

Minutes of the meeting of the **North Lafourche Conservation, Levee & Drainage District Finance and Priority Committee Meeting**

Date: Tuesday, February 19, 2019

A meeting of the Finance & Priority Committee of the North Lafourche Conservation, Levee and Drainage District was called to order by Chairman Kenney Matherne at 4:39 PM on Tuesday, February 19, 2019. The meeting was held at the District's office at 3862 Highway 1 in Raceland. The Chairman called roll. Committee members present were: Kenney Matherne, Louis Andolsek, Joni Tuck, Adley Peltier and Cory Kief. Also present were: NLLD Executive Director Dwayne Bourgeois; NLLD Administrative Assistant Madonna Viguerie; Commissioners Darcy Kiffe, Tim Allen, and Rodney Foret; and members of the public.

Review of the Accounts Payable Report: The Director reminded committee members of the copy of the visa bill in their packets, as well as the current Payables Report. He pointed out the following items: a contribution to the Louisiana Flood Risk Coalition for 2019; Hancock Bank fee for bond funds; JaniKing is a new payables vendor for insured professional cleaning services for cleaning the building. There are engineer recommendations for the following regular board meeting: Low Land Construction Co Inc, Onshore Companies, and Sealevel Construction Inc. He added that everything is in order and there several engineering contracts that are being paid on as the district continues moving projects forward. He recommended that all of the bills from the Payables Report be paid. Motion was made by A. Peltier, seconded by J. Tuck to approve the Payables Report as submitted by the NLLD Director. Commissioner Andolsek asked if the lodging charge in Washington D.C. on the VISA bill was for more than one night. Director Bourgeois responded that it was a charge for one week. With no other discussion or public comment, the motion passed unanimously.

2019 Revised Budget: Follow-up of the F&P Committee meeting on February 11, 2019 to finish the review of the proposed revisions to the 2019 Working Budget for the recommendation of adoption by the full Board. The Director then reported on more details within the Consulting Expenditure on the budget as requested at the previous meeting. In researching the details, it was discovered that we had included \$380K carried forward from the previous year; but that amount should have been \$120K. That discrepancy caused a substantial increase. There are four sub accounts in the Consulting Expenditure, which are: Accounting, Engineering, Info Tech, and Other. He stated that Consulting is a discretionary item that the Board chooses to move forward on and he stated the subtotal for each Consulting sub-account: Accounting \$8K, Engineering \$310K, Info Tech \$3K, and Other \$345K, with a 5% contingency resulting in a total of \$699,300.00. The Director also presented a chart to show the trend of the NLLD's operations since 2011. He used the figures for the Fund Balance, Operating Expenditures, Revenue, and Capital Projects from each year's final budget. The chart showed clearly that, while revenues and related spending on capital projects have increased dramatically over the years, the operating expenses have remained relatively flat. In operating expenditures, consulting has historically been 11% of the total in any given year. So, it is always a big part of the actual Operating Expenses even though it often contains developmental and not true operating expenses. The Board (past and present) should be proud of where the NLLD is going. Commissioner Andolsek complimented Director Bourgeois for providing the information that was requested at the

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previous F&P meeting. Commissioner Andolsek stated he had concerns on the previous F&P's meeting operating expenditures increase of 49%, but now it is down to 39%, and is pleased with how the Director explained where the increases are coming from and to assure the public that the NLLD management is operating efficiently. Board President Kief stated that Andolsek's concerns were legitimate and well received, and it is good that this report was detailed for everyone to understand, while also uncovering a mistake, which is part of this process. The Board President continued by saying the NLLD has to have shovel-ready projects which will get the revenues the NLLD needs. Director Bourgeois explained that on the budget revision worksheet there is a reserve of \$16 million through 2022 and that is for informational purposes on the budget worksheet. A motion was made by J. Tuck, seconded by L. Andolsek to recommend the 2019 Revised Budget for adoption. With no discussion or public comment, the motion passed unanimously.

The Chairman called for public comments; there being none, motion for adjournment was made by J. Tuck, seconded by L. Andolsek and the meeting was unanimously adjourned at 5:03 PM.

/s/ Cory Kief, President

/s/ Dwayne Bourgeois, Director