

**MINUTES OF
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST
FINANCE COMMITTEE MEETING
HELD ON OCTOBER 2, 2014**

PRESENT: Paul Tilly, Chair
Stephen Estopinal, Committee Member
Tyrone Ben, Committee Member
Lambert J. Hassinger, Jr., Commissioner

The Finance Committee of the Southeast Louisiana Flood Protection Authority-East (SLFPA-E or Authority) met on October 2, 2014, in Meeting Room 201, Orleans Levee District Franklin Administrative Complex, 6920 Franklin Avenue, New Orleans, Louisiana. Mr. Tilly called the meeting to order at 9:30 a.m.

Opening Comments: None.

Adoption of Agenda: The agenda was adopted by the Committee.

Approval of Minutes: The Committee approved the minutes of the Finance Committee meeting held on July 10, 2014.

Public Comments:

Wilma Irvin, President of the Love and Charity Benevolent Association, informed the Committee about her concerns relative to the proposed acquisition of public streets in connection with the future construction of the East Jefferson Levee District (EJLD) Consolidated Facilities and Safehouse in Kenner, LA, and the impact to the adjacent cemeteries. She advised that she is not opposed to the construction of the facilities; however, she is opposed to the purchase of city streets and the cutting off of ingress and egress to the cemeteries. Her major concern is safety. In the EJLD's initial proposal visitors to the cemeteries would be required to back out onto a major highway. She commented that the EJLD has been attempting to alleviate the public's concerns; however, the concerns have not yet been satisfied relative to the issue of safety. In addition, visitors to the cemeteries currently park along the streets that the EJLD is attempting to acquire.

Mr. Tilly advised that he visited the site after the town meeting and that modifications have been made to the plan since the town meeting. Ms. Irvin indicated that she had not yet had an opportunity to review the newest proposed plan. Mr. Tilly explained that the newest plan includes a cul-de-sac and a one-way traffic flow so that visitors would not have to back out onto the highway. Mr. Tilly and Fran Campbell, EJLD Executive Director, offered to meet with Ms. Irvin after the Committee meetings in order to review the newest plan. The new plan includes overflow parking (at least 55 spaces) that visitors to the cemeteries and funeral participants would be able to utilize.

New Business:

A. Discussion of pledge to support the efforts of the Flood Insurance Reform Coalition (SLFPA-E Resolution No. 03-20-14-10).

Wilma Heaton, SLFPA-E Director of Governmental Affairs, explained that the Board referred the payment of the pledge to support the efforts of the Flood Insurance Reform Coalition to the Finance Committee. A clarification was required as to whether the request is for a one time or annual payment. An email was received clarifying that the request is for a one time contribution; however, a request may be made in the future for an additional contribution. The Board committed to only a single contribution of \$5,000 through the adoption of Resolution No. 03-20-14-10. The Flood Insurance Reform Coalition is an ongoing effort to work with the Congress on flood insurance issues. It was noted that the request for payment was made through the Association of Levee Boards of Louisiana (ALBL).

Mr. Estopinal offered a motion, which was adopted by the Committee, to direct staff to process the payment of the \$5,000 contribution that was committed to by the Board to the Flood Insurance Reform Coalition via the ALBL and that the issue be revisited by the Board should a future request for contribution be received.

B. Report on the financial audit for the fiscal year ending June 30, 2014.

Jim Durbin with Gurtner, Zuniga and Abney provided a report on the financial audit of the SLFPA-E and East Jefferson, Orleans and Lake Borgne Basin Levee Districts for the fiscal year ending June 30, 2014. There were no new accounting practices adopted during the subject year. Several new policies and procedures will be coming about during the next year relative to the presentation of post-retirement benefits. There were no varying treatments discussed with management. There were no unusual or significant transactions. The only truly significant transactions that were out of the ordinary dealt with post-employment benefits to retirees and the disclosure of a gain due to the settlement of various Bohemia Spillway lawsuits. Financial statement disclosures were very clear and there were no audit adjustments or uncorrected misstatements. At no time did Gurtner, Zuniga and Abney consult with any accountants other than those employed by the Board. There were no significant items discussed with management or any items that the audit firm felt needed to be brought to the Committee's attention.

Mr. Estopinal requested that the audit report be presented to the Board at its next meeting.

C. Discussion of Orleans Levee District auction of surplus items.

Robert Turner, SLFPA-E Regional Director, advised that the Orleans Levee District (O.L.D.) will be conducting an auction to dispose of some surplus equipment. A list of surplus equipment was provided to Committee members.

Mr. Estopinal offered a motion, which was adopted by the Committee, to recommend that the Board authorize the O.L.D.'s auction of surplus equipment.

D. Discussion of renewal of Orleans Levee District Automobile Liability Insurance Coverage.

Randy Maddox with Morrison Insurance Agency explained that the O.L.D.'s Automobile Liability Insurance coverage will expire on November 1st. Eleven different carriers/brokers were approached. Nine declinations and two proposals were received. The quote received from AIG (\$217,000) was substantially less than the quote received from the current carrier—Scotsdale (\$242,000). The issue that caused angst in the attempt to obtain quotes was related to the use of the police vehicles. Critical information was obtained from the O.L.D. Police Department that alleviated the concerns of at least two of the markets. AIG is an admitted carrier in Louisiana. The O.L.D. has 140 units; 128 of the units are motorized and 29 of the motorized units are police units.

A motion was offered by Mr. Estopinal, which was adopted by the Committee, to recommend that the Board approve the procurement of coverage from AIG.

There was no further business; therefore, the meeting was adjourned at 10:00 a.m.