions - Bonds - Final Approval

**ANALYSIS SUMMARY**

**APPLICATION NO:** L24-007  
**ENTITY:** St. John the Baptist Parish Council, Sales Tax District (DEQ Project)  
**TYPE OF REQUEST:** \$3,602,575 Revenue Bonds  
**ANALYST:** Conner Berthelot

**PARAMETERS:**

Not exceeding \$3,602,575 Taxable Sales Tax Bonds, not exceeding 0.95%, not exceeding 22 years, constructing, acquiring, extending, and improving sewers and sewage disposal facilities and acquiring equipment.

Bond proceeds will be used to rehabilitate three existing sewer lift stations. These lift stations are deteriorating and past their useful life and require rehabilitation to continue to provide residents and businesses they serve with reliable wastewater collection pumping capacity for the next 20 years.

The proposed debt will be issued as taxable since the DEQ program has moved to offer taxable option to borrowers in order to simplify the borrowing process by avoiding tax-exempt restriction/regulations. This option does not result in a higher interest rate under the program guidelines; therefore, it is beneficial to the entity to issue the bonds as taxable instead of tax-exempt.

Estimated Interest Cost	0.95%
Estimated Maximum Debt Service	\$199,452

**Computation of Legal Bonds Test**

Estimated Sales Tax		\$ 10,056,475
Maximum Allowable Debt Service	75%	\$ 7,542,356
Maximum Current Debt Service		\$ 2,350,138
Estimated Maximum Debt Service Including Proposed Issue		\$ 2,570,747
Legal Bonds Test Ratio		2.93

Outstanding Debt Secured by Same Pledge of Revenue Includes:

Public Improvement Bonds, Series ST-2012  
 Public Improvement Refunding Bonds, Series ST-2020  
 Taxable Sales Tax Bond (DEQ), Series ST-2019 & Series ST-2022

A review of the proposition reveals that the purposes for which the bonds will be sold are in agreement with the purposes stated within the proposition, including funding proceeds into bonds.

**Selection Method:** Private Placement  
**Purchaser:** Louisiana Department of Environmental Quality (DEQ)  
**Terms:**  
     Interest Rate: Not exceeding 0.95%  
     Maturity: Not exceeding 22 years  
**Security:** 1.0% sales tax authorized at an election held on November 16, 1985, and rededicated on January 19, 2002, and November 2, 2010, to be levied in perpetuity.



## STATE BOND COMMISSION

In a letter dated November 8, 2023, DEQ committed to purchase the loan in the amount of \$3,602,575, including a maximum of \$500,000 of principal forgiveness, contingent of satisfying all regulatory and financial requirements prior to closing the loan. In an email dated December 21, 2023, DEQ concurred that the Parish has demonstrated the capacity to meet debt service on the loan. The coverage calculation above does not assume any principal forgiveness.

Pursuant to R.S. 39:1426(B), Bonds sold in a private sale require approval by two-thirds of the members present and voting of the State Bond Commission.



**LOUISIANA STATE BOND COMMISSION  
APPROVAL PARAMETERS - BONDS / LOANS**

SBC Tracking # L24-007

Agenda Item # 11

Applicant: \*

St. John the Baptist Parish Council Sales Tax District

Parameters / Purposes: \*

not exceeding Three Million Six Hundred Two Thousand Five Hundred Seventy-Five Dollars (\$3,602,575) of Taxable Sales Tax Bonds (DEQ Project) of St. John the Baptist Parish Sales Tax District, not exceeding (0.95%) and maturing over a period of not exceeding 22 years from the date of issuance, for the purpose of constructing, acquiring, extending, and improving sewers and sewage disposal facilities and acquiring equipment therefor, and paying the costs of issuance thereof.

Citation(s): \*

Part II of Chapter 4 of Subtitle II of Title 39

Security: \*

payable solely from and secured by an irrevocable pledge and dedication of the avails or proceeds of the special one percent (1%) sales and use tax now being levied and collected by the Issuer, pursuant to elections held in the Issuer on November 16, 1985, January 19, 2002 and November 2, 2010.

As Set Forth By: \*

A resolution adopted by the Parish Council of St. John the Baptist Parish, State of Louisiana, on December 12, 2023.

Subject To:

It is the policy of the State Bond Commission that all attorneys' fees involved in this matter must be approved by the Office of the State Attorney General prior to payment. Although this is not a conditional approval of this application, failure to obtain such approval may result in conditional approval of such application by the State Bond Commission in the future.

The approval does not constitute a recommendation, approval, or sanction by the Louisiana State Bond Commission or the State of Louisiana of the investment quality of the credit represented by the application. Further, the approval does not constitute any guaranty of repayment of the debt by the State Bond Commission or the State of Louisiana. The approval of the application by the Louisiana State Bond Commission should not be relied upon as advice by any current or potential holders or purchasers of any debt instruments subject to the application, including, but not limited to bonds, notes, and certificates of indebtedness. Nor shall the State Bond Commission or the State of Louisiana have any liability or legal responsibility to third party purchasers or investors arising out of, related to, or connected with the approval.

**STATE BOND COMMISSION  
FEE COMPARISON WORKSHEET**

Agenda Item # 11

			\$3,602,575 L24-007 St. John the Baptist Parish Council Sales Tax District (DEQ Project)		\$2,500,000 L23-060 Iberia Parish, City of New Iberia (DEQ Project)	
		Paid From Proceeds	Revenue Bonds January 18, 2024		Revenue Bonds March 16, 2023	
Firm/Vendor		Y / N	\$ Amount	\$ Per Bond	\$ Amount	\$ Per Bond
<b>ISSUANCE COSTS</b>						
<b>Legal</b>						
DEQ/Bond Counsel	Foley & Judell, LLP	Y	35,583	9.88	31,375	12.55
Co-Bond Counsel				0.00		0.00
Issuer Counsel				0.00		0.00
Underwriter Counsel				0.00		0.00
Underwriter Co-Counsel				0.00		0.00
Preparation of Blue Sky Memo				0.00		0.00
Preparation of Official Statements				0.00		0.00
Purchaser Counsel				0.00		0.00
DEQ Counsel				0.00		0.00
<b>Total Legal</b>			<b>35,583</b>	<b>9.88</b>	<b>31,375</b>	<b>12.55</b>
<b>Other</b>						
Publishing/Advertising	L'Observateur	Y	2,500	0.69	3,000	1.20
Rating Agency(s)				0.00		0.00
Insurance				0.00		0.00
Bond Commission	SBC	Y	2,187	0.61	1,525	0.61
Issuer Financing				0.00		0.00
Municipal Advisor	Government Consultants	Y	7,500	2.08	7,500	3.00
Trustee				0.00		0.00
Escrow Agent				0.00		0.00
Paying Agent				0.00		0.00
Feasibility Consultants				0.00		0.00
POS/OS Printing				0.00		0.00
Accounting				0.00		0.00
Account Verification				0.00		0.00
Escrow Verification				0.00		0.00
Cash Flow Verification				0.00		0.00
<b>Total Other</b>			<b>12,187</b>	<b>3.38</b>	<b>12,025</b>	<b>4.81</b>
<b>TOTAL ISSUANCE COSTS</b>			<b>47,770</b>	<b>13.26</b>	<b>43,400</b>	<b>17.36</b>



**STATE BOND COMMISSION**

January 18, 2024

Local Political Subdivisions - Bonds - Final Approval

**SYNOPSIS**

**APPLICATION NO:** L22-264

**ENTITY:** Vermilion Parish, Southeast Waterworks District No. 2

**TYPE OF REQUEST:** \$1,530,000 Revenue Bonds

**ANALYST:** Brandon Rinaudo

**SUBMITTED BY:**

J. Hardy Andrews, Foley & Judell, LLP

**PARAMETERS:**

Not exceeding \$1,530,000 Water Revenue Bonds, not exceeding 6%, not exceeding 20 years, constructing and acquiring extensions, improvements and replacements to the water system, including equipment and fixtures.

**LEGISLATIVE AUTHORITY:**

R.S. 39:1430

**RECOMMENDATION:**

The Staff recommends approval of this application.

**ATTACHMENTS:**

- ☐ **Analysis Summary**
- ☐ **Approval Parameter Form**
- ☐ **Fee Comparison Worksheet**

**STATE BOND COMMISSION**

January 18, 2024

Local Political Subdivisions - Bonds - Final Approval

**ANALYSIS SUMMARY**

**APPLICATION NO:** L22-264  
**ENTITY:** Vermilion Parish, Southeast Waterworks District No. 2  
**TYPE OF REQUEST:** \$1,530,000 Revenue Bonds  
**ANALYST:** Brandon Rinaudo

**PARAMETERS:**

Not exceeding \$1,530,000 Water Revenue Bonds, not exceeding 6%, not exceeding 20 years, constructing and acquiring extensions, improvements and replacements to the water system, including equipment and fixtures.

Proceeds will be used to extend a water main to an unserved area that is experiencing water quality issues as well as increasing the production, treatment capacity, and storage of the district's existing water treatment plant. The project will allow the district to continue producing a safe and reliable source of drinking water for its customers due to groundwater quality issues in the area.

Maximum Interest Cost 6%  
Maximum Debt Service \$139,800

**Calculation of Coverage Ratio:**

Annual Net Income Excluding Debt Service and Depreciation *	\$ 569,625
Maximum Current Debt Service	\$ 285,890
Debt Service on Proposed Issue	\$ 139,800
Maximum Combined New Debt Service	\$ 425,690
Coverage Ratio	1.34

\* Annual net income is based upon audited financial statements for FYE December 31, 2022.

Outstanding Debt Secured by Same Pledge of Revenue Includes:

Water Revenue Bonds, Series 1995, 1995A, 1998, 2007, 2007A, and 2013

Selection Method: Private Placement  
Purchaser: Gulf Coast Bank & LPFA  
Terms:

Interest Rate Not exceeding 6%  
Maturity Not exceeding 20 years

Security: Income and revenues derived or to be derived from the operation of the water system (the "System"), after paying the reasonable and necessary expenses of operating and maintaining the System.

Project Revenue Sources Include:

Water Sector Program (WSP)	\$2,960,927
Bond Proceeds	<u>\$1,530,000</u>
Total Sources	\$4,490,927

Gulf Coast Bank provided a commitment letter dated October 16, 2023, for purchasing \$1,148,000 of the proposed bonds. In a letter dated October 25, 2023, the LPFA has indicated they have earmarked \$382,000 to purchase a portion of the proposed debt.

Pursuant to R.S. 39:1426(B), Bonds sold in a private sale require approval by two-thirds of the members present and voting of the State Bond Commission.



**LOUISIANA STATE BOND COMMISSION  
APPROVAL PARAMETERS - BONDS / LOANS**

SBC Tracking Agenda Item # 12

Applicant: \*

Southeast Waterworks District No. 2 of the Parish of Vermilion, State of Louisiana

Parameters / Purposes: \*

not exceeding \$1,530,000 of Water Revenue Bonds, to mature not to exceed twenty (20) years from their date of issuance, bear interest at such rate or rates not exceeding six percent (6%) per annum, to pay costs of constructing and acquiring extensions, improvements and replacements to the water system of the Issuer, including equipment and fixtures therefor, a work of public improvement for the Issuer

Citation(s): \*

La. R.S. 39:1430

Security: \*

the income and revenues derived or to be derived by the Issuer from the operation of the water system, after paying the reasonable and necessary expenses of operating and maintaining the system.

As Set Forth By: \*

a resolution adopted on October 13, 2022, by the Board of Waterworks Commissioners of Southeast Waterworks District No. 2 and a resolution adopted on October 19 2022 by the Vermilion Parish Police jury

Subject To:

It is the policy of the State Bond Commission that all attorneys' fees involved in this matter must be approved by the Office of the State Attorney General prior to payment. Although this is not a conditional approval of this application, failure to obtain such approval may result in conditional approval of such application by the State Bond Commission in the future.

The approval does not constitute a recommendation, approval, or sanction by the Louisiana State Bond Commission or the State of Louisiana of the investment quality of the credit represented by the application. Further, the approval does not constitute any guaranty of repayment of the debt by the State Bond Commission or the State of Louisiana. The approval of the application by the Louisiana State Bond Commission should not be relied upon as advice by any current or potential holders or purchasers of any debt instruments subject to the application, including, but not limited to bonds, notes, and certificates of indebtedness. Nor shall the State Bond Commission or the State of Louisiana have any liability or legal responsibility to third party purchasers or investors arising out of, related to, or connected with the approval.

**STATE BOND COMMISSION  
FEE COMPARISON WORKSHEET**

Agenda Item # 12

			\$1,530,000 L22-264 Vermilion Parish, Southeast Waterworks District No. 2 Revenue Bonds January 18, 2024		\$1,500,000 L23-081 Pointe Coupee Parish, City of New Roads Revenue Bonds April 20, 2023	
	Firm/Vendor	Paid From Proceeds Y / N	\$ Amount	\$ Per Bond	\$ Amount	\$ Per Bond
ISSUANCE COSTS						
Legal						
Bond Counsel	Foley & Judell, LLP	Y	23,600	15.42	22,875	15.25
Co-Bond Counsel				0.00		0.00
Bank Counsel/Mortgage Counsel				0.00	10,000	6.67
LDH Counsel				0.00		0.00
Underwriter Co-Counsel				0.00		0.00
Preparation of Blue Sky Memo				0.00		0.00
Preparation of Official Statements				0.00		0.00
DEQ Counsel				0.00		0.00
Trustee Counsel				0.00		0.00
Escrow Trustee Counsel				0.00		0.00
Total Legal			23,600	15.42	32,875	21.92
Other						
Publishing/Advertising	Abbeville Meridional	Y	2,500	1.63	2,500	1.67
Rating Agency(s)				0.00		0.00
Insurance				0.00		0.00
Bond Commission	SBC	Y	943	0.62	925	0.62
Issuer Financing				0.00		0.00
Municipal Advisor				0.00	10,000	6.67
Trustee				0.00		0.00
Escrow Agent				0.00		0.00
Paying Agent	TBD	Y	2,500	1.63	2,500	1.67
Feasibility Consultants				0.00		0.00
POS/OS Printing				0.00		0.00
Accounting				0.00		0.00
Account Verification				0.00		0.00
Escrow Verification				0.00		0.00
Contingencies				0.00		0.00
Total Other			5,943	3.88	15,925	10.62
TOTAL ISSUANCE COSTS			29,543	19.31	48,800	32.53



## STATE BOND COMMISSION

January 18, 2024

State Agencies, Boards and Commissions

### SYNOPSIS

**APPLICATION NO:** S20-001A

**ENTITY:** Louisiana Housing Corporation (Millennium Studios III, LLC)

**TYPE OF REQUEST:** \$1,500,000 Revenue Bonds (Volume Cap)

**ANALYST:** Clarrissa Johnson

**SUBMITTED BY:**

Alysse Hollis, Coats Rose, P.C.

**PARAMETERS:**

Not exceeding \$1,500,000 Multifamily Housing Revenue Bonds (Volume Cap), not exceeding 12%, not exceeding 40 years, acquisition, construction, and equipping of a 122-unit multifamily housing facility in Shreveport.

**LEGISLATIVE AUTHORITY:**

R.S. 40:600.86-600.111

**RECOMMENDATION:**

The Staff recommends approval of this application.

**ATTACHMENTS:**

- ❑ Analysis Summary
- ❑ Approval Parameter Form
- ❑ Fee Comparison Worksheet



## STATE BOND COMMISSION

January 18, 2024

State Agencies - Bonds - Final Approval

### ANALYSIS SUMMARY

**APPLICATION NO:** S20-001A  
**ENTITY:** Louisiana Housing Corporation (Millennium Studios III, LLC)  
**TYPE OF REQUEST:** \$1,500,000 Revenue Bonds (Volume Cap)  
**ANALYST:** Clarrissa L. Johnson

#### **PARAMETERS:**

Not exceeding \$1,500,000 Multifamily Housing Revenue Bonds (Volume Cap), not exceeding 12%, not exceeding 40 years, acquisition, construction, and equipping of a 122-unit multifamily housing facility in Shreveport.

This project was previously approved for not exceeding \$14,000,000 Multifamily Housing Revenue Bonds in February 2020 issued in September 2021 using a 2021 Volume Cap Allocation. The project has had increases in costs and additional bonds are needed to maintain compliance with the 50% Test of the Internal Revenue Code.

Bond proceeds will be used for the new construction of 2 three-story residential buildings with 122 garden-style units and integrated community spaces targeting low-income residents in Shreveport. Millennium Studios III Apartments received a Choice Neighborhood Grant in July 2018 and the redevelopment will be on property owned by the Shreveport Housing Authority.

The bonds shall not constitute a debt, liability or a pledge of the faith and credit of the Parish or of the State of Louisiana, or of any political or governmental unit thereof. **The issuer has applied for an allocation from the State's Private Activity Volume Cap under Section 146 of the Internal Revenue Code of 1986.**

#### **Project**

Construction of the project began in October 2021 and is expected to be completed in February 2024. Specifics of the project are as follows:

- Site A: Block bound by Caddo Street, North Street, Fannin Street and Christian Street and Site B: Block bound by Caddo Street, Common Street, Fannin Street and Douglas/Benson Street
  - 46 one-bedroom studio units (800 sq ft each)
  - 58 two-bedroom units (950 sq ft each)
  - 18 three-bedroom units (1,200 sq ft each)
- Average price per unit and per square foot based on Total Development Cost of \$31,114,865:
  - Price per unit - \$255,040
  - Price per square foot for residential space - \$274 (113,500 sq ft)
  - Price per square foot for residential and community space - \$266 (116,886 sq ft)
- Property amenities include a clubhouse/community room, on-site management, fitness center, social/supportive services, elevator, laundry facility, business/computer center, playground, and walking path.

According to the Market Feasibility Analysis prepared by Bowen National Research, the project should have the ability to cashflow after the construction of the units, and the site will reach a stabilized occupancy of approximately 93% within 7 months following the completion of the construction. The project is expected to create approximately 100 temporary construction jobs and an estimated 3 new permanent jobs and retain 2 permanent jobs in the local economy.

**STATE BOND COMMISSION**

The Defined Tenant Benefit Package meets SBC guidelines and includes:

1. Educational Programs and Social Programs: Residents will receive the opportunity to participate in self-sufficient activities, educational development and activities free of charge.
2. Rent Caps: The leverage of governmental support, private activity bonds, tax credits and other funding will provide the project the opportunity to restrict units to those families at or below 60% of the area median income. There will be 20 units set aside for families at or below 50% of the area median income. There will be 13 units that target applicants at 20% of the area median income.

Participants of the transaction are below and all are registered with the Secretary of State to do business in the State of Louisiana and in good standing:

- Owner and Beneficiary - Shreveport Millennium Housing III, LLC
- Developer - ITEX Development, LLC
- Property Manager - ITEX Property Management, LLC

The principal officer of the Owner/Beneficiary, Developer, Property Manager is Christopher Akbari (CEO). The Developer currently owns and/or manages 33 plus multifamily properties in 20 cities across Southeast Texas, Louisiana, and Colorado.

**Sources & Uses**

Total sources include:

	Original	Revised
1 <sup>st</sup> Lien Permanent Mortgage Loan from CitiBank, N.A.	\$ 5,617,000	\$ 6,300,000
Low-Income Housing Tax Credits	\$ 6,252,948	\$ 8,704,553
State of LA OCD CDBG Loan	\$ 5,818,601	\$ 5,818,601
HUD Choice Funds	\$ 4,000,000	\$ 7,300,000
City of Shreveport HOME Funds	\$ 1,000,000	\$ 1,000,000
Deferred Developer Fee (projected to be paid over 15 years)	\$ 640,149	\$ 1,991,711
Bond Proceeds *	\$ 0	\$ 0
<b>Total</b>	<b>\$23,328,698</b>	<b>\$31,114,865</b>

- \* The entity will issue the entire \$15,500,000 of requested tax-exempt bonds and upon the completion of construction, immediately pay the bonds down with the additional project source to a balance of \$6,300,000 which converts to the 1<sup>st</sup> Lien Permanent Mortgage Loan.

Total uses include:

	Original	Revised
New Construction Hard Costs	\$ 12,941,778	\$17,717,082
Other Hard Costs	\$ 2,943,759	\$ 4,501,582
Construction Hard Cost Contingency	\$ 794,277	\$ 0
Developer Fee	\$ 2,786,652	\$ 3,324,200
Other Soft Costs	\$ 3,862,232	\$ 5,572,001
<b>Total Development Cost</b>	<b>\$ 23,328,698</b>	<b>\$31,114,865</b>

Selection Method: Private Placement  
Purchaser: Citibank, N.A.  
Terms:  
Interest Rate: Not exceeding 12%  
Maturity: Not exceeding 40 years  
Security: Revenues of the Project

In a letter dated December 7, 2023, Citibank expresses its interest in providing the supplemental financing for the project.

Pursuant to R.S. 39:1426(B), Bonds sold in a private sale require approval by two-thirds of the members present and voting of the State Bond Commission.



**LOUISIANA STATE BOND COMMISSION  
APPROVAL PARAMETERS - BONDS / LOANS**

SBC Tracking # S20-001A  
Agenda Item # 13

Applicant: \* Louisiana Housing Corporation (Millennium Studios III Project)

Parameters / Purposes: \*

Not to exceed \$1,500,000 Multifamily Housing Revenue Bonds to be issued in one or more series to pay additional costs in connection with the acquisition, construction, and equipping of approximately 122 units of residential rental housing for individuals and families of low and moderate income located at the (NW) intersection of North St and Caddo St. Entire block between North St (NE), Fannin St (SE), Christian St (SW) and Caddo St (NW) AND the (NW) intersection of Common and Caddo, entire block between Common (NE) and Fannin (SE), Douglas St (SW) AND Caddo St (NW), Shreveport, LA 71101 Caddo Parish. The Bonds will bear interest at fixed or variable rates not to exceed twelve percent (12%) per annum and will mature not later than 40 years from their date of issuance.

Citation(s): \* Chapter 3-G of Title 40 of the LA Revised Statutes

Security: \* Project Revenues

As Set Forth By: \* Issuer Resolution adopted on December 13, 2023

Subject To:

It is the policy of the State Bond Commission that all attorneys' fees involved in this matter must be approved by the Office of the State Attorney General prior to payment. Although this is not a conditional approval of this application, failure to obtain such approval may result in conditional approval of such application by the State Bond Commission in the future.

The approval does not constitute a recommendation, approval, or sanction by the Louisiana State Bond Commission or the State of Louisiana of the investment quality of the credit represented by the application. Further, the approval does not constitute any guaranty of repayment of the debt by the State Bond Commission or the State of Louisiana. The approval of the application by the Louisiana State Bond Commission should not be relied upon as advice by any current or potential holders or purchasers of any debt instruments subject to the application, including, but not limited to bonds, notes, and certificates of indebtedness. Nor shall the State Bond Commission or the State of Louisiana have any liability or legal responsibility to third party purchasers or investors arising out of, related to, or connected with the approval.

**STATE BOND COMMISSION  
FEE COMPARISON WORKSHEET**

Agenda Item # 13

**S20-001A  
Louisiana Housing Corporation (Millennium III Project)  
Revenue Bonds (Volume Cap)**

		Paid From Proceeds	\$14,000,000 S20-001 Actuals		\$1,500,000 S20-001A Addition		\$15,500,000	
Firm/Vendor		Y / N	\$ Amount	\$ Per Bond	\$ Amount	\$ Per Bond	Actuals & Addition Total	
							\$ Amount	\$ Per Bond
ISSUANCE COSTS								
Legal								
Bond Counsel	Coats Rose, P.C.	N		0.00	26,375	17.58	26,375	1.70
Bond Counsel	Boles Shafto	N	61,400	4.39		0.00		0.00
Issuer Counsel				0.00		0.00		0.00
Underwriter Counsel				0.00		0.00		0.00
Underwriter Co-Counsel				0.00		0.00		0.00
Preparation of Blue Sky Memo				0.00		0.00		0.00
Preparation of Official Statements				0.00		0.00		0.00
Tax Counsel	Coats Rose, P.C.	N	20,000	1.43		0.00	20,000	1.29
Trustee Counsel	TBD	N		0.00	10,000	6.67	10,000	0.65
Total Legal			81,400	5.81	36,375	24.25	56,375	3.64
Other								
Publishing/Advertising	TBD	N	540	0.04	5,000	3.33	5,540	0.36
Rating Agency(s)				0.00		0.00		0.00
Insurance				0.00		0.00		0.00
Bond Commission	SBC	N	16,150	1.15	1,875	1.25	18,025	1.16
Issuer Financing			14,000	1.00		0.00	14,000	0.90
Municipal Advisor	Government Consultants	N	28,000	2.00	3,000	2.00	31,000	2.00
Trustee	Wilmington Trust	N	6,000	0.43	10,000	6.67	16,000	1.03
Escrow Agent				0.00		0.00		0.00
Paying Agent				0.00		0.00		0.00
Other Consultants	Little & Associate	N		0.00	30,000	20.00	30,000	1.94
POS/OS Printing				0.00		0.00		0.00
Accounting				0.00		0.00		0.00
Account Verification	Novogradac	N		0.00	10,000	6.67	10,000	0.65
Escrow Verification				0.00		0.00		0.00
Cash Flow Verification				0.00		0.00		0.00
Total Other			64,690	4.62	59,875	39.92	124,565	8.04
TOTAL ISSUANCE COSTS			146,090	10.44	96,250	64.17	180,940	11.67
INDIRECT COSTS								
Beneficiary Organizational								
Beneficiary Counsel	Longwell Riess	N	145,985	10.43	85,000	56.67	230,985	14.90
Development	ITEX	N	3,324,200	237.44	0	0.00	3,324,200	214.46
Title, Survey & Appraisal	Citibank	N	130,132	9.30	85,000	56.67	215,132	13.88
Consultant				0.00		0.00		0.00
Insurance				0.00		0.00		0.00
Total Beneficiary Organizational			3,600,317	257.17	170,000	113.33	3,770,317	243.25
Mortgage Banking Costs								
Lender Counsel	Sidley	N	105,000	7.50	90,000	60.00	195,000	12.58
Application Fee	Citibank, N.A.	N	25,000	1.79	25,000	16.67	50,000	3.23
Inspection	Citibank, N.A.	N	5,000	0.36	5,000	3.33	10,000	0.65
Examination				0.00		0.00		0.00
Financing Fee	Citibank, N.A.	N	140,000	10.00	25,000	16.67	165,000	10.65
Total Mortgage Banking			275,000	19.64	145,000	96.67	420,000	27.10
TOTAL INDIRECT COSTS			3,875,317	276.81	315,000	210.00	4,190,317	270.34
TOTAL ISSUANCE AND INDIRECT COSTS			4,021,407	287.24	411,250	274.17	4,371,257	282.02

\* The developer provides certain guarantees to the tax credit investor. The developer will oversee numerous aspects during the development and construction of Millennium III. Duties of the developer include but are not limited to negotiating and executing architectural, engineering, testing or consulting of services for the facility, assisting the owner/operator in dealing with neighborhood groups, local organizations and other parties, assisting with identifying sources of financing and negotiating the terms, establishing and implementing appropriate administrative and financial controls, assisting in obtaining access to utilities and required zoning approvals and assisting in complying with all applicable present and future laws, ordinances, orders, rules, regulations and requirements.



## STATE BOND COMMISSION

January 18, 2024

State Agencies, Boards and Commissions

### SYNOPSIS

**APPLICATION NO:** S24-001

**ENTITY:** Louisiana Housing Corporation (Greenwood Terrace Project)

**TYPE OF REQUEST:** \$11,000,000 Revenue Bonds (Volume Cap)

**ANALYST:** Brandon Rinaudo

**SUBMITTED BY:**

Alysse Hollis, Coats Rose, P.C.

**PARAMETERS:**

Not exceeding \$11,000,000 Multifamily Housing Revenue Bonds (Volume Cap), not exceeding 10%, not exceeding 40 years, acquisition, rehabilitation, and equipping of a 100-unit multifamily housing development in Shreveport.

**LEGISLATIVE AUTHORITY:**

R.S. 40:600.86-600.111

**RECOMMENDATION:**

The Staff recommends approval of this application.

**ATTACHMENTS:**

- ☐ **Analysis Summary**
- ☐ **Approval Parameter Form**
- ☐ **Fee Comparison Worksheet**



## STATE BOND COMMISSION

January 18, 2024

State Agencies - Bonds - Final Approval

### ANALYSIS SUMMARY

**APPLICATION NO:** S24-001  
**ENTITY:** Louisiana Housing Corporation (Greenwood Terrace Project)  
**TYPE OF REQUEST:** \$11,000,000 Revenue Bonds (Volume Cap)  
**ANALYST:** Brandon Rinaudo

#### **PARAMETERS:**

Not exceeding \$11,000,000 Multifamily Housing Revenue Bonds (Volume Cap), not exceeding 10%, not exceeding 40 years, acquisition, rehabilitation, and equipping of a 100-unit multifamily housing development in Shreveport.

Proceeds will fund the rehabilitation of affordable rental housing facilities for families on the west side of Shreveport. The rehabilitation is expected to address areas of deferred maintenance, modernize the units, and upgrade amenities. In addition to targeting families whose incomes will not exceed 60% of the area median, there will be project-based rental assistance for families at 30% of the area median income.

The bonds shall not constitute a debt, liability or a pledge of the faith and credit of the State of Louisiana, or of any political or governmental unit thereof. **The issuer has applied for an allocation from the State's Private Activity Volume Cap under Section 146 of the Internal Revenue Code of 1986.**

#### **Project**

The project is expected to begin in June 2024 with project completion in September 2025. Specifics of the project are as follows:

- 50 residential buildings with 100 units with 1 community building located at 4619 Luciana Circle
- Unit mix
  - 8 one-bedroom units (604 sq ft each)
  - 46 two-bedroom units (746 sq ft each)
  - 36 three-bedroom units (860 sq ft each)
  - 10 four-bedroom units (1,124 sq ft each)
- Average price per unit and per square foot based on Total Development Cost of \$23,017,228:
  - Price per unit - \$230,172
  - Price per square foot for residential space - \$258 (89,368 sq ft)
  - Price per square foot for combined residential and community space - \$246 (93,748 sq ft)
- Property amenities include outdoor pools, a clubhouse, a playground, and a fitness room. Residents will receive a reduction in utility costs due to updated building systems as evidenced by the HUD approved Housing Choice Voucher Utility Consumption and Allowance study.

According to the Market Feasibility Study prepared by Real Property Research Group, the project should have the ability to cashflow after the rehabilitation of the units, and the site will reach a stabilized occupancy of approximately 95% within 3 months following the completion of renovations. The project is expected to create approximately 50 temporary construction jobs and retain 2 permanent jobs in the local economy. The current site is 95% occupied. Staff has been informed the residents will be relocated into vacant units on site during construction.

**STATE BOND COMMISSION**

The Defined Tenant Benefit Package meets SBC guidelines and includes:

1. Educational Programs or Other Socialization Programs: Residents will receive the opportunity to participate in self-sufficient activities, educational development, and activities free of charge.
2. Rent Caps: The leverage of governmental support, private activity bonds, tax credits and other funding will provide the project the opportunity to restrict units to those families at or below 60% of the area median income. All 100 units will be set aside for those families between 30% and 60% of the area median income.

**Participants/Team**

Participants of the transaction are below, and all are registered with the Secretary of State to do business in the State of Louisiana and are in good standing:

- Owner and Beneficiary - GWT Housing Partners, LLC
- Developer - ITEX Development, LLC
- Property Manager - ITEX Property Management, LLC

The principal officer of the Owner/Beneficiary, Developer, Property Manager is Christopher Akbari (CEO). The Developer currently owns and/or manages 33 plus multifamily properties in 20 cities across Southeast Texas, Louisiana, and Colorado.

**Sources & Uses**

Total sources include:

1 <sup>st</sup> Lien Permanent Mortgage Loan (with Cedar Rapids Bank)	\$ 5,850,000
Estimated LIHTC Equity Proceeds	\$ 8,331,793
HACS Seller Note	\$ 8,200,000
Deferred Developer Fee (projected to be paid over 10 years)	\$ 635,435
<u>Bond Proceeds *</u>	<u>\$ 0</u>
Total Sources	\$ 23,017,228

\* The entity will issue the entire \$11M of requested tax-exempt bonds and upon completion of construction, immediately pay the bonds down with the additional project sources to a balance of \$5,850,000 which converts to the 1<sup>st</sup> Lien Permanent Mortgage Loan.

Total Uses include:

Building Acquisition	\$ 7,700,000
Land Acquisition	\$ 500,000
Direct Hard Costs	\$ 7,982,425
Construction Contingency	\$ 798,243
Other Soft Costs	\$ 4,333,061
<u>Developer Fee</u>	<u>\$ 1,703,499</u>
Total Development Cost	\$ 23,017,228

Selection Method: Private Placement  
Purchaser: Cedar Rapids Bank and Trust Company  
Terms:  
Interest Rate: Not exceeding 10%  
Maturity: Not exceeding 40 years  
Security: Revenues of the Project

In a letter dated August 2, 2023, Cedar Rapids Bank and Trust Company proposes terms for the purchase of the bonds in accordance with the above parameters, subject to formal credit underwriting and approval.

Pursuant to R.S. 39:1426(B), Bonds sold in a private sale require approval by two-thirds of the members present and voting of the State Bond Commission.



**LOUISIANA STATE BOND COMMISSION**  
**APPROVAL PARAMETERS - BONDS / LOANS**

SBC Tracking # S24-001

Agenda Item # 14

Applicant: \*

Louisiana Housing Corporation (Greenwood Terrace Project)

Parameters / Purposes: \*

Not to exceed \$11,000,000 Louisiana Housing Corporation Multifamily Housing Revenue Bonds to be issued in one or more series (the "Bonds") to finance the acquisition, rehabilitation and equipping of a 100-unit residential rental facility located at 4619 Luciana Circle, Shreveport, Louisiana (Caddo Parish) and to pay certain costs associated with the Bonds. The Bonds will bear interest at fixed or variable rates not to exceed ten percent (10%) per annum and will mature not later than 40 years from their date of issuance.

Citation(s): \*

Chapter 3-G, Title 40 Louisiana Revised Statutes

Security: \*

Project Revenues

As Set Forth By: \*

Resolutions of Issuer adopted September 14, 2022 and December 13, 2023

Subject To:

It is the policy of the State Bond Commission that all attorneys' fees involved in this matter must be approved by the Office of the State Attorney General prior to payment. Although this is not a conditional approval of this application, failure to obtain such approval may result in conditional approval of such application by the State Bond Commission in the future.

The approval does not constitute a recommendation, approval, or sanction by the Louisiana State Bond Commission or the State of Louisiana of the investment quality of the credit represented by the application. Further, the approval does not constitute any guaranty of repayment of the debt by the State Bond Commission or the State of Louisiana. The approval of the application by the Louisiana State Bond Commission should not be relied upon as advice by any current or potential holders or purchasers of any debt instruments subject to the application, including, but not limited to bonds, notes, and certificates of indebtedness. Nor shall the State Bond Commission or the State of Louisiana have any liability or legal responsibility to third party purchasers or investors arising out of, related to, or connected with the approval.

**STATE BOND COMMISSION  
FEE COMPARISON WORKSHEET**

Agenda Item # 14

			\$11,000,000 S24-001 LHC (Greenwood Terrace Project) Revenue Bonds (Volume Cap) January 18, 2024		\$11,800,000 S23-032 LHC (Galilee City Apartments Project) Revenue Bonds (Volume Cap) July 20, 2023	
	Firm/Vendor	Paid From Proceeds Y / N	\$ Amount	\$ Per Bond	\$ Amount	\$ Per Bond
<b>ISSUANCE COSTS</b>						
<b>Legal</b>						
Bond Counsel	Coats Rose, P.C.	N	57,025	5.18	52,625	4.46
Co-Bond Counsel				0.00		0.00
Issuer Counsel				0.00		0.00
Underwriter Counsel				0.00		0.00
Underwriter Co-Counsel				0.00		0.00
Preparation of Blue Sky Memo				0.00		0.00
Preparation of Official Statements				0.00		0.00
Purchaser Counsel				0.00		0.00
Trustee Counsel				0.00	10,000	0.85
<b>Total Legal</b>			<b>57,025</b>	<b>5.18</b>	<b>62,625</b>	<b>5.31</b>
<b>Other</b>						
Publishing/Advertising	Daily Journal/The Advocate	N	6,000	0.55	2,000	0.17
Rating Agency(s)				0.00		0.00
Insurance				0.00		0.00
Bond Commission	SBC	N	12,850	1.17	13,730	1.16
Issuer Financing				0.00	11,800	1.00
Municipal Advisor	Government Consultants	N	22,000	2.00	23,600	2.00
Trustee	Wilmington Trust	N	15,000	1.36	10,000	0.85
Escrow Agent				0.00		0.00
Paying Agent				0.00		0.00
Feasibility Consultants				0.00		0.00
Other Consultants	Little & Associates	N	30,000	2.73		0.00
Accounting	Novogradac	N	30,000	2.73		0.00
Account Verification				0.00		0.00
Escrow Verification				0.00		0.00
Cash Flow Verification				0.00		0.00
<b>Total Other</b>			<b>115,850</b>	<b>10.53</b>	<b>61,130</b>	<b>5.18</b>
<b>TOTAL ISSUANCE COSTS</b>			<b>172,875</b>	<b>15.72</b>	<b>123,755</b>	<b>10.49</b>
<b>INDIRECT COSTS</b>						
<b>Beneficiary Organizational</b>						
Beneficiary Counsel	TBD	N	165,000	15.00	130,000	11.02
Development	ITEX	N	1,703,499	154.86	3,000,000	254.24
Title, Survey & Appraisal	Baldwin Title	N	125,000	11.36	240,000	20.34
Consultant				0.00		0.00
Insurance				0.00		0.00
<b>Total Beneficiary Organizational</b>			<b>1,993,499</b>	<b>181.23</b>	<b>3,370,000</b>	<b>285.59</b>
<b>Mortgage Banking Costs</b>						
Lender Counsel	Winthrop & Weinstine	N	75,000	6.82	65,000	5.51
Mortgage Servicer Counsel				0.00		0.00
Mortgage Insurance				0.00		0.00
Examination				0.00		0.00
Financing Fee	Cedar Rapids Bank	N	110,000	10.00	118,000	10.00
<b>Total Mortgage Banking</b>			<b>185,000</b>	<b>16.82</b>	<b>183,000</b>	<b>15.51</b>
<b>TOTAL INDIRECT COSTS</b>			<b>2,178,499</b>	<b>198.05</b>	<b>3,553,000</b>	<b>301.10</b>
<b>TOTAL ISSUANCE AND INDIRECT COSTS</b>			<b>2,351,374</b>	<b>213.76</b>	<b>3,676,755</b>	<b>311.59</b>

\* The developer provides certain guarantees to the tax credit investor. The developer will oversee numerous aspects during the development and construction of Greenwood Terrace. Duties of the developer include but are not limited to negotiating and executing architectural, engineering, testing or consulting of services for the facility, assisting the owner/operator in dealing with neighborhood groups, local organizations and other parties, assisting with identifying sources of financing and negotiating the terms, establishing and implementing appropriate administrative and financial controls, assisting in obtaining access to utilities and required zoning approvals and assisting in complying with all applicable present and future laws, ordinances, orders, rules, regulations and requirements.



## STATE BOND COMMISSION

January 18, 2024

Political Subdivisions - Bonds

### SYNOPSIS

**APPLICATION NO:** S20-079A

**ENTITY:** Louisiana Community Development Authority (McNeese State University - Cowboy Facilities, Inc. Student Union Project)

**TYPE OF REQUEST:** \$15,000,000 Revenue Bonds

**ANALYST:** Ty DeLee

**SUBMITTED BY:**

Matthew W. Kern, Jones Walker, LLP

**PARAMETERS:**

Not exceeding \$15,000,000 Revenue Bonds, not exceeding 7%, not exceeding 30 years, **(1)** acquisition, additions, repairs, maintenance, renovation, expansions and equipping of a new student union on the campus of McNeese State University, **(2)** paying capitalized interest during construction, **(3)** funding a deposit to the Maintenance Reserve Fund and **(4)** funding a deposit to the Debt Service Reserve Fund.

**LEGISLATIVE AUTHORITY:**

R.S. 33:4548.1, et seq.

**RECOMMENDATION:**

The Staff recommends approval of this application.

**ATTACHMENTS:**

- ❑ Analysis Summary
- ❑ Approval Parameter Form
- ❑ Fee Comparison Worksheet



## STATE BOND COMMISSION

January 18, 2024

Political Subdivisions - Bonds - Final Approval

### ANALYSIS SUMMARY

**APPLICATION NO:** S20-079A  
**ENTITY:** Louisiana Community Development Authority (McNeese State University - Cowboy Facilities, Inc. Student Union Project)  
**TYPE OF REQUEST:** \$15,000,000 Revenue Bonds  
**ANALYST:** Ty DeLee

#### **PARAMETERS:**

Not exceeding \$15,000,000 Revenue Bonds, not exceeding 7%, not exceeding 30 years, **(1)** acquisition, additions, repairs, maintenance, renovation, expansions and equipping of a new student union on the campus of McNeese State University, **(2)** paying capitalized interest during construction, **(3)** funding a deposit to the Maintenance Reserve Fund and **(4)** funding a deposit to the Debt Service Reserve Fund.

Proceeds will provide a portion of the financing for the construction of a new student union facility for McNeese State University (the "University") and the expansion or demolition of various nearby buildings as a part of the 2018 campus-wide facilities master plan. The multi-phased project is anticipated to cost approximately \$32M. The project previously received SBC approval for not exceeding \$10M Revenue Bonds at not exceeding 6% in December 2020, and this application will replace that prior approval. The bond request is being increased due to increases in construction costs.

Cowboy Facilities, Inc. ("CFI") is a Louisiana 501(c)(3) nonprofit corporation registered with the Secretary of State and in good standing, and was organized to acquire, construct, develop, manage, lease, mortgage and/or convey facilities on the campus of the University for the benefit of the University in order to promote, assist and benefit its educational, scientific, research and public service mission. CFI's president is Richard Rhoden, the former director of facilities for the University.

The transaction is structured as follows:

- CFI will lease the land from the University of Louisiana System (the "Board") pursuant to a Ground Lease. The Ground Lease will terminate when the proposed bonds are paid in full, unless terminated sooner.
- Once construction is completed, the University will accept possession of the completed facilities and will operate and maintain it pursuant to a Facilities Lease, which will terminate when the proposed bonds are paid in full, unless terminated sooner.
- The Facilities Lease is intended to be a triple net lease in that CFI will be free and clear of any expenses of any kind. The Board will be required to make lease payments sufficient to pay annual debt service on the proposed bonds, which will be derived from the student union fees.

The Board approved the leases at its meeting held on September 4, 2020. The Board of Regents approved the project at its meeting on October 21, 2020.

The bonds shall not constitute a debt, liability, loan of the general credit or a pledge of the faith and credit of the State of Louisiana, or any other political or governmental unit thereof and will not be classified as Net State Tax Supported Debt (NSTSD).

**STATE BOND COMMISSION****Project Details:**

The project is expected to be carried out in three phases:

- Phase 1 (May 2024): Demolition of Memorial Gym, which has sustained a number of structural and foundation issues, will create room for the new student union footprint.
- Phase 2 (October 2024 – 2026): Construction of the new union, which will be a modern facility of approximately 68,000 gross sq. ft. located on the southeast corner of the quadrangle between Farrar Hall and the New Ranch. The facility will include dining and catering services, a ballroom and other event function space, student meeting spaces, postal services, a game room, and offices for the Student Government Association. In addition to the new student union, Phase 2 will include renovation of Parra Ballroom located in the New Ranch to be repurposed as a student computer lab.
- Phase 3 (January 2027): Demolition of the Holbrook Student Union (“Old Ranch”), which was originally constructed in 1956 and has passed its useful life. The land will be used for future developments as envisioned in the University's facilities master plan.

**Project Funding:**

In April 2020, McNeese students voted to assess a student union fee of not exceeding \$160 per fall and spring semester and \$80 per summer semester, and collection began that year. The fee is specifically restricted to construct, manage, and operate a new student union. Further, the McNeese State University Foundation (the “Foundation”) has committed an \$8M subordinate interest-free loan for planning and construction of the new student union. These funds will be transferred from the Foundation directly to CFI. The University will repay the Foundation loan with excess student union fees at the end of each fiscal year after operational costs, bond payments, and maintenance reserve contributions have been paid. Although regular annual payments are anticipated, the Foundation loan does not have a specific repayment schedule, leading to the amount of the annual repayment being flexible. Bond counsel has indicated the subordinate loan will not be considered a debt of the University, and that the student union fee will expire after the proposed bonds and Foundation loan are repaid.

**Calculation of Coverage Ratio:**

	<b><u>NTE Parameters</u></b>	<b><u>Market Estimate</u></b>
Issuance Principal	\$ 15,000,000	\$ 12,520,000
Deposit to Project Fund	\$ 13,210,000	\$ 11,150,000
Interest Cost	7.00%	4.50% - 5.25%
All-In Cost	7.393%	5.465%
Maximum Annual Debt Service	\$ 1,211,000	\$ 824,234
Pledged Revenues *	\$ 1,516,286	\$ 1,516,286
Maximum Current Debt Service	\$ -	\$ -
Maximum Combined New Debt Service	\$ 1,211,000	\$ 824,234
Coverage Ratio	1.25	1.84

\* Pledged revenues depict the student union fee collections provided by the University for FYE June 30, 2024.

Outstanding Debt Secured by Same Pledge of Revenue: None

As required by the Board of Regents to cover future upkeep of the new student union, the University will annually deposit student union fees equal to 0.5% of construction costs into a maintenance fund until the fund reaches 10% of construction costs. When the fund reaches 10% of construction costs, contributions will cease, which will release funds for other student union expenses and obligations.

**STATE BOND COMMISSION****Enrollment & Fee History:**

	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023</b>	<b>2023-2024</b>
<b>Fall Enrollment</b>	7,302	7,287	6,456	6,236	6,061
<b>Spring Enrollment</b>	6,634	6,428	5,764	5,606	-
<b>Summer Enrollment</b>	1,962	1,895	1,490	1,415	1,429
<b>Historical Fee Collections</b>		\$1,768,940	\$1,676,511	\$1,589,898	\$1,516,286

The University has experienced regular enrollment declines over the last ten years, with an average annual decrease of 3.1% over the last decade and fall enrollment decreasing approximately 17% over the last four years. Since fee collections began in FY21, they have decreased annually by an average of 5%. The University believes that the decline in enrollment in recent years can be attributed, in part, to the multiple hurricanes that devastated southwest Louisiana during that timeframe as well as the effects of the COVID-19 pandemic. According to the University, the operations of the University are conservatively budgeted and the University's financial health and stability are continuously monitored.

Risks cited in offering documents will include risks associated with fluctuating state appropriations to the University, changes to the TOPS scholarship program, and competition among other higher education institutions for student enrollment.

**Total Sources Include:**

Bond Proceeds	\$12,520,000
Funds already paid	\$ 1,050,000
Foundation Loan	\$ 8,000,000
Student Fee Cash on Hand	\$ 4,800,000
University Contribution	\$ 5,000,000
Chartwell (Dining Vendor)	\$ 1,000,000
<b>Total Sources:</b>	<b>\$32,370,000</b>

Selection Method:	TBD
Underwriter:	Stifel, Nicolaus & Company, Inc.
Terms:	
Interest Rate	Not exceeding 7%
Maturity	Not exceeding 30 years
Security:	Self-assessed and approved fees* of students attending McNeese State University and other funds which may be made available to the University for such purposes.

\* Students of the University voted to self-assess the fee in April 2020 to be restricted for construction of a new student union, and the fee will expire after all associated debt has been paid off. The fee is \$13.30/credit hour with a fall and spring semester cap of \$159.60 (12 credit hours) and a summer semester cap of \$79.80 (6 credit hours).

In a letter dated December 19, 2023, Stifel, Nicolaus & Co., Inc. confirmed that they have been engaged as underwriter with a primary role to purchase with a view to distribute the bonds to the public on a best-efforts basis.



**LOUISIANA STATE BOND COMMISSION  
APPROVAL PARAMETERS - BONDS / LOANS**

SBC Tracking # S20-079A  
Agenda Item # 15

Applicant: \*

Louisiana Local Government Environmental Facilities and Community Development Authority

Parameters / Purposes: \*

To issue not exceeding \$15,000,000 of its Revenue Bonds (McNeese State University - Cowboy Facilities, Inc. Student Union Project), taxable and/or tax-exempt, in one or more series (the "Bonds"), maturing not later than thirty (30) years from date of issuance, at an interest rate or rates of not to exceed seven percent (7%), for the purpose of (i) financing acquisition, additions, repairs, maintenance, renovation, expansions and equipping of a new student union, to be located at 4250 Vernon Drive on the campus of McNeese State University in Lake Charles, Calcasieu Parish, Louisiana; (ii) paying capitalized interest on the Bonds during construction, (iii) funding a deposit to the Maintenance Reserve Fund, (iv) funding a deposit to the Debt Service Reserve Fund, and (v) paying costs of issuance of the Bonds, including the premiums for the bond insurance policy insuring the Bonds and a debt service reserve fund surety policy, if necessary.

Citation(s): \*

La. R.S. 33:4548.1 through 4548.16

Security: \*

self-assessed and approved fees of students attending McNeese State University, and other funds which may be made available to the University for such purposes, which revenues will be assigned and pledged to the Authority for payment and principal and interest on the bonds.

As Set Forth By: \*

resolution adopted by the Issuer on July 9, 2020 and December 14, 2023

Subject To:

It is the policy of the State Bond Commission that all attorneys' fees involved in this matter must be approved by the Office of the State Attorney General prior to payment. Although this is not a conditional approval of this application, failure to obtain such approval may result in conditional approval of such application by the State Bond Commission in the future.

The approval does not constitute a recommendation, approval, or sanction by the Louisiana State Bond Commission or the State of Louisiana of the investment quality of the credit represented by the application. Further, the approval does not constitute any guaranty of repayment of the debt by the State Bond Commission or the State of Louisiana. The approval of the application by the Louisiana State Bond Commission should not be relied upon as advice by any current or potential holders or purchasers of any debt instruments subject to the application, including, but not limited to bonds, notes, and certificates of indebtedness. Nor shall the State Bond Commission or the State of Louisiana have any liability or legal responsibility to third party purchasers or investors arising out of, related to, or connected with the approval.

**STATE BOND COMMISSION  
FEE COMPARISON WORKSHEET**

Agenda Item # 15

				\$15,000,000 S20-079A		\$16,500,000 S23-052	
				LCDA (McNeese State University - Cowboy Facilities, Inc. Student Union Project) Revenue Bonds January 18, 2024		LCDA (Ragin' Cajun Facilities, Inc. - Football Stadium Project) Revenue Bonds September 21, 2023	
		Paid From Proceeds					
		Y / N		\$ Amount	\$ Per Bond	\$ Amount	\$ Per Bond
Firm/Vendor							
<b>ISSUANCE COSTS</b>							
<b>Legal</b>							
Bond Counsel	Jones Walker	Y		61,650	4.11	63,275	3.83
Co-Bond Counsel					0.00		0.00
Issuer Counsel	Mahtook & LaFleur	Y		10,000	0.67	10,000	0.61
Underwriter Counsel	TBD	Y		7,500	0.50	23,500	1.42
Purchaser Counsel					0.00		0.00
Board Counsel	DeCuir, Clark & Adams	Y		10,000	0.67	10,000	0.61
Disclosure Counsel	Jones Walker	Y		41,500	2.77	23,500	1.42
Corporation Counsel	TBD	Y		10,000	0.67	10,000	0.61
Trustee Counsel	Jones Walker	Y		10,000	0.67	10,000	0.61
<b>Total Legal</b>				<b>150,650</b>	<b>10.04</b>	<b>150,275</b>	<b>9.11</b>
<b>Underwriting</b>							
Sales Commission					0.00		0.00
Management Fees	Stifel, Nicolaus & Co.	Y		66,250	4.42	62,500	3.79
MSRP/CUSIP/PSA	Stifel, Nicolaus & Co.	Y		5,000	0.33	5,000	0.30
Takedown	Stifel, Nicolaus & Co.	Y		52,500	3.50	52,500	3.18
Day Loan					0.00		0.00
Placement Fee					0.00		0.00
<b>Total Underwriting</b>				<b>123,750</b>	<b>8.25</b>	<b>120,000</b>	<b>7.27</b>
<b>Credit Enhancement</b>							
Bond Insurance	TBD	Y		200,000	13.33	250,000	15.15
Letter of Credit					0.00		0.00
Surety	TBD	Y		60,000	4.00	75,000	4.55
<b>Total Credit Enhancement</b>				<b>260,000</b>	<b>17.33</b>	<b>325,000</b>	<b>19.70</b>
<b>Other</b>							
Publishing/Advertising	Official Journals	Y		10,000	0.67	5,000	0.30
Rating Agency(s)	Moody's	Y		32,000	2.13	32,500	1.97
Insurance					0.00		0.00
Bond Commission	SBC	Y		8,275	0.55	9,025	0.55
Issuer Financing	LCDA	Y		7,500	0.50	8,250	0.50
Municipal Advisor	Sisung Securities Corporation	Y		37,500	2.50	33,750	2.05
Escrow Agent					0.00		0.00
Paying Agent/Trustee	Hancock Whitney	Y		6,000	0.40	6,000	0.36
Feasibility Consultants					0.00		0.00
POS/OS Printing	Imagemaster	Y		5,000	0.33	5,000	0.30
Accounting					0.00		0.00
Account Verification					0.00		0.00
Escrow Verification					0.00		0.00
Miscellaneous	Various	Y		5,000	0.33	5,000	0.30
<b>Total Other</b>				<b>111,275</b>	<b>7.42</b>	<b>104,525</b>	<b>6.33</b>
<b>TOTAL ISSUANCE COSTS</b>				<b>645,675</b>	<b>43.05</b>	<b>699,800</b>	<b>42.41</b>



**STATE BOND COMMISSION**

January 18, 2024

Costs of Issuance Reporting

**SYNOPSIS**

**APPLICATION NO:** L23-045A

**ENTITY:** Beauregard Parish School Board, Parishwide School District

**TYPE OF REQUEST:** Reporting

**ANALYST:** Clarrissa Johnson

**SUBMITTED BY:**

C. Grant Schueter, Foley & Judell, LLP

**PARAMETERS:**

Reporting on changes in costs of issuance.

**ATTACHMENTS:**

- ☐ **Analysis Summary**
- ☐ **Fee Comparison Worksheet**



## STATE BOND COMMISSION

January 18, 2024

### Costs of Issuance Reporting

#### ANALYSIS SUMMARY

**APPLICATION NO:** L23-045A  
**ENTITY:** Beauregard Parish School Board, Parishwide School District  
**TYPE OF REQUEST:** Reporting  
**ANALYST:** Clarrissa Johnson

#### **PARAMETERS:**

Reporting on changes in costs of issuance.

The application was granted final approval on February 16, 2023, as follows:

#### **Final Approval:**

Amount:	Not exceeding \$26,000,000 General Obligation Bonds
Interest Rate:	Not exceeding 7%
Maturity:	Not exceeding 20 years
Purpose:	Capital expenditures for school purposes, including constructing, acquiring and/or improving schools and other school related facilities together with equipment and furnishings therefor and specific school projects in the "Capital Improvement Plan".
Cost of Issuance:	\$394,875

#### **Issuance:**

Amount:	\$26,000,000 General Obligation School Bonds, Series 2023
Interest Rate:	3.841%
Maturity:	March 1, 2043
Cost of Issuance:	\$240,592
Issue Date:	August 1, 2023

#### **10% Line-Item Increase Reporting:**

- Increase of \$45,400 for Bond Insurance fee to BAM.
- The fee was set by BAM and there was not enough advance notice to submit the amended costs of issuance for approval at a scheduled SBC meeting.

Net difference in approved and actual incurred fees is a reduction of \$154,283.

The Financial Disclosure Form is attached which reflects the previously approved costs and actual incurred costs.



**LOUISIANA STATE BOND COMMISSION  
FINANCIAL DISCLOSURE FORM**

SBC002  
Rev 12/01/12

Entity / Project: Parishwide School District of the Parish of Beauregard, State of Louisiana  
Debt Instrument: General Obligation Bonds, Series 2023

SBC Tracking #: L23-045  
Amount: \$26,000,000

Firm / Vendor Name	Paid From Proceeds	COMPLETE WITH APPLICATION SUBMISSION ESTIMATED			COMPLETE WITH POST CLOSING FORM ACTUAL			VARIANCE		>10% CR # *
		Fees	Expenses	Total	Fees	Expenses	Total	\$	%	
ISSUANCE COSTS										
Legal										
Bond Counsel	Foley & Judell, L.L.P.	y	65,400	6,000	71,400	65,400	2,367	67,767	-3,633	-5.1%
Co-Bond Counsel					0			0	0	0.0%
Issuer Counsel					0			0	0	0.0%
Purchaser Counsel					0			0	0	0.0%
Co-Underwriter Counsel					0			0	0	0.0%
Preparation of Blue Sky Memo					0			0	0	0.0%
Preparation of Official Statements	Foley & Judell, L.L.P.	y	25,000	5,000	30,000	25,000	5,000	30,000	0	0.0%
Tax Counsel					0			0	0	0.0%
Trustee Counsel					0			0	0	0.0%
Escrow Trustee Counsel					0			0	0	0.0%
Total Legal			90,400	11,000	101,400	90,400	7,367	97,767	-3,633	-3.6%
Underwriting										
Sales Commission	TBD (if negotiated)		195,000	0	195,000	0		0	0	0.0%
Management					0			0	0	0.0%
MSRP / CUSIP / PSA					0			0	0	0.0%
Takedown					0			0	0	0.0%
Day Loan					0			0	0	0.0%
Placement Fee					0			0	0	0.0%
Total Underwriting			195,000	0	195,000	0	0	0	-195,000	-100.0%

**\*Post Closing - Variances of 10% or More**

CR# Justification



**LOUISIANA STATE BOND COMMISSION  
FINANCIAL DISCLOSURE FORM**

SBC002  
Rev 12/01/12

Entity / Project: Parishwide School District of the Parish of Beauregard, State of Louisiana  
Debt Instrument: General Obligation Bonds, Series 2023

SBC Tracking #: L23-045  
Amount: \$26,000,000

Firm / Vendor Name	Paid From Proceeds	COMPLETE WITH APPLICATION SUBMISSION ESTIMATED			COMPLETE WITH POST CLOSING FORM ACTUAL			VARIANCE		>10% CR # *
		Fees	Expenses	Total	Fees	Expenses	Total	\$	%	
<b>Credit Enhancement</b>										
Bond Insurance BAM	n	25,000		25,000	70,400		70,400	45,400	181.6%	
Letter of Credit				0			0	0	0.0%	
Surety				0			0	0	0.0%	
				0			0	0	0.0%	
<b>Total Credit Enhancement</b>		25,000	0	25,000	70,400	0	70,400	45,400	181.6%	
<b>Other</b>										
Publishing / Advertising Beauregard News;DJC	y		3,500	3,500		3,500	3,500	0	0.0%	
Rating Agency(s) S&P	y	27,000		27,000	28,500		28,500	1,500	5.6%	
Insurance				0			0	0	0.0%	
Bond Commission SBC	y	13,475		13,475	13,475		13,475	0	0.0%	
Issuer Financing				0			0	0	0.0%	
Financial Advisor Raymond James & Associates	y	26,000		26,000	26,000		26,000	0	0.0%	
Trustee				0			0	0	0.0%	
Escrow Trustee				0			0	0	0.0%	
Paying Agent TBD	y	2,500		2,500	0		0	-2,500	-100.0%	
Feasibility Consultants				0			0	0	0.0%	
Other Consultants				0			0	0	0.0%	
Accounting				0			0	0	0.0%	
Account Verification				0			0	0	0.0%	
Escrow Verification				0			0	0	0.0%	
Cash Flow Verification				0			0	0	0.0%	
Parity Bidding I-Deal	y	1,000		1,000	950		950	-50	-5.0%	
<b>Total Other</b>		69,975	3,500	73,475	68,925	3,500	72,425	-1,050	-1.4%	
<b>TOTAL ISSUANCE COSTS</b>		<b>380,375</b>	<b>14,500</b>	<b>394,875</b>	<b>229,725</b>	<b>10,867</b>	<b>240,592</b>	<b>-154,283</b>	<b>-39.1%</b>	

**\*Post Closing - Variances of 10% or More**

CR# Justification

Please note that the insurance fee in the amount of \$70,400 is included in costs of issuance but was included at a lesser amount when the application was submitted. The fee is set by BAM and did not have enough advance notice to submit the amended costs of issuance for approval at a scheduled State Bond Commission meeting. However, total actual costs were still less than approved by SBC at the February 16, 2023 meeting.



**LOUISIANA STATE BOND COMMISSION  
FINANCIAL DISCLOSURE FORM**

SBC002  
Rev 12/01/12

Entity / Project: Parishwide School District of the Parish of Beauregard, State of Louisiana  
Debt Instrument: General Obligation Bonds, Series 2023

SBC Tracking #: L23-045  
Amount: \$26,000,000

Firm / Vendor Name	Paid From Proceeds	COMPLETE WITH APPLICATION SUBMISSION ESTIMATED			COMPLETE WITH POST CLOSING FORM ACTUAL			VARIANCE		>10% CR # *
		Fees	Expenses	Total	Fees	Expenses	Total	\$	%	
<b>Credit Enhancement</b>										
Bond Insurance BAM	n	25,000		25,000	70,400		70,400	45,400	181.6%	
Letter of Credit				0			0	0	0.0%	
Surety				0			0	0	0.0%	
				0			0	0	0.0%	
<b>Total Credit Enhancement</b>		25,000	0	25,000	70,400	0	70,400	45,400	181.6%	
<b>Other</b>										
Publishing / Advertising Beauregard News;DJC	y		3,500	3,500		3,500	3,500	0	0.0%	
Rating Agency(s) S&P	y	27,000		27,000	28,500		28,500	1,500	5.6%	
Insurance				0			0	0	0.0%	
Bond Commission SBC	y	13,475		13,475	13,475		13,475	0	0.0%	
Issuer Financing				0			0	0	0.0%	
Financial Advisor Raymond James & Associates	y	26,000		26,000	26,000		26,000	0	0.0%	
Trustee				0			0	0	0.0%	
Escrow Trustee				0			0	0	0.0%	
Paying Agent TBD	y	2,500		2,500	0		0	-2,500	-100.0%	
Feasibility Consultants				0			0	0	0.0%	
Other Consultants				0			0	0	0.0%	
Accounting				0			0	0	0.0%	
Account Verification				0			0	0	0.0%	
Escrow Verification				0			0	0	0.0%	
Cash Flow Verification				0			0	0	0.0%	
Parity Bidding I-Deal	y	1,000		1,000	950		950	-50	-5.0%	
<b>Total Other</b>		69,975	3,500	73,475	68,925	3,500	72,425	-1,050	-1.4%	
<b>TOTAL ISSUANCE COSTS</b>		<b>380,375</b>	<b>14,500</b>	<b>394,875</b>	<b>229,725</b>	<b>10,867</b>	<b>240,592</b>	<b>-154,283</b>	<b>-39.1%</b>	

**\*Post Closing - Variances of 10% or More**

CR# Justification



**LOUISIANA STATE BOND COMMISSION  
FINANCIAL DISCLOSURE FORM**

SBC002  
Rev 12/01/12

Entity / Project: Parishwide School District of the Parish of Beauregard, State of Louisiana  
Debt Instrument: General Obligation Bonds, Series 2023

SBC Tracking #: L23-045  
Amount: \$26,000,000

Firm / Vendor Name	Paid From Proceeds	COMPLETE WITH APPLICATION SUBMISSION ESTIMATED			COMPLETE WITH POST CLOSING FORM ACTUAL			VARIANCE		>10% CR # *
		Fees	Expenses	Total	Fees	Expenses	Total	\$	%	
INDIRECT COSTS										
Beneficiary Organizational										
Beneficiary Counsel				0			0	0	0.0%	
Development				0			0	0	0.0%	
Title, Survey, & Appraisal				0			0	0	0.0%	
Consultant				0			0	0	0.0%	
Insurance				0			0	0	0.0%	
				0			0	0	0.0%	
Total Beneficiary Organizational		0	0	0	0	0	0	0	0.0%	
Mortgage Banking										
Lender Counsel				0			0	0	0.0%	
Mortgage Servicer Counsel				0			0	0	0.0%	
Mortgage Insurance				0			0	0	0.0%	
Examination				0			0	0	0.0%	
Inspection				0			0	0	0.0%	
				0			0	0	0.0%	
Total Mortgage Banking		0	0	0	0	0	0	0	0.0%	
TOTAL INDIRECT COSTS		0	0	0	0	0	0	0	0.0%	
TOTAL ISSUANCE AND INDIRECT COSTS		380,375	14,500	394,875	229,725	10,867	240,592	-154,283	-39.1%	

\* Post Closing - Variances of 10% or More  
CR# Justification

**CERTIFICATION**

Application: I certify the above estimated costs and professionals listed are the most accurate representation at time of submission for *final* approval and all joint accounts and/or fee splitting arrangements by and between financial professionals as reported by the professionals are included.

\_\_\_\_\_  
C. Grant Schlueter, Esq., Foley & Judell, L.L.P.

\_\_\_\_\_  
Date

Posting Closing: Before me, the undersigned Notary Public, the undersigned person appeared on October 25, 2023 and declared the costs and professionals herewith were the actual costs of issuance and participants, and all joint accounts and/or fee splitting arrangements by and between financial professionals as reported by the professionals were included.

\_\_\_\_\_  
C. Grant Schlueter- Foley & Judell, L.L.P.

\_\_\_\_\_  
Garrett Gemelos- LA Bar Roll No. 39695



**STATE BOND COMMISSION**

January 18, 2024

Costs of Issuance Reporting

**SYNOPSIS**

**APPLICATION NO:** S23-004A

**ENTITY:** Louisiana Public Facilities Authority (Waste Pro USA, Inc. Project)

**TYPE OF REQUEST:** Reporting

**ANALYST:** Ty DeLee

**SUBMITTED BY:**

Meredith L. Hathorn, Foley & Judell, LLP

**PARAMETERS:**

Reporting on changes in costs of issuance.

**ATTACHMENTS:**

- ☐ **Analysis Summary**
- ☐ **Financial Disclosure Form**



## STATE BOND COMMISSION

January 18, 2024

### Costs of Issuance Reporting

#### ANALYSIS SUMMARY

**APPLICATION NO:** S23-004A  
**ENTITY:** Louisiana Public Facilities Authority (Waste Pro USA, Inc. Project)  
**TYPE OF REQUEST:** Reporting  
**ANALYST:** Ty DeLee

#### **PARAMETERS:**

Reporting on changes in costs of issuance.

The application was granted final approval on August 17, 2023, as follows:

#### **Final Approval:**

Amount: Not exceeding \$80,000,000 Revenue Bonds (Volume Cap)  
Interest Rate: Not exceeding 13% tax-exempt or 15% taxable fixed or variable rates  
Maturity: Not exceeding 40 years  
Purpose: **(1)** Acquiring and equipping of new collection vehicles, trucks, trailers, solid waste disposal facilities, including landfills, containers and related equipment, and computers, **(2)** acquiring of certain solid waste recycling sorting and processing equipment, **(3)** acquiring constructing, improving and equipping of certain solid waste disposal facilities (including related compressed natural gas infrastructure), collection, transfer, recycling and customer care facilities, **(4)** acquiring certain landfill and development costs (including landfill cell development and liners to create additional disposal capacity at current and/or acquired permitted landfill sites) and cost of general improvements (including paving and grading and other infrastructure improvements), **(5)** funding reserve funds if necessary, and **(6)** paying capitalized interest.  
Cost of Issuance: \$1,705,658

#### **First Issuance:**

Amount: \$40,000,000 Solid Waste Disposal Revenue Bonds, Series 2023  
Interest Rate: 6.75%  
Maturity: October 1, 2053  
Cost of Issuance: \$1,008,782  
Issue Date: October 26, 2023

#### **Second Issuance:**

Amount: \$25,000,000 Solid Waste Disposal Revenue Bonds, Series 2023 R-2  
Interest Rate: 6.5%  
Maturity: October 1, 2053  
Cost of Issuance: \$639,953  
Issue Date: November 28, 2023



## STATE BOND COMMISSION

### **10% Line Item Increase Reporting:**

- Increase of \$34,650 for bond counsel fees to Foley & Judell, LLP
- Increase of \$36,911 for borrower's counsel fees to Greenberg Traurig LLP
- Increase of \$5,000 for issuer counsel fees to Jacob S. Capraro, Esq.
- Increase of \$85,000 for underwriter counsel fees to Nixon Peabody LLP
- Increase of \$25,000 for tax counsel fees to Ballard Spahr LLP
- Increase of \$337 for MSRP/CUSIP fees to Citigroup Global Markets Inc.

### **Additional Fees Reporting:**

- Addition of \$20,330 for borrower's local counsel to Chaffe McCall LLP
- Addition of \$7,500 for trustee's local counsel to Jones Walker LLP
- Addition of \$11,200 for Printer/Electronic Roads

The increased and additional costs were a result of multiple factors including a longer than anticipated financing schedule, the unanticipated need by various local counsels on the transaction in order to render appropriate opinions under Louisiana law, and the need for a second unanticipated transaction.

Net difference in approved and actual incurred fees is a reduction of \$56,923.

The Financial Disclosure Form is attached which reflects the previously approved costs and actual incurred costs broken out by issuance. A letter from the borrower explaining the overages is also attached.



**LOUISIANA STATE BOND COMMISSION  
FINANCIAL DISCLOSURE FORM**

SBC002  
Rev 12/01/12

Entity / Project: Louisiana Public Facilities Authority (Waste Pro USA, Inc. Project) Series 2023  
Debt Instrument: Solid Waste Disposal Revenue Bonds

SBC Tracking #:  
Amount:

S23-004  
\$80,000,000

			\$40M 2023 BONDS						\$25M 2023 R-2 BONDS			TOTAL			VARIANCE				
Firm / Vendor Name	Paid From Proceeds	COMPLETE WITH APPLICATION SUBMISSION ESTIMATED			COMPLETE WITH POST CLOSING FORM ACTUAL			COMPLETE WITH POST CLOSING FORM ACTUAL			COMPLETE WITH POST CLOSING FORM ACTUAL						\$	%	>10% CR #
		Fees	Expenses	Total	Fees	Expenses	Total	Fees	Expenses	Total	Fees	Expenses	Total						
ISSUANCE COSTS																			
Legal																			
Bond Counsel	Foley & Judell, L.L.P.	Yes	105,900	5,000	110,900	75,900	3,500	79,400	64,650	1,500	66,150	140,550	5,000	145,550	34,650	31.2%			
Borrower's Counsel	Greenberg Traurig LLP	Yes	100,000		100,000	94,911		94,911	42,000		42,000	136,911	0	136,911	36,911	36.9%			
Borrower's Local Counsel	Chaffe McCall L.L.P	Yes	0		0	10,165		10,165	10,165		10,165	20,330	0	20,330	20,330	20330.0%			
Issuer Counsel	Jacob S. Capraro, Esq.	Yes	22,500		22,500	20,000		20,000	7,500		7,500	27,500	0	27,500	5,000	22.2%			
Underwriter Counsel	Nixon Peabody LLP	Yes	100,000		100,000	110,000		110,000	75,000		75,000	185,000	0	185,000	85,000	85.0%			
Co-Underwriter Counsel				0			0				0	0	0	0	0	0.0%			
Preparation of Blue Sky Memo	included in above	Yes			0			0			0	0	0	0	0	0.0%			
Preparation of Official Statements	included in above	Yes			0			0			0	0	0	0	0	0.0%			
Tax Counsel	Ballard Spahr LLP	Yes	40,000		40,000	40,000		40,000	25,000		25,000	65,000	0	65,000	25,000	62.5%			
Trustee Counsel	Maynard Nexsen	Yes	15,000		15,000	6,000		6,000	4,500		4,500	10,500	0	10,500	-4,500	-30.0%			
Trustee Local Counsel	Jones Walker LLP	Yes	0		0	5,000		5,000	2,500		2,500	7,500	0	7,500	7,500	7500.0%			
Escrow Trustee Counsel	not anticipated				0			0			0	0	0	0	0	0.0%			
					0			0			0	0	0	0	0	0.0%			
Total Legal			383,400	5,000	388,400	361,976	3,500	365,476	231,315	1,500	232,815	593,291	5,000	598,291	209,891	54.0%			
Underwriting		Citigroup Global Markets Inc.	Yes																
Sales Commission			0		0			0			0	0	0	0	0	0.0%			
Management			0		0			0			0	0	0	0	0	0.0%			
MSRP / CUSIP / PSA		Yes	364		364	350		350	350		350	700	0	700	337	92.6%			
Takedown		Yes	800,000		800,000	400,000		400,000	250,000		250,000	650,000	0	650,000	-150,000	-18.8%			
Day Loan		Yes	1,098		1,098	548		548	339		339	887	0	887	-211	-19.2%			
IPREO		Yes	7,996		7,996	3,998		3,998	2,499		2,499	6,497	0	6,497	-1,499	-18.7%			
DTC Fee		Yes	800		800	350		350	350		350	700	0	700	-100	-12.5%			
Placement Fee			0		0			0			0	0	0	0	0	0.0%			
Printer/Electronic Roadshow		Yes	0		0	5,600		5,600	5,600		5,600	11,200	0	11,200	11,200	11200.0%			
Total Underwriting			810,258	0	810,258	410,846	0	410,846	259,138	0	259,138	669,984	0	669,984	-140,274	-17.3%			

\*Post Closing - Variances of 10% or More  
CR# Justification



LOUISIANA STATE BOND COMMISSION  
FINANCIAL DISCLOSURE FORM

SBC002  
Rev 12/01/12

Entity / Project: Louisiana Public Facilities Authority (Waste Pro USA, Inc. Project) Series 2023  
Debt Instrument: Solid Waste Disposal Revenue Bonds

SBC Tracking #:  
Amount:

S23-004  
\$80,000,000

		Paid From Proceeds	\$40M 2023 BONDS			\$25M 2023 R-2 BONDS			TOTAL			VARIANCE		>10% CR # *			
Firm / Vendor Name			COMPLETE WITH APPLICATION SUBMISSION ESTIMATED			COMPLETE WITH POST CLOSING FORM ACTUAL			COMPLETE WITH POST CLOSING FORM ACTUAL								
			Fees	Expenses	Total	Fees	Expenses	Total	Fees	Expenses	Total	Fees	Expenses	Total	\$	%	
<b>Credit Enhancement</b>																	
Bond Insurance					0			0		0	0	0	0	0	0	0.0%	
Letter of Credit					0			0		0	0	0	0	0	0	0.0%	
Surety					0			0		0	0	0	0	0	0	0.0%	
					0			0		0	0	0	0	0	0	0.0%	
<b>Total Credit Enhancement</b>				0	0	0		0	0	0		0	0	0	0	0.0%	
<b>Other</b>																	
Publishing / Advertising Various		Yes	0	7,500	7,500	1,210		1,210	0	1,210	0	1,210	0	-6,290	-83.9%		
Rating Agency(s) not anticipated					0			0		0	0	0	0	0	0	0.0%	
Insurance not anticipated					0			0		0	0	0	0	0	0	0.0%	
Bond Commission State Bond Commission		Yes	84,500		84,500	44,000		44,000	28,250	28,250	72,250	0	72,250	-12,250	-14.5%		
Issuer Financing LPFA		Yes	40,000		40,000	20,000		20,000	12,500	12,500	32,500	0	32,500	-7,500	-18.8%		
Financial Advisor CTBH Partners LLC		Yes	360,000		360,000	160,000		160,000	100,000	100,000	260,000	0	260,000	-100,000	-27.8%		
Trustee Regions Bank		Yes	15,000		15,000	7,250		7,250	7,250	7,250	14,500	0	14,500	-500	-3.3%		
Escrow Trustee					0			0		0	0	0	0	0	0	0.0%	
Paying Agent					0			0		0	0	0	0	0	0	0.0%	
Feasibility Consultants					0			0		0	0	0	0	0	0	0.0%	
Other Consultants					0			0		0	0	0	0	0	0	0.0%	
Accounting					0			0		0	0	0	0	0	0	0.0%	
Account Verification					0			0		0	0	0	0	0	0	0.0%	
Escrow Verification					0			0		0	0	0	0	0	0	0.0%	
Cash Flow Verification					0			0		0	0	0	0	0	0	0.0%	
					0			0		0	0	0	0	0	0	0.0%	
<b>Total Other</b>				499,500	7,500	507,000	232,460	0	232,460	148,000	0	148,000	380,460	0	380,460	-126,540	-25.0%
<b>TOTAL ISSUANCE COSTS</b>				1,693,158	12,500	1,705,658	1,005,282	3,500	1,008,782	638,453	1,500	639,953	1,643,735	5,000	1,648,735	-56,923	-3.3%

\*Post Closing - Variances of 10% or More  
CR# Justification



LOUISIANA STATE BOND COMMISSION  
FINANCIAL DISCLOSURE FORM

SBC002  
Rev 12/01/12

Entity / Project: Louisiana Public Facilities Authority (Waste Pro USA, Inc. Project) Series 2023  
Debt Instrument: Solid Waste Disposal Revenue Bonds

SBC Tracking #:  
Amount:

S23-004  
\$80,000,000

Firm / Vendor Name	Paid From Proceeds	COMPLETE WITH APPLICATION SUBMISSION ESTIMATED			\$40M 2023 BONDS COMPLETE WITH POST CLOSING FORM ACTUAL			\$25M 2023 R-2 BONDS COMPLETE WITH POST CLOSING FORM ACTUAL			TOTAL COMPLETE WITH POST CLOSING FORM ACTUAL			VARIANCE		>10% CR # *	
		Fees	Expenses	Total	Fees	Expenses	Total	Fees	Expenses	Total	Fees	Expenses	Total	\$	%		
INDIRECT COSTS																	
Beneficiary Organizational																	
Beneficiary Counsel				0			0			0	0	0	0	0	0.0%		
Development				0			0			0	0	0	0	0	0.0%		
Title, Survey, & Appraisal				0			0			0	0	0	0	0	0.0%		
Consultant				0			0			0	0	0	0	0	0.0%		
Insurance				0			0			0	0	0	0	0	0.0%		
Total Beneficiary Organizational		0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%		
Mortgage Banking																	
Lender Counsel				0			0			0	0	0	0	0	0.0%		
Mortgage Servicer Counsel				0			0			0	0	0	0	0	0.0%		
Mortgage Insurance				0			0			0	0	0	0	0	0.0%		
Examination				0			0			0	0	0	0	0	0.0%		
Inspection				0			0			0	0	0	0	0	0.0%		
Total Mortgage Banking		0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%		
TOTAL INDIRECT COSTS																	
		0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%		
TOTAL ISSUANCE AND INDIRECT COSTS																	
		1,693,158	12,500	1,705,658	1,005,282	3,500	1,008,782	638,453	1,500	639,953	1,643,735	5,000	1,648,735	-56,923	-3.3%		

\* Post Closing - Variances of 10% or More  
CR# Justification

**CERTIFICATION**

Application: I certify the above estimated costs and professionals listed are the most accurate representation at time of submission for *preliminary* / *final* approval and all joint accounts and/or fee splitting arrangements by and between financial professionals as reported by the professionals are included.

Meredith L. Hathorn, Esq., Foley & Judell, L.L.P.

Date

Posting Closing: Before me, the undersigned Notary Public, the undersigned person appeared on November 28, 2023 and declared the costs and professionals herewith were the actual costs of issuance and participants, and all joint accounts and/or fee splitting arrangements by and between financial professionals as reported by the professionals were included.

Tiffany M. Trosclair, Foley & Judell, L.L.P.

Garrett N. Gemelos, #39695



November 22, 2023

State Bond Commission  
ATTN: Lela Folse and Ty Delee  
900 North Third Street  
3<sup>rd</sup> Floor – State Capitol  
Baton Rouge, LA 70802

RE: \$40,000,000 Louisiana Public Facilities  
Authority Solid Waste Disposal Revenue Bonds  
(Waste Pro USA, Inc. Project) Series 2023  
SBC Tracking No.: S23-004

Dear State Bond Commission:

This letter supplements the Financial Disclosure Form being submitted by Ms. Trosclair in connection with the captioned application. We are aware that certain fees are in excess of those which were approved by the State Bond Commission and we wanted to provide an update at this time. Factors contributing to potentially higher than anticipated fees include:

- i) The contemplated transaction was anticipated to be a single bond issuance up to \$80.0 million. Waste Pro USA, Inc. (the “Company”) received an initial volume cap allocation of \$40.0 million on October 5, 2023 for the above referenced transaction, which closed on October 26, 2023. There were variances on some of the line items in the financial disclosure related to the legal fees with contributing factors including (a) a longer than anticipated financing schedule due to delays in receiving volume cap and (b) the unanticipated need by various parties to engage local counsel on the transaction in order to render appropriate opinions under Louisiana law. Nevertheless, the aggregate legal fees and expenses were 102% of the estimated total (or approximately \$6,000 greater than those initially estimated). The underwriting and other issuance fees (e.g., the borrower’s financial advisor, the State Bond Commission, Louisiana Public Facilities Authority, etc.), in aggregate, were approximately half of those estimated due to the smaller bond issuance amount.
- ii) The Company was made aware of the possibility of an additional current year volume cap allocation on November 16, 2023 to allow for a second transaction of \$25.0 million necessitating a bond closing prior to year-end. Furthermore, compressing the timeline of a second transaction, the Company desired to close prior to November 30, 2023 in order to preserve the ability for the Company to (a) seek reimbursement for certain eligible capital expenditures and (b) support a significantly longer final maturity than the Company’s tax-exempt transactions outside of Louisiana. To accommodate this compressed timeline, the financing team prepared the necessary financing documents and the preliminary limited offering memorandum was made available to investors on November 17, 2023, the bond offering priced on November 21, 2023, and we anticipate closing on or about November 28, 2023. This compressed time period is extremely unusual.
- iii) The higher legal fees as a result of a second transaction and compressed timeline, which includes the Thanksgiving holiday, are largely offset by lower underwriting and other issuance costs as a result of the lower total issuance amount.



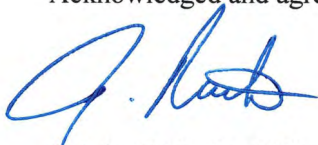
In reviewing the costs of issuance in light of the factors mentioned above, the Company and its financial advisor are both comfortable with the variances in fees incurred relative to those presented on the financial disclosure form. The issuance of tax-exempt bonds is extremely beneficial to the Company and far outweighs the additional costs of issuance paid on these transactions. Please do not hesitate to call me if you have any questions.

Sincerely,



R. Cort Sabina  
Chief Financial Officer  
Waste Pro USA, Inc.

Acknowledged and agreed to by:



P. John Ruth, Jr., CFA  
Managing Partner  
CTBH Partners LLC

Cc: John Ruth



**STATE BOND COMMISSION**

January 18, 2024

Costs of Issuance Reporting

**SYNOPSIS**

**APPLICATION NO:** S23-015A

**ENTITY:** Louisiana Public Facilities Authority (Louisiana Children's Medical Center Project)

**TYPE OF REQUEST:** Reporting

**ANALYST:** Ty DeLee

**SUBMITTED BY:**

Meredith L. Hathorn, Foley & Judell, LLP

**PARAMETERS:**

Reporting on changes in costs of issuance.

**ATTACHMENTS:**

- ☐ **Analysis Summary**
- ☐ **Financial Disclosure Form**



## STATE BOND COMMISSION

January 18, 2024

### Costs of Issuance Reporting

#### ANALYSIS SUMMARY

**APPLICATION NO:** S23-015A  
**ENTITY:** Louisiana Public Facilities Authority (Louisiana Children's Medical Center Project)  
**TYPE OF REQUEST:** Reporting  
**ANALYST:** Ty DeLee

**PARAMETERS:**

Reporting on changes in costs of issuance.

The application was granted final approval on May 18, 2023, as follows:

**Final Approval:**

Amount:	Not exceeding \$105,000,000 Hospital Revenue Bonds
Interest Rate:	Not exceeding 12% fixed or variable
Maturity:	Not exceeding 30 years
Purpose:	Financing, including reimbursing, of capital expenditures throughout the LCMC system.
Cost of Issuance:	\$1,508,150

**Issuance:**

Amount:	\$105,000,000 LPFA Hospital Revenue Bonds, Series 2023A & 2023B
Interest Rate:	3.56% - 5.25%
Maturity:	December 1, 2052
Cost of Issuance:	\$602,155
Issue Date:	June 23, 2023

**10% Line Item Increase Reporting:**

- Increase of \$30,000 for Bank Counsel to Maynard Nexsen & McGlinchy Stafford
- The bonds were split into two series and sold to two purchasers, each requiring separate purchaser counsel.

The net difference in approved and actual incurred fees is a reduction of \$905,955.

The Financial Disclosure Form is attached which reflects the previously approved costs and actual incurred costs.



LOUISIANA STATE BOND COMMISSION  
FINANCIAL DISCLOSURE FORM

SBC002  
Rev 12/01/12

Entity / Project: Louisiana Public Facilities Authority (Louisiana Children's Medical Center Project)  
Debt Instrument: Hospital Revenue Bonds

SBC Tracking #: S23-015  
Amount: NTE \$105,000,000

			SERIES 2023A			SERIES 2023B			TOTAL			VARIANCE				
Firm / Vendor Name	Paid From Proceeds	COMPLETE WITH APPLICATION SUBMISSION ESTIMATED			COMPLETE WITH POST CLOSING FORM ACTUAL			COMPLETE WITH POST CLOSING FORM ACTUAL			COMPLETE WITH POST CLOSING FORM ACTUAL					>10% CR # *
		Fees	Expenses	Total	Fees	Expenses	Total	Fees	Expenses	Total	Fees	Expenses	Total	\$	%	
ISSUANCE COSTS																
Legal																
Bond Counsel	Foley & Judell, L.L.P.	Yes	124,650	5,000	129,650	59,048	1,867	60,715	64,952	1,833	66,785	124,000	3,500	127,500	-2,150	-1.7%
Borrower Counsel	Foley & Lardner, L.L.P.	Yes	90,000	5,000	95,000	42,857		42,857	47,143		47,143	90,000		90,000	-5,000	-5.3%
Issuer Counsel	Jacob Capraro	Yes	26,000		26,000	12,000		12,000	14,000		14,000	26,000		26,000	0	0.0%
Underwriter/Bank Counsel	Maynard Nexsen/McGlinchy S	Yes	85,000	5,000	90,000	90,000	5,000	95,000	25,000		25,000	120,000		120,000	30,000	33.3%
Co-Underwriter Counsel					0			0			0					0.0%
Preparation of Blue Sky Memo					0			0			0					0.0%
Preparation of Official Statements					0			0			0					0.0%
Tax Counsel					0			0			0					0.0%
Trustee Counsel	Jones Walker LLP	Yes	15,000	2,500	17,500	6,000		6,000	6,000		6,000	12,000		12,000	-5,500	-31.4%
Escrow Trustee Counsel					0			0			0					0.0%
					0			0			0					0.0%
Total Legal			340,650	17,500	358,150	209,905	6,667	216,572	157,095	1,833	158,928	372,000	3,500	375,500	17,350	4.8%
Underwriting																
Sales Commission					0			0			0	0	0	0		0.0%
Management					0			0			0	0	0	0		0.0%
MSRP / CUSIP / PSA	BofA Securities	Yes	26,250		26,250	0		0	0		0	0	0	0	-26,250	-100.0%
Takedown					0			0			0	0	0	0		0.0%
Day Loan					0			0			0	0	0	0		0.0%
Placement Fee	BofA Securities	Yes	603,750		603,750	0		0	0		0	0	0	0	-603,750	-100.0%
					0			0			0	0	0	0		0.0%
Total Underwriting			630,000	0	630,000	0	0	0	0	0	0	0	0	0	-630,000	-100.0%

\*Post Closing - Variances of 10% or More

CR# Justification

Line 13 - The bonds were split into two series - one sold to BofA and one to JPM - Maynard Nexsen was Purchaser Counsel on Series 2023A and McGlinchy Stafford was Purchaser Counsel on 2023B



**LOUISIANA STATE BOND COMMISSION  
FINANCIAL DISCLOSURE FORM**

SBC002  
Rev 12/01/12

Entity / Project: Louisiana Public Facilities Authority (Louisiana Children's Medical Center Project)  
Debt Instrument: Hospital Revenue Bonds

SBC Tracking #: S23-015  
Amount: NTE \$105,000,000

Firm / Vendor Name	Paid From Proceeds	COMPLETE WITH APPLICATION SUBMISSION ESTIMATED			SERIES 2023A COMPLETE WITH POST CLOSING FORM ACTUAL			SERIES 2023B COMPLETE WITH POST CLOSING FORM ACTUAL			COMPLETE WITH POST CLOSING FORM ACTUAL TOTAL			VARIANCE		>10% CR # *
		Fees	Expenses	Total	Fees	Expenses	Total	Fees	Expenses	Total	Fees	Expenses	Total	\$	%	
<b>Credit Enhancement</b>																
Bond Insurance				0			0			0	0	0	0	0	0.0%	
Letter of Credit				0			0			0	0	0	0	0	0.0%	
Surety				0			0			0	0	0	0	0	0.0%	
<b>Total Credit Enhancement</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	
<b>Other</b>																
Publishing / Advertising	Various	Yes	10,000		10,000	5,000		5,000	5,000		5,000		10,000		10,000	0.0%
Rating Agency(s)	S&P	Yes	85,000		85,000	0		0	0		0		0	-85,000	-100.0%	
Insurance															0.0%	
Bond Commission	SBC	Yes	109,000		109,000	52,320		52,320	56,680		56,680		109,000		109,000	0.0%
Issuer Financing	LPFA	Yes	62,500		62,500	25,000		25,000	27,500		27,500		62,500		62,500	0.0%
Financial Advisor	Kaufman Hall	Yes	155,000		155,000	15,000		15,000	17,656		17,656		32,656	-122,344	-78.9%	
Trustee	BNY Mellon	Yes	25,000		25,000	9,452		9,452	9,548		9,548		19,000	-6,000	-24.0%	
Escrow Trustee															0.0%	
Paying Agent															0.0%	
Feasibility Consultants															0.0%	
Other Consultants															0.0%	
Accounting	LaPorte	Yes	75,000	5,000	80,000	0		0	0		0		0	-80,000	-100.0%	
Account Verification															0.0%	
Escrow Verification															0.0%	
Cash Flow Verification															0.0%	
Transcript Production	Alliance Document Service	Yes	3,500		3,500	1,750		1,750	1,750		1,750		3,500	0	0.0%	
<b>Total Other</b>			515,000	5,000	520,000	108,522	0	108,522	118,134	0	118,134		226,656	-293,344	-56.4%	
<b>TOTAL ISSUANCE COSTS</b>			1,485,650	22,500	1,508,150	318,427	6,667	325,094	275,228	1,833	277,061	598,656	3,500	602,156	-905,995	-60.1%

\*Post Closing - Variances of 10% or More  
CR# Justification



LOUISIANA STATE BOND COMMISSION  
FINANCIAL DISCLOSURE FORM

SBC002  
Rev 12/01/12

Entity / Project: Louisiana Public Facilities Authority (Louisiana Children's Medical Center Project)  
Debt Instrument: Hospital Revenue Bonds

SBC Tracking #: S23-015  
Amount: NTE \$105,000,000

Firm / Vendor Name	Paid From Proceeds	COMPLETE WITH APPLICATION SUBMISSION ESTIMATED			COMPLETE WITH POST CLOSING FORM ACTUAL			COMPLETE WITH POST CLOSING FORM ACTUAL			COMPLETE WITH POST CLOSING FORM ACTUAL			VARIANCE		>10% CR #	
		Fees	Expenses	Total	Fees	Expenses	Total	Fees	Expenses	Total	Fees	Expenses	Total	\$	%		
INDIRECT COSTS																	
Beneficiary Organizational																	
Beneficiary Counsel				0			0			0	0	0	0	0	0.0%		
Development				0			0			0	0	0	0	0	0.0%		
Title, Survey, & Appraisal				0			0			0	0	0	0	0	0.0%		
Consultant				0			0			0	0	0	0	0	0.0%		
Insurance				0			0			0	0	0	0	0	0.0%		
				0			0			0	0	0	0	0	0.0%		
Total Beneficiary Organizational			0	0	0		0	0	0		0	0	0		0	0.0%	
Mortgage Banking																	
Lender Counsel				0			0			0	0	0	0	0	0.0%		
Mortgage Servicer Counsel				0			0			0	0	0	0	0	0.0%		
Mortgage Insurance				0			0			0	0	0	0	0	0.0%		
Examination				0			0			0	0	0	0	0	0.0%		
Inspection				0			0			0	0	0	0	0	0.0%		
				0			0			0	0	0	0	0	0.0%		
Total Mortgage Banking			0	0	0		0	0	0		0	0	0		0	0.0%	
TOTAL INDIRECT COSTS																	
			0	0	0		0	0	0		0	0	0		0	0.0%	
TOTAL ISSUANCE AND INDIRECT COSTS																	
		1,485,650	22,500	1,508,150	318,427	6,667	325,094	275,228	1,833	277,061	598,655	3,500	602,155	-905,995	-60.1%		

\* Post Closing - Variances of 10% or More  
CR# Justification

CERTIFICATION

Application: I certify the above estimated costs and professionals listed are the most accurate representation at time of submission for preliminary / final approval and all joint accounts and/or fee splitting arrangements by and between financial professionals as reported by the professionals are included.

Meredith L. Hathorn, Foley & Judell, L.L.P.

04/19/23  
Date

Posting Closing: Before me, the undersigned Notary Public, the undersigned person appeared on November 28, 2023 and declared the costs and professionals herewith were the actual costs of issuance and participants, and all joint accounts and/or fee splitting arrangements by and between financial professionals as reported by the professionals were included.

Tiffany M. Trosclair, Foley & Judell, L.L.P.

Garrett N. Gemelos, #39695

## Item 19 - Disclosure Counsel

Authorization to execute an amendment to the Disclosure Counsel contract to extend the term for one additional year.

- Disclosure counsel provides the State with legal advice with respect to federal securities laws and information provided to investors when issuing bonds and on an ongoing basis.
- The current contract is with Foley & Judell. The contract began on January 30, 2023 and ends on January 29, 2024. The contract authorizes two 1-year extensions, and the request is to exercise the first to extend the term for an additional 1 year.
- Foley & Judell was competitively selected and approved by the Commission at the January 2023 meeting. The total contract amount is \$9,042.

## **Bond Counsel & Co-Bond Counsel Request for Qualifications Dated December 12, 2023**

### **Item 20 - Request for Qualifications**

Consideration of evaluation teams recommendations for selection of a pool of Bond Counsels and Co-Bond Counsels for certain new money General Obligation Bonds, refundings of General Obligation Bonds and other financings and refundings at the discretion of the Commission.

- The Commission historically retains a pool of Bond Counsels to serve as lead counsel and Co-Bond Counsels to serve along with lead counsel.
- The pool allows firms to obtain experience working on State issues so that ultimately the pool of in-state Bond Counsel firms will grow and benefit all political subdivisions in the State.
- Bond Counsel and Co-Bond Counsel are qualified through a Request for Qualifications ("RFQ").
  - Evaluation team reviews responses and makes a recommendation to the Commission.
  - Evaluation team is comprised of designees of the Treasurer, Attorney General, Senate, President, House Speaker and Commissioner of Administration.
  - If a firm qualifies, the firm is placed in the pool.
- The pool has been used on a rotation structure, once each firm has served on a transaction, a new RFQ is completed.
- The last pool as approved by the Commission in October 2020. The Commission modified the qualifications to allow for taxable bonds to be considered and left the qualification period open for 6 months to allow additional time for more firms to submit proposals.
- 7 Responses were received from the following firms:
  - Auzenne & Associates, LLC
  - Boles Shafto
  - Breazeale, Sachse & Wilson
  - Butler Snow
  - Dunlap Fiore
  - Foley & Judell, LLP
  - Jones Walker

## Recommendation

Lead Bond Counsel	
1. Breazeale, Sachse & Wilson	Tracy A. Morganti C. Stokes McConnell, Jr.
2. Jones Walker	Matthew W. Kern John C. Morris, IV Lauren V. Tarver
3. Butler Snow	Carmen Lavergne Tommy Hessburg Adam Parker Renee Moore (tax, out of state) Maria Hardwood (municipal disclosure & securities law, out of state)
4. Boles Shafto	Wesley S. Shafto William R. Boles, Jr
5. Foley & Judell, LLP	Meredith Hathorn M. Jason Akers Brennan K. Black Tiffaney M. Trosclair Garrett N. Gemelos
Co-Bond Counsel	
1. Auzenne & Associates, L.L.C.	Maria Auzenne Jason Mason, of-counsel
2. Dunlap Fiore	Jennifer Fiore John Dunlap Erin G. Fonacier

- Accept additional responses from Boles Shafto and Dunlap Fiore (SBC must waive strict compliance with the RFQ)
- Breazeale, Sachse & Wilson contingent upon approval of the AG of conflict-of-interest letter
- Leave the qualification period open for 6 months to allow additional firms to submit proposals
- Alternate co-bond counsel with lead counsel

**Bond Counsel and Co-Bond Counsel Minimum Qualifications**

- Maintain a fully staffed office in the State; and
- Have an attorney qualified to provide services whose primary residence and legal domicile is in the State; and
- Be listed in the most recent issue of “The Bond Buyer’s Municipal Marketplace”, Municipal Bond Attorney’s Listing or must be eligible for inclusion in any subsequent edition.
- Lead Bond Counsel must show substantial experience in the practice of law related to municipal finance:
  - At least one attorney on staff who is domiciled, resides and practices in Louisiana who has a minimum of 10 years of public finance experience as Bond Counsel, and
  - Law firms or at least one of its attorneys on the team assigned to engagement has participated as Bond Counsel or Co-Bond Counsel with respect to general obligation bonds, revenue bonds and/or refunding bonds of any state within the last 10 years.
- Co-Bond Counsel must show that at a minimum it has at least one attorney on the team assigned to the engagement who is domiciled, resides and practices in Louisiana who has public finance experience as:
  - Bond Counsel or Co-Bond Counsel to issuers in Louisiana with respect to at least 3 tax-exempt/taxable bond issues for the previous 3 years; or
  - Underwriter’s Counsel or Co-Underwriter’s Counsel with respect to 5 or more public offerings of tax-exempt/taxable bonds in the State during the previous 5 years.



## **STATE BOND COMMISSION**

### **2024 DEBT REPORT: NET STATE TAX SUPPORTED DEBT AND OTHER BONDED DEBT**

*Presented to*

Governor Jeff Landry

Senator Cameron Henry  
President of the Senate

Representative Phillip R. DeVillier  
Speaker of the House

[TBD]

Chair, Joint Legislative Committee on Capital Outlay

By  
State Treasurer John Fleming, MD  
Chair, State Bond Commission

**January 18, 2024**

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## EXECUTIVE SUMMARY

The State Bond Commission (“SBC”) has prepared the 2024 Debt Report: Net State Tax Supported Debt and Other Bonded Debt in accordance with Article VII, Section 6(F) of the Louisiana Constitution, as amended, La. R.S. 39:1367, et seq. and the Debt Limit Rule of the SBC. In addition, the report outlines changes in the State’s debt position that occurred over Fiscal Year 2023 and through December 31, 2023, for Fiscal Year 2024, projections for future fiscal years affecting the State’s Constitutional debt limit, credit ratings, outstanding debt and debt trends, inclusive of debt not considered Net State Tax Supported Debt (“NSTSD”) for state law purposes but included in the State’s net tax supported debt calculations by rating agencies from a credit perspective.

### NSTSD

The NSTSD limit is a Constitutional debt limit that constrains the amount of debt that can be issued by the State. Debt service can be no more than 6% of the estimated general fund and dedicated fund revenues in any fiscal year as forecasted by the Revenue Estimating Conference (“REC”).

- The NSTSD percentage for Fiscal Year 2024 is **4.30%** as compared to 4.37% in Fiscal Year 2023.
- **Approximately \$750 million** of proceeds can be raised annually within the 6% NSTSD limitation, assuming 20-year level debt.

### Moody’s State Liabilities (Fiscal Year 2022)

<u>Measure</u>	<u>Louisiana</u>	<u>Ranking (Highest Levels to Lowest)</u>	<u>Selected Southern State Avg.</u>	<u>National Avg.</u>	<u>National Median</u>
NTSD per Capita	\$1,809	18	\$1,073	\$1,808	\$1,178
NTSD as a % of Personal Income	3.3%	14	2.1%	2.7%	2.2%

### Credit Ratings

- Moody’s, S&P, and Fitch current GO Bond ratings are **Aa2, AA-, AA-**, respectively.
- In March 2023 S&P revised the State’s outlook from stable to positive; while Moody’s and Fitch maintain a stable outlook.
- In April 2023, Kroll Bond Rating Agency (“KBRA”) issued its first Louisiana GO Bond rating of AA and assigned a stable outlook.

### Debt Trend Highlights

- Six transactions occurred in Fiscal Year 2023, of which three were refinancings providing the State **\$2.7 million in savings over the life of the bonds** and **\$2.4 million in present value savings**.
- Five transactions have occurred in Fiscal Year 2024.
- Total principal and interest outstanding increased by \$134 million since the last report in 2023.
- A new General Obligation Bond sale is anticipated prior to the end of Fiscal Year 2024 to fund capital outlay projects.

### Principal and interest outstanding as of December 31, 2023 (numbers may not add precisely due to rounding)

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>FY24 Debt Service</u>	<u>FY25 Debt Service</u>
General Obligation <sup>(1)</sup>	\$3.3B	\$1.1B	\$4.4B	\$436M	\$430M
Gas & Fuels <sup>(1)</sup>	\$2.5B	\$1.0B	\$3.5B	\$137M	\$140M
State Hwy Improvement <sup>(1)</sup>	\$203M	\$18M	\$221	\$21M	\$21M
Unclaimed Property <sup>(1)</sup>	\$135M	\$16M	\$151	\$14M	\$14M
GARVEEs <sup>(1)</sup>	\$436M	\$132M	\$569	\$72M	\$57M
Deepwater Horizon <sup>(1)(2)</sup>	\$283M	\$30M	\$313	\$89K	\$5M
Appropriation Dependent	\$731M	\$191M	\$922	\$87M	\$81M
Self-Supporting	\$26M	\$6M	\$32	\$2M	\$3M
Other Debt	\$10M	\$1M	\$12	\$3M	\$3M
<b>TOTAL</b>	<b>\$7.6B</b>	<b>\$2.5B</b>	<b>\$10.1B</b>	<b>\$771M</b>	<b>\$754M</b>

<sup>(1)</sup> Debt issued and managed by SBC.

<sup>(2)</sup> Outstanding debt is preliminary and subject to change based on actual draws.

## INTRODUCTION

### Net State Tax Supported Debt

Pursuant to Article VII, Section 6(F) of the Louisiana Constitution of 1974, as amended, the State is prohibited from issuing Net State Tax Supported Debt (“NSTSD”) if the debt service, including sinking fund requirements, is above 6% of the estimated state general fund and dedicated funds in any fiscal year. The debt limit is established by the official forecast adopted by the Revenue Estimating Conference (“REC”) at its first meeting after the beginning of each fiscal year. La. R.S. 39:1367 further defines NSTSD and specifies debt obligations that are included in the limitation. Debt obligations may be excluded by specific legislative instrument receiving a favorable two-thirds vote of the entire legislature.

NSTSD is categorized by:

- State of Louisiana General Obligation Bonds secured by the full faith and credit of the State,
- State of Louisiana Revenue Bonds secured by dedicated revenues of the State,
- Appropriation Dependent debt issued by various entities and secured by annual appropriation of funds by the Legislature, and
- Self-supporting debt issued by various entities and secured by tolls and other revenues derived by the entity.

Prior to 2013, the REC forecast typically included gross tax revenue funds that flow into the State General fund, as well as any statutory dedications of those funds. Other Dedicated Funds and Self-Generated Funds were not included. However, Act 419 of the 2013 Regular Session modified this practice by directing the REC to forecast all funds required to be deposited in the state treasury, which includes all gross tax revenue funds, all statutorily dedicated funds, and all self-generated funds, subject to the exceptions listed in Article VII, Section 10(J) of the LA Constitution. Pursuant to AG Opinion 14-0034 issued on May 5, 2014, the calculation of the NSTSD limitation must include the additional statutorily dedicated funds and self-generated funds. According to the opinion, the effect of Act 419 on the NSTSD limitation was unintentional. Additional revenue recognized under Act 419 is not necessarily available to pay debt service.

In order to alleviate concerns that additional NSTSD will be issued under the increased debt limit without the benefit of additional revenues to pay the debt service on debt that constitutes NSTSD, the State Bond Commission (“SBC”) adopted a resolution on August 21, 2014, which states that the SBC shall not approve the issuance of any debt that constitutes NSTSD if the issuance of that debt shall cause the amount of money necessary to service outstanding NSTSD to exceed six percent (6%) of the estimate of money to be received by the state general fund and dedicated funds for each respective fiscal year as determined by the REC under the methods used by the REC prior to the effective date of Act 419. Therefore, for purposes of this report, REC revenues do not include Act 419 revenues.

### Non-Net State Tax Supported Debt

For state law purposes, the following is not considered in the NSTSD calculation but may be included by the rating agencies from a credit perspective, and/or reported in the State’s Annual Comprehensive Financial Report.

Bonds excluded from NSTSD Limitation pursuant to La. R.S. 39:1367(E)(2)(b)(iii), (v), and (vii) as follows:

- (1) General Obligation Bonds secured by the full faith and credit of the State (Series 2013C and 2020C-2).
- (2) Appropriation Dependent debt secured by annual appropriation by the Legislature, issued by the Louisiana Community Development Authority (“LCDA”) for the benefit of the Louisiana Community and Technical College System (“LCTCS”) Act 360 projects (Series 2017, 2018, 2019, 2021).
- (3) Deepwater Horizon Economic Damages Revenue Bonds issued pursuant to La. R.S. 39:91.

Grant Anticipation Revenue Vehicle (“GARVEEs”) Bonds issued pursuant to La. R.S. 48:27 are not included in the NSTSD Limitation as the bonds are secured by Federal Transportation Funds (Series 2019A, 2021A and 2023).

Other Debt excluded from NSTSD Limitation as it is secured by sources not included in the NSTSD definition as follows:

- (1) LCDA - Louisiana Department of Corrections Qualified Energy Conservation Bonds Series 2011, payable from lease payments made by the Department, resulting from guaranteed energy savings as provided by an energy efficiency contract and services agreement with Johnson Controls, Inc.
- (2) Bonds expected to be issued by the Louisiana Public Facilities Authority on behalf of the Department of Public Safety for construction of a new crime lab that will be payable from handling charges of the Office of Motor Vehicles.

The SBC is prohibited from approving the issuance of NSTSD if the debt service required by such debt issuance in any fiscal year would exceed the 6% NSTSD limit. In order to determine the principal amount that can be issued in any one fiscal year and remain within the debt limitation, certain assumptions are made as to interest rate and future issuances in the NSTSD - Projection Model (the "Projection Model"). The Projection Model is revised periodically to allow for changes in interest rate assumptions, actual debt issued, and future revenue estimates of the REC.

The Projection Model scenarios do not include debt service requirements associated with the debt not considered NSTSD as noted on the previous page.

The Projection Model uses the following assumptions to make the mandated statutory calculations. Any changes in a variable will result in a change to the outcome.

**Revenues:**

- 1<sup>st</sup> Official REC forecast of December 14, 2023, for Fiscal Years 2024 through 2028 (forecast accounts for the reduction in sales taxes due to the expiration of the 0.45% sales tax in Fiscal Year 2026); and
- Revenues beyond the REC forecast, beginning in Fiscal Year 2029, incorporates a 2% growth factor.

**General Obligation Bonds:** Debt service for existing General Obligation Bond issues is fixed and assumed to be paid until maturity. Future General Obligation Bond issues assume 20-year maturities, level debt service, conservative interest rate assumptions and an average coupon of 5.00%.

**Gasoline and Fuels Tax Bonds:** Debt service for Gasoline and Fuels Tax Bonds assume the following:

- 2022A Actual debt service and swap payments through December 31, 2023. Projected debt service with a forecasted interest rate through maturity based on a blended swap rate of 4.447% plus spread over index. The bonds have a mandatory tender date of May 1, 2026.
- 2023A-1 Actual debt service and swap payments through December 31, 2023. Projected debt service with a forecasted interest rate through expiration of Credit Facility in March 2028, based on an average remarketing rate plus blended swap rate of 3.646%; and a forecasted interest rate thereafter through maturity based on the blended swap rate plus spread over index. The bonds are subject to mandatory tender for purchase under certain circumstances, including, conversion to another mode, termination of Credit Facility and an event of default under the Credit Facility.
- 2023A-2 Actual debt service and swap payments through December 31, 2023. Projected debt service with a forecasted interest rate through expiration of Credit Facility in March 2028, based on an average remarketing rate plus blended swap rate of 3.665%; and a forecasted interest rate thereafter through maturity based on the blended swap rate plus spread over index. The bonds are subject to mandatory tender for purchase under certain circumstances, including, conversion to another mode, termination of Credit Facility and an event of default under the Credit Facility.

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# EXISTING DEBT PROFILE

Agenda Item # 21

Table 1

Fiscal Year Ending	Current Debt Service	Revenue Projections	Excess Capacity	Current Percentage	Allowable Percentage
6/30	(in thousands)	(in thousands)	(in thousands)		
		As of 12/14/23			
2024	668,999	15,547,100	263,827	4.30%	6.00%
2025	660,531	15,599,000	275,409	4.23%	6.00%
2026	637,514	15,136,800	270,694	4.21%	6.00%
2027	600,351	15,307,000	318,069	3.92%	6.00%
2028	568,004	15,444,900	358,690	3.68%	6.00%
2029	566,856	15,753,798	378,372	3.60%	6.00%
2030	520,243	16,068,874	443,889	3.24%	6.00%
2031	505,056	16,390,251	478,359	3.08%	6.00%
2032	511,163	16,718,056	491,920	3.06%	6.00%
2033	483,193	17,052,418	539,952	2.83%	6.00%

Table 1 reflects actual existing NSTSD debt service requirements for future years and the current percentage levels assuming no further debt issues as compared to the percentages allowable in La. R.S. 39:1367A(1)(k) through the 2033 Fiscal Year. The difference between the last two columns of the table reflects a snapshot of borrowing margin available; it does not represent “actual” margin, as it does not include future debt issues that are planned or committed to be sold.

## NSTSD Outstanding - \$8,865,078,564 as of December 31, 2023

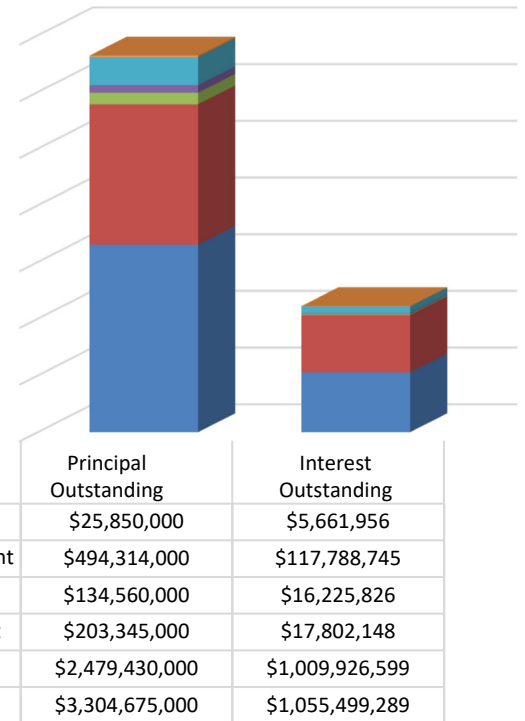
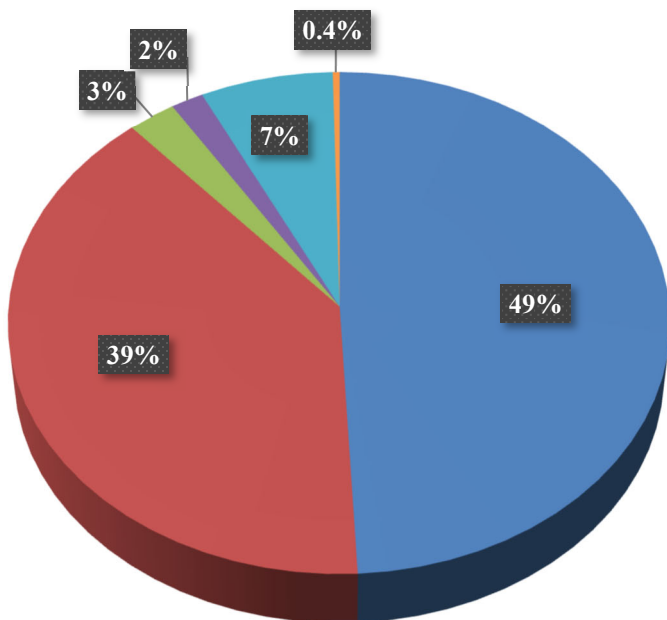


FIGURE 1

**Maximum Debt Limit Capacity  
\$750M Annually - 20 Year Level Debt**

Table 2 and Figure 2 below illustrate the 6% constitutional debt limit impact of the existing NSTSD, as reflected in Table 1, as well as the State issuing \$750 million of General Obligation bond proceeds in Fiscal Year 2024 and each year thereafter through Fiscal Year 2032 to reflect the maximum capacity under the debt limit. Projected debt service is based on a 20-year level debt structure.

Table 2

Fiscal Year Ending	Projected Debt Service	Revenue Projections	Excess Capacity	Current Percentage	Allowable Percentage
6/30	(in thousands)	(in thousands)	(in thousands)		
		<b>As of 12/14/23</b>			
2024	668,999	15,547,100	263,827	4.30%	6.00%
2025	717,245	15,599,000	218,695	4.60%	6.00%
2026	751,913	15,136,800	156,295	4.97%	6.00%
2027	773,439	15,307,000	144,981	5.05%	6.00%
2028	801,271	15,444,900	125,423	5.19%	6.00%
2029	860,302	15,753,798	84,926	5.46%	6.00%
2030	873,868	16,068,874	90,264	5.44%	6.00%
2031	918,866	16,390,251	64,549	5.61%	6.00%
2032	985,156	16,718,056	17,927	5.89%	6.00%
2033	1,017,367	17,052,418	5,778	5.97%	6.00%

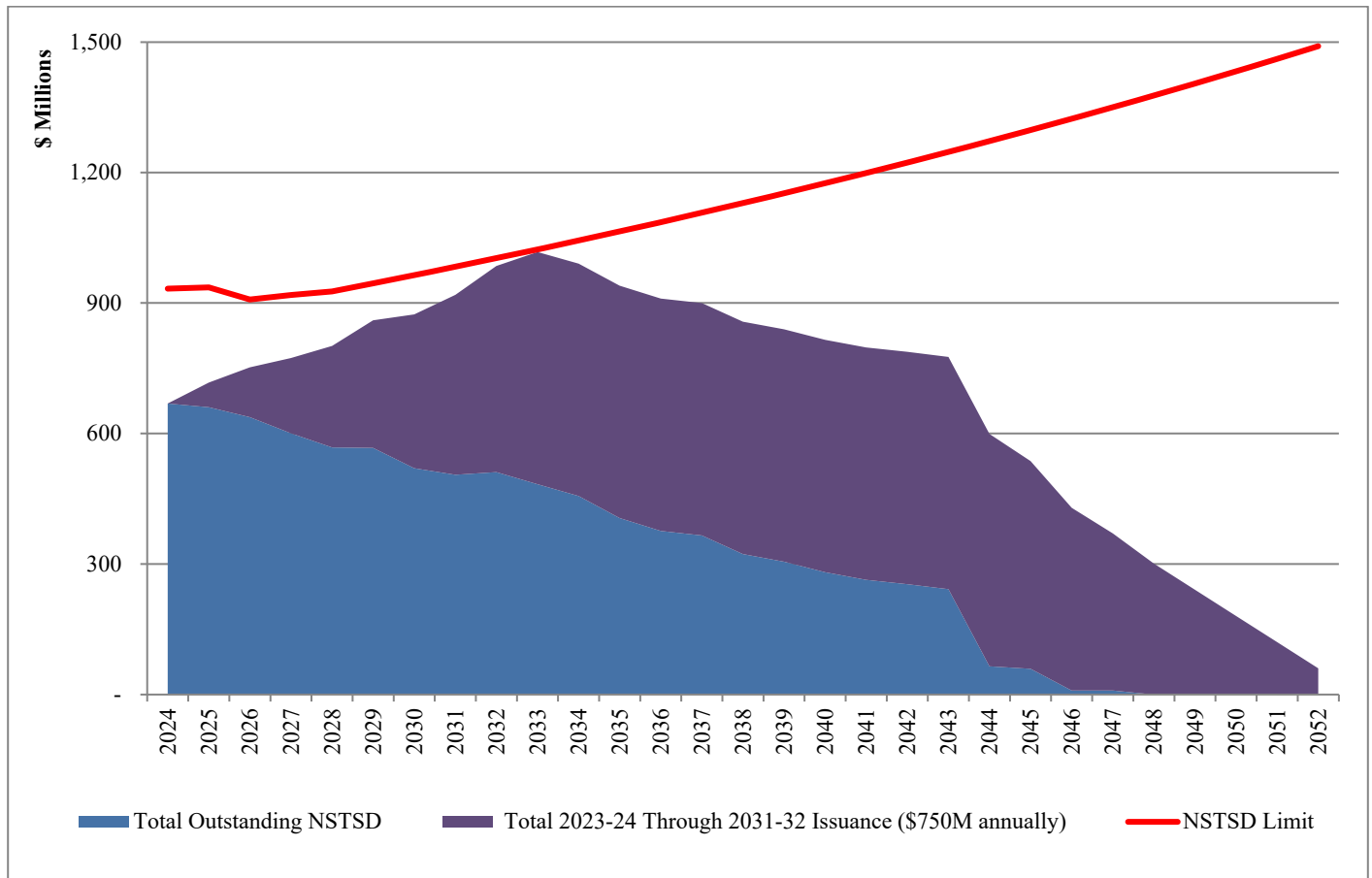


FIGURE 2

# SCENARIO 1

## Maximum Debt Limit Capacity \$750M Annually - 20 Year Level Debt (cont.)

### Effect of New GO Debt Cost on the Operating Budget

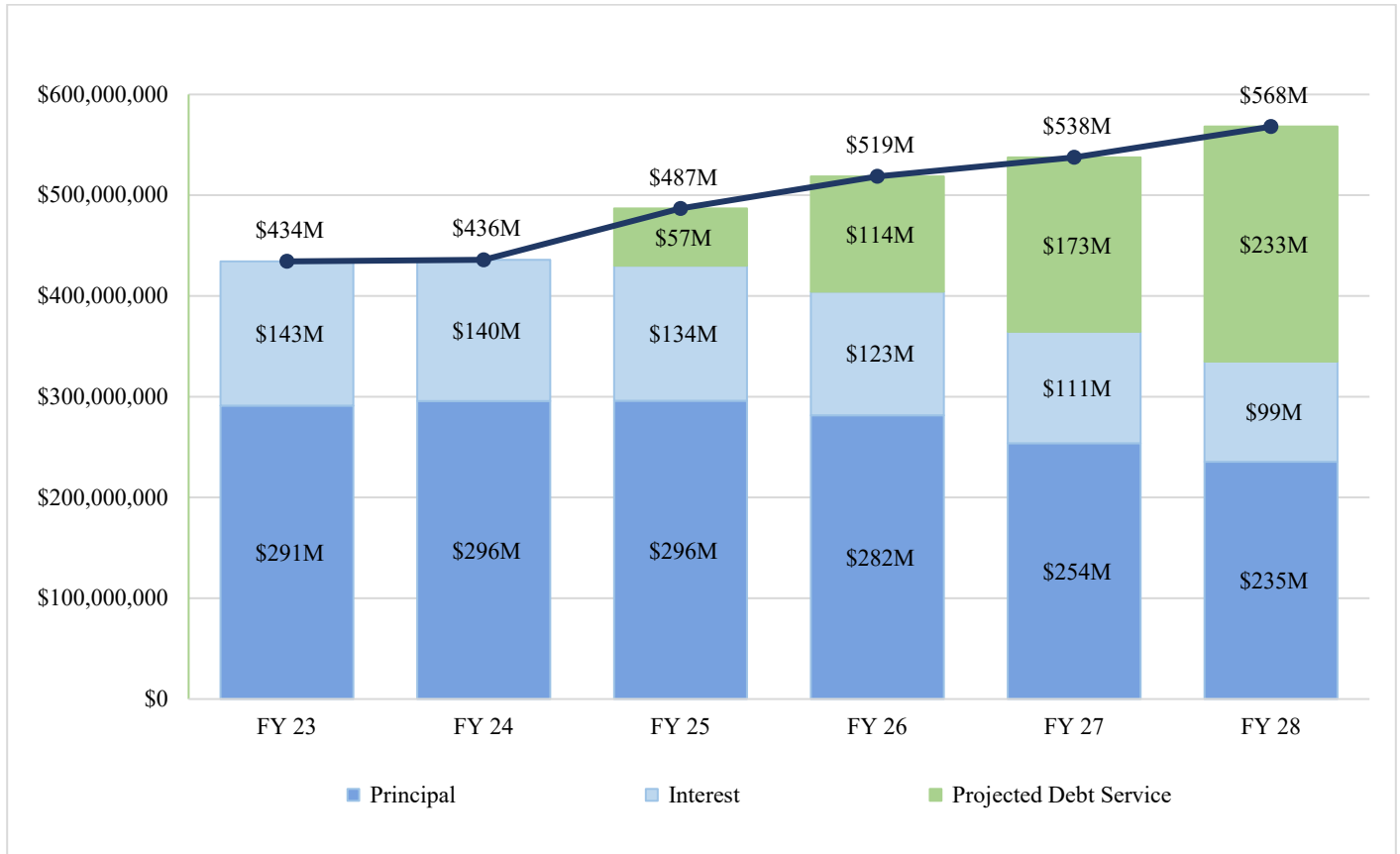


FIGURE 3

***If the State issued \$750 million of General Obligation Bond proceeds annually, beginning in Fiscal Year 2024, debt service would increase to \$568 million in Fiscal Year 2028.*** Figure 3 above shows General Obligation actual annual debt service due on all outstanding General Obligation Bonds (those considered NSTSD & Non-NSTSD), and projected debt service based on the State issuing \$750 million of General Obligation bond proceeds in Fiscal Year 2024 and each year thereafter through Fiscal Year 2032.

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**Capital Outlay Funding  
\$350M Annually - 20 Year Level Debt**

Table 3 and Figure 4 (below) illustrate the 6% constitutional debt limit impact of the existing debt, as reflected in Table 1, as well as the State issuing \$350 million of General Obligation bond proceeds in Fiscal Year 2024 and each year thereafter through Fiscal Year 2032 to fund Capital Outlay projects. Projected debt service is based on a 20-year level debt structure.

Table 3

Fiscal Year Ending	Projected Debt Service	Revenue Projections	Excess Capacity	Current Percentage	Allowable Percentage
6/30	(in thousands)	(in thousands)	(in thousands)		
		As of 12/14/23			
2024	668,999	15,547,100	263,827	4.30%	6.00%
2025	686,997	15,599,000	248,943	4.40%	6.00%
2026	690,901	15,136,800	217,307	4.56%	6.00%
2027	681,127	15,307,000	237,293	4.45%	6.00%
2028	676,861	15,444,900	249,833	4.38%	6.00%
2029	703,800	15,753,798	241,428	4.47%	6.00%
2030	685,270	16,068,874	278,862	4.26%	6.00%
2031	698,169	16,390,251	285,246	4.26%	6.00%
2032	732,362	16,718,056	270,721	4.38%	6.00%
2033	732,477	17,052,418	290,668	4.30%	6.00%

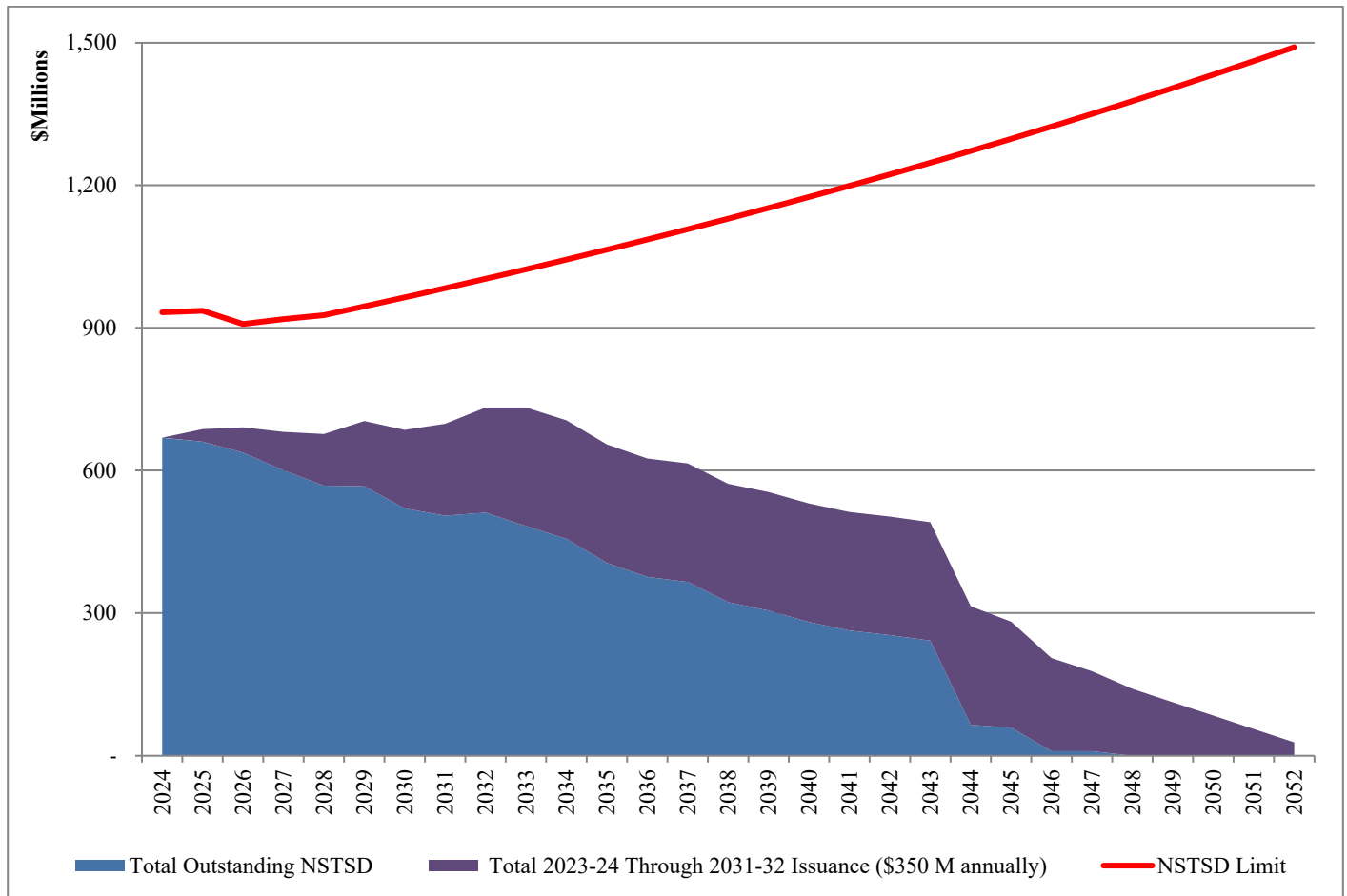


FIGURE 4

**Capital Outlay Funding  
\$350M Annually - 20 Year Level Debt (cont.)**

**Effect of New GO Debt Cost on the Operating Budget**

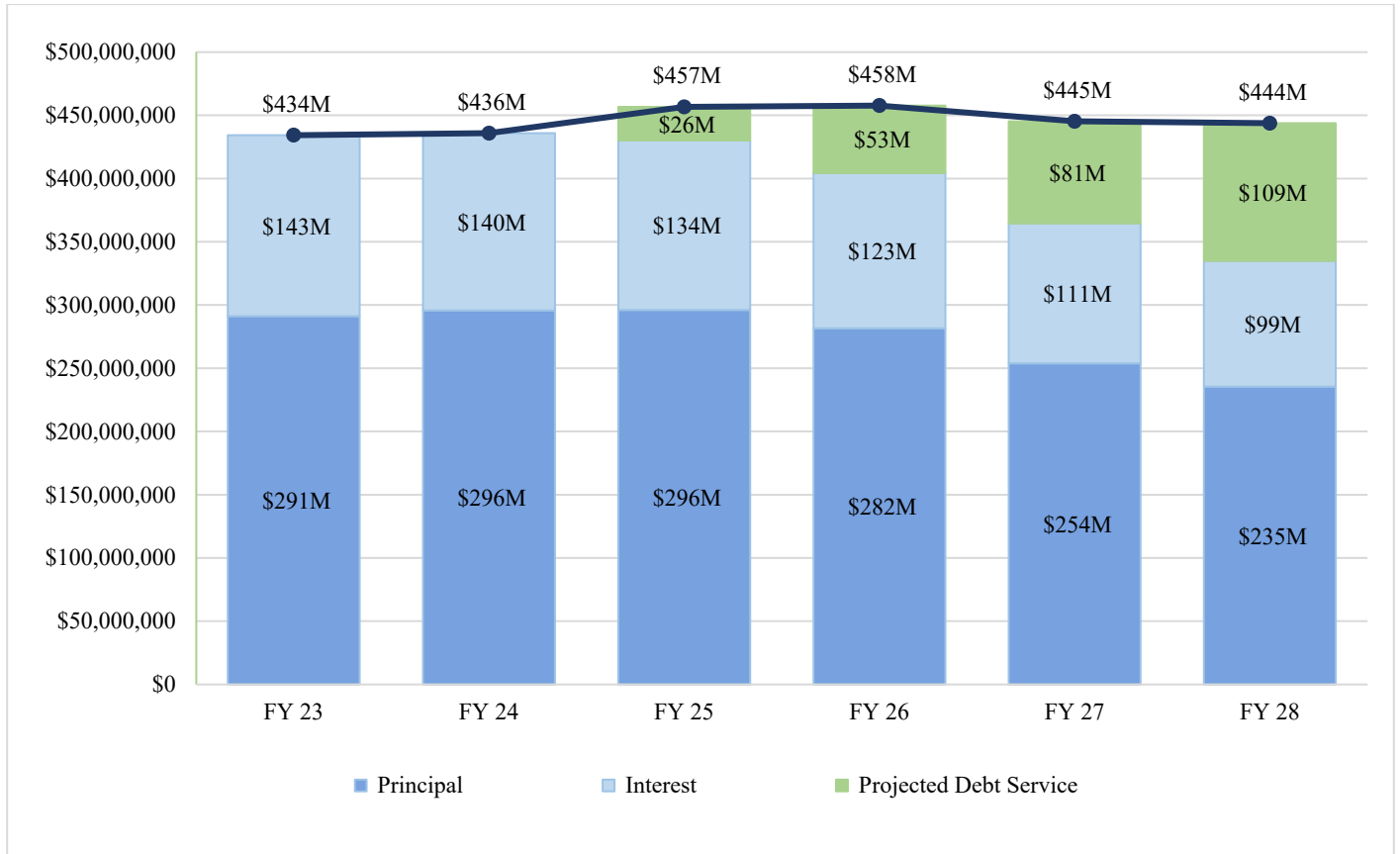


FIGURE 5

*If the State issued an additional \$350 million of General Obligation Bond proceeds annually, beginning in Fiscal Year 2024, debt service would increase to \$458 million in Fiscal Year 2026 before beginning to step down in the following two years.* Figure 5 above shows General Obligation actual annual debt service payments due on all outstanding General Obligation Bonds (those considered NSTSD & Non-NSTSD), and projected debt service based on the State issuing \$350 million of General Obligation bond proceeds in Fiscal Year 2024 and each year thereafter through Fiscal Year 2032.

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In September 2023, Moody's released its US State Liabilities report, which uses various debt metrics to compare state debt burdens and pension and OPEB burdens, which are some of many factors that Moody's uses to determine state credit quality. Selected metrics from the report are summarized in the table below.

Moody's focus in considering debt burden is on bonded indebtedness and net tax-supported debt, which Moody's characterizes as debt secured by statewide taxes and other governmental revenues, net obligations that are paid with revenue other than state taxes and other governmental revenue, and that is accounted for in non-governmental activities (such as utilities or higher education funds). Their calculation includes unamortized bond premiums/discounts and accreted interest because they represent long-term liabilities that must be repaid by states.

The ratios calculated by Moody's are based on Moody's definition of net tax-supported debt (as outlined above) and will differ from State Bond Commission calculations of debt limits or debt affordability.

<u>Measure</u>	<u>Louisiana</u>	<u>Mean</u>	<u>Median</u>	<u>Ranking (highest to lowest)</u>
Net Tax-Supported Debt per Capita	\$1,809	\$1,808	\$1,178	18
Net Tax-Supported Debt as a % of Personal Income	3.3%	2.7%	2.2%	14
Net Tax-Supported Debt as % of State GDP	3.0%	2.4%	2.0%	14

Figures 6 and 7 below illustrate a historical trend of Louisiana's debt median ratios on a per capita and percentage of personal income basis when compared to the national and selected southern states average. The selected southern states include Alabama, Arkansas, Georgia, Kentucky, Mississippi and Tennessee. Further, we will note for purposes of this report the years reflected for the horizontal axis reflect the year the data was made available and not necessary a fiscal year. The calculations in the report released on September 2023 are based on Moody's analysis of outstanding debt using Fiscal Year 2022 audited financials.

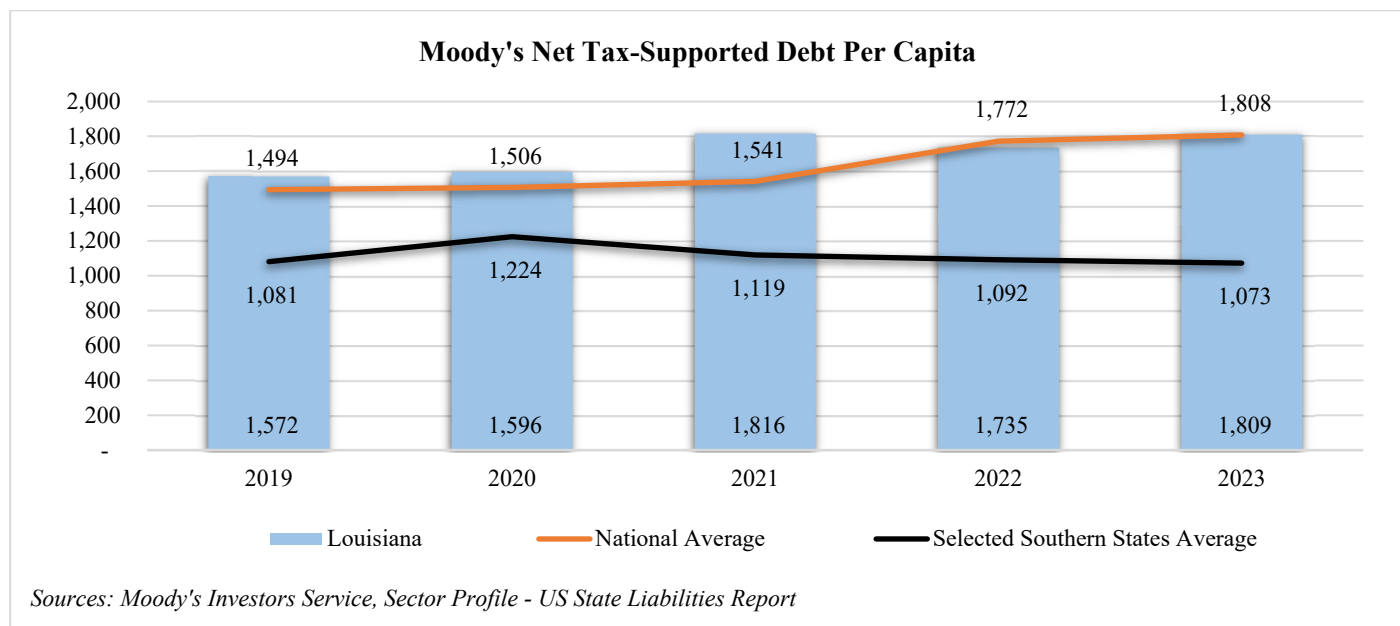
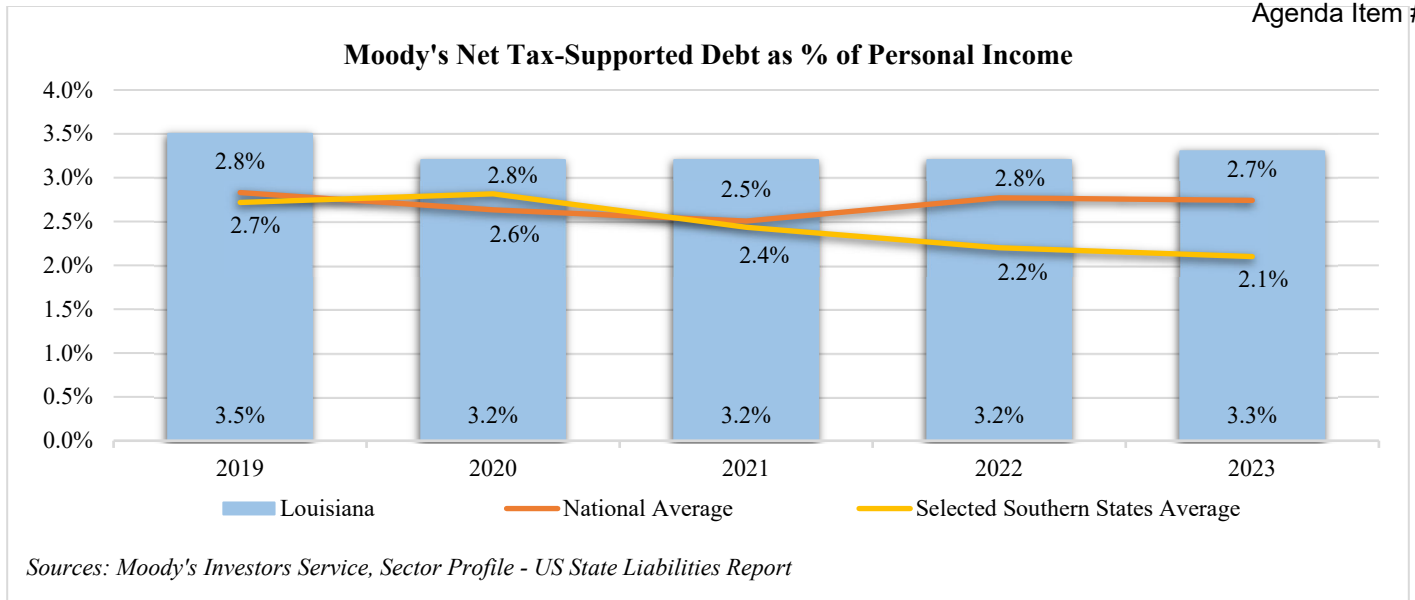


FIGURE 6

Per the latest Moody's calculation, Louisiana's debt per capita increased by \$74 per person from 2022 to 2023. The increase accounts for a population decline of 33,806 and an increase in outstanding debt reported by Moody's.



**FIGURE 7**

**[Remainder of page left intentionally blank]**

## STATE CREDIT RATINGS

Agenda Item # 21

Current State credit ratings and outlooks are as follow:

Credit	Moody's	S&P	Fitch	KBRA
<b>General Obligation Bonds</b>	Aa2 Stable Outlook	AA- Positive Outlook	AA- Stable Outlook	AA Stable Outlook
<b>Gasoline &amp; Fuels Tax Bonds</b>				
1 <sup>st</sup> Lien	Aa2 Stable Outlook	AA- Positive Outlook	AA- Stable Outlook	Did Not Rate
2 <sup>nd</sup> Lien	Aa3 Stable Outlook	AA- Positive Outlook	AA- Stable Outlook	Did Not Rate
<b>State Hwy Improvement Bonds</b>	Aa3 Stable Outlook	AA Stable Outlook	AA Stable Outlook	Did Not Rate
<b>Unclaimed Property Bonds</b>	Aa3 Stable Outlook	A+ Positive Outlook	Did Not Rate	Did Not Rate
<b>Grant Anticipation Revenue Bonds</b>	Did Not Rate	AA Stable Outlook	Did Not Rate	Did Not Rate
<b>Deepwater Horizon Economic Damages Revenue Bonds</b>	A2 Positive Outlook	Did Not Rate	Did Not Rate	A+ Stable Outlook

FIGURE 8

### Recent Changes

In March 2023, S&P revised the outlook from stable to positive for the State of Louisiana General Obligation Bonds, Gasoline & Fuels Tax Bonds and Unclaimed Property Bonds.

In April 2023, KBRA issued its first rating of the State of Louisiana General Obligation Bonds and assigned the rating AA with a stable outlook.

In July 2023, KBRA upgraded the rating for Deepwater Horizon Economic Damages Revenue Bonds from A to A+ based on the credit of BP.

In November 2023, Moody's revised the outlook from stable to positive for Deepwater Horizon Economic Damages Revenue Bonds based on the credit of BP.

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**Distribution of State GO and Issuer Ratings  
by Rating Category  
as of January 13, 2023**

<b>Aaa (17 States)</b>	<b>Aa1 (16 States)</b>	<b>Aa2 (10 States)</b>	<b>Aa3 (4 States)</b>	<b>A2 (1 State)</b>	<b>Baa1 (1 State)</b>
Delaware	Alabama	California	Alaska	New Jersey	Illinois
Florida	Arizona	Hawaii	Connecticut		
Georgia	Arkansas	Kansas	Kentucky		
Idaho	Colorado	<b>Louisiana</b>	Pennsylvania		
Indiana	Massachusetts	Maine			
Iowa	Michigan	Mississippi			
Maryland	Montana	New Mexico			
Minnesota	Nebraska	Oklahoma			
Missouri	Nevada	Rhode Island			
North Carolina	New Hampshire	West Virginia			
South Carolina	New York				
South Dakota	North Dakota				
Tennessee	Ohio				
Texas	Oregon				
Utah	Vermont				
Virginia	Wisconsin				
Washington					

*Source: Moody's Investors Service, Rating changes for the 50 states from 1970*

**FIGURE 9**

Figure 9 illustrates ratings for US state general obligation debt as of January 13, 2023. Louisiana is one of ten states with an Aa2 rating. Since the report dated January 13, 2023, Moody's upgraded the ratings for New Jersey and Illinois.

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## DEBT TRENDS

This section reviews the trend in the State’s outstanding debt and the changes over time. This includes debt that is classified as NSTSD and Non-NSTSD secured by the full faith and credit of the State, by an annual appropriation of the Legislature or by a specified/dedicated revenue source. The Non-NSTSD debt included in this section are the State of Louisiana General Obligation Bonds, Series 2013C and 2020C-2, the LCDA (LCTCS Act 360 Project) Bonds, Series 2017, 2018, 2019 and 2021, the State of Louisiana GARVEE Bonds, Series 2019A, 2021A and 2023, the State of Louisiana Deepwater Horizon Economic Damages Revenue Bonds, and the Louisiana Department of Corrections Qualified Energy Conservation Bonds Series 2011, which is included in “Other Debt”.

## COMPOSITION OF OUTSTANDING DEBT

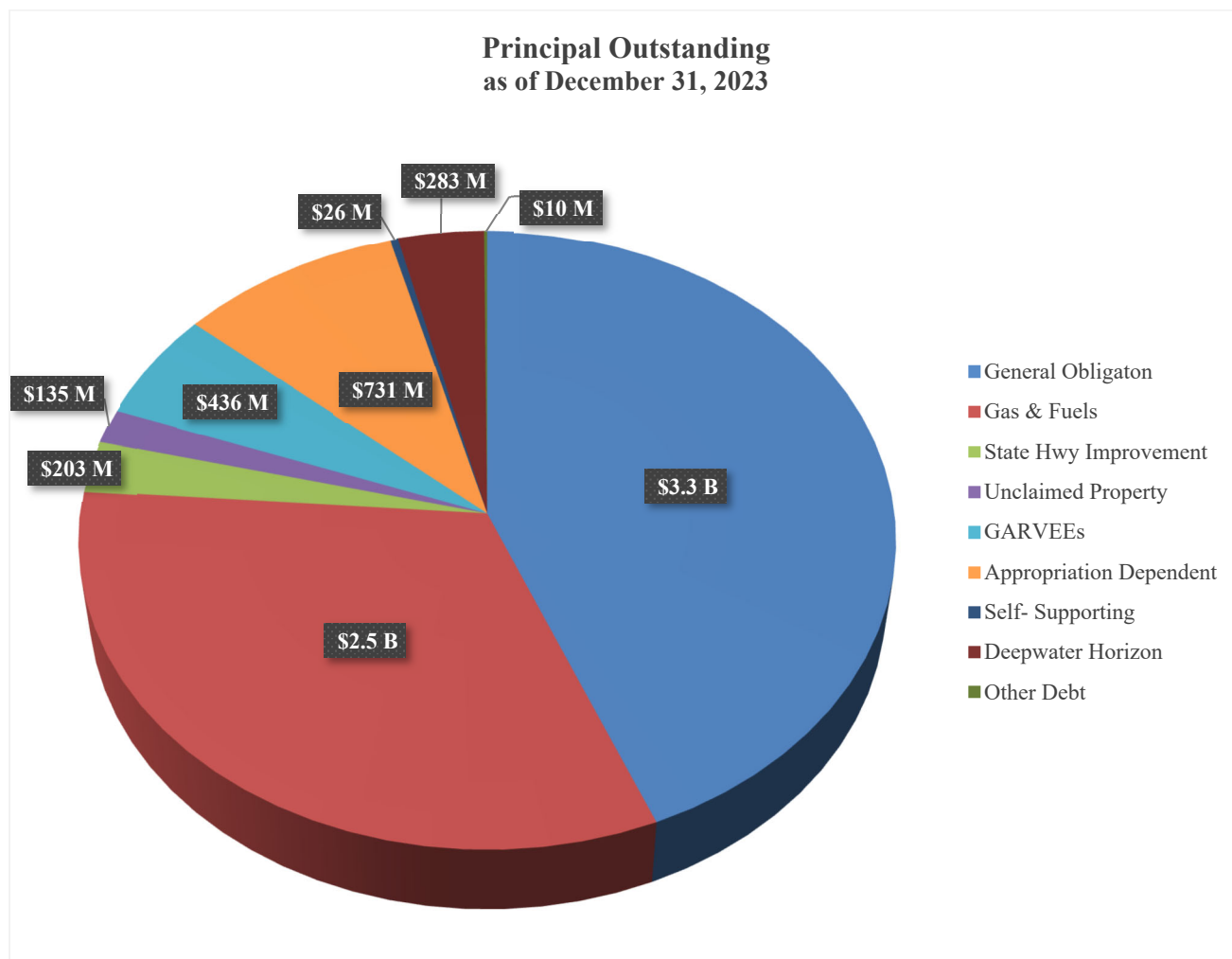
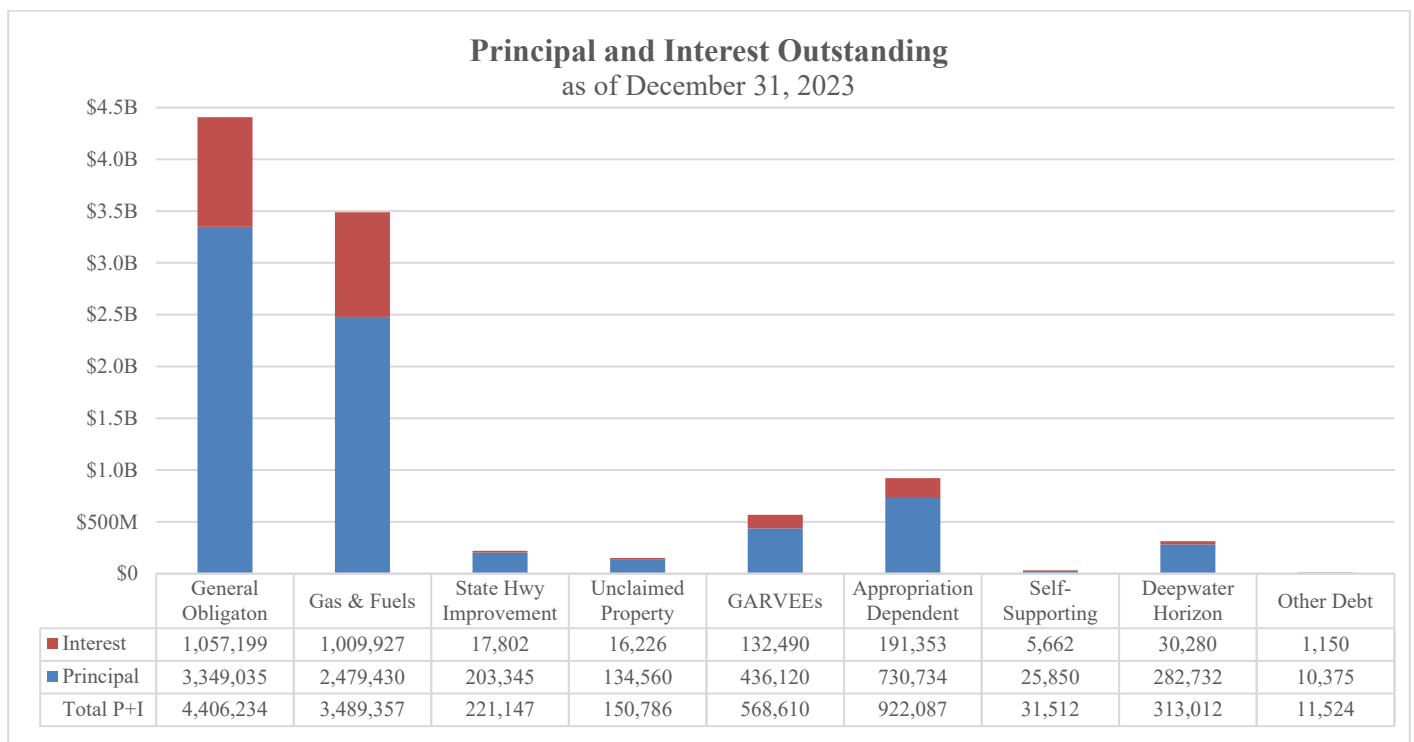


FIGURE 10

***The State has \$7.6 billion in principal outstanding for debt classified as NSTSD debt and Non-NSTSD debt.*** Figure 10 illustrates principal outstanding by debt type:

- General Obligation Debt, issued to finance capital outlay projects, accounting for 44% of principal outstanding;
- Gasoline and Fuel Tax Revenue Bonds, issued to finance the Transportation Infrastructure Model for Economic Development (“TIMED”) projects, accounting for 32% of principal outstanding;
- State Highway Improvement Revenue Bonds, issued to finance certain road projects in the State Highway System but not part of the Federal Highway System, accounting for 3% of principal outstanding;
- Unclaimed Property Special Revenue Bonds, issued to provide federal match funds for the I-49 North and I-49 South projects, accounting for 2% of principal outstanding;

- GARVEE Bonds issued to finance the State's transportation projects that may be financed, in whole or in part, with federal transportation funds, accounting for 6% of principal outstanding.
- Appropriation Dependent Debt issued by various entities for various projects, including certain higher education facilities projects, hurricane recovery projects, correctional projects, toll facilities projects, among others, accounting for 9% of principal outstanding.
- Other Self-Supporting Debt, accounting for 0.3% of principal outstanding debt.
- Deepwater Horizon Economic Damages Revenue Debt issued to finance the State's transportation projects under R.S. 39:91, accounting for 4% of principal outstanding. Principal outstanding shown in Figure 10 is estimated and is subject to change based on actual draws, capitalized interest, and project completion. Accordingly, debt service will be revised to reflect actual draws and debt service requirements.
- Other Debt, accounting for 0.1% of principal outstanding. Debt accounted in this category includes the Louisiana Department of Corrections Qualified Energy Conservation Bonds Series 2011, which is reported in the State's Annual Comprehensive Financial Report and may factor into outstanding debt viewed by the rating agencies.



**FIGURE 11**

**Total outstanding debt increased by \$134 million.** Figure 11 illustrates outstanding debt by principal and interest for each debt type. Total outstanding debt increased by \$134 million since December 31, 2022, as shown in Figure 12 below. The net increase was due to additional bond issuances. The changes were as follows:

- General Obligation Debt increased by \$25 million.
- Gasoline and Fuels Tax Revenue Debt decreased by \$159 million.
- State Highway Improvement Revenue Debt decreased by \$21 million.
- Unclaimed Property Special Revenue Debt decreased by \$14 million.
- GARVEE Debt increased by \$238 million.
- Appropriation Dependent Debt decreased by \$17 million.
- Other Self-Supporting Debt decreased by \$3 million.
- Deepwater Horizon Economic Damages Revenue Debt increased by \$100 million.
- Other Debt decreased by \$3 million.

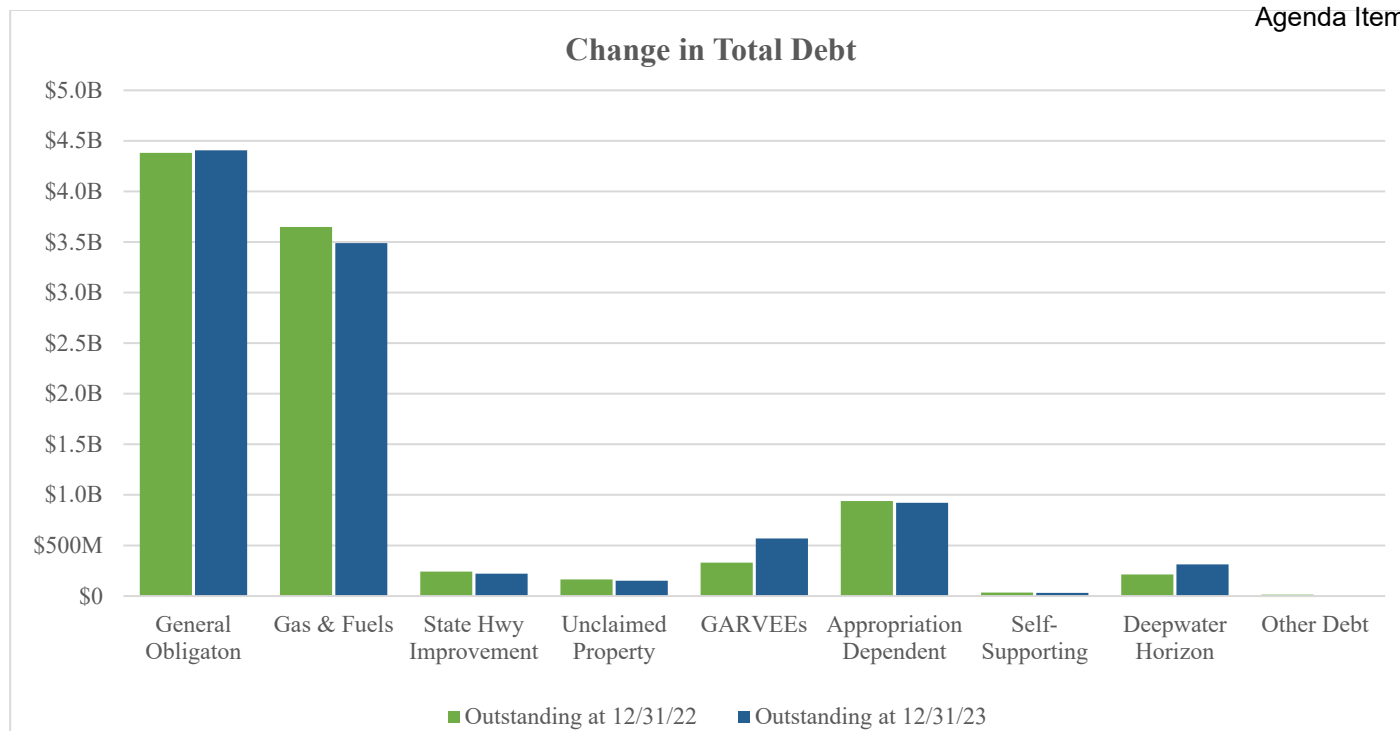


FIGURE 12

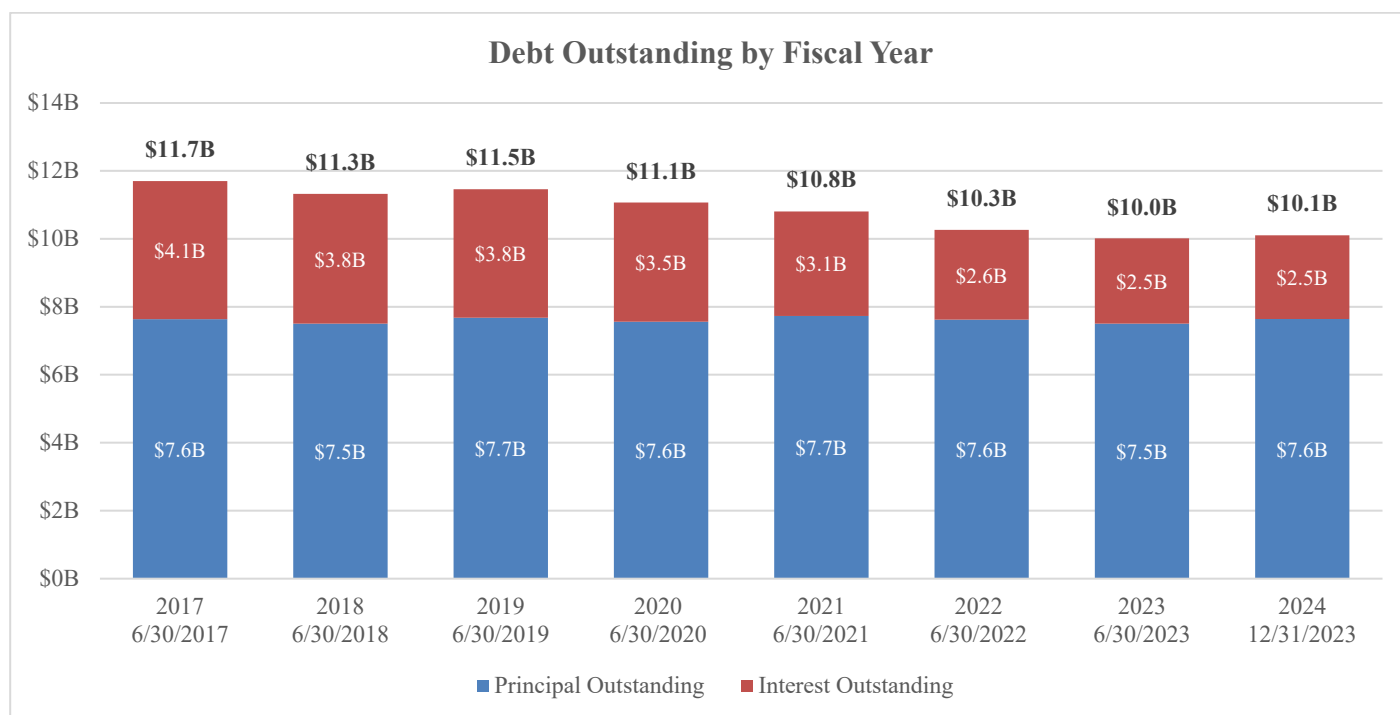


FIGURE 13

Figure 13 illustrates the historical trend in total debt outstanding from Fiscal Year 2017 through December 31, 2023 for Fiscal Year 2024. The trend accounts for the issuance of new debt throughout the years as well as the reductions of debt service and refundings for savings. Louisiana's conservative practice of issuing 20-year level debt for General Obligation Bonds allows the State to pay debt down fast enough to keep total outstanding debt from growing. In addition, Louisiana has taken advantage of market opportunities to refund debt for savings, which has helped restrain the costs of servicing outstanding debt.

**Bonds Issuance Recap**  
**Total Principal by Fiscal Year**  
(\$s in thousands)

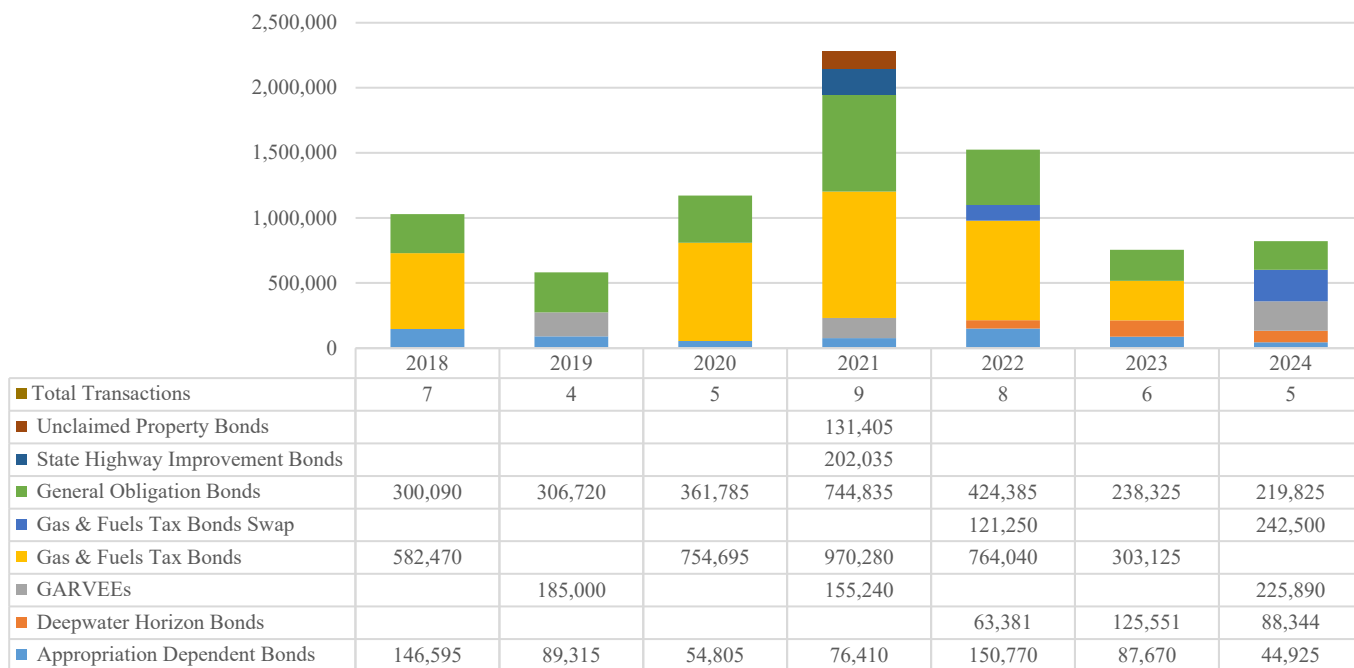


FIGURE 14

*Six transactions occurred in Fiscal Year 2023, of which two were economic refundings for savings. In Fiscal Year 2024 five transactions have been completed of which three were issued by SBC.* Figure 14 illustrates issuance trends since Fiscal Year 2018 through Fiscal Year 2024 up to December 31, 2023. Issuances include new debt as well as refundings. Fiscal Year 2021 was the busiest year with nine transactions. Further, of the five transactions that have occurred in Fiscal Year 2024, three were issued by the SBC on behalf of the State. It is anticipated the State will close an additional transaction for the issuance of new General Obligation Bonds prior to the end of Fiscal Year 2024.

**New Money Bond Issuances**  
**Total Principal by Fiscal Year**  
(\$s in Millions)

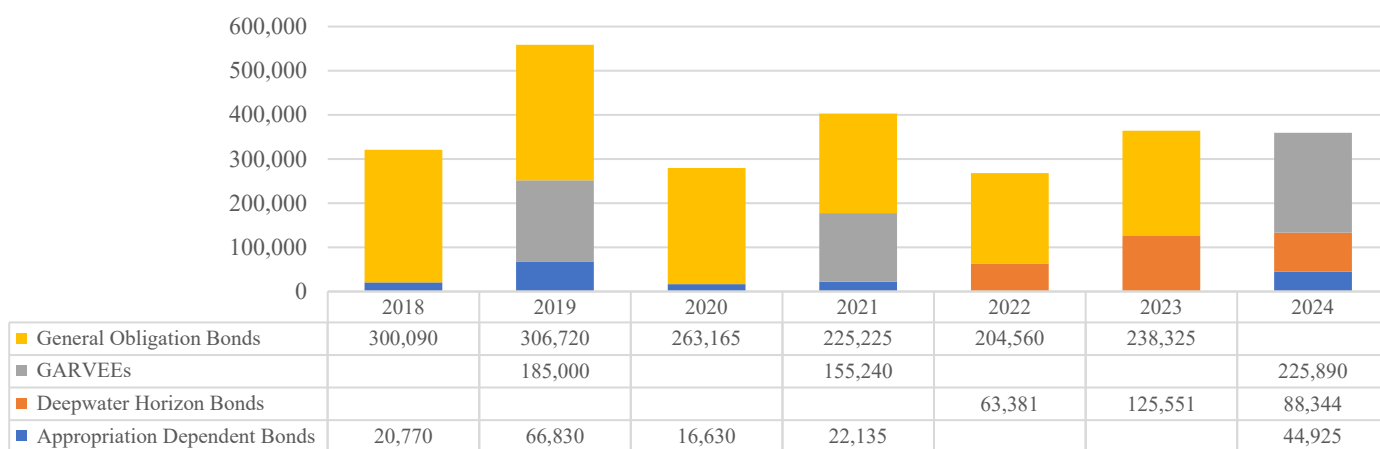


FIGURE 15

Figure 15 illustrates issuances of new money debt only in Fiscal Years 2018 through Fiscal Year 2024 up to December 31, 2023. There were three issuances of new money debt in Fiscal Year 2023 and three issuances of new money debt in Fiscal year 2024 through December 31, 2023. It is anticipated the State will close an additional transaction for the issuance of new General Obligation Bonds prior to the end of Fiscal Year 2024.

Total debt service paid in Fiscal Year 2023 was \$755 million, of which \$491 million was principal and \$264 million was interest. Figures 16 and 17 below show total annual debt service payments consisting of both principal and interest in Fiscal Year 2020 through December 31, 2023 for Fiscal Year 2024, and future debt service payments due through Fiscal Year 2028 on debt currently outstanding.

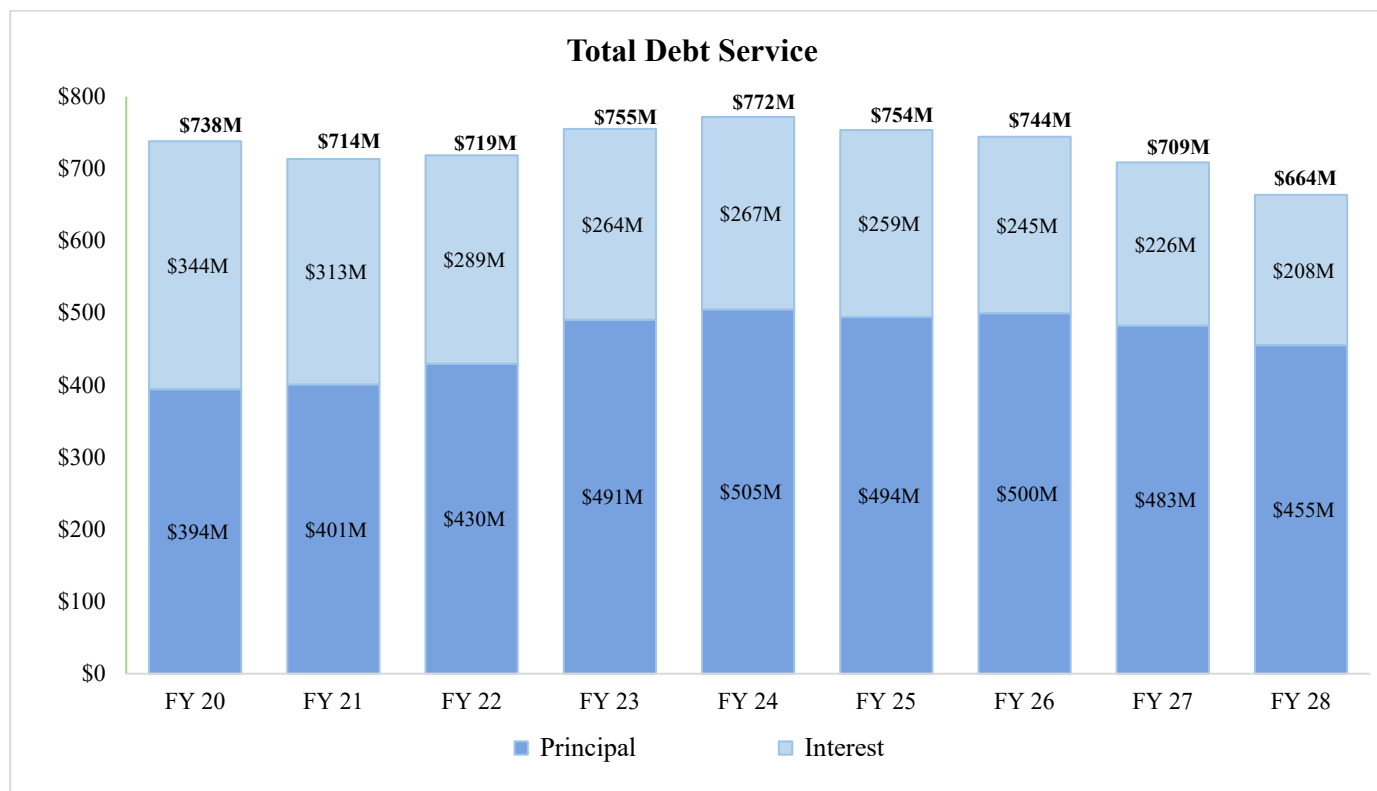


FIGURE 16

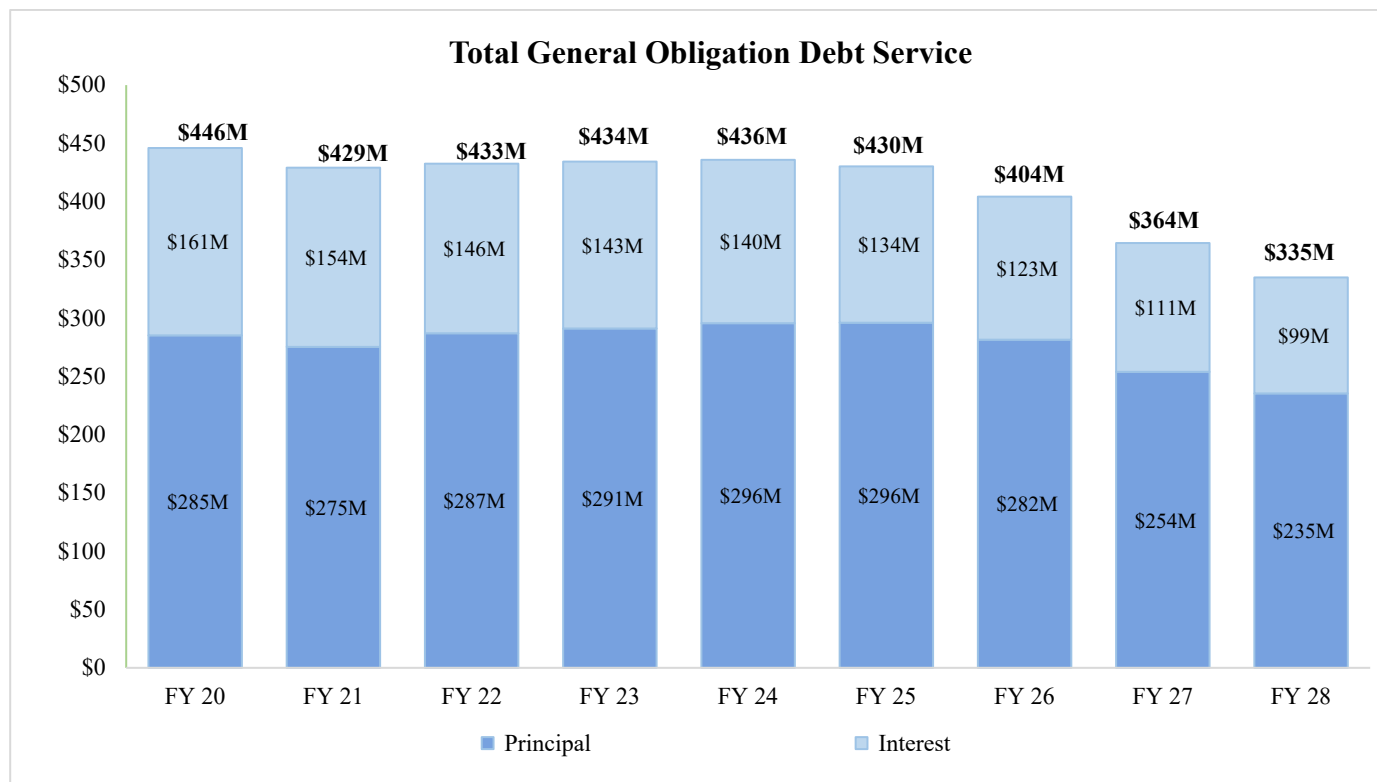


FIGURE 17

## ISSUANCE ACTIVITY

The following sub-sections provide an overview and status of the various issuance transactions by credit in Fiscal Year 2023 and through December 31, 2023, for Fiscal Year 2024.

### A. GENERAL OBLIGATION BONDS

The SBC, on behalf of the State of Louisiana, is authorized to issue General Obligation debt pursuant to Article VII, Section 6(A) of the Louisiana Constitution of 1974, as amended. General Obligation debt is a full faith and credit obligation of the State secured by the Bond Security and Redemption Fund created and established in the State Treasury. General Obligation debt is issued to finance capital outlay projects described in the comprehensive capital outlay budget of the State or for the economic refunding of outstanding General Obligation Bonds, which provide the State current and future debt service savings at a lower effective interest rate.

**General Obligation Bonds not considered Net State Tax Supported Debt:** On July 12, 2006, in response to the need to assist local political subdivisions as the result of Hurricanes Katrina and Rita, the SBC issued \$394.475 million General Obligation Bonds, Series 2006A and 2006B for the purpose of providing loans to assist in the payment of debt service on certain debt or other written obligations of local political subdivisions of the State and to pay debt service on general obligation bonds of the State. The Bonds were issued under a debt payment assistance program authorized by the Gulf Opportunity Zone Act of 2005 and by Act 41 of the 2006 First Extraordinary Session of the Legislature and were excluded from the NSTSD Limitation pursuant to La. R.S. 39:1367(E)(2)(b)(iii).

The Series 2006A Bonds were refunded with proceeds of General Obligation Refunding Bonds, Series 2008A on July 17, 2008. The Series 2008A Bonds were issued in conjunction with a Forward Bond Purchase Agreement, which committed several underwriters to purchase the Series 2008A Bonds no later than July 17, 2008. Concurrent with the execution of the forward bond purchase agreement, a floating to fixed Interest Rate Swap Agreement was entered into with Goldman Sachs Capital Markets, L.P. and Morgan Keegan Financial Products, Inc. (the “Swap Providers”) in the amount of \$5.703 million and \$13.21 million, respectively, to mitigate future interest rate exposure for the Series 2008A Bonds.

These Bonds have been refunded over the years and the Interest Rate Swap Agreement was terminated on May 30, 2013 with the issuance of the General Obligation refunding Bonds, Series 2013C. The refunding bonds currently outstanding are the General Obligation Refunding Bonds Series 2013C and Series 2020C-2.

#### Transactions:

<u>Series Name</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Par (millions)</u>	<u>Premium (millions)</u>	<u>Underwriter's Discount</u>	<u>Other Cost of Issuance</u>	<u>Interest Rate</u>
<b>2023A (new money)</b>	04/27/23	04/01/43	\$238.325	\$35.462	\$152,698	\$387,806	4.00% - 5.00%
<b>2023A refunding (Forward Delivery)</b>	11/08/23	02/01/34	\$219.825	\$32.8	\$0	\$559,636	5.00%

The Series 2023A Bonds were sold in a competitive sale on April 13, 2023, with J.P. Morgan Securities LLC winning the bid with a TIC of 3.130%, and were issued in a fixed rate mode with \$273.629 million of proceeds being utilized to finance certain capital projects in the comprehensive capital outlay budget.

On January 19, 2022, the State executed a \$219.825 million forward delivery bond purchase agreement, denominated as General Obligation Refunding Bonds, Series 2023A (the “Refunding Bonds”), with Barclays Capital Inc., to refund the 2025 to 2034 maturities of General Obligation Bonds, Series 2014A callable on February 1, 2024. The refunding bonds were delivered on November 8, 2023 (“Settlement Date”) with an All Inclusive TIC of 2.31% and were issued in a fixed rate mode. As an alternative to issuing taxable refunding bonds, it was determined a forward delivery refunding bond structure would be more economical. Therefore, a forward delivery contract was executed as a mechanism to lock in tax-exempt rates until the Refunding Bonds were delivered on the Settlement Date to refund the 2014A bonds. The refunding was an economic refunding that provided the State gross savings of \$27.6 million, present value savings of \$22.4 million and a net present value savings as % of refunded principal of 9.068%.

**Current Status:**

Debt outstanding: \$3,349,035,000 Principal and \$1,057,198,695 Interest. Principal outstanding is inclusive of \$44,360,000 in principal for the Non-NSTSD General Obligation bonds currently outstanding and maturing in Fiscal Year 2027.

Number of series outstanding: 23 General Obligation Bond series outstanding, of which two (2013C and 2020C-2) are excluded from the NSTSD Limitation.

**Anticipated Transactions:**

New issuance of General Obligation Bonds to finance certain capital projects in the comprehensive capital outlay budget anticipated to sale prior to the end of Fiscal Year 2024.

**B. GASOLINE AND FUELS TAX REVENUE BONDS**

The SBC, on behalf of the State of Louisiana and the Department of Transportation and Development, is authorized to issue revenue debt secured by a 20 cents per gallon tax on gasoline and motor fuels and special fuels (diesel, propane, butane and compressed natural gas) pursuant to Article VII, Section 27 of the Louisiana Constitution, as amended, and La. R.S. 47:802.1 to 47:820.5. Gasoline and fuels tax debt was authorized to be issued up to December 31, 2012, for the purposes of providing funds for any project listed in La. R.S. 47:820.2(B)(1), the Transportation Infrastructure Model for Economic Development ("TIMED") projects. All TIMED projects are complete except LA 3241 and the Florida Avenue Bridge.

Pursuant to Article VII, Section 27, the 20 cent per gallon gasoline and motor fuels and special fuels tax is required to be deposited in the Transportation Trust Fund established within the State Treasury as a special permanent trust fund and appropriated and dedicated solely and exclusively for the construction and maintenance of roads and bridges of the state and federal highway systems, Statewide Flood-Control Program, or its successors, ports, airports, transit, state police for traffic control purposes and the Parish Transportation Fund. The tax was increased from a 16 cent per gallon tax to a 20 cent per gallon tax pursuant to Act 16 of the 1989 First Extraordinary Session of the Louisiana Legislature. The additional 4 cents per gallon tax became effective January 1, 1990, and will cease when the TIMED projects are complete or all outstanding debt secured by the tax is paid in full, whichever is later.

A total of \$2.171 billion of new money Gasoline and Fuels Tax Bonds were issued from 1990 to 2006 for the TIMED projects secured by the gasoline and motor fuels and special fuels tax on a 1<sup>st</sup> lien basis. A total of \$879.32 million of new money bonds were issued from 2008 to 2010 secured by the gasoline and motor fuels and special fuels tax on a 2<sup>nd</sup> lien basis. The 1<sup>st</sup> lien is closed and there is no legislative approval for additional 2<sup>nd</sup> lien bonds; therefore, additional TIMED projects are expected to be funded on a pay-as-you-go basis. A portion of the LA 3241 is being funded with BP settlement economic damages payments pursuant to R.S. 39:91 (see details herein under subsection H entitled "**Deepwater Horizon Economic Damages Revenue Bonds**"). Refundings are permitted as long as there are savings in every year.

All 1<sup>st</sup> lien bonds were issued as fixed rate bonds; however, various 2<sup>nd</sup> lien bonds were issued as variable rate bonds hedged with multiple Interest Rate Swap Agreements to mitigate exposure to variable interest rates with respect to the bonds. The variable rate bonds and Interest Rate Swap Agreements were initially executed on December 21, 2006, with a Forward Bond Purchase Agreement in the amount of \$485 million (2<sup>nd</sup> lien) with Morgan Keegan & Company, Inc. and Citigroup Global Markets, Inc. In connection with the Forward Bond Purchase Agreement, the SBC entered into Forward Starting Interest Rate Swap Agreements with four counterparties (Morgan Keegan Financial Products, Inc., Merrill Lynch Capital Services, Inc., Citibank N.A., & JPMorgan Chase Bank, N.A.) with an effective date of December 1, 2008.

The bonds were to be issued and delivered on December 1, 2008; however, due to market volatility and credit availability, the issuance was delayed. Four series of bonds totaling \$485 million were issued from May to July 2009 and the corresponding Forward Starting Interest Rate Swap Agreements were extended to the effective delivery dates of each bond series. The 2009 bonds have been converted/remarketed/refunded as variable or fixed rate bonds and the various Interest Rate Swap Agreements have been amended/novated/terminated over the years. Swap payments are classified as 2<sup>nd</sup> lien; however, any termination payments would be considered a 3<sup>rd</sup> lien. A current recap of the TIMED bonds and swap agreements outstanding is attached as **Exhibit 1**.

**Transactions:**

<u>Series Name</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Par (millions)</u>	<u>Premium (millions)</u>	<u>Underwriter's Discount</u>	<u>Other Cost of Issuance</u>	<u>Interest Rate</u>
<b>2023A-1 &amp; A-2 refunding, 2<sup>nd</sup> lien</b>	04/03/23	05/01/43	\$303.125	\$0	\$374,313	\$428,677	Variable

The Series 2023A-1 and 2023A-2 Bonds were sold in a negotiated sale on April 3, 2023, with TD Securities as the sole underwriter. Proceeds were utilized to refund outstanding Gasoline and Fuels Tax Second Lien Revenue Refunding Bonds, Series 2017A and Series 2017D-1, which were subject to mandatory tender on May 1, 2023. The 2023A-1 & A-2 Bonds were issued as variable rate demand bonds in a daily rate mode, with TD Securities serving as the remarketing agent. The Bonds are supported by an irrevocable letter of credit (the "Credit Facility") from the Toronto Dominion Bank, which will expire on March 31, 2028. The Bonds have a stated maturity of May 1, 2043, but are subject to mandatory tender for purchase under certain circumstances, including, conversion to another mode, termination of Credit Facility and an event of default under the Credit Facility.

On November 16, 2022, interest rate hedge agreements associated with the 2017A and 2017D-1 Bonds, were transferred to Deutsche Bank AG from Raymond James Financial Products, Inc. On November 7, 2023, those same interest rate hedge agreements were novated from Deutsche Bank AG to the Bank of New York Mellon (BONY), and the associated fixed interest rate was reduced by 5 bps from 3.692% to 3.642%.

Details of the existing swaps are included in **Exhibit 1**.

**Current Status:**

Debt outstanding: \$2,479,430,000 Principal and \$1,009,926,599 Interest.

Number of series outstanding: 11 Gasoline and Fuels Tax Revenue Bond series outstanding.

Number of interest rate swap agreements outstanding: 6

**Anticipated Transactions:**

None at this time.

**C. STATE HIGHWAY IMPROVEMENT REVENUE BONDS**

Pursuant to Article VII, Section 6 and 9(A)(6) of the Louisiana Constitution and La. R.S. 48:196.1, the SBC, on behalf of the State of Louisiana and the Department of Transportation and Development, is authorized to issue revenue debt secured by registration and license fees or taxes for trucks, tandem trucks, truck-tractors, semitrailers and trailers pursuant to La. R.S. 47:462, except those collected within the parishes of Orleans, Jefferson, St. Charles, St. John the Baptist, Tangipahoa and St. Tammany. The bonds are authorized to be issued to provide funds for the construction of certain roads which are a part of the State Highway System but not part of the Federal Highway System and are, therefore, ineligible for federal highway funding assistance and which are included in the priority listing pursuant to the State of Louisiana Highway Priority Program provided for in La. R.S. 48:228-233.

The pledged registration and license fees or taxes are first deposited into a special fund outside of the State Treasury but maintained by the State Treasury for the payment of State Highway Improvement Bond debt service. Remaining funds are then transferred to the Bond Security and Redemption Fund and then on to the State Highway Improvement Fund for use by the Department of Transportation and Development for the purposes listed above. Only two new money series of bonds were issued and the State does not anticipate any additional bonds to be issued secured by the same source of revenues other than economic refundings.

**Transactions:**

No additional State Highway Improvement debt issued.

**Current Status:**

Debt outstanding: \$203,345,000 Principal and \$17,802,148 Interest.

**Anticipated Transactions:**

None at this time.

**D. UNCLAIMED PROPERTY SPECIAL REVENUE BONDS**

Pursuant to La. R.S. 9:165 and 9:165.1, the SBC, on behalf of the State of Louisiana and the Department of Transportation and Development, is authorized to issue revenue debt secured by the Unclaimed Property Leverage Fund created and established pursuant to La. R.S. 9:165(C)(1), subject to appropriation by the Legislature, for the purpose of providing federal match funds to be used by the Department of Transportation and Development for the construction of I-49 North from Interstate 220 in the City of Shreveport to the Louisiana/Arkansas border ("I-49 North Project") and I-49 South from Interstate 10 in the City of Lafayette to the Westbank Expressway in the City of New Orleans ("I-49 South Project").

Revenues from the collection of abandoned and unclaimed property ("Unclaimed Property Revenues") are initially deposited into an Escrow Fund with the State's Central Depository Bank, from which the State Treasurer, as administrator, shall (1) retain at least \$500,000 for the payment of unclaimed property claims, (2) deduct an amount equal to the costs incurred for authorized external auditing, and thereafter the balance is transferred to the Bond Security and Redemption Fund of which an amount not to exceed 7% of the total gross collections of unclaimed property during any fiscal year is for the remaining costs of administering the Uniform Unclaimed Property Act.

After the payment of unclaimed property claims, audit and administrative fees, each year \$15 million of abandoned and unclaimed property is required to be deposited in the Unclaimed Property Leverage Fund of which \$7.5 million is deposited in the I-49 North account and \$7.5 million in the I-49 South account, which is used first by the SBC for the payment of debt service for the respective series of bonds (I-49 North and I-49 South), then to the Department of Transportation and Development for the purposes of funding the I-49 North and I-49 South projects, both of which are subject to appropriation by the Legislature. The Unclaimed Property Leverage Fund I-49 North and South Accounts have been fully leveraged and the lien has been closed. The proceeds of the bonds also funded Debt Service Reserve Accounts. In the event there are insufficient funds in the Unclaimed Property Leverage Fund for the payment of debt service, the Trustee will make up the shortfall from the Debt Service Reserve Accounts. Pursuant to Cooperative Endeavor Agreements among the State, acting by and through the Division of Administration, the SBC and the Department of Transportation and Development, the State has agreed, subject to appropriation by the Legislature, to replenish the Debt Service Reserve Accounts in the event funds on deposit in the Debt Service Reserve Accounts are used to pay such debt service.

**Transactions:**

No additional Unclaimed Property Special Revenue debt issued.

**Current Status:**

Debt outstanding: \$134,560,000 Principal and \$16,225,826 Interest.

Number of series outstanding: 3 Unclaimed Property Special Revenue Bond series outstanding.

**Anticipated Transactions:**

None at this time.

**E. APPROPRIATION DEPENDENT DEBT**

The underlying security for appropriation dependent issues are payments under agreements with the State which are subject to, and dependent upon, annual appropriation of funds by the Legislature to the participating entities necessary to enable the entities to make payments for debt service on the bonds. Under the provisions of La. R.S. 39:1367, et seq. and the rules of the SBC, the bonds are considered a component of Net State Tax Supported Debt.

**Appropriation Dependent Debt Not Considered a Component of Net State Tax Supported Debt** - In the 2013 Regular Legislative Session, Act No. 360 was enacted amending and reenacting La. R.S. 17:3394.3(A), La. R.S. 17:3394.3(C) and La. R.S. 39:1367(E)(2)(b)(v), relative to the issuance of bonds for the financing of capital improvements and enhancements to certain facilities and properties of colleges within the Louisiana Community and Technical Colleges System ("LCTCS"), to list the projects to be financed, to require private match funds for such

projects, to provide that no state funds shall be appropriated for such bonds or projects until July 1, 2015, to provide that such bonds shall not be included in the definition of net state tax supported debt, to provide for an effective date, and to provide for related matters.

On July 17, 2014, the LCDA received approval from the SBC to issue not exceeding \$300 million Revenue Bonds, in one or more series, for the purpose of (1) paying a portion of the costs of financing the development, acquisition, purchase, renovation, improvement or expansion of certain public facilities of the LCTCS, including all furnishings, fixtures and facilities for various community and technical college campuses, (2) paying capitalized interest on the bonds, and (3) paying costs of issuance of the bonds. Four series of bonds totaling \$232.56 million were issued from December 2014 to December 2019. The Series 2019 Bonds funded the last of the Act 360 projects. The remaining SBC issuance authority is \$67.44 million.

**Transactions:**

<u>Series Name</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Par (millions)</u>	<u>Premium (millions)</u>	<u>Underwriter's Discount</u>	<u>Other Cost of Issuance</u>	<u>Interest Rate</u>
<b>2023 LCFC (Louisiana Correctional Institute for Women Project)</b>	07/11/23	10/01/43	\$44.925	\$1.645	\$224,625	\$345,297	4.00% - 5.00%

The 2023 LCFC (Louisiana Correctional Institute for Women Project) Bonds were issued as fixed rate bonds in a negotiated sale with Raymond James and Stifel, Nicolaus & Co. acting as underwriters with an All Inclusive Cost of 4.123%. Proceeds will be used for design, acquisition, construction and equipping of a new approximately 300,000 square foot correctional facility to replace the Louisiana Correctional Institute for Women used by the Department of Public Safety and Corrections to house adult women offenders for the Department.

**Current Status:**

Debt outstanding: \$730,734,000 Principal and \$191,352,986 Interest.

Number of series outstanding: 21 Appropriation Dependent Bond series outstanding; of which 4 are excluded from the NSTSD Limitation.

**Anticipated Transactions:**

Ac 465 of the 2023 Regular Legislative Session included an appropriation to the Division of Administration for \$75M for the Northwest Louisiana State Office Building Renovations, Phase II project payable from appropriation dependent Revenue Bonds to be issued by the Office Facilities Corporation. An application to proceed with the issuance of those bonds has not been made to the State Bond Commission.

**F. SELF-SUPPORTING DEBT**

The underlying security for self-supporting issues are payments from tolls and other revenues derived by the entity and, in the case of the Greater New Orleans Expressway Commission, supplemented by certain funds dedicated from vehicular license taxes collected and credited to State Highway Fund No. 2 in the State Treasury. Under the provisions of La. R.S. 39:1367, et seq. and the rules of the SBC, the bonds are considered a component of Net State Tax Supported Debt.

**Transactions:**

No additional Self-Supporting debt issued.

**Current Status:**

Debt outstanding: \$25,850,000 Principal and \$5,661,956 Interest.

Number of series outstanding: 2 Self-Supporting bond series outstanding.

**Anticipated Transactions:**

None at this time.

## G. GRANT ANTICIPATION REVENUE VEHICLES

Pursuant to La. R.S. 48:27, the SBC is authorized to issue Grant Anticipation Revenue Vehicles (“GARVEEs”) to finance any qualified federal-aid transportation project or state transportation project, to be payable from, among other things, federal transportation funds. The Bonds are not included in the NSTSD Limitation as the bonds are secured by Federal Transportation Funds.

The SBC granted approval for the issuance of not exceeding \$830 million of Grant Anticipation Revenue Bonds to be issued in multiple series to fund the following four projects:

- I-220/I20 Interchange Improvements & Barksdale Air Force Base Access Project in Bossier Parish
- I-10/Loyola Interchange Improvement Project in Jefferson Parish
- I-10/LA 415 to Essen on I-10 & I-12 Project in East Baton Rouge Parish
- LA 23 Belle Chasse Bridge & Tunnel replacement Project in Plaquemines Parish.

Three series of bonds totaling \$566 million have been issued.

### Transactions:

<u>Series Name</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Par (millions)</u>	<u>Premium (millions)</u>	<u>Underwriter's Discount</u>	<u>Other Cost of Issuance</u>	<u>Interest Rate</u>
2023A	09/07/23	09/01/33	\$225.89	\$24.655	\$291,265	\$253,975	5.00%

The Series 2023A Bonds were sold in a negotiated sale with Wells Fargo as Senior Underwriter and JPMorgan as Co-Managers with an All Inclusive TIC of 3.25%. The Bonds were issued in a fixed rate mode with proceeds utilized to provide funds necessary to continue to fund the aforementioned transportation projects.

### Current Status:

Debt outstanding: \$436,120,000 Principal and \$132,490,008 Interest.

Number of series outstanding: 3 GARVEE bond series outstanding.

### Anticipated Transactions:

None at this time.

## H. DEEPWATER HORIZON ECONOMIC DAMAGES REVENUE BONDS

On June 18, 2020, the SBC was authorized to proceed with the development of a plan of financing to use a portion of the BP Settlement funds received by the State with respect to economic damages sustained by the State from the Deepwater Horizon explosion and oil spill that occurred on or about April 20, 2010, at the MC 252 site in the Gulf of Mexico. The financing plan included revenue debt in the form of a set of Federal Transportation Infrastructure Finance and Innovation Act (“TIFIA”) project loans to finance certain projects pursuant to La. R.S. 39:91. Pursuant to La. R.S. 39:1367(E)(2)(b)(vii) the debt is excluded from the NSTSD limitation.

The State has closed seven Deepwater Horizon Economic Damages Revenue Bonds transactions through the United State Department of Transportation (USDOT) acting under the Build America Bureau of Transportation Finance and Innovation Act (TIFIA) totaling \$277.3 million. The below table depicts all transactions.

<u>TIFIA Loan</u>	<u>Project</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Par (millions)</u>	<u>Amount Drawn (millions)*</u>	<u>Interest Rate</u>
20211012A	LA 3241 – LA 435 to LA 41 (Segment 3)	09/20/21	09/01/27	\$20.6	\$20.6	0.50%
20211011A	Union Pacific Railroad Overpass Bridge near Bonita	09/20/21	09/01/32	\$15.8	\$8.3	0.69%
20221003A	LA 3241 – LA 36 to LA 435 (Segment 2)	12/02/21	09/01/29	\$26.9	\$23.9	0.69%
20221009A	I-49 South	07/27/22	09/01/33	\$86.6	-	2.84%
20231001A	Cameron Ferry Crossing	11/03/22	09/01/31	\$18.2	-	2.12%
20231002A	Statewide Bridge Program	11/03/22	03/01/33	\$20.7	-	2.11%
20241001A	LA 1 / LA 415 Connector	12/13/23	09/01/33	\$88.3	-	4.17%

\* Amount drawn as of December 31, 2023

#### **Current Status:**

The Deepwater Horizon Economic Damages Revenue Bonds were issued in a draw down structure. Draws in the amount of \$52.8 million were made through December 31, 2023.

#### **Anticipated Transactions:**

All projects approved by SBC have been funded as of December 13, 2023.

#### **I. OTHER**

Other debt items may be issued by State agencies that do not qualify as NSTSD but may appear on the State's Annual Comprehensive Financial Report and may be included in calculations of the State's bonded indebtedness by rating agencies.

In December 2011, the Louisiana Department of Corrections through the LCDA issued \$30,318,244.68 Revenue Bonds for the Louisiana Department of Public Safety & Corrections Services Direct Pay Qualified Energy Conservation Bonds Project. The bonds are secured by lease payments made by the Department, resulting from guaranteed energy savings as provided by an energy efficiency contract and services agreement with Johnson Controls, Inc.

#### **Transactions:**

No additional debt issued.

#### **Current Status:**

Debt outstanding: \$10,374,755 Principal and \$1,149,653 Interest.

Number of series outstanding: 1 bond series outstanding.

#### **Anticipated Transactions:**

Act 465 of the 2023 Regular Legislative Session included an appropriation for a new crime lab facility for the Department of Public Safety and Corrections payable from Revenue Bonds. The State Bond Commission approved an issuance not exceeding \$110 million bonds to be issued by LPFA on behalf of the Department, payable from collections of handling fees collected by the Office of Motor Vehicles on certain transactions involving Class D & E driver's licenses and vehicle titling and registration. The bonds are anticipated to be issued in May 2024.

## ADDITIONAL DEBT LIMITATIONS IMPOSED BY STATUTE

Agenda Item # 21

In addition to the debt limitations contained in Article VII, Section 6(F) of the Constitution and La. R.S. 39:1367, et. seq., which is the basis for this report, two additional statutory debt limitations exist in La. R.S. 39:1365(25) and La. R.S. 39:1402(D). The results of those limitations are reflected below.

### Debt Limitation Imposed by LA. R.S. 39:1365(25)

The Legislature shall not authorize any general obligation bonds or other general obligations secured by the full faith and credit of the State if the total principal amount of such debt outstanding plus the amount of such debt authorized by the legislature but unissued exceeds two times the average annual revenues of the Bond Security and Redemption Fund for the last three fiscal years completed prior to such authorization.

General Obligation (Principal) Issued as of December 31, 2023 <sup>(1)</sup>	\$ 3,304,675,000
General Obligation Debt Authorized but Unissued as of December 31, 2023	<u>\$1,451,887,938</u>
Total General Obligation Debt Issued plus Authorized but Unissued	<u>\$ 4,756,562,938</u>
Bond Security and Redemption Fund Average Collections Last 3 Years Times 2	<u>\$36,525,029,333</u>
Fiscal Year            2022-2023        \$19,514,941,000	
Fiscal Year            2021-2022        \$18,854,729,000	
Fiscal Year            2020-2021        \$16,417,874,000	

### Debt Limitation Imposed by LA. R.S. 39:1402(D)

The SBC shall not issue general obligation bonds or other general obligations secured by the full faith and credit of the State at any time when the highest annual debt service requirement for the current or any subsequent fiscal year for such debt, including the debt service on such bonds or other obligation then proposed to be sold by the SBC, exceeds ten percent of the average annual revenues of the Bond Security and Redemption Fund for the last three fiscal years completed prior to such issuance.

Bond Security and Redemption Fund Average Collections for Last 3 Years	<u>\$18,262,514,667</u>
Times 10%	<u>\$1,826,251,467</u>
Highest Annual General Obligation Debt Service Requirement (FY 2023-2024) <sup>(1)</sup>	<u>\$420,742,089</u>

<sup>(1)</sup> Excludes Series 2013C and 2020C-2 (Bonds issued pursuant to Act 41 and excluded from NSTSD pursuant to R.S. 39:1367 or Act 40) per section 9 of Act 41 which reflects provision of R.S. 39:1365(25) and R.S. 39:1402(D) shall not apply to any bonds issued pursuant to Act 41 .

# EXHIBIT 1 - TIMED DEBT RECAP

## TRANSPORTATION INFRASTRUCTURE MODEL FOR ECONOMIC DEVELOPMENT (TIMED) SUMMARY OF DEBT

12/31/2023

Lien	Tax Status	Series	Issue Description	Original Principal	Outstanding Principal	Callable Par	Final Bond Maturity	Mandatory Bond Tender Date	Fixed Rate	Variable Rate	Swap Blended Yield	Remarketing	LOC	Existing Call Terms
2nd	TE	2015B	G&F Tax 2nd Lien RFB	\$ 39,810,000	\$ 21,360,000	\$ 7,470,000	5/1/2026	na	5%	na	na	na	na	Callable 5/1/2025 @ 100
1st	TE	2017B	G&F Tax 1st Lien RFB	\$ 60,690,000	\$ 51,770,000	\$ 11,390,000	5/1/2028	na	5%	na	na	na	na	Callable 11/1/27 @ 100
2nd	TE	2017C	G&F Tax 2nd Lien RFB	\$ 297,405,000	\$ 297,405,000	\$ 289,595,000	5/1/2045	na	5%	na	na	na	na	Callable 11/1/27 @ 100
1st	TE	2020A	G&F Tax 1st Lien Ref Term Loan Notes	\$ 554,695,000	\$ 522,895,000	\$ 522,895,000	5/1/2035	na	1.769% - 2.397%	na	na	na	na	Any Business Day with 2 Business Day Notice @ principal + accrued interest + Funding Reimbursement under Section 2.9 of Term Loan Agmt
1st	TX	2020A-2	G&F Tax 1st Lien RFB	\$ 477,660,000	\$ 459,050,000	\$ 459,050,000	5/1/2041	na	0.443% - 2.230%	na	na	na	na	Anytime @ the Make-Whole Redemption Price
2nd	TX	2020B-1	G&F Tax 2nd Lien RFB	\$ 68,245,000	\$ 66,995,000	\$ 66,995,000	5/1/2043	na	0.743% - 2.398%	na	na	na	na	Anytime @ the Make-Whole Redemption Price
1st	TX	2022A	G&F Tax RFB	\$ 620,995,000	\$ 615,645,000	\$ 581,530,000	5/1/2041	na	0.723% - 3.052%	na	na	na	na	Callable 05/01/2032 @ 100 (Excluding 2041 Maturity); 2041 Maturity Callable Anytime @ the Make-Whole Redemption Price
1st	TE	2022B	G&F Tax RFB	\$ 21,795,000	\$ 21,795,000	\$ 21,795,000	5/1/2041	na	3% - 5%	na	na	na	na	Callable 05/01/2032 @ 100
2nd	TE	2022A	G&F Tax 2nd Lien RFB (SOFR)	\$ 121,250,000	\$ 119,390,000	\$ 119,390,000	5/1/2043	5/1/2026	na	70% SOFR + 50bp	4.447%	na	na	Callable 11/01/2025 @ 100
2nd	TE	2023A-1	G&F Tax 2nd Lien RFB (VRDBs)	\$ 200,000,000	\$ 200,000,000	\$ 200,000,000	5/1/2043	na *	na	Daily Set by Remarketing Agent	3.646%	7bps quarterly	Expires 3/31/28 25 bps quarterly	Anytime with 35 Days Notice @ principal + accrued interest + credit facility/reimbursement agreement compliance
2nd	TE	2023A-2	G&F Tax 2nd Lien RFB (VRDBs)	\$ 103,125,000	\$ 103,125,000	\$ 103,125,000	5/1/2043	na *	na	Daily Set by Remarketing Agent	3.665%	7bps quarterly	Expires 3/31/28 25 bps quarterly	Anytime with 35 Days Notice @ principal + accrued interest + credit facility/reimbursement agreement compliance
Totals				\$ 2,565,670,000	\$ 2,479,430,000	\$ 2,383,235,000								

\* 2023A Bonds are subject to mandatory tender for purchase under certain circumstances, including, conversation to another mode, termination of Credit Facility and an event of default under the Credit Facility.

## SWAP ALLOCATIONS

Identifier	Associated Series	Contract Providers	Initial Notional Amounts	Current Notional Amounts	Total	Fixed Rate	Floating Rate	Swap Termination Date	Effective Start Date	Latest Swap Valuation
8938(1411)	2023A-1	JPMORGAN	\$ 14,125,000	\$ 14,125,000	\$ 60,625,000	3.6900%	70% SOFR **	5/1/2041	5/1/2009	\$ (1,616,836)
8940(1514)	2023A-2	JPMORGAN	\$ 46,500,000	\$ 46,500,000		3.6940%	70% SOFR **	5/1/2043	5/1/2009	\$ (7,504,756)
69171	2023A-1	BONY***	\$ 186,000,000	\$ 186,000,000	\$ 242,500,000	3.6420%	70% SOFR + 8.013bps	5/1/2043	5/1/2009	\$ (29,239,242)
69172	2023A-2	BONY***	\$ 56,500,000	\$ 56,500,000		3.6420%	70% SOFR + 8.013bps	5/1/2041	5/1/2009	\$ (8,159,297)
MX_317275	2022A	PNC*	\$ 28,250,000	\$ 28,250,000	\$ 119,390,000	4.3740%	70% SOFR + 8.01 bps	5/1/2041	3/15/2022	\$ (4,567,627)
MX_317274	2022A	PNC*	\$ 93,000,000	\$ 91,140,000		4.4690%	70% SOFR + 8.01 bps	5/1/2043	3/15/2022	\$ (22,330,414)
			\$ 424,375,000	\$ 422,515,000	\$ 422,515,000					\$ (73,418,172)

\* Novation from Merrill Lynch to Jefferies effective April 13, 2012; from Jefferies to Bank of New York Mellon effective July 31, 2013; and from Bank of New York Mellon to PNC Bank effective March 15, 2022

\*\* 70% of 1M USD LIBOR Fallback Rate, which is a compounded SOFR calculation by formula determined by ISDA.

\*\*\* Novated from Deutsche Bank to Bank of New York Mellon effective November 1, 2023, with a 5bps decrease in fixed rate.

Prepared by: State Bond Commission

**SUMMARY OF CURRENT DEBT**

<b>Type of Issue</b>	<b>Issue Description</b>	<b>Outstanding Principal</b>		<b>Outstanding Interest</b>		<b>Outstanding Total</b>	<b>Interest Rates</b>
GO	General Obligation Bonds	\$	3,349,035,000	\$	1,057,198,695	\$ 4,406,233,695	0.477% - 5%
G&F	Gasoline & Fuels Tax Revenue Bonds	\$	2,056,915,000	\$	714,129,615	\$ 2,771,044,615	0.614% - 5%
	Gasoline & Fuels Tax Revenue Refunding Bonds ( <b>VRDO Bonds &amp; SOFR Bonds</b> )	\$	422,515,000	\$	295,796,984	\$ 718,311,984	Variable
SHIF	State Highway Improvement Bonds	\$	203,345,000	\$	17,802,148	\$ 221,147,148	0.349% - 5%
UCP	Unclaimed Property Revenue Bonds	\$	134,560,000	\$	16,225,826	\$ 150,785,826	0.315% - 5.25%
GARVEEs	Grant Anticipation Revenue Bonds	\$	436,120,000	\$	132,490,008	\$ 568,610,008	5%
TIFIA	Deepwater Horizon Economic Damages Revenue Bonds	\$	282,731,616	\$	30,279,994	\$ 313,011,611	0.500% - 2.840%
<b>Totals</b>		<b>\$</b>	<b>6,885,221,616</b>	<b>\$</b>	<b>2,263,923,271</b>	<b>\$ 9,149,144,887</b>	

# NET STATE TAX SUPPORTED DEBT AND OTHER BONDED DEBT



## STATE BOND COMMISSION

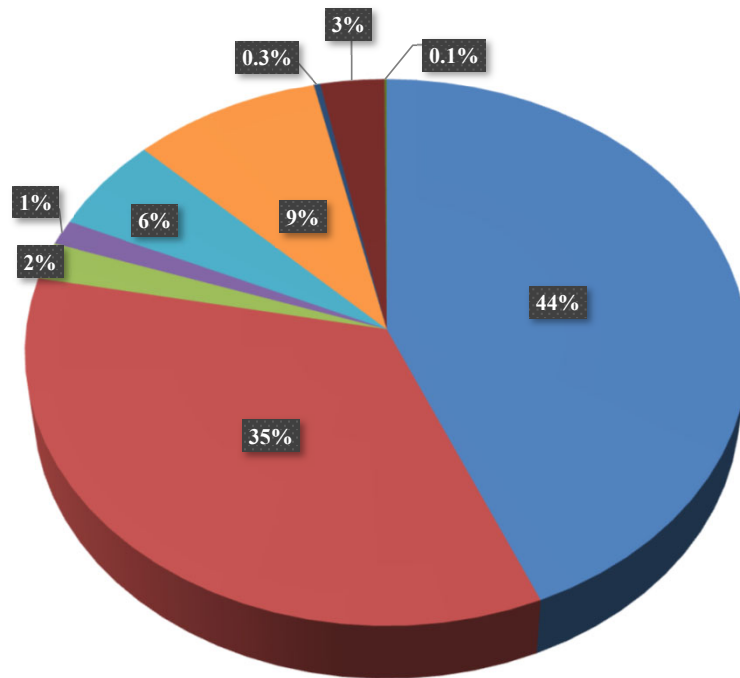
DEPARTMENT OF TREASURY

January 18, 2024

# Net State Tax Supported Debt (NSTSD) Limitation

- Article VII, Section 6(F) of the constitution & R.S. 39:1367 govern NSTSD.
- Constrains the amount of debt that can be issued (“debt limit”). Debt service can be no more than 6% of the REC forecast revenues in any fiscal year.
- The 1<sup>st</sup> adopted REC forecast of the fiscal year establishes the debt limit.
- The December 2023 REC forecast is applicable and will be until the REC adopts an official forecast in FY 2025.
- In order to determine the amount of bond proceeds that can be raised in any year and remain within the debt limit certain assumptions are made as to revenues beyond the REC forecast, interest rates and future issuances.
- Any changes in a variable affecting the projections will result in a change to the outcome. The projection model is revised as needed to account for any changes.
- The NSTSD percentage for Fiscal Year 2024 is 4.30%.
- Approximately \$750 M of proceeds can be raised annually within the 6% NSTSD limitation, assuming 20-year level debt.

### Total Debt Outstanding As of December 31, 2023

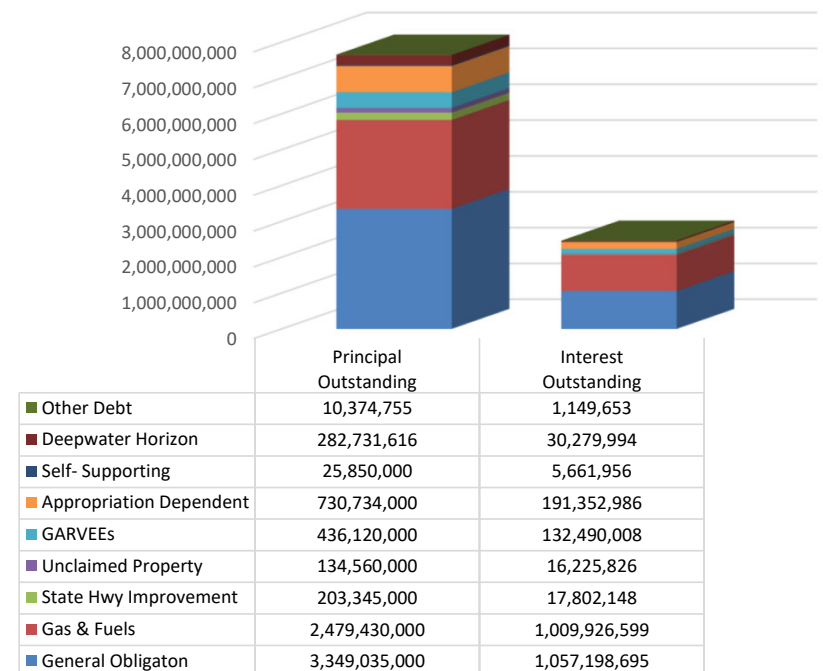


The State has \$10.1 billion in outstanding debt classified as NSTSD and Non-NSTSD secured by the full faith and credit of the State, by an annual appropriation of the Legislature or by a specified/dedicated revenue source.

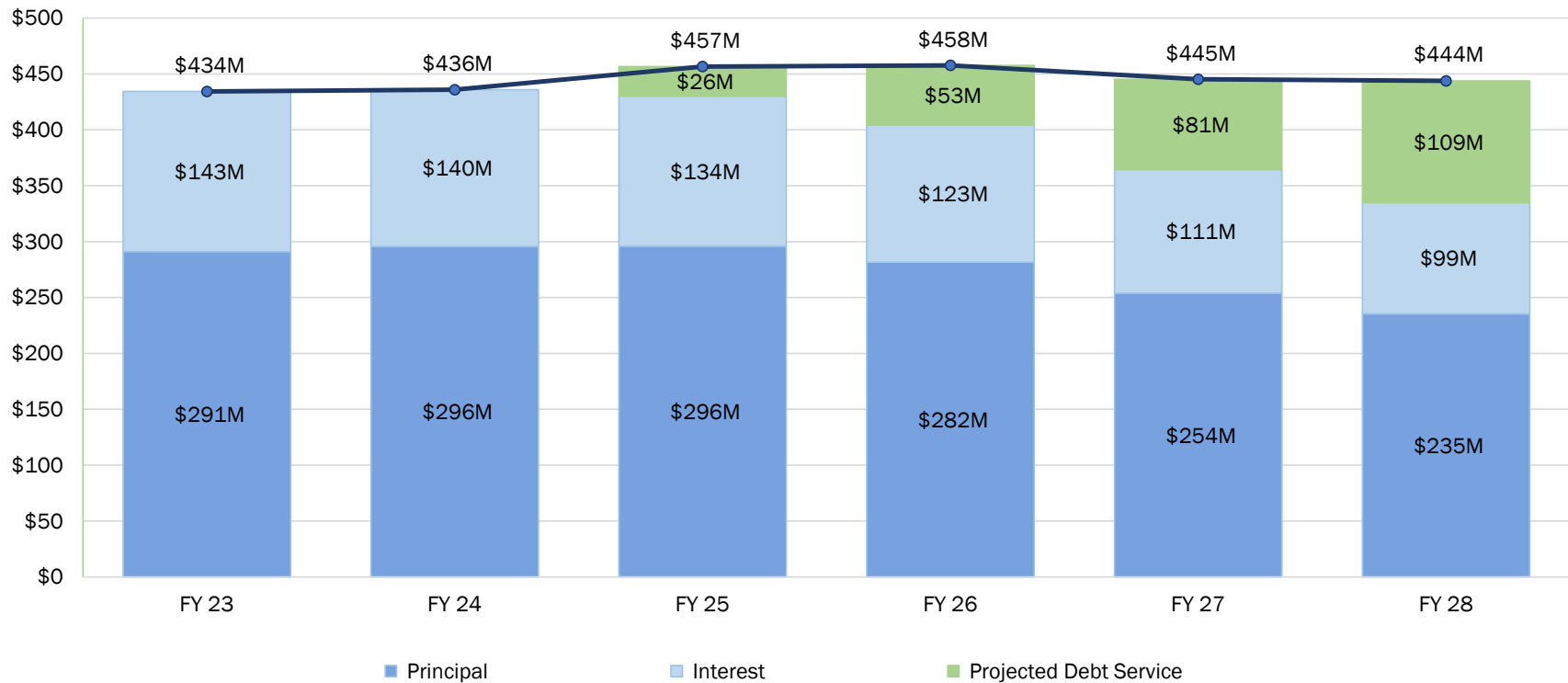
Six transactions were completed in FY 23, of which four were issued by SBC, and three were refundings providing the State \$2.7 M in savings through maturity and \$2.4 M in present value savings.

Five transactions have occurred in FY 24 to date, of which four were issued by SBC.

A new GO bond sale is anticipated in spring 2024 to fund capital outlay projects



## Effect of New GO Debt Cost on the Budget

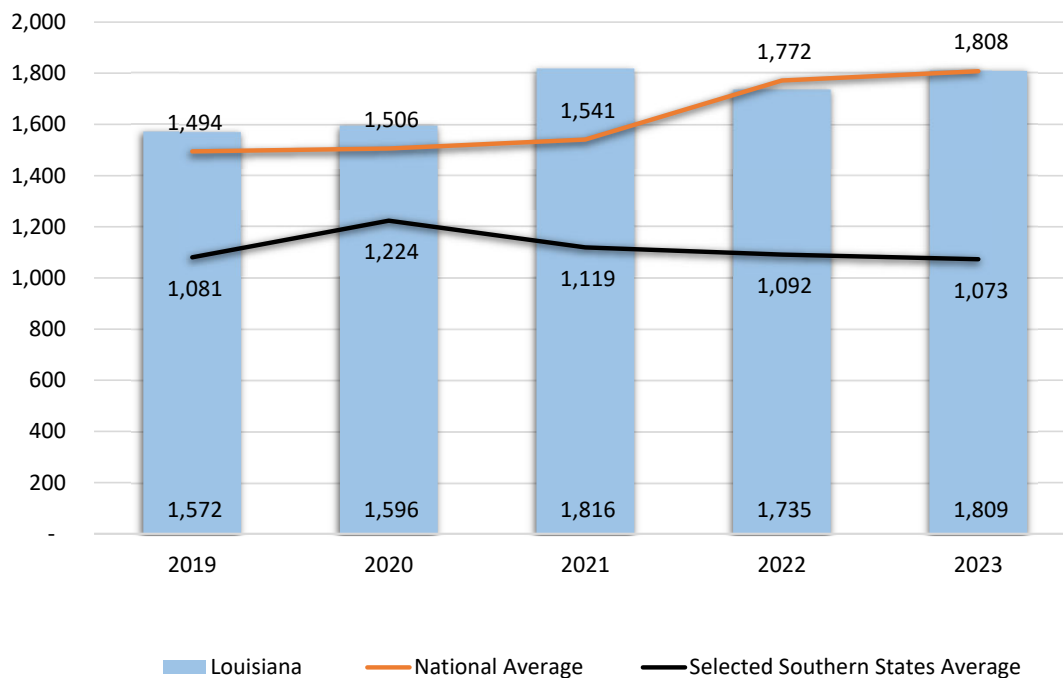


Projected debt service assumes cost of new GO Bonds to be issued in the spring in an amount of \$350 M issued annually beginning in FY 24 to fund Capital Outlay Projects.

## Gasoline & Fuels Variable Rate Bonds and Swaps

- \$422.515 million of variable rate bonds outstanding as of December 31, 2023.
- Variable rate bonds are hedged with multiple interest rate swap agreements to mitigate exposure to variable interest rates with respect to the bonds.
- State receives a variable rate from swap counterparty that offsets the variable rate paid on the bonds.
- State pays a fixed rate to swap counterparty.

## Per Capita Debt (Bonded Indebtedness)



- Per Capita debt increased by \$74 per person from \$1,735 in fiscal 2021 to \$1,809 in fiscal 2022
- Increase accounts for a population decline of 33,806 and an increase in outstanding debt reported by Moody's
- Rank 18th in the nation
- Moody's considers Louisiana's outstanding net tax-supported debt (NTSD) to include debt supported by statewide taxes (GO Bonds, Revenue Bonds & certain debt issued by various entities and secured by annual appropriation by the Legislature), GARVEE Bonds, Tobacco Settlement, certain notes and loans as reported in the ACFR, unamortized bond premiums/discounts and accreted interest.
- Per Capita debt calculation only accounts for outstanding principal and does not account for any interest.

Sources: Moody's Investors Service, Sector Profile - US State Liabilities Report

Selected Southern States include: Alabama, Arkansas, Georgia, Kentucky, Mississippi and Tennessee

# Louisiana's Credit Rating Compared to Other States

Aaa (17 States)	Aa1 (16 States)	Aa2 (10 States)	Aa3 (4 States)	A1 (1 State)	A3 (1 State)
Delaware	Alabama	California	Alaska	New Jersey	Illinois
Florida	Arizona	Hawaii	Connecticut		
Georgia	Arkansas	Kansas	Kentucky		
Idaho	Colorado	<b>Louisiana</b>	Pennsylvania		
Indiana	Massachusetts	Maine			
Iowa	Michigan	Mississippi			
Maryland	Montana	New Mexico			
Minnesota	Nebraska	Oklahoma			
Missouri	Nevada	Rhode Island			
North Carolina	New Hampshire	West Virginia			
South Carolina	New York				
South Dakota	North Dakota				
Tennessee	Ohio				
Texas	Oregon				
Utah	Vermont				
Virginia	Wisconsin				
Washington					

*Source: Moody's Investors Service, Rating changes for the 50 states from 1970*

- S&P revised the State's outlook from stable to positive in March 2023
- Kroll issued its first Louisiana GO Bond rating of AA with stable outlook in April 2023
- Moody's S&P, and Fitch current GO Bond ratings is Aa2, AA- and AA-, respectively
- Stable Outlook by Moody's, and Fitch

**RESOLUTION OF THE  
LOUISIANA STATE BOND COMMISSION**

The following resolution was offered by Representative Riser and seconded by Senator Cloud.

WHEREAS, Louisiana Revised Statutes 18:1285B(1)(b) provides that the Secretary of State shall not prepare or certify the ballot with respect to any election for bond, debt, or tax propositions, or in respect to any other election where the proposition is subject to approval of the State Bond Commission (the "Commission") until he receives certification from the chairperson of this Commission that the Commission has considered and approved the proposition;

WHEREAS, the deadline for filing a notice of election with the Secretary of State is often before the next regularly scheduled meeting of the Commission; and

WHEREAS, the State Bond Commission desires to assist local governmental entities to comply with the Louisiana Election Code, as amended from time to time, so that governmental entities may have suitable propositions for bond, debt, or tax elections and other elections requiring the approval of this Commission placed on the ballot.

BE IT RESOLVED that the Election Subcommittee of the State Bond Commission (to be comprised of the Secretary of State, Attorney General, Speaker of the House, President of the Senate and State Treasurer or their duly appointed designees), on behalf of and with the full power and authority of the State Bond Commission, is delegated the authority to consider and approve, or deny approval of all propositions for bond, debt or tax elections, and all other election propositions, except for emergency elections authorized under La. Const. Art. VI, § 30(B), which are submitted for the purpose of being placed on a ballot and are received before a regularly scheduled meeting of the Commission, when the deadline for filing a notice of election with the Secretary of State is before the next regularly scheduled meeting of the State Bond Commission.

BE IT FURTHER RESOLVED that propositions for emergency elections authorized under La. Const. Art. VI, § 30(B) shall be heard and considered only by the full State Bond Commission.

This resolution shall take effect immediately.

The resolution having been submitted to a vote, thereon was as follows:

YEAS:                      Freel, Nungesser, Landry, Robinson, Cloud, Womack, Foil, Morris,  
                                 Riser, McFarland, Emerson, Bacala, Cassagne

NAYS:

ABSENT:

NOT VOTING:            Fleming

Whereupon the Resolution was declared adopted by the State Bond Commission on the 18<sup>th</sup> day of January, 2024.



Lela M. Folse  
Secretary/Director

**RESOLUTION OF THE  
LOUISIANA STATE BOND COMMISSION**

The following resolution was offered by Representative Riser and seconded by Senator Cloud.

WHEREAS, La. Const. art. VI, §30(B) provides that no political subdivision shall submit the same tax proposition, or a new tax proposition that includes such a tax proposition, to the electorate more than once within a six month period except in the case of an emergency as determined by the governing authority of the political subdivision; and

WHEREAS, La. Admin. Code tit. 71, pt. III, §103.V.1 provides that applications for special emergency elections shall first be reviewed by a special committee appointed by the chairman of the State Bond Commission; and

WHEREAS, La. Admin. Code tit. 71, pt. III, §103.V.1 also provides that the special committee shall use the following criteria to determine whether an emergency situation exists: (a) an emergency shall be a sudden, unexpected occurrence or set of circumstances which is beyond the control of the governing authority of the parish, municipality, or parish or city school board; (b) the resolution of the emergency situation can be accomplished only with the approval of a special emergency election date (in accordance with the Louisiana Election Code); (c) a substantial loss, either financial or nonfinancial, to the public, or the foregoing of a substantial gain by the public, will occur; and

WHEREAS, La. Admin. Code tit. 71, pt. III, §103.V.2 provides that the governing authority shall submit the following in resolution form prior to review by the committee: (a) the date of the proposed election (in accordance with the Louisiana Election Code); (b) declaration of an emergency by the governing authority of the parish, municipality, or parish or city school board; (c) written reasons for requesting a special emergency election date (in accordance with the Louisiana Election Code); (d) sufficient data for approval of a bond, tax, or other election at which a proposition or question is to be submitted to the voters; and (e) cost of the proposed emergency election.

THEREFORE BE IT RESOLVED that the chairman of the State Bond Commission does hereby appoint an Emergency Election Subcommittee to be comprised of the Secretary of State (who shall serve as chair of the Election Subcommittee), Attorney General, Speaker of the House, President of the Senate, State Treasurer, and Commissioner of Administration, or their duly appointed designees. The State Bond Commission staff shall serve as the staff for the Emergency Election Subcommittee.

BE IT FURTHER RESOLVED that the Emergency Election Subcommittee of the State Bond Commission is hereby delegated the authority to consider and make recommendations to the State Bond Commission regarding applications for emergency elections as authorized under La. Const. art. VI, §30(B) and La. Admin. Code tit. 71, pt. III, §103.V.

BE IT FURTHER RESOLVED that the Emergency Election Subcommittee of the State Bond Commission shall use the criteria set forth in La. Admin. Code tit. 71, pt. III, §103.V.1 when determining whether an emergency situation exists.

BE IT FURTHER RESOLVED that applications to the Emergency Election Subcommittee shall contain, at a minimum, the requisite information required under La. Admin. Code tit. 71, pt. III, §103.V.2.

BE IT FURTHER RESOLVED that any recommendation of the Emergency Election Subcommittee shall not constitute approval of the emergency election proposition. Such propositions for emergency elections authorized under La. Const. art. VI, §30(B) shall not be considered approved unless and until approved by the full State Bond Commission.

This resolution shall take effect immediately.

The resolution having been submitted to a vote, thereon was as follows:

YEAS:                      Freel, Nungesser, Landry, Robinson, Cloud, Womack, Foil, Morris, Riser, McFarland, Emerson, Bacala, Cassagne

NAYS:

ABSENT:

NOT VOTING:          Fleming

Whereupon the Resolution was declared adopted by the State Bond Commission on the 18<sup>th</sup> day of January 2024.



Lela M. Folse  
Secretary/Director

**01-18-2024 STATE BOND COMMISSION MEETING  
APPLICATIONS SUBMITTED BUT NOT HEARD**

Agenda Item # 24

Type	App #	Entity	Attorney / Official	Reason
Bond	L24-002	St. Mary Parish, City of Morgan City (LDH Program)	Brennan Black Foley & Judell, LLP	Bond Counsel requested on 01-03-24 the application be Withdrawn and placed on the 2-15-24 SBC meeting.
Loan	L24-005	Bossier Parish, City of Bossier (LDH Program)	Brennan Black Foley & Judell, LLP	Bond Counsel requested on 01-03-24 the application be Withdrawn and placed on the 2-15-24 SBC meeting.
Loan	L23-287	Lincoln Parish, City of Grambling (DEQ Project)	Alan Offner Foley & Judell, LLP	Bond Counsel requested on 12-27-23 the application be Withdrawn and placed on the 2-15-24 SBC meeting.
Loan	L24-004	Allen Parish, Village of Elizabeth (DEQ Project)	Alan Offner Foley & Judell, LLP	Bond Counsel requested on 12-27-23 the application be Withdrawn and placed on the 2-15-24 SBC meeting.

**STATE BOND COMMISSION  
RECAP OF VOLUME CAP ALLOCATIONS  
As January 18, 2024**

Agenda Item # 24

<b>Ceiling</b>			\$571,718,625
<b>Allocations Before Carry Forward</b>			
Governor Allocations	\$	-	
Allocations Returned	\$	-	
		<hr/>	<hr/>
<b>Ceiling Available</b>			\$571,718,625

**Outstanding Receivables Due for Past Elections  
As of January 2024**

Due To	Entity	Election Date	Total Amt Due
<b><u>Secretary of State</u></b>			
<b><u>Attorney General *</u></b>			
	Grant Parish Economic Development District	11/16/2013	\$ 13,115.34
	Recreation District No 1	4/30/2022	\$ 1,768.62
	Natchitoches Parish, Village of Natchez	3/27/2010	\$ 11,653.76
		5/01/2010	
		4/05/2014	
		5/03/2014	
		3/26/2022	
<b>Total</b>			<b>\$ 26,537.72</b>

*\* The Amount is the outstanding balance that includes the cost to hold the election (machine setup, registrar, precinct rentals, ballot, Clerk, Commissioner/custodian, etc.), interest and collection costs. Entites are contacted on a regular basis by the Attorney General's office; however, because they are public entities, the Attorney*