

**DOWNTOWN DEVELOPMENT DISTRICT
FINANCE COMMITTEE MEETING MINUTES**

**Wednesday, May 31, 2023
3:00 p.m.
DDD Ronald E. Gardner Board Room**

Roll taken - Meeting called to order at 3:00 p.m.

Members Present: Chair Chris Ross, Commissioner Leann Moses, Commissioner Carla Major

Members Absent: N/A

Other Board Members Present: Board Chair Gregory Curtis

Staff/Counsel Present: Davon Barbour, Anthony Carter, Stuart Taylor and Brittany Carnes-Stone Pigman

Others Present: N/A

Notice: The time, location, and agenda had been adequately and publicly noticed.

Public Input Card: N/A

Public Comments: N/A

Action Items:

1. Approval of April 26, 2023, Finance Committee Meeting Minutes – **Action Item***
2. Approval of April 2023 Financials - **Action Item***
3. Approval of 2022 Audit Report – **Action Item***
4. Approval of Sidewalk Cleaning and Public Space Maintenance RFP – **Action Item***

Approval of April 26, 2023, Finance Committee Meeting Minutes – Action Item*

Move to approve by Chair Chris Ross. Motion carried.

Approval of April 2023 Financials - Action Item*

- Ad Valorem tax – collections are 60% of what was budgeted for April which placed us at 111% of the amount budgeted year to date and about 71% of the amount total budget for 2023
- Expenses :
 - Some invoices not received for April
 - Expenses are running pretty close to expected
 - Mardi Gras clean up invoice came in early
 - Communications-advertising agency fees paid for work that was planned for last year but was completed this year. The re-forecast will account for those expenses
 - Financials are on track with this year's budget
 - Pre-approved capital purchases for 2 new police vehicles, and 1 new truck, these items not yet procured

NOTES:

Commissioner Moses asked about homelessness outreach and the Low Barrier Shelter.

CEO Barbour responded:

- Regular homelessness outreach updates are provided in the board packets
- DDD has two dedicated homeless outreach workers one of the positions is funded by the Wisner Funds and Travelers Aid Society
- DDD has one final payment for the Low Barrier Shelter
- The city has hired Nathaniel Fields who is coordinating all city services related to homeless outreach
- City signed a contract with CLUTCH consulting to assist with the city's new homeless strategy

Chair Ross called a motion for approval. Motion carried.

Approval of 2022 Audit Report – Action Item*

Wade Carter from Luther Speight & Company, LLC, gave a high-level overview of the audit which is still in the quality control stage. The final draft of the audit will be presented by Luther Speight at the June Board Meeting

- Unmodified opinion – financial statements present fairly in all material respects
- Net position balance 12/31/22 was \$3Mil which was an increase from the prior year \$2.7Mil \$369K increase.
- Overall revenues slightly decreased due to increase ad valorem tax collections which was caused by lower than projected assessments
- Governmental funds reported combined ending fund balances was an increase of 591K from the prior year
- No unusual or significant changes from last year's audit
- Received Ad Valorem taxes confirmation from the city net payable balance of \$182K which was a decrease from last year of \$352
- Leases over 1-year old must be analyzed. Lease assets are amortized over the life of the lease and the liability is reduced each year. The lease ends in 2026.
- Escrow funds is in the process of moving to JP Chase Morgan – the audit will show that steps have been taken and will be resolved for 2023

NOTE:

Anthony Carter pointed out that revenue is up \$26K over expenses compared to what was budgeted

Chair Ross had questions about use and tracking of the Wisner Funds.

Anthony Carter explained that the Wisner funds expenditures will be tracked on a quarterly basis by program code, and line item. An expenditure report will be provided at monthly meetings. Note DDD is required to provide an annual report to Wisner.

Commissioner Major asked about the transfer of the Escrow Funds.

Anthony Carter explained the draft legal agreement for the transfer of funds to JP Morgan Chase has been submitted. Southern Loan Servicing has signed. DDD is waiting on JP Morgan Chase who has started an internal review, but they have questions. Hopefully, the transfer of the escrow is finalized before the audit is submitted.

Chair Curtis expressed frustration that the escrow funds finding had not been raised in prior audits and that more diligence is needed moving forward.

DDU does not require any committees other than the board of the organization. Britany Carnes Melancon confirmed that an annual meeting is required.

Motion by Commissioner Major to approve the preview of the draft of the 2022 audit report that was presented today at the meeting. Commissioner Major recommended it go forward to the full board for final approval. Seconded by Chair Ross. Motion carried.

Approval of Sidewalk Cleaning and Public Space Maintenance RFP – Action Item*

CEO Barbour explained that RFPs are not customarily brought before the Board for approval. However, because of the scope of work and contemplated contract fee, staff thought it prudent to present the RFP for review. CEO Barbour gave a summary of the RFP and its changes. The following stakeholders representing different segments of the business community gave their feedback for improving the contract:

- Chris Ross, (DDD)
- Scott Polakoff, United4NOLA (Residential)
- Lauren Ryan, Stirling Properties (Office)
- Shelby Russ, Jr. AOS Interiors (General Business)
- Kevin Ferguson, New Orleans and Co. (Tourism)
- Steve Pettus, Brennan Restaurant Group (F&B/Hospitality)
- Leonard Zanders, Mayor’s Office of Workforce Development/JOB1 (Workforce Development)

Motion to approve an RFP is not needed. Vote not needed.

Old Business: N/A

New Business: N/A

Executive Session: N/A

Adjournment:

Motion to adjourn Commissioner Major, seconded by Chair Chris Ross. Motion carried.