

LEGISLATIVE AUDIT ADVISORY COUNCIL

Minutes of Meeting September 19, 2013

A meeting of the Legislative Audit Advisory Council (Council) was held on Thursday, September 19, 2013, in House Committee Room 4 of the State Capitol.

CALL TO ORDER AND ROLL CALL

Representative Greene called the meeting to order at 12:35 p.m. and welcomed new council member, Representative Dalton Honore'. A quorum was present with the following members in attendance:

Members Present

Representative Hunter V. Greene, Chairman
Senator Edwin R. Murray, Vice Chairman
Senator Ben W. Nevers
Senator Mike Walsworth
Representative Dalton Honore'
Representative Clay Schexnayder
Representative Ledricka J. Thierry

Members Absent

Senator Robert Adley
Senator John R. Smith
Representative Cameron Henry

APPROVAL OF MINUTES

Senator Murray made a motion to approve the minutes for the July 18, 2013, meeting and with no objections, the motion was approved.

EXTENSION REQUESTS

Ms. Joy Irwin, Director of Local Government Services, presented the nonemergency extension requests for 90 days or less. Representative Greene moved to approve those extension requests, and with no objection, the motion passed. Ms. Irwin presented the nonemergency extension request for greater than 90 days from Treme Charter School Association, Inc. She explained the issue with the Teachers Retirement System and that the report was expected soon. Senator Murray moved to approve the extension to Treme Charter School Association for September 30, 2013, and with no objections the motion passed.

LOUISIANA TAX COMMISSION – RESIDENTIAL PROPERTY TAX ASSESSMENT PERFORMANCE AUDIT

Ms. Nicole Edmonson, Director of Performance Audit Services, introduced the report to the Council and gave the purpose and scope of the performance audit. During calendar year 2012, the state had over two million residential and commercial properties with an assessed value of approximately \$25 billion. She commented on Louisiana Tax Commission's (LTC) responses, explaining that the audit does not question the processes that parish tax assessors use to determine the fair market value of properties in their area, nor did they question the use of ratio studies which are also used by other states and countries to measure the accuracy of residential property assessment. The report acknowledged that LTC conducts ratio studies ever four years as required by state law. The scope of the audit goes beyond the ratio study process and looks at what LTC does with the results of the study to ensure that tax assessments are accurate and that all laws are being met. This audit was not done with a predisposed intent to find fault where none exists, but this audit is a typical evaluation of an agency's oversight of a specific program or process and to make recommendations to management to improve that oversight.

Ms. Gina Brown, Audit Manager, gave an overview of the performance audit, their findings and recommendations. Overall, the audit shows that LTC's oversight of parish tax assessors does not ensure residential property tax assessments are accurate.

Senator Murray asked if LTC has enough funding to do all the necessary work. Ms. Edmonson responded that LTC has a \$3.8 million budget and 36 full time employees. She suggested that LTC get their management processes in place before bringing more people on staff.

Senator Nevers asked if samples from each parish across the state were available. Ms. Brown pointed out Appendix E showing the ratio study received from LTC listing 33 parishes because the other

parishes have not started using the electronic database system yet. Ms. Edmonson said the LLA report only showed some examples, and had recommended that LTC use a risk based approach to determine the properties far outside of the range and find out why from the assessors. Senator Nevers requested a copy of LTC's ratio studies used for this report.

Representative Thierry asked about Appendix E if properties outside of 11% be closely reviewed by LTC. Ms. Brown said that the constitution requires that properties be assessed at 10% of its fair market value. For the purpose of the audit they used between 9-11% as meeting that, and Exhibit 1 of the report identifies the range of properties outside of the 9-11%, and suggested looking at the properties on the very outside ranges. Ms. Edmonson pointed out that if LTC reassess only the properties over 15% or below 6%, it would be 128 properties to follow up on. To reassess every property would be a lot of work, so recommending a risk based approach to decide which ones are outside the range and follow up on those properties. That would direct their attention to the greatest risk areas.

Representative Thierry asked if the multiple homestead exemptions were filed in the same parishes. Ms. Brown said they found some with the same name and mailing address and receiving three homestead exemptions in the same parish. Representative Thierry asked if a method was in place to prevent this in the state. Ms. Brown said they recommended using any unique identifier such as a social security number, and not sure if locally they have control of it, but nothing statewide in place for LTC to determine if anyone is receiving multiple homestead exemptions. Ms. Edmonson stated there is no communication for parishes to share information.

Mr. Charles Abels, LTC Administrator, attending on behalf of Mr. Pete Peters, Commissioner Chairman, stated that they would do all they can with their current manpower. They have a \$3.8 million budget with 11 full time residential appraisers across the state. LTC is currently handling about 1,000 appeals now and expect another 1,000. They also have six auditors and a total of 36 employees.

Representative Greene asked what percentage of their budget goes to personnel expenses. Mr. Abels said about \$3 million for salaries and benefits. Their attorney Mr. Robert Hoffman, LTC's legal counsel, had been on contract with LTC for about 15 years. Mr. Hoffman's charges were \$175 per hour and successfully handled cases in court. Mr. Abels provided their office location and annual lease expense.

Representative Greene questioned why 4 out of 5 of LTC's responses in the report showed they did not agree with the findings, but now say they are willing to work with the recommendations. Mr. Abels replied they had a disagreement about understanding a mass appraisal. Ratio studies check if the assessors are reassessing their properties, and if not it shows up in the median. Also the coefficient dispersion (COD) measures uniformity. He asked an expert to review LTC's practices to see if doing any different than other states, and he responded that they are not doing anything any differently. No other state or Canada has been asked to do what the LLA asks of them, but LTC is willing to work with the auditors' suggestions and do all they can with their limited budget and staff.

Representative Greene asked about Article 7 section 18 which gives LTC the authority and power to enforce and ensure the parish assessors are doing the reappraisals and reassessments every four years. Title 47 shows they are the enforcing power in the courts. Mr. Abels agreed and explained they have had some assessors that did not pass their studies and LTC asked them to reassess and then monitor them as per their processes.

Representative Greene asked about the Orleans parish example in the report. Mr. Abels explained the assessors' job duty is to discover, list and value properties. The assessors attempt to look at 100,000's of parcels of property and have a limited budget. They cannot do a fee appraisal on every piece of property, which is why there is the mass appraisal process which is not a perfect system but very close. The assessors cannot go into the houses, and can have different appraisals by different appraisers.

Representative Greene commented on the large differences between taxes on similar homes show in the report, assuming the lot size is taken into account. But LTC's fair market value is very different from the assessed value. Before 1990 the value of the home sold stayed constant until there was a sale in the neighborhood and cause the appraised values of the other homes to increase based on the selling price.

Mr. Abels said there has been a lot of change across the state since 1996. They do residential and commercial property studies. If there is a serious discrepancy it will show in the coefficient dispersion. But the assessor should be using market data and cost data in that neighborhood to determine values for all homes.

Representative Greene said years ago his home was assessed for what he paid for it. He asked if assessors are reviewing property sales and the average square footage to do an across the board percentage increase in a neighborhood. Mr. Abels answered yes, usually done everywhere or they would not pass their studies but with so many properties there may be a few that are not done that way. Mr. Jeff Crosby, LTC Director of the appraisal section, said their studies are designed to check the ones sold. If assessors are only putting the ones sold at 10% and not the others, their appraisals would catch that. They do one sales ratio study and the other three studies are based on appraisals.

Senator Murray asked about the opening remark that the auditor is requiring more than any other state. Mr. Abels said they hired the Gloudemans group (Almy, Gloudemans, Jacobs & Denne, Property Taxation and Assessment Consultants), that helped write the International Association of Assessing Officers (IAAO) handbook that appraisers and assessors across the country use to educate on how to do mass appraisals. After doing this work for almost 30 years, they asked the Gloudemans group to look at what LTC does and to help the auditors understand what they do. A representative of the Gloudemans group did a sample study through the southern states and found that LTC's ratio studies were right on, and even better than most of those states. LTC just finished a commercial study and asked the assessors to look at the ones which were more egregious. LTC will try to do a sample as the auditors suggested because they do not want anyone to pay any more than their fair share in taxes. They receive 1,000's of calls from people with concerns and took care of them. Since this report came out they have had any more calls and the assessors really have not had issues. LTC's website allows taxpayers to not look at their neighbor's taxes, and has been available for about five years.

Senator Murray asked about the assessment of oil and gas mentioned in the papers if a political issue based on objectivity. Mr. Abels said they have a small agency and oversee about \$4 billion worth of property tax dollars and set the rules and regulations for oil and gas industry. So the assessors want it higher, but the industry wants it lower, so LTC is caught in the middle. The Commission has some tough choices to make but it is a good Commission, and the chairman was an administrator for 20 years and been in the business over 30 years. There was nothing political about it, but it has been an ongoing battle for years and sometimes people get a little personal unfortunately.

Senator Murray asked based on the size of our state and the funding for LTC, how does it compare with other similar states with comparable tax commissions that perform the same function as LTC. Mr. Abels said about four or five years ago when they checked, they were a lot lower in the number of appraisers and budget, but do not have that data but could get it for him. Senator Murray said he would like to see that information to see if LTC has the resources to do the work. Mr. Abels responded he would provide that information.

Senator Walsworth asked if LTC does samples like in the report. Mr. Crosby said they do samples statewide in every parish and measure the level of uniformity of the assessment for the parish as a whole, but do not look at each individual property. They take a sampling within the parish of the whole residential and commercial studies. Senator Walsworth asked if it is okay for 76% to have the same fair market value as the last time they were assessed and if that was typical. Mr. Abels said in mass appraisals around 80-88% would stay the same because not doing a fee appraisal on every property, but would like it to be 90%.

Senator Walsworth asked about the top ten parishes' percentages in the report. Mr. Abels said they would not need to change the values if the market did not dictate it, and if within the range of values. On the rules and regs, they did put the date suggested by the auditors on the tax roll but not sure if that will ensure that they reassess every piece of property. But if there were not reassessing the properties it would show up in the studies when samples are done.

Mr. Abels explained that if there are few home sales then the valuation would stay about the same for the fair market value. Mr. Crosby explained that the rural areas do not have a lot of change, but depends on when the studies are done and the market situation if values decrease or increase.

Senator Walsworth pointed out Exhibit 3 results on page 8 with the top ten parishes on all properties. Mr. Crosby said these parishes had no changes at all comparing two years and most were very rural parishes. Senator Walsworth asked what was the norm for change. Mr. Abels said they do not do that type of statistics, but does a ratio study which is used all across the country. The auditors came up with those statistics. Senator Walsworth asked if the statistics were right or wrong. Mr. Abels replied that he was there to do whatever was asked of him.

Senator Murray suggested that their answer given previously about the 80% being typical was incorrect. He asked if typical to have that many properties not change in value in the period between reassessments. His guess is that there is no typical. Mr. Crosby said it is their first time they have ever seen this measure and have never checked before to see what their percentage is. Senator Walsworth asked if they look at changes in market values by every assessor to make sure they are doing their job.

Mr. Crosby said they do ratio studies every year, and check appraisals to see if they change their values. But LTC does not look at the number of properties that have no assessment changes from one year to another like the auditors did. Mr. Abels said that would show up in their study- that is what the mean, median and mode of the coefficient dispersion would show.

Senator Walsworth questioned the samples as shown in Appendix E1. Mr. Crosby discussed the LTC's 2011 Residential Ratio Study Result. Mr. Abels said most of the properties were about 80% of their fair market value. Senator Walsworth asked if about half of the properties would be outside of the constitutional range because the constitution says it should be at 10%. With so many outside of the range, it means many

parishes are not receiving the needed taxes. He asked if most properties are being assessed lower than should be. Mr. Crosby said that the majority are probably assessed lower.

Representative Schexnayder asked when the percentage of properties are falling outside of the 9-11%, does LTC follow up with the local assessors to find out why. Mr. Crosby said based on their 2012 commercial study they are following up with the assessors to correct the ones that fall outside of the range. Mr. Abels remarked that they cannot look at every piece of property but trying to follow up and asking the assessors to see if legitimate values.

Senator Nevers asked if the constitution allows for any exemptions for people paying their fair market value taxes. Mr. Hoffman answered that there are some adjustments available for low income people that are over a certain age, and some exemptions for members of the armed services and veterans. Senator Nevers said other than legal exemptions it is the constitutional responsibility of the assessors to assess fairly and appropriately. Mr. Hoffman said he was not aware of any for commercial properties except 501C3 nonprofits are exempt for ad valorem taxes. Senator Nevers commented that LTC has the responsibility to oversee the assessors and be sure they doing their job. Mr. Hoffman explained that LTC does the ratio studies that are designed to determine if the assessor is out of wack compared to fair market value of all the properties in his parish. It is not designed to catch one at a time. Senator Nevers reiterated that LTC is responsible to ensure that assessments are fair across the state, along with the assessors as their overseer. Mr. Abels answered they do all they can to ensure that, and doing a lot in New Orleans currently. Senator Nevers said the constitution does not say that LTC will do all that they can, it says that it has to be done. Mr. Abels said every one that is brought to their attention, they take care of it. Senator Nevers remarked that the audit says that is not the case as indicated by the examples.

Mr. Abels explained LTC has been doing the ratio studies for the past 30 years and this is the first time being asked to ensure that the properties were not in compliance, but will do their best. Senator Nevers said it is up to them to be sure that the constitution is being followed and there are no exclusions or excuses. He heard the comments about the budget and agrees that they all have a budget problem, but not an excuse to allow things to continue that are known about. Mr. Abels agreed. Senator Nevers' concern was the fulfillment of the constitutional requirements to provide the ad valorem taxes for the municipalities. He questioned LTC's agreement with only one finding in the audit report and why LTC believes the Legislative Auditor would be requiring more than any other state. He reiterated that the constitution requirements are the issue and should not use the excuse of inadequate funding. Mr. Abels responded they are doing all they can. Senator Nevers said they just need to be honest and fair and correct the wrong assessments.

Senator Nevers asked the Legislative Auditor if he is requiring LTC to do more than any other state in this country including Canada. Mr. Daryl Purpera, Legislative Auditor, answered that they design the audit to ensure that the agency is meeting their constitutional requirements but not expecting them to do something different from other states because not looking at what other states are doing, but what will work. The report clearly points out examples of what is not working and asking this agency to redesign their processes and look at it on a test basis. Not asking LTC to look at every piece of property in the state but looking for them to do correct data analysis and identify the outliers and red flags and proceed to look at those particular properties and get the system right. Mr. Purpera said they do not see fair and equitable taxes for all taxpayers.

Senator Nevers asked when LTC would be ready to inform the Council and provide a report on their actions made to address the issues raised in the audit. Mr. Abels said by the next week because they already started the process and put in their rules and regs to show the date on the tax rolls. They receive 70,000 change orders, mostly homestead exemptions, etc., but there is no way to look at all of those, but not sure what percentage. They look at all those with increases and can do a small sample of those. They ask the assessors to look at the outliers and can do a small sample of the egregious ones. Senator Nevers asked for a formal document and a timeline for when problems are fixed so they can relay to the public that LTC is addressing the issues and hopefully accomplished by a certain date. Senator Nevers asked how many parishes had a decrease in total assessed value and said he hopes to get that information.

Senator Walsworth expressed disappointment that Chairman of the Commission Mr. Peters did not come to the meeting as the boss of LTC. The report showed 126 egregious assessments and LTC sent the list to the assessors but there was no follow up by LTC, and it should have been done.

Mr. Crosby explained their processes now on the commercial study allow the assessor two weeks to review the outliers and respond to LTC with justification or make the necessary changes. Senator Walsworth asked if from this point on they would do the same on residential properties. Mr. Crosby said that they will and Mr. Abels assured Senator Walsworth of the same. Senator Walsworth stated that Mr. Peters should have come to the meeting to represent LTC.

Senator Murray asked that LTC be put on the agenda in a month or two to provide what they have done to implement the recommendations and be sure that Mr. Peters attends that meeting. Representative Greene asked Mr. Abels to relay that to Mr. Peters. Senator Murray reiterated Senator Nevers' request for a document showing how they will implement the recommendations.

Representative Greene asked who was on the Commission, and Mr. Abels listed the five members. Representative Greene asked the LTC's responsibilities. Mr. Abels said their mission is to ensure all taxpayers pay no more than their fair share of property taxes. They have other obligations such as assessing public service properties. Representative Greene stated that their first responsibility is oversight of the parish assessors.

Representative Greene noted the parishes that are at least 36.8% or more on the ratio study, but when subdivisions where houses are similar should not have such variances. Mr. Abels said that they are dealing with opinion of value depending on the information that the appraiser has, but not unrealistic. The expert that reviewed their studies said they were in line with other states.

DEPARTMENT OF HEALTH AND HOSPITALS INVESTIGATIVE AUDIT

Mr. Purpera stated that the management of the Department of Health and Hospitals (DHH) requested his office investigate the possible misappropriation of funds by a DHH employee. Greg Clapinsky, Investigative Audit Manager, gave the background and summary of the DHH investigative audit issued June 6, 2013. Kimberley Jones, Investigative Auditor, provided further report details as well as the findings and recommendations given to DHH. Mr. Clapinsky said that DHH filed a civil suit against the former DHH Fiscal Director Deborah Loper and Capitol One. It was not determined why Capitol One allowed Ms. Loper to divert checks issued to DHH to a private bank account for personal use.

Senator Murray asked if DHH filed with the Federal Deposit Insurance Corporation (FDIC). Mr. Jerry Phillips, DHH Undersecretary, said they had not filed a complaint with FDIC, but would explore that further to see if they can file it.

Senator Nevers asked how many internal auditors DHH had during this theft and currently. Mr. Phillips responded that in 2006 they had six auditors, then in 2011 had no auditors with a contract. Since the report they have hired two auditors. Senator Nevers said they were concerned because no auditors the previous year and asked how they found the theft. Mr. Phillips responded that when Ms. Loper emailed her resignation and her attorney called a week later. When Ms. Loper was notified by Capital One of investigation into the bank account, she hired an attorney. Senator Nevers asked why Capital One did not call DHH. Ms. Jones pointed out that the bank account was in the name of the entity and Ms. Loper was the only authorized user on the account. Representative Greene asked why the bank did not catch this problem earlier. Ms. Jones explained that the private bank account was in the name of the National Association of State Human Service Finance Officers (HSFO) which was opened for a conference in New Orleans in 2006, but was supposed to be closed in December 2009. Surprising that the bank did not question the endorsements when DHH. Ms. Jones said many of the deposits were refunds for over payment of Medicaid funds and the hospitals or providers where not checking to be sure credited.

Representative Greene asked about the controls put in place. Mr. Phillips outlined some of their controls implemented from the LLA recommendations. Representative Honore' asked if any record of the bank notifying DHH of the account. Ms. Jones said that Capitol One froze the account in February 2013, but only notified Ms. Loper of this fact. They continued to discuss the manner in which Ms. Loper stole checks and the lack of controls at DHH. Mr. Phillips mentioned that DHH filed a claim with the Office of Risk Management and received \$500,000.

DEPARTMENT OF HEALTH AND HOSPITALS – OFFICE OF BEHAVIORAL HEALTH – LOUISIANA BEHAVIORAL HEALTH PARTNERSHIP

Mr. Wes Gooch, LLA Financial Audit Manager, presented the audit on the implementation and transition issues from the Louisiana Behavioral Health Partnership (LBHP) transferring management of all state behavioral health programs from the Office of Behavioral Health (OBH) to a private contractor, Magellan Health Services (Magellan). This report focused on four human service districts/authorities during the transition. Mr. Gooch provided the objectives of the report and the responses from DHH-OBH.

Senator Nevers asked if the contract between the state and Magellan provide better health care at a lower cost, or worse services at a higher cost. Mr. Gooch said the audit was not of the full partnership or any of their delivery, but looked at the experience for the four districts. From the evidence in the report, because of the change in the delivery system it is certainly generating additional expense for delivering the same level of service in the past.

Mr. Gooch said the districts were not sending away any patients, but having to use other funding to cover some expenses that they were not able to bill for. The districts are statutorily required to be there and basically safety net services for mental health and behavioral health services and services to the developmentally disabled, so they do have other funds. But if they cannot generate the necessary fees through the Magellan process and through Medicaid, then the funds have to come from somewhere else.

Senator Nevers asked about Magellan's failure to fulfill the contractual terms, and who was responsible to ensure the terms were met. Mr. Gooch said several areas were noted in the report where Magellan did not meet their requirements, and DHH-OBH was responsible to oversee the fulfillment of this contract. Senator Nevers said he was told that millions of dollars would be saved and provide better health care to the people, but it does not seem to be the case. Mr. Cole said this is only part of the implementation and it is a multiyear contract and still unsure if money will be saved, and some issues needed to be brought to light at this phase.

Senator Nevers and Senator Murray commended the Legislative Auditor on the very informative and detailed report. Senator Murray asked about the self-generated revenue and Mr. Gooch provided the percentages and the reasons for and consequences of not making the expected revenue. Because of the many billing difficulties between the human service districts and Magellan, Senator Murray asked if DHH fined Magellan. Mr. Gooch said that sanctions were not addressed in DHH's response.

Representative Greene questioned how much of the service providers' revenue was billable services. Mr. Gooch said the self-generated fees were about 2% of their budget. The rest was funded through state general fund appropriations and transfers from DHH with some federal funds to cover program costs. Representative Greene said that funding would go to the Human Service District, who would then contract with the doctors and medical professional to deliver the services. Mr. Gooch said all the districts had an intake and eligibility process to determine if the individuals were a free care or if resources were available to pay for their services. Magellan leveraged Medicaid funding and there is now a larger percentage of individuals that may be Medicaid eligible. The contract with Megallan has now launched Medicaid into the behavior health process in Louisiana. Representative Greene asked if the funds could have been leveraged without Magellan involved. Mr. Gooch said DHH certainly could have cut it in and managed it themselves, but not the way they chose to go.

Representative Greene said the expectation was to save a lot of money, but question if truly saving public funds by privatizing as well as providing better services. Mr. Gooch said the report reviewed four districts that they had a great relationship with to receive valid and quick information. He believes that it would be a good idea to review the contract to determine if it really met its objectives and a two year timeframe would be best with the adequate resources.

Mr. Michael McNeil, Chief Executive Officer for The Guidance Center, Inc., provided his experiences with Magellan through the transition, and his hope to be paid for all the work done. His Center has incurred increased operation cost, but believes LBHP could be outstanding if implemented correctly.

Mr. Derrick Jones with the Phoenix Family Life Centers in Alexandria said that he went directly to Magellan about issues and has not had to hire more staff. They have been able to provide more services for less cost.

Mr. Daniel Aguiard said as a consultant for 30 years he was pleased with the clinical model by Magellan, and believes they are going in the right direction. Representative Hunter said the Council will continue to look at data and how funds are being used.

UPDATES ON TOWN OF JONESBORO, TOWN OF GIBSLAND, TOWN OF RICHWOOD, AND MADISON PARISH HOSPITAL SERVICE DISTRICT

Mr. Purpera provided an update on the Town of Jonesboro, that Mayor Leslie Thompson was convicted with malfeasance two weeks ago. The court appointed fiscal administrator was Ken Holden. The Attorney General's office was asked for a legal opinion on if the Board of Aldermen could appoint an acting mayor or if the fiscal administrator has the authority. Senator Walsworth suggested holding onto the state funds because after 10 days the Governor will appoint a mayor. Mr. Purpera said that he wants to see compliance by the town working with the current fiscal administrator before removing them from the noncompliance list so they can receive funds. The new fiscal administrator, Kenneth Folden, and his staff will be moving quickly to get the books properly updated.

Mr. Brown provided a current update on the Town of Gibsland. The Fiscal Review Committee comprised of the State Treasurer, Attorney General and Legislative Auditor voted to appoint a fiscal administrator. The Attorney General will be filing the necessary documents to appoint a fiscal administrator for the Town of Gibsland within the next two weeks.

Mr. Brown said the Town of Richwood has missed at least three payrolls and has insufficient funds to meet their bills. With the unanimous approval of the Fiscal Review Committee, the Attorney General will be filing to appoint a fiscal administrator within the next two weeks. Because the town cannot afford to pay a fiscal administrator, they are looking for an alternative payment method for small towns. They discussed that the cost for a fiscal administrator is dependent on the amount of work required to get the towns' books correct.

Mr. Brown sent advisory staff to Madison Parish Hospital Service District (District) several times and see the District is moving in the right direction. They hired a CPA firm to help with cost reports and internal

controls and expect to receive \$4.6 million in October, and have a positive cash flow by June 2014. District Administrator Mr. Scott Barrilleaux said they have reduced accounts payable and increased collections and hope to support themselves on their revenue without further borrowings. Senator Walsworth questioned the problem with payroll checks the previous week. Mr. Barrilleaux explained that the payroll staff did not make the correct transfers, so they gave counter checks to about one third of the staff and the remainder received wire transfers by the following Monday. He said the payroll problem will not happen again, and appreciated all the advisory staff efforts to assist the District.

BUILDING

Mr. Purpera provided an update on the land given by the state for a building to house his staff and some legislative staff. He met with representatives of the Office of Facility Planning and Control and several legislative contacts, and would be meeting with the architect to begin planning and design.

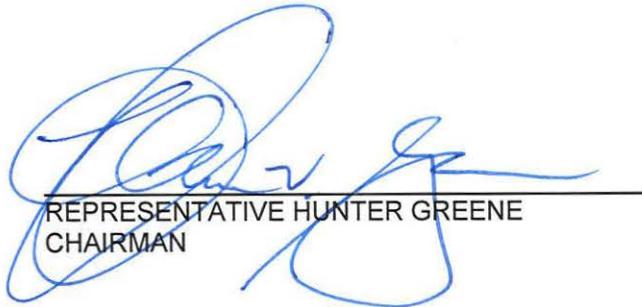
OTHER BUSINESS

The LLA received the best opinion possible on their current year financial audit. Also, every three years the National Association of Auditors performs a peer review of the LLA's quality of work. Mr. Purpera commended his staff on their outstanding work and for receiving the highest rating on the peer review. Representative Greene commented that he worked for the LLA in the 1990's and very proud of how they review the use of public funds.

ADJOURNMENT

Representative Honore' moved to adjourn, and with no objections, the meeting adjourned at 3:40 p.m.

APPROVED BY:



REPRESENTATIVE HUNTER GREENE
CHAIRMAN



DARYL G. PURPERA
SECRETARY

11/25/13

DATE