

**DOWNTOWN DEVELOPMENT DISTRICT
FINANCE COMMITTEE MEETING MINUTES**

Wednesday, August 30, 2023

3:00 p.m.

DDD Ronald E. Gardner Board Room

Roll taken - Meeting called to order at 3:05 p.m.

Members Present: Chair Chris Ross, Commissioner Leann Moses,

Members Absent: Commissioner Carla Major

Other Board Members Present: Board Chair Gregory Curtis

Staff/Counsel Present: Davon Barbour, Bianca Brown, Stuart Taylor , Hunter Hebert, Christopher Kane, Counsel, Adams & Reese 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 July 26, 2023, Finance Committee Meeting Minutes – **Action Item***
2. Approval of July 2023 Financial Reports - **Action Item***
3. Approval of 2023 Budget Re-Forecast – **Action Item***
4. Approval of Expansion of Security Camera Network within the DDD – **Action Item***
5. Approval of Landscape Maintenance Contractor for RFP 2023-50-03 – **Action Item***

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

Move to approve by Commissioner Moses, second by Chair Ross. Motion carried.

Approval of July 2023 Financials – Action Item*

Move to approve by Commissioner Moses, second by Finance Committee, Chair Ross. Motion carried.

Approval of 2023 Budget Re-Forecast – Action Item*

Bianca Brown, CFO discussed the projection of total revenues and expenses:

- Projects total revenues of \$12,428,170 million for calendar year 2023
- An increase of 8.6% from the approved calendar year 2023 budget of \$11,444,694
- Expenses are expected to increase from \$11,444,694 to \$12,428,170
- Total revenue is expected to increase by \$983, 476 about 9.6%
- Operating revenues, which are comprised of DDD internal sources and City Sources, are expected to increase by 9.2%

- DDD Internal Sources, which is comprised of revenue from DDD events that comes from Sponsorship and Ticket Sales from the Downtown NOLA Awards and DDD Holiday Event Sponsorships
- Interest earned revenue related to the DDD internal sources is generated from the bank balances of the accounts held at Whitney National Bank, and revenue from the Banner Program
- DDD Internal Sources had an original adopted budget of \$192,445. Staff are proposing a revised budget of \$170,899 in accordance with the projected forecast amount
- DDD City and State Sources which is comprised of Ad Valorem Taxes, DDD Infrastructure Fund, Less Collection Fees & Assessor Fees which averages about 4%, Interest on Investments from funds held at the Board of Liquidation
- DDD City and State Sources also include State Capital Outlay Funds of \$500,000 for the Revitalization of Harmony Circle and additional grant funds of \$250,000 for the Beautification Project that was received from the State of Louisiana which diversify DDD's revenue sources
- Total City and State Sources from the original adopted budget was \$9.8 Mil. Staff are proposing a revised budget of \$10.7Mil to reflect the additional grant revenue and the projected forecast amounts. Capital Sources such as Bond Proceeds and General Fund Cash Proceeds remain unchanged for this modified budget
- Expenses are expected to increase by 8.6%, to have an overall balanced budget of \$12.4 Mil
- Public Space Operations is expected to increase by 25%, from \$3.2 Mil to \$4.1Mil in the areas of Street Furnishings & Beautification, Infrastructure, Cleaning and Maintenance and Miscellaneous which includes an offset to the newly awarded grant funds from the Capital Outlay Project and Beautification Grant
- Public Safety line item is expected to decrease by 3.8%, from \$3.2 Mil to \$3.1Mil mainly due to the redirecting of expenses for our Homelessness Outreach Services which will be covered under the Wisner Grant Funds. There will be no decrease in service just shifting the expense to the DDU (DDD's non-profit) to offset the grant revenue
- Economic Development & Planning is expected to increase by 4.3%, from \$803K to \$837K in the areas of Workforce Development and Grant Awards for the highly Façade Improvement Program
- Marketing and Communications increased by 16% from \$677,894 to \$786,506 in the areas of Holiday Events and Communications, along with the onboarding of a PR firm to manage communications that is 100% covered by grant funds from Harmony Circle Revitalizing Project
- Administration is increasing by 8.8%, from \$1.3 Mil to \$1.4 Mil in the areas of personnel costs that was accumulated benefits paid to former personnel, not an increase in salaries, monthly office space rental and general operations to cover professional services and staff development opportunities with stakeholders

Commissioner Moses: Commissioner Moses inquired about the record keeping process and expressed her desire to ensure DDD's compliance with expenses associated with grant funding.

President & CEO Barbour: DDU has a CEA with the City of New Orleans, for specific programs and/or services that will be administered by DDD. Therefore, DDD must adhere to applicable procurement guidelines.

CFO Brown: Clarified that for auditing purposes it has to be recorded under DDU because the funds sit in DDU. So the expense has to match out to the revenue sitting in DDU. DDD will manage the services, but the funding will come from DDU

Commissioner Moses: Thought it odd that we would be procuring the services as DDD and then DDU would pay for it without granting the money out to us.

CFO Brown: Explained that at the end of the DDD audit report Commissioner Moses will see it as an operating transfer in and transfer out. That is how they record different funding sources. CFO Brown In response to Commissioner Moses question on the 'actuals' CFO Brown will separate the columns.

Commissioner Moses: After general discussion, Commissioner Moses asked that staff confirm compliance requirements.

Chair Curtis expressed his appreciation to CFO Brown for the layout of the briefing report

President & CEO Barbour: Barbour noted that revenue enhancements from state funding were significant drivers of the re-forecast. He expressed his appreciation for Senator Duplessis' support and advocacy of DDD's work. DDD secured a \$250K line-item appropriation for beautification and enforcement and an additional \$4.5M Capital Outlay in support of Harmony Circle. \$500K will become immediately available for design work as reflected in the budget re-forecast.

CFO Brown: As with the CY2023 Reforecast Budget, the proposed amendment was prepared in compliance with General Accepted Accounting Principles (GAAP), and results in a balanced operating budget for the remainder of CY2023. Expenses in the area of Non-Operating Expenses, Interest Expense and Capital Uses remain unchanged. Staff recommends the Finance Committee approve the 2023 Operating Budget Re-forecast and recommend its approval to the full DDD Board of Commissioners.

Move to approve 2023 budget re-forecast by Commissioner Moses, second by Chair Ross. Motion carried.

Approval of Expansion of Security Camera Network within the DDD – Action Item*

- President & CEO Barbour provided an overview of an effort to complement public safety efforts by expanding public safety cameras in the district and in direct response to stakeholder concerns. He noted that the cameras are part of the City's Real Time Crime Center
- Convergent, an existing state approved vendor, will provide, install and configure eleven (11) cameras at various locations on Canal Street and throughout the District. President & CEO Barbour also stated that DDD is able to piggyback on the existing state contract with Convergent

Staff recommend the approval of Convergent as the provider for the cameras.

Motion by Commissioner Moses to approve the contract subject to the submission of a corrected scope of work detailing the location and total amount of cameras, seconded by Chair Ross. Motion carried.

Approval of Landscape Maintenance Contractor for RFP 2023-50-03 – Action Item*

Director of Operations, Hunter Hebert, provided an overview of the service and RFP process. Following the issuance of an RFP, a Selection Committee was convened and independently evaluated each proposal DDD staff reviewed proposals and provided score sheets for:

1. Garden Doctors
2. Rotolo Consultants, Inc.
3. Thrive New Orleans

Furthermore, Director Hebert reviewed the DBE participation rate for each Proposer and informed the Committee that respondents must comply with existing DDD DBE participation policies. Furthermore, CFO Brown assured the Finance Committee that current year funds are available to address services for the current year.

Commission Moses asked that solicitation documents (RFP, RFQ, LOI, etc.) accompany scoring sheets and staff recommendation be sent ahead for review before Finance/Executive Committee meetings.

Staff recommended Rotolo Consultants Inc. (RCI) for the Board of Directors' approval.

Motion to approve by the Finance Committee, Chair Chris Ross with recommendation to include the full budget amount, with what has been expended this year 2023 and include what will be available for the current contract, seconded by Chair Curtis to Motion carried.

Motion to approve by Chair Ross, seconded by Commissioner Moses with the proviso Motion carried.

Old Business: N/A

New Business: N/A

Executive Session: N/A

Adjournment:

Motion to adjourn Chair Ross, seconded by Commissioner Moses. Motion carried.