

**ORLEANS PARISH COMMUNICATION DISTRICT
BOARD OF COMMISSIONERS**

**REGULAR BOARD MEETING
December 6, 2022, 10:00 a.m.
Chief Warren McDaniels Board Room**

MEETING MINUTES

I. ROLL CALL AND CALL TO ORDER

Chairman Director John Thomas called the meeting to order. The roll was called with the following members present:

Chairman Director John Thomas (Public Safety and Homeland Security), Vice-Chairman Director Collin Arnold (NOHSEP), Dr. James Aiken (proxy for CEO Emily Sedgwick, UMCNO), CAO Gilbert Montaña (CNO), Supt. Roman Nelson (NOFD), Asst. Supt. Chief Chris Goodly (proxy for Supt. Shaun Ferguson, NOPD), and William T. Salmeron (proxy for Dr. Megan Moreno, NOEMS).

Capt. Donovan T. Archote (LA State Police Troop B), Brig. Gen. Keith Waddell (LA National Guard), Dr. Jennifer Avegno (CNOHD), and Dr. Brobson Lutz (Orleans Parish Medical Society) were absent.

II. APPROVAL OF OCTOBER 4, 2022 BOARD MEETING MINUTES

Chairman Thomas called for a motion to approve the minutes from the previous regular OPCD Board meeting on October 4, 2022. Director Arnold (NOHSEP) motioned to accept the minutes and Chief Chris Goodly (NOPD) seconded. The motion passed.

III. FINANCIAL REPORT BY EXECUTIVE DIRECTOR TYRELL MORRIS

OPCD is in a great position financially as the fiscal year ends and there is cash on hand to meet payroll obligations for the remainder of the year. ED Morris reported it is difficult to predict 4th quarter income because carrier remittances are not due to OPCD until next February/early March. ED Morris commented that carriers are taking longer than the 60-day waiting period to remit. The 9-1-1 fee remittance law does not allow late payment penalties on the carriers. ED Morris has scheduled a meeting with the state delegation on Friday, December 8th to address that issue. His goal is to apply pressure from Communication Districts statewide to encourage carriers to remit on time.

ED Morris reported he is seeing a significant reduction in commercial lines in the city of New Orleans. He believes this is due to customers switching to VoIP-based phone systems. Louisiana law states that where the communication device physically sits is where the fees should be remitted. The law hasn't quite caught up to current technology

so ED Morris plans to discuss this issue at the state delegation meeting on Friday, December 8.

ED Morris does not believe there is a mechanism currently available to ensure all the appropriate fees are collected properly from business customers. The definition of how businesses remit fees hasn't been changed since 2016, and ED Morris believes it's past time to update the legal language. He is hopeful the state legislature will address this matter at the next legislative session.

ED Morris clarified cell phone charges are based on billing addresses as opposed to the phone's actual physical location. It is unclear, from a technological perspective, how to assess state fees as you travel throughout the world. Some states assess fees when you call 911. For example, if you call a psychic hotline, you will receive a bill on your phone, so there are discussions on how to apply those fees as well as the feasibility and ease for carriers to apply them system-wide. In Orleans Parish, a large percentage of 911 calls come from non-residents. If the legislation was updated, when visitors access services, they would receive a surcharge. ED Morris suggested this could level the playing field in New Orleans. He expects to provide a report to the Board from the statewide 9-1-1 Director's Consortium about what next steps the Consortium plans to take in the next legislative session.

Chairman Thomas asked for clarification on how the actual location of a parent company affects the fees from a phone call made in Orleans Parish. ED Morris explained 9-1-1 fees are 100% related to the billing address of the customer, and not necessarily the company.

ED Morris continued the discussion on wireless carriers by saying the OPCD was hit with a slew of bankruptcy filings last week as smaller carriers are closing. Once they are sold, the court notifies the agency then goes through a discovery process to shore up the billing. More change has happened in the last 90 days than has been seen in a long-time regarding remittances and prepaid wireless. ED Morris explained that the parish 9-1-1 fees owed on prepaid wireless phone and minutes are collected by the state Bureau of Revenue and dispersed to each parish based on 2010 parish population census numbers. The state has yet to adopt the 2020 census numbers. The OPCD has inquired about when the new census numbers will be applied but there hasn't been a response. Because it is unknown when the Bureau of Revenue will recognize the 2020 census, the OPCD has kept its prepaid wireless budget for next year stable to actuals from this year. If there is a significant increase based upon any legislative change midyear, then the OPCD will adjust at that time but right now it's too early to tell.

Director Arnold (NOHSEP) inquired about budget code 8211, labeled "Telephone." He asked if it is part of the remittance discussion because it appears what has been spent is more than what was budgeted. ED Morris clarified budget code 8211 is for expenses, but it appeared on the document that several accounts had been rolled into that one budget code, based on the formatting. ED Morris intends to meet with the OPCD Finance Manager to get clarification and will respond to Director Arnold with the answer.

Audits

ED Morris provided two updates. The first update is the 2021 legislative audit that occurs each year has been completed, but the agency has not yet received its final report. There were two non-material findings in the 2021 audit. The first was the audit wasn't completed by the July 1, 2022, deadline. The OPCD requested an extension but was denied this year. The legislative auditor explained most extensions were denied and the missed deadline is considered a finding.

Director Arnold (NOHSEP) asked who performs the audit and ED Morris explained the legislative audit required the agency to hire a CPA firm to conduct the annual audit. It was physically completed on December 5th, so there's a finding that it wasn't completed before July 1.

The second finding in the annual audit is related to the Hexagon payments. ED Morris explained that when OPCD secured the lease for the acquisition of the Hexagon system, the agency was advised by JP Morgan that collateralization was not necessary. OPCD moved forward with the purchase based on that information. The auditors came back after discovering a Louisiana statute that explained collateralization was necessary and that finding was corrected. There are currently no other material findings.

The second audit is by the City of New Orleans Office of the Inspector General (OIG). On December 5th, ED Morris attended a Why Meeting with the Inspector General where the agency received four (4) confidential, high-level findings. Most were from 2019. One of the issues was the changing of the OPCD financial system mid-way through the annual audit process. Overall, the OIG was able to trace every dollar cleanly so the report will possibly be released sometime in February. The agency has been anticipating the end of this matter for some time, so the relief of a close conclusion is felt by all parties involved.

ED Morris added that going through the OIG audit process helped the OPCD deploy additional internal controls to make their systems even better. He believes this will be a win for all. He suggested that once the report is released to the Board and made public, it will tell a good story of how the agency came from having significant findings and deficiencies in 2018 to where it is today. ED Morris looks forward to sharing the report with the group once it is received.

Dr. Aiken (UMCNO) circled back to the subject of the meeting with the legislative delegation and 911 surcharges. Regarding legislation needing more teeth in terms of penalties, he asked for clarification on the agency's intentions for the additional support. ED Morris explained the statewide initiative is to help smaller parishes without enough administrative support to conduct an audit of the remittances they receive. For example, Orleans Parish has the resources to levy penalties for non-remittance on the carriers, but smaller parishes lack the infrastructure to audit their own books. The OPCD Board previously passed a resolution giving ED Morris authorization to seek legal action against carriers that do not comply, but each communication district must seek a

remedy through their local civil district court. The intention is to create a state-wide tool for auditing carrier remittances.

Dr. Aiken (UMCNO) added that the current process is still slow moving and he's hoping for improvement for, if nothing else, regulating the carriers' remittance, thus improving communication district cash flow, etc. ED Morris stated the law is silent regarding timelines for carriers to comply with an audit request, but he believes the timeframe should be a maximum of 90 days.

Director Arnold (NOHSEP) agreed that technology has overtaken the current model of what 9-1-1 is and there needs to be regulatory effort at the state level to get carriers to either address the deficiencies in how they're remitting fees to OPCD or scrap the current method and find a new way to remit accountable fees where enforcement will not be resting on the backs of the jurisdictions. Dr. Aiken (UMCNO) also supports making company names public to force them to move quicker.

ED Morris agreed, adding there is also a very strong FCC initiative to stop 9-1-1 fee diversion by the state governments. The FCC has levied significant fines against states for using 9-1-1 fees for other purposes. That is not the case in Orleans Parish. ED Morris has noticed that at least once per month, the OPCD is questioned about how money from 9-1-1 fees is being used. There has not been a single finding any time the agency receives an inquiry on this topic.

ED Morris also explained that because Louisiana is one of the few states that does not have a statewide 9-1-1 authority negotiating with the carriers, enforcement is piecemeal between the sixty-four parishes. There are rumblings of the state starting a 9-1-1 authority, which he believes would be a great move. However, there is a trust issue between parishes, the state, and communication districts that pre-dates his tenure which precludes forward progress on this matter.

Dr. Aiken (UMCNO) asked for an updated status on the OPSO jail and Hexagon implementation. ED Morris explained that at the 2023 budget hearings, the City Council, with the approval of the Administration, added an additional \$450,000 to the OPCD budget for next year to fund the jail management system maintenance costs. The Council felt the OPCD undertook the Hexagon project believing OPSO was coming to the table as a partner. After the change in OPSO Administration, the current Sheriff has not commented either way and the City Council didn't want to stick OPCD with the bill. Since then, OPSO has engaged the agency and asked for a Hexagon system demo on December 16th. ED Morris is waiting for a confirmed meeting location, but the meeting has been scheduled. The meeting request came from Asst. Sheriff Morales after the Council meeting.

Chief Nelson (NOFD) inquired about the cost of diesel fuel for the generators, which is \$89.12. There has been conversation in previous board meetings about wet stacking and the reliability of the generators being up and running and the Chief asked if the

matter has been addressed and/or resolved. ED Morris explained a load bank was purchased so the agency no longer has wet stacking.

IV. NEW BUSINESS

RESOLUTION 22-08

ED Morris submitted the proposed 2023 budget to the Board at the previous Board meeting. He attended several meetings with the CAO and presented the OPCD budget at the City Council Budget Presentation. The only change from the previous budget version is the addition of \$450,000 to pay the Hexagon bill. The amount is reflected in Resolution 22-08 and matches the published budget from the City of New Orleans and the amendments approved by the City Council. ED Morris considers this resolution to be one of the largest wins for OPCD because it includes a 5% pay adjustment for the staff. The adjustment is like other city agencies' salary adjustments, and it will be effective January 1, 2023.

Chairman Thomas called for a motion to approve the revised 2023 OPCD budget. Director Arnold (NOHSEP) made the motion and Chief Goodly (NOPD) seconded. There was some discussion and when the vote was called, the motion passed unanimously.

RESOLUTION 22-09

Resolution 22-09 will set the Board meeting dates for 2023. The proposed meeting dates are March 14, June 13, September 12, and December 12. Once the resolution passes, the board dates will be set but may be rescheduled at the discretion of the Board Chair.

Chairman Thomas called for a motion to accept the proposed Board meeting dates. The motion was made by Chief Salmeron (NOEMS) and seconded by CAO Montaña (CNO). The motion passed unanimously.

V. OLD BUSINESS

There is no old business to discuss.

VI. ANNOUNCEMENTS

Chief Salmeron (NOEMS) inquired about OPCD's recruitment status. ED Morris explained a new class will begin in January. Resignations have significantly declined. There was maybe one within the last month compared to previously where there was an average of six (6) per month. ED Morris believes the 5% salary increase may be playing a part in employee recruitment.

ED Morris observed the agency has noticed a degradation in the skill of the applicants. A significant number of applicants fail map reading as well as reading comprehension and typing accuracy. These are critical skills that are needed because when a call taker

is typing a suspect description, license plate, VIN number, etc., the transposition of a digit can have a significant impact on the case. During the recruitment process, OPCD tests all applicants on these skills, and these are areas where, in the past, applicants did very well.

ED Morris further explained there used to be a 6-month waiting period before an applicant could re-test, but that requirement has since been removed. He expressed concern with the current 30% test passage rate that used to be almost 65%. He believes, with the low unemployment, top talent is not available and salaries for public service are not very attractive. The agency is trying to be creative with hiring solutions and is now seeing the applicant pool increase. The number of new applications is monitored every day, and, within the last six weeks, the agency is averaging six applications per day. Chairman Thomas added that many residents from Hurricane Katrina are beginning to reach working age and that may play a positive role in hiring at OPCD.

Chairman Thomas asked for an update on the McDaniels building expansion project. ED Morris explained the OPCD is waiting to see if the agency is on the agenda of the December 15 meeting with the Bond Commission. The building expansion project was moved from a P1 status to issue a line of credit, so it is now eligible to go to P1 status in the next session. ED Morris reported he has met with the Governor who pledged his support for the project. ED Morris clarified that to date, no funds from the City have been spent on the building expansion. He is proposing that Capital Outlay funds from the state will fund 75% of the project and 25% will ultimately come from OPCD's bond capacity. OPCD has already spent \$1 million in preparation of the project.

VII. ADJOURN

Chairman Thomas asked for a motioned to adjourn the meeting. It was moved and seconded by Supt. Nelson (NOFD). The meeting was adjourned.

VII. END OF REGULAR MEETING

Submitted by,

Tyrell Morris
Executive Director