



MINUTES
STATE BOND COMMISSION
July 19, 2018
10:00 AM - Senate Committee Room A
State Capitol Building

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. Guthrie called the roll.

MEMBERS PRESENT:

Mr. Matthew Block, representing the Governor

Mr. Richard Hartley, representing the Lieutenant Governor

Honorable Kyle Adroin, Secretary of State (arrived during discussion of item 5)

Mr. John Morris, representing the Attorney General

Senator John Alario, President of the Senate

Senator Eric LaFleur, Chair, Senate Finance Committee

Senator Jean-Paul Morrell, Chair, Senate Revenue and Fiscal Affairs Committee (arrived during discussion of item 3)

Senator Jay Luneau, representing the Senator at large

Representative Jay Morris, representing the Speaker of the House

Representative Tony Bacala, representing the Chair, House Appropriations Committee

Representative Neil Abramson, Chair, House Ways and Means Committee

Representative Phillip DeVillier, representing the Representative at large

Mr. Jay Dardenne, Commissioner of Administration

Honorable John M. Schroder, State Treasurer

MEMBERS ABSENT:

None

Treasurer Schroder reminded the public to fill out a speaker card if they wished to speak on an issue.

Treasurer Schroder also reminded the public and the Commission to silence all electronic devices.

Treasurer Schroder informed everyone that the State's Financial Advisor, Renee Boicourt, was not able to be on the phone for the meeting because she was in an MSRB meeting.

Treasurer Schroder informed the public and the Commission that the Legislative Auditor's Performance Audit on Local Government Bond Issuance Costs was released Monday July 16, 2018.

Treasurer Schroder informed everyone that the Moody's rating outlook changed from negative to stable.

2. Approval of the minutes of the June 21, 2018 meeting.

Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the minutes were approved.

Local Governmental Units - Elections (December 8, 2018)

3. L18-219 - Evangeline Parish, Vidrine Gravity Drainage District No. 7

3.71 mills tax, 10 years, 2020-2029, constructing, improving, maintaining and operating drainage works.

Ms. Folsie provided a synopsis. Treasurer Schroder advised Senator Eric LaFleur, Chair, Senate Finance Committee requested to be recused from this item. Representative Phillip DeVillier, representing the Representative at large moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

Local Political Subdivisions - Loans

4. L18-191 - Allen Parish, Recreation District No. 2

Not exceeding \$350,000 Limited Tax Certificates of Indebtedness, Series 2018, not exceeding 3.85%, mature no later than March 1, 2028, acquiring and constructing recreational facilities.

Ms. Folsie provided a synopsis. Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

5. L18-207 - East Baton Rouge Parish Law Enforcement District

Not exceeding \$16,500,000 Revenue Anticipation Notes, Series 2018, not exceeding 6%, mature no later than March 1, 2019, current operations.

Ms. Folsie provided a synopsis. Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

6. L18-213 - Iberia Parish, Fire Protection District No. 1

Not exceeding \$1,000,000 Revenue Anticipation Notes, not exceeding 5%, not exceeding 1 year, current expenses.

Ms. Folsie provided a synopsis. Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

7. L18-215 - Rapides Parish, Fire Protection District No. 18

Not exceeding \$125,000 Limited Tax Certificates, in one or more series, not exceeding 6%, not exceeding 3 years, acquiring and constructing fire protection and emergency medical service facilities, vehicles and equipment.

Ms. Folsie provided a synopsis. Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

8. L18-217 - St. Tammany Parish, Recreation District No. 14

Not exceeding \$1,425,000 Limited Tax Certificates of Indebtedness, in one or more series, not exceeding 6%, mature no later than March 1, 2029, acquiring, constructing and/or improving parks, playgrounds, recreation centers and other recreational facilities, together with necessary furniture and equipment.

Representative Jay Morris, representing the Speaker of the House moved conditional approval contingent upon verification of the certified resolution adopted by the Parish Council authorizing the incurrence of the debt, which was adopted on July 12, 2018. The motion was seconded by Senator John Alario, President of the Senate and without objection, the item was conditionally approved.

9. L18-221 - St. Tammany Parish, Hospital Service District No. 2

Not exceeding \$11,000,000 Hospital Indebtedness, in one or more series, not exceeding 6%, not exceeding 10 years, constructing, acquiring and/or improving hospital facilities, equipment and furnishings, including but not limited to computer hardware and software upgrades for Slidell Memorial Hospital.

Ms. Folsie provided a synopsis. Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

Local Political Subdivisions - Bonds - Final Approval

10. L18-212 - Allen Parish, Southwest Allen Parish Waterworks District No. 2 (LDH Program)

Not exceeding \$4,000,000 Taxable Water Revenue Bonds, in one or more series, not exceeding 2.45 %, not exceeding 22 years, constructing and acquiring improvements and replacements to the drinking water system, including equipment and fixtures therefor.

Ms. Folsie provided a synopsis. Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

11. L18-167 - Caddo Parish, Fire District No. 5

Not exceeding \$855,000 General Obligation Refunding Bonds, in one more series, not exceeding 3.85%, not exceeding 10 years, refunding General Obligation Bonds, Series 2008.

Ms. Folsie provided a synopsis. Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

12. L18-218 - Iberia and Vermilion Parishes, Town of Delcambre

(1) Not exceeding \$2,013,000 Water Revenue Bonds, not exceeding 3.125%, not exceeding 40 years, constructing and acquiring improvements and replacements to the drinking water system, including appurtenant equipment and fixtures; **(2)** Not exceeding \$2,013,000 Taxable Bond Anticipation Notes, not exceeding 2.45%, not exceeding 2 years, interim financing.

Ms. Folsie provided a synopsis. Additional information was provided by Alan Offner, Bond Counsel, Foley & Judell, LLP and Meredith Hathorn, Bond Counsel, Foley & Judell, LLP. After a brief discussion, Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

13. L18-208 - Lafayette Parish, Waterworks District South

Not exceeding \$1,500,000 Water Revenue Bonds, Series 2018, not exceeding 3.5%, not exceeding 13 years, constructing and acquiring improvements, extensions and replacements to the waterworks system including appurtenant equipment and fixtures.

Representative Jay Morris, representing the Speaker of the House moved conditional approval contingent upon verification of the certified resolution adopted by the Parish Council authorizing the incurrence of the debt, which was adopted on July 12, 2018. The motion was seconded by Senator John Alario, President of the Senate and without objection, the item was conditionally approved.

14. L18-210 - Sabine Parish School Board, Sales Tax District No. 1

Not exceeding \$1,500,000 Sales Tax Bonds, Series 2018, not exceeding 4%, mature no later than August 1, 2028, constructing and improving public school buildings and facilities, including acquiring equipment and furnishings.

Ms. Folse provided a synopsis. Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

15. L18-017A - Vermilion Parish, Village of Maurice

(1) Not exceeding \$8,214,000 Sewer Revenue Bonds, not exceeding 3.5%, not exceeding 40 years, construct and acquire improvements and extensions to the sewerage system, including appurtenant equipment, fixtures and accessories; **(2)** Not exceeding \$8,214,000 Bond Anticipation Notes, not exceeding 5%, not exceeding 2 years, interim financing.

Ms. Folse provided a synopsis. Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

16. L18-216 - Winn Parish, City of Winnfield (LDH Program)

Not exceeding \$800,000 Taxable Water Revenue Bonds, or other evidences of indebtedness, in one or more series, not exceeding 2.45%, not exceeding 22 years, constructing and acquiring improvements, and replacements to the drinking water system, including equipment and fixtures.

Ms. Folse provided a synopsis. Additional information was provided by Alan Offner, Bond Counsel, Foley & Judell, LLP and Meredith Hathorn, Bond Counsel, Foley & Judell, LLP. After a brief discussion, Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

Political Subdivisions - Bonds

17. S18-017 - Louisiana Community Development Authority (Bossier Parish Public Improvement Projects)

Not exceeding \$50,000,000 Revenue and Refunding Bonds, in one or more series, taxable and/or tax-exempt, not exceeding 6%, not exceeding 30 years, **(1)** approximately \$8,235,000 Revenue Refunding Bonds, refunding a portion of Sales Tax Refunding Bonds, Series 2016B and **(2)** approximately \$41,765,000 Revenue Bonds, capital improvements.

Ms. Folse provided a synopsis. Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

Ratifications and or Amendments to Prior Approvals

Ms. Folse provided a synopsis on Items 18 and 19. Additional information was provided by John Poche, Underwriter, Raymond James and David Henderson, Bond Counsel, Foley & Judell, LLP.

18. L16-056A - Ascension Parish School Board, Parishwide School District

Amendment of a prior approval granted on February 18, 2016, to reflect change in structure and associated cost of issuance and professionals.

Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

19. L16-368B - West Baton Rouge Parish School Board, School District No. 3

Amendment of prior approvals granted on October 20, 2016 and May 18, 2017, to reflect change in cost of issuance and professionals.

Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

Lines of Credit

Ms. Folse provided a synopsis on Item 20, Cash Lines of Credit - Priority 1 - State Projects; Item 21, Cash Lines of Credit - Priority 1 - Non-State Projects Local Governments; Item 22, Cash Lines of Credit - Priority 1 - Non-State Projects - Non-Government Organizations; Item 23, Non-Cash Lines of Credit - Priority 5 - State Projects; Item 24, Non-Cash Lines of Credit - Priority 5 - Non-State Projects - Local Governments; Item 25, Non-Cash Lines of Credit- Priority 5 - Non-State Projects - Non-Government Organizations. Additional information was provided by Mark Moses, Director, Office of Facility Planning & Control and Barbara Goodson, Deputy Commissioner, Division of Administration. After a brief discussion, Mr. Jay Dardenne, Commissioner of Administration moved to approve Items 20 through 25. The motion was seconded by Senator John Alario, President of the Senate, there was an objection to the motion by Honorable John M. Schroder, State Treasurer, and with a roll call vote of 8 to 5, the motion was approved. Upon conclusion and the reading of votes, Representative Neil Abramson, Chair, House Ways and Means Committee, requested to change his vote to "Yes". Therefore, the official roll call vote was 9 to 4.

20. Priority 1 - Cash - State Projects

Resolution setting forth the official intent by the State Bond Commission to reimburse Lines of Credit expenditures with proceeds of General Obligation Bonds for requests submitted by the Office of the Commissioner, Division of Administration, Office of the Governor, for granting of line of credit and authorization to issue General Obligation Bonds in the amount of \$460,979,800 for State projects contained in Priority 1 of the current Capital Outlay Act (Act 29 of the 2018 Regular Session) and listed in the attached exhibit.

Mr. Jay Dardenne, Commissioner of Administration moved approval, seconded by Senator John Alario, President of the Senate, there was an objection to the motion by Honorable John M. Schroder, State Treasurer, and with a roll call vote of 9 to 4, the motion was approved.

21. Priority 1 - Cash - Non-State Projects - Local Governments

Resolution setting forth the official intent by the State Bond Commission to reimburse Lines of Credit expenditures with proceeds of General Obligation Bonds for requests submitted by the Office of the Commissioner, Division of Administration, Office of the Governor, for granting of line of credit and authorization to issue General Obligation Bonds in the amount of \$142,304,000 for Non-State Local Government projects contained in Priority 1 of the current Capital Outlay Act (Act 29 of the 2018 Regular Session) and listed in the attached exhibit.

Mr. Jay Dardenne, Commissioner of Administration moved approval, seconded by Senator John Alario, President of the Senate, there was an objection to the motion by Honorable John M. Schroder, State Treasurer, and with a roll call vote of 9 to 4, the motion was approved.

22. Priority 1 - Cash - Non-State Projects - Non-Government Organizations

Resolution setting forth the official intent by the State Bond Commission to reimburse Lines of Credit expenditures with proceeds of General Obligation Bonds for requests submitted by the Office of the Commissioner, Division of Administration, Office of the Governor, for granting of line of credit and authorization to issue General Obligation Bonds in the amount of \$51,398,200 for Non-Government Organization projects contained in Priority 1 of the current Capital Outlay Act (Act 29 of the 2018 Regular Session) and listed in the attached exhibit.

Mr. Jay Dardenne, Commissioner of Administration moved approval, seconded by Senator John Alario, President of the Senate, there was an objection to the motion by Honorable John M. Schroder, State Treasurer, and with a roll call vote of 9 to 4, the motion was approved.

23. 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 \$441,493,900 for State projects contained in Priority 5 of the current Capital Outlay Act (Act 29 of the 2018 Regular Session) and listed in the attached exhibit.

Mr. Jay Dardenne, Commissioner of Administration moved approval, seconded by Senator John Alario, President of the Senate, there was an objection to the motion by Honorable John M. Schroder, State Treasurer, and with a roll call vote of 9 to 4, the motion was approved.

24. 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 \$261,128,400 for Non-State Local Government projects contained in Priority 5 of the current Capital Outlay Act (Act 29 of the 2018 Regular Session) and listed in the attached exhibit.

Mr. Jay Dardenne, Commissioner of Administration moved approval, seconded by Senator John Alario, President of the Senate, there was an objection to the motion by Honorable John M. Schroder, State Treasurer, and with a roll call vote of 9 to 4, the motion was approved.

25. 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 \$62,987,500 for Non-Government Organization projects contained in Priority 5 of the current Capital Outlay Act (Act 29 of the 2018 Regular Session) and listed in the attached exhibit.

Mr. Jay Dardenne, Commissioner of Administration moved approval, seconded by Senator John Alario, President of the Senate, there was an objection to the motion by Honorable John M. Schroder, State Treasurer, and with a roll call vote of 9 to 4, the motion was approved.

State of Louisiana

26. S18-010B - State of Louisiana (GARVEE)

Resolution setting forth the official intent by the State Bond Commission to reimburse certain expenditures not to exceed \$45,000,000 made by the Department of Transportation associated with the construction and maintenance of public highways, roads and other transportation infrastructure from unencumbered funds on deposit in the Transportation Trust Fund or the Capital Outlay Escrow Fund from proceeds of tax-exempt debt.

Ms. Folsie provided a synopsis. After a brief discussion, Representative Jay Morris, representing the Speaker of the House moved approval, seconded by Senator John Alario, President of the Senate and without objection, the item was approved.

Other Business

27. Presentation

Presentation of Net State Tax Supported Debt and Capital Outlay.

Ms. Folsie provided a brief synopsis relative to Net State Tax Supported Debt and Capital Outlay.

Monthly Reports

28. Monthly Reports

Ms. Folsie provided information relative to the monthly reports.

29. 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.)