

**MINUTES OF
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST
FINANCE COMMITTEE MEETING
HELD ON OCTOBER 21, 2021**

PRESENT: K. Randall Noel, Chair
Roy M. Arrigo, Committee Member

The Finance Committee of the Southeast Louisiana Flood Protection Authority-East (FPA or Authority) met on October 21, 2021, at the Franklin Avenue Administrative Complex, Meeting Room 201, 6920 Franklin Avenue, New Orleans, Louisiana. Mr. Noel called the meeting to order at 10:30 a.m.

Opening Comments: None.

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 August 19, 2021.

Public Comments: None

Regional Finance Director's Report:

John Burgess, Interim Regional Finance Director, provided the following report:

- Pronto Workshops commenced in September in order to begin the conversion process to the new Asset Management System. Data scrubbing should be finalized by the end of October. Partial data migration (customers, vendors, parts and assets on the finance and maintenance modules) will begin in early November. A new chart of accounts is being implemented and will be used in the budgeting process for the next fiscal year.
- Finance staff received an update on the financial audit. The auditors requested an extension through the end of the month in order to finalize the audit. The draft audit was under review by the auditors and was anticipated to be presented to FPA staff for review on October 25. The U.S. Army Corps of Engineers (USACE) provided updated figures for assets that went into service during the past year. The figures provided by the USACE will be added to the FPA's books and the depreciation schedule will be adjusted.
- Mr. Burgess thanked the members of the procurement team for their efforts during Hurricane Ida in helping to provide meals for workers. During Hurricane Ida FPA staff used newly created forms for tracking equipment usage and time, which will be used when applying for FEMA reimbursement. He noted that prior to Hurricane Season Susan Jenkins did an outstanding job training supervisors and managers on the usage of the forms.

New Business:

A. Review of Fiscal Year 2022 first quarter Budget to Actuals.

Mr. Noel advised that the actual expenditures for the first quarter, for the most part, were in line with the Fiscal Year (FY) 2022 Budget and that there were savings in a number of categories.

Mr. Burgess reviewed the highlights of the FY 2022 first quarter Budget to Actuals:

- On a consolidated basis, Operations and Maintenance costs are 33% under budget.
- Projects costs are about 70% under budget due to weather delays; however, the costs are anticipated to catch up during the second and third quarters.
- The Orleans Levee District's overall revenues were over the estimated budget.
- Overall, expenses were in line with budget estimates.
- Relative to the Lake Borgne Basin Levee District Budget, \$4.5 million was transferred to St. Bernard Parish Government in accordance with the agreement for turning over the pumping and drainage system. Staff was doing a final reconciliation of expenses for the pump stations.

B. Discussion and recommendation on the proposed extension of two Leases for Oil, Gas and Other Liquid or Gaseous Minerals - State Leases No. 21700 and 21701 - from five years to seven years.

Michelle White, Executive Counsel, explained that the exploration that was expected to take place during the previous two-year extension was substantially delayed because of Covid-19 issues. Two additional State Mineral Leases were previously extended for the same reason. The additional extension will give the operators the opportunity that they would have had if they had been able to proceed during the past twenty-four months. The additional extension will be on the same lease terms.

There was no further business; therefore, the meeting was adjourned at 10:40 a.m.