

**MINUTES OF  
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST  
FINANCE COMMITTEE MEETING  
HELD ON JUNE 20, 2024**

PRESENT: William A. Settoon, Jr., Chair  
Roy M. Arrigo, Committee Member  
K. Randall Noel, Committee Member  
Deborah M. Settoon, Committee Member

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The Finance Committee of the Southeast Louisiana Flood Protection Authority-East (FPA or Authority) met on June 20, 2024, in the Franklin Avenue Administrative Complex, Meeting Room 201, 6920 Franklin Avenue, New Orleans, La. Mr. Settoon called the meeting to order at 9:00 a.m.

**Opening Comments:** Mr. Settoon advised that the FPA's finances appear to be well in order. Over the course of the last month he requested an update on accounts payable. With very few exceptions, all of which had legitimate explanations, everything was in order and the bills were paid.

**Adoption of Agenda:** The Committee adopted the agenda as presented.

**Approval of Minutes:** The Committee approved the minutes of the Finance Committee meeting held on May 16, 2024.

**Public Comments:**

None.

**Regional Finance Director's Report:**

Denise Williams, Regional Finance Director, provided the following report:

- Ms. Williams and two Finance staff members successfully completed the FEMA Grants Management course. The 35-hour course was held over a period of five weeks and covered the life cycle of both disaster and non-disaster grants. It provided helpful information on the entire grants process from application to closeout. The course will be especially helpful when dealing with FEMA storm-related reimbursements.
- The PSA Air program (automated accounts payable) is working well. Staff is working with the PRONTO team to correct issues as they are encountered. PRONTO assisted with some simple issues that could be quickly fixed without billing the FPA. Mr. Settoon was provided a report on invoices older than 60 days. One invoice was older than 60 days, but it was handled the previous week.

Staff was working with PSA Air and Capital One Bank for the integration of accounts payable. Invoices will be processed through PRONTO and a payment file will be sent to Capital One. Capital One will process ACHs (automated clearing house) and EFTs (electronic fund transfer) and mail paper checks. This will provide additional security and lessen the turn-around time between receipt of invoice and payment. The process was in the development stage and will be tested before going live.

The PRONTO module for tracking ID-IQ (Indefinite Delivery-Indefinite Quantity) contract balances has gone live. Some testing of the module will take place this week. Projects will be processed through purchase orders. The system will track invoices paid against ID-IQ contract balances.

- The Legislative Auditor's Office received three proposals to conduct the FPA's financial audit. One of the three proposals was not scored. The two scored proposals were submitted by Eriksen Krentel (approximately \$87,000 and 500 work hours) and Duplantier, Hrapmann (approximately \$83,000 and 700 work hours) for the three-year contract. The scores for the two firms were very close. When asked by the Legislative Auditor's Office if the FPA would be satisfied with the selection of Duplantier, Hrapman, the Regional Finance Director responded no. Eriksen Krentel audited the FPA for the past six years; therefore, the firm was familiar with the FPA and PRONTO. Last year's financial audit went smoothly by utilizing a portal to submit documentation. The Legislative Auditor's Office will inform the FPA regarding its final decision.
- The year-end inventory of the Purchasing Department/Storeroom was scheduled for June 28.
- The adjusted ad valorem tax millage rate for the East Jefferson Levee District (EJLD) was received last week. The notice required for the roll back/roll forward process was being published. The adoption of the EJLD's millage rate will take place at the August 15 Board meeting. Information regarding the potential increase if the rate is rolled forward will be sent to Commissioners prior to the meeting. Calendar year 2025 is the first year in the four-year period during which the roll forward of the millage rate can take place.
- A report was being developed of future major costs and impacts [e.g., levee lifts (FPA cost share estimated at over \$300 million), dewatering projects and the replacement of the New Orleans Lakefront seawall (estimated at \$300 million)]. The report will aid in setting aside funding for the projects. The report will be presented in July or August. Kelli Chandler, Regional Director, noted that reserve calculations had been done in the past and should be revisited annually. The U.S. Army Corps of Engineers (USACE) estimated that the total cost of the levee lifts to maintain the 100-year level of protection would be over one billion dollars (cost share is 65% federal / 35% FPA).

Chris Humphreys, Director of Engineering, advised that the USACE and FPA will each pay half the cost for the \$3 million study regarding 200-year protection. In the 2019 Reevaluation Report the difference between 100-year and 200-year protection was about nine percent. The Reevaluation Report was redone in 2021 and the cost to maintain the Lake Pontchartrain and Vicinity portion of the Hurricane and Storm Damage Risk Reduction System at the 100-year level of protection for a fifty year period was about \$1.1 billion dollars. Mr. Settoon noted that the cost share is paid over a period of time.

**New Business:**

**A. Discussion of the completed Louisiana Compliance Questionnaires for the Southeast Louisiana Flood Protection Authority-East, Orleans Levee District, East Jefferson Levee District and Lake Borgne Basin Levee District for the fiscal year ending June 30, 2024, and recommendation to the Board.**

Ms. Chandler explained that the Compliance Questionnaire must be completed each year for the FPA, Orleans Levee District (O.L.D.), East Jefferson Levee District and Lake Borgne Basin Levee District (LBBLD) and provided to the financial auditor.

A motion was offered by Mr. Noel, seconded by Mr. Arrigo and unanimously adopted, to recommend that the Board approve the completed Compliance Questionnaires.

**B. Discussion of the selection of the New Orleans Advocate as the Official Journal for the Flood Protection Authority, East Jefferson Levee District and Orleans Levee District and the St. Bernard Voice as the Official Journal for the Lake Borgne Basin Levee District for publications as required under R.S. 43:171 for a one-year term commencing on July 1, 2024, and recommendation to the Board.**

A motion was offered by Mr. Noel, seconded by Ms. Settoon and unanimously adopted, to recommend that the Board approve the selection of the New Orleans Advocate as the Official Journal for the FPA, EJLD and O.L.D., and the St. Bernard Voice as the Official Journal for the LBBLD for a one year period.

There was no further business; therefore, the meeting adjourned at 9:25 a.m.