

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

Date: **Wednesday, August 12, 2020**

A virtual and on-site meeting of the Finance & Priority Committee of the North Lafourche Conservation, Levee and Drainage District was called to order by Chairman Kenney Matherne at 4:00 pm on Wednesday, August 12, 2020. The meeting was held at the District's office at 3862 Highway 1 in Raceland. E. Pitre led the assembly in the pledge and L. Andolsek offered the invocation. The Chairman called roll. Members participating were Cory Kief, Kenney Matherne, Louis Andolsek, and Adley Peltier, and Elmo Jay Pitre. Also participating were: NLLD Executive Director Dwayne Bourgeois; NLLD Project Manager Arthur Ostheimer; NLLD Administrative Assistant Madonna Viguerie; Executive Assistant Katie DeRoche. Committee Chairman Matherne turned the meeting over to the Executive Director to guide the committee through review and discussions. The Director stated the NLLD's millage rates have been reassessed in 2020. The property value in NLLD's District has gone up. Therefore, the millage rates are adjusted lower to collect the same amount in tax revenue as in 2019. NLLD's current voter approved millage would go down from 6 to 5.53 and the current constitutional millage would go down from 5 to 4.6. The NLLD Board can choose to accept these adjusted millage rates or continue to roll forward with the 5 and 6 millage rates. D. Bourgeois stated if the Board does not choose to roll forward, they can still decide to roll forward within the next few years, as long as it is before the next reassessment cycle, which is typically four years, but the LA Tax Commission could reassess earlier. D. Bourgeois also presented to the Board the Ad Valorem tax revenues collected over the years from 2012 and the sales tax collected from 2015. The sales tax collected this year so far have been record amounts. Another option stated by C. Kief is to have another ¼ cent sales tax and drop the voter millage rate. L. Andolsek supports this option. The commissioners agree to put a lot of thought in the decision since the Board wants to be good stewards of the community's money but recognize the importance of completing projects for flood protection within the district. Discussion ensued about the different options to vote on. There will be a public hearing at the September 22 Regular meeting with the Board's vote to follow. D. Bourgeois moved on to the next item on the agenda which is the cash considerations on large capital projects. Since NLLD is spending its bond revenues down, the district must come up with a few options in the budgets to address cyclic cash demands. CPRA and other federal agencies require NLLD to pay for a project before they reimburse the district for the cost of the projects. This in turn forces the NLLD to hold back some revenues within its budget. As a state agency, NLLD cannot get a line of credit. Another option is to borrow a certain amount of money from the bank to create a revolving system to have better cash flow; however, NLLD would be paying interest. D. Bourgeois said NLLD is brainstorming with legislators and CPRA to create a better and more efficient process of gaining cash flow with federal and state funded projects. Discussion ensued on some options on having better cash

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flow. Next, the Director went through the documents provided in the meeting packets. The starting NLLD cash balance is at \$14,022,321.00 million. He started with describing the Revenue, going through each item. The ad valorem tax has increased by \$90,000 and budgeted to \$3,890,000.00 million. The Sales Tax Revenue is the same at \$2,460,000.00 million, which might be adjusted higher at the end of the year. The Interest & Dividend Income is lower at \$28,117.00. There is a FEMA revenue of \$11,910.00 and from CPRA with GOMESA reimbursements at \$6,780,125.00. Another revenue was added from the state for MtoG Reach 2 at \$200,000.00. NLLD Property Revenue, LA State Revenue Sharing, and Surplus Equipment Sales had no adjustments. The Revenues totaled at \$13,480,600.00 million. D. Bourgeois went over Operating Expenditures. The following expenditures have increased: Audit/Bank charges from \$8,452.50 to \$14,175.00; Insurance- Generals from \$105,177.97 to \$119,175.57; IT Equipment & Services from \$113,127.00 to \$141,769.95; General Transportation from \$5,250.00 to \$10,500.00; Repairs & Maintenance of Equipment from \$410,550.00 to \$457,800.00. The following have decreased: Dues, subscriptions, and conferences; Legal; general office expenses; facility maintenance and repairs; publications; equipment operation; travel; pension fund expenses; consulting; and NLLD committee projects. The rest of operating expenditures had no adjustments. The total of operating expenditures decreased from \$2,887,012.00 million to \$2,627,437.00. The Debt Service decreased at a total from \$957,018.00 million to \$956,718.78 million. NLLD Project Manager A. Ostheimer explained in detail the funding for each Capital Project. The total for Capital Projects also decreased from \$25,093,196.00 million to \$21,677,953.00 million. Discussion ensued and circled back to cash-flow issues for Capital Projects. The estimated ending cash balance for the Revised 2020 Budget totals to \$2,240,812.00 million. The future Reserves for Capital Projects totals to \$23,303,425.00. E. Pitre motioned, seconded by A. Peltier to recommend the adoption of the Revised 2020 Budget by the full Board at an upcoming Board Meeting. L. Andolsek complimented the NLLD staff on the amount of detail in the information provided. No further discussion or public comment. Motion passed unanimously. The meeting was unanimously adjourned at 5:44 pm on motion by E. Pitre, seconded by L. Andolsek.

/s/Cory Kief, President

/s/Dwayne Bourgeois, Director