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Board of Directors Meeting

MINUTES

Friday, February 2, 2024 (9:30 AM)

625 Texas Street, Suite 200
Shreveport, LA 71101

Members Present

Mayor Tom Arceneaux – City of Shreveport (Sitting in for Mayor Chandler as Chair)
Mr. Bruce Blanton – Webster Parish
Mayor Tommy Chandler, Chair – City of Bossier City
Mr. Butch Ford, Vice Chair – Bossier Parish
Mr. Charles Henington – Caddo Tax Assessor

Members Absent

Mrs. Erica Bryant – Caddo Parish
Mr. Michael Norton – DeSoto Parish – Mr. Michael Rister is sitting in for Mr. Norton, but in a non-voting capacity.

Others Present

Mr. Kent Rogers – NLCOG
Mr. Chris Petro – NLCOG
Ms. Savannah Williams – NLCOG
Ms. Heidi Stewart – NLCOG
Mr. Adam Driskill - NLCOG
Dr. Shelly Barrett - NLCOG
Ms. Rita Arnold – NLCOG
Mr. Kevin Reeves - NLCOG
Mr. Josh Chevallier – NLCOG Legal Council

Call to Order

Mayor Chandler called the meeting to order and asked everyone to stand while Mayor Arceneaux did the invocation. Mr. Johnson then led everyone in the Pledge of Allegiance. Mayor Chandler asked Mr. Rogers to begin a roll call. Mr. Rogers began the roll call. A quorum was present.

Public Comments

Mr. Rogers stated there were no public comments.

Financial – Fiscal Year 2023 Audit Reports

1. Financial Audit

Mr. Rogers stated that the first portion of the audit report is the financial statements. The financial audit was completed by Heard, McElroy and Vestel. Mr. Rogers directed the board to their packets and said that the first page would show them the individual grants and operating expenses including their incomes, revenues, and expenditures over the years. There are two areas he wanted to point out and the first being LA3132, the environmental. Mr. Rogers said that as they were closing that grant there would be a deficit of roughly six thousand dollars. Part of that came into play when an initial project went out. Stage 0 was handled under the State through a retainer contract and as they started and entered the Stage 1 process, the formal environmental process, they had never received a formal bottom line of exactly how much Stage 0 had cost, although it was coming out of the 200K Funds. When they went in to do the final audit work, it basically came out to roughly a six-thousand-dollar difference.

The second area Mr. Rogers wanted to point out was the Watershed project. Again, it's been reiterated, and they've had some issues with billings on that. The grant for that ultimately comes through HUD and there are differences in the way HUD calculates overhead rates versus how they typically calculate an overhead rate. Also, in terms of the agreements between NLCOG, CDC, and the State for that work, they just seem to be unfortunately losing money on that process. Overall, they are still in good standing, and still have funding.

Mr. Rogers stated that the second page of the financial report in their packets shows the calculation of indirect cost and indirect expenses. The final calculation was one-twenty-one point two which is roughly what they have been. Mr. Rogers asked Mrs. Arnold if that was correct. Mrs. Arnold stated one-thirty-five. Mr. Rogers said that they're down a little bit. What they have done over the years with DOTD when they have to submit their indirect cost allocation plan, they'll do a three-year average of the past three-year financial reports that way to keep from those big dips and valleys.

Mr. Rogers stated that in the last part there is one control finding, but it's the same control finding that's in the audit each year. That control finding is that they elect to have Heard, McElroy and Vestel go through and do some of the auditing work rather than doing it in house and handing it to them to have them review it. It gives them an extra set of eyes on the work and on the numbers. Also, to avoid that they'd have to hire another person in-house to separate some of those duties. They have just felt over the years and Mr. Rogers feels personally that he'd rather have that third party set of eyes doing the review prior to the audit work.

2. State Agreed-Upon Procedures

Mr. Rogers stated that the second portion of the audit is the statewide agreed-upon policies and procedures. The areas that they look at include the budgeting, purchasing, disbursements, receipts/collections, payroll/personnel, contracting, credit cards, travel and expense reimbursement, ethics, and debt service. All their policies and procedures were totally in order. Under information technology, a portion of it is a disaster recovery plan with their procedures and whatnot. They asked that they amend that to include a listing of the personnel processes and tools needed to do those critical recoveries and they have done that.

Under the sexual harassment part, they have asked them to develop a report on any sexual harassment allegations and to do that on an annual basis. Mr. Rogers said that they just never did that because they never had any. They put together a report, which he included, and they set up a calendar reminder. One thing they are doing is having all the standard training, ethics, sexual harassment, and those that are required on an annual basis, set to complete office-wide during the January-February timeframe. That way at the end of February they can have the report finished. Mr. Rogers stated that when this came up, the way that the policy is written, he questioned if this was something initiated by him and needed to be addressed through legal counsel. He contacted Mr. Chevallier and asked if anyone had ever had any reports on him and Mr. Chevallier said no. They reported that forward.

Mayor Chandler asked if there were any questions or comments. Having none, Mayor Chandler called for a motion to Accept the Fiscal Year 2023 Audit Reports. Mayor Arceneaux motioned, and Mr. Henington seconded. All approved and motion was passed.

Fiscal Year 2024 Quarterly Financial Report – Approval of Quarterly Financial Report

Mr. Rogers said that they had a request to make some adjustments within the current Fiscal year budget. The first of those is some shifting of salary funding between the direct and support personnel. There were a couple of things that they had been advised by DOTD that some of the IT work could be charged directly, and now they're saying that because it deals with the office as a whole and overall, some of that should have been an overhead expense. They are just shifting from direct to support for that timeframe they anticipate for the remainder of year that would fall under those.

The second change is in the insurance. It's to add an additional five thousand dollars. There were two things from that. They will be pulling those five thousand dollars from the professional services line so there's no change in the bottom line. Again, the salary one is from personnel changes and the insurance one is from adjustments in terms of the cost of insurance and a couple of employees insurance rates. It stays within the overall budget and nothing changes.

Mr. Rogers stated that the second page in the quarterly report is the balance sheet. They're still remaining at about one point five which is what they're trying to hold things to in that range. He pointed out that if they notice there's a little more detail on this sheet, which came out of the audit process to include the lease right of use assets. That's basically the lease of their office space in the building and right of access to those. Mrs. Arnold stated that once you sign that contract, you create that right of use then you amortize it as you go through your lease agreement. Bottom line is their remaining in that one point five range.

Mayor Chandler asked if there were any questions or comments. Having none, Mayor Chandler called for a motion to Approve the Fiscal Year 2024 Quarterly Finance Report. Mr. Ford motioned, and Mayor Arceneaux seconded. All approved and motion was passed.

GIS Server with Microsoft SQL Server – Approval of Expenditure

Mr. Rogers stated that that the last thing under the financials was a request for an approval of an expenditure. They've been in the process of looking at the ESRI software that they use for distribution

and use, to upgrade to a newer version of their enterprise software. Mr. Rogers said that their servers are too old, and they can't upgrade the operating system on them and the SQL Database software on them anymore. They have gone as far as they can with them. The quote was just under twenty-five thousand dollars. It's for two new units. The Windows Server Software and the SQL Server Software will be pre-installed. Mr. Rogers said that just to give them an idea, when they first purchased the SQL Software it was over twenty thousand dollars by itself. It's a licensing update and review.

Mr. Ford asked if they had budgeted for it this year and Mr. Rogers said that no, they did not budget for it this year. The request is to use some of those reserved funds for this purchase. They did not anticipate that they were going to have to do this. Mr. Rogers said that it also houses a lot of the aerial imagery that a lot of them use.

Mayor Chandler asked if there were any questions or comments. Having none, Mayor Chandler called for a motion to Approve the Expenditure of \$25,000.00 for GIS Server Replacement. Mr. Henington motioned, and Mayor Arceneaux seconded. All approved and motion was passed.

Legal Report

Mr. Chevallier stated that with the exception of the assistance in developing the sexual harassment report that was referenced in the review of the audit, there have been no significant legal developments since their last meeting and no pending or threatening litigation.

Other Business

1. Approval of Minutes

The next item on the agenda was for approval of the minutes from the December 8, 2023, meeting. Mayor Chandler called for a motion to Approve the Minutes as provided. Mayor Arceneaux motioned, and Mr. Ford seconded. All approved and motion was passed.

Announcements

Mayor Chandler stated that the next regular scheduled meeting for the Board of Directors will be on March 1, 2024.

Adjourn

With no remaining agenda items, The Chair entertained a motion to adjourn. Mayor Arceneaux was the first to motion, and Mr. Ford seconded. The meeting was adjourned.



J. Kent Rogers, Secretary