

**NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY  
MINUTES OF THE FINANCE COMMITTEE MEETING  
TUESDAY SEPTEMBER 19, 2017 – 3:30 P.M.**

The regular meeting of the Finance Committee of the Non-Flood Protection Asset Management Authority was held on Tuesday, September 19, 2017 at 3:30 p.m., in the 2<sup>nd</sup> Floor Conference Center, Lakefront Airport Terminal Building, 6001 Stars & Stripes Blvd., New Orleans, Louisiana after due legal notice of the meeting was sent to each Board member, the news media, and a copy of the call was posted.

Chair Richard called the meeting to order at 3:46 a.m. and led in the Pledge of Allegiance. The roll was which constituted a quorum.

**Present:**

Chair Anthony Richard  
Comm. Roy Arrigo  
Comm. Sean Bruno

**Furthermore Present:**

Chair Wilma Heaton

**Absent:**

Comm. Dawn Hebert

**Staff:**

Jesse D. Noel, P.E. – Executive Director  
Ngoc Ford – Deputy Director  
Sharon Martiny – Administrative Assistant

**Also Present:**

Ray Landeche – Lakeshore Resident

**Opening Comments**

None

**Adopt Agenda**

Comm. Arrigo offered a motion to adopt the Agenda, second by Comm. Bruno. Motion passed.

**Approve Minutes**

Comm. Bruno offered a motion to approve the August 15, 2017 Finance Committee meeting minutes, second by Comm. Arrigo. Motion passed.

**Public Comments**

None

**Director's Report**

E.D. Noel reported that the Asset Management Plan (AMP) is underway and a rough draft will be forwarded to the Commissioners in the near future. The AMP was prepared from scratch using Chair Heaton's history of the Lakefront as a base. A plan for each facility will be developed going forward. The primary focus of this AMP will be the administration, maintenance and rent collections of all facilities. The AMP will determine how to best monetize facilities that are revenue producing and how to provide additional recreation at facilities that provide recreation. That is the direction the AMP report is going.

The Lakeshore Landings Sneak Peak concert was a success, and a September concert series will continue throughout the month of September. Admission is free, and parking is \$5.00. Staff is requesting the purchase for AV equipment for the Conference Center. A proposal was received to equip half of the conference room for approximately \$60,000. That cost includes audio, video and a drop-down video monitor screen. The cost to equip both sides of the room is approximately \$82,000. The equipment will be

purchased through the state with FEMA funding that is currently available in the amount of \$127,000. Chair Heaton advised that the Authority took the credits for the build-out funded by the Flood Authority. The Airport Committee recommended approval not to exceed the reimbursable amount. At end of the day this equipment is not an expenditure, it is reimbursable.

E.D. Noel thanked Board Secretary Sharon Martiny for her services and advised that Ms. Martiny accepted a promotion within the Authority and will now do procurement and contracting for the new Operations Director.

## **Old Business**

### **1) Review of YTD budget to actual Fiscal Year 201-2018**

E.D. Noel advised that revenues are at 13% and expenditures are 16% with both tracking well. Staff will continue to monitor the budget, allocate funds to maintain the facilities, and proceed in the right direction going forward. Chair Richard addressed Professional Services. Mr. Noel advised that the Authority currently has no design projects underway. As all projects are pending construction, the Authority will now move into a maintenance-type consultant role. The Marina Committee will take up rebuilding the east and west wall against the Peninsula.

### **2) Update regarding Marina collections**

E.D. advised that staff's goal is to pursue current rents and keep all tenants current. There were many tenants who paid large lump sums to bring themselves current. Slip occupancy at Orleans Marina is at 85%, and staff is actively promoting and advertising vacant slips, which rental could generate approximately \$30,000 annually in revenue. Tenants no longer in the Marina that have outstanding balances will receive a form letter and statement advising of the debt. Those tenants that do not respond will be referred to the Office of Debt Recovery. Ms. Ford spearheaded the effort to contact each tenant individually and notify them of the arrears.

Chair Arrigo noted that staff put much work and team effort in preparing statements and collecting past due rents. It is great to see collections at this point. Staff can eliminate zero balances of future spreadsheets, which currently make up 90% of this report. Reports going forward will report only outstanding balances.

## **New Business**

### **3) Update regarding Louisiana Legislative Auditor's report on Marina Collections**

E.D. Noel advised that the Legislative Auditor produced a draft confidential report that will be issued in the near future, and staff will respond to that report with the assistance of Chair Heaton and Comm. Richard to show progress regarding the finding. The only item the auditors reported for all intent and purposes was the Marina collections; the same finding as new Management who arrived in 2017. Staff continues to aggressively pursue collections, and have collected approximately \$396,000.00 to date. The auditors requested staff require future payment plans be in writing. With the initial amount of communications to tenants, staff found it more prudent contact tenants via telephone as it provides a more personal communication rather than sending a statement. Verbal communication has helped tenants understand the situation regarding the past due rents.

Comm. Arrigo noted concern regarding the finding, and questioned written procedures regarding Marina collections going forward. Mr. Noel explained that staff now requires each tenant that has lease must either be current in rent or have a payment plan in line. If the tenant is not current and does not agree on a payment a lease will not be issued and staff will proceed with eviction. The Legislative Auditors were agreeable with those procedures, which will be documented in the near future. Going forward staff will be the face of collections and with the Executive Director taking responsibility on lease execution. Staff is now able to track through a spreadsheet who has a lease and what slips are avail for lease.

**4) Discussion regarding Audit Report to be issued by Carr, Riggs, and Ingram for the 2016-2017 Fiscal Year**

E.D. Noel advised that currently there are no technical details to report. The audit was from July 1, 2017 through June 30, 2017. For six months of the audit current administrative staff was not here, and there were no substantive changes in the marina model. The auditors will have to report that finding and the lack of internal controls during that time. There is no report to provide to the Finance Committee at this time.

**Announcement of Next Meeting**

Chair Richard announced that the next Finance Committee meeting is scheduled for Tuesday October 17, 2017 at 4:30 p.m.

**Adjournment**

Comm. Bruno moved to adjourn, second by Comm. Arrigo. Motion passed. The meeting ended at 4:05 p.m.