



# Louisiana Uniform Local Sales Tax Board

## Minutes of the Regular Meeting Thursday, March 21, 2024 ~ 1:30 PM LAMPERS Building, First Floor Executive Conference Room 7722 Office Park Blvd. Baton Rouge, LA 70809

This meeting will be available via Zoom. Members of the public are encouraged to provide comments to the Zoom chat function. See link below:

<https://us06web.zoom.us/j/82645273670?pwd=cvL4RU18HYCz17FPiyEMul49AP9rnw.1>

Meeting ID: 826 4527 3670 Passcode: 000032

### MEMBERS & PROXIES PRESENT (P) / ABSENT (A):

#### Members:

|   |           |
|---|-----------|
| Dr. Janet Pope, LA School Board Executive Director                    | <u>A</u>  |
| Mike Ranatza, LA Sheriff's Association Executive Director             | <u>A</u>  |
| _____, LA Municipal Association Executive Director (Vacant)           | <u>  </u> |
| Guy Cormier, Police Jury Association of Louisiana Executive Director  | <u>A</u>  |
| Amanda Granier, LA School Board Association Appointee – Vice Chairman | <u>P</u>  |
| Shawn McManus, LA Sheriff's Association Appointee                     | <u>P</u>  |
| Kressy Krennerich, LA Municipal Association Appointee - Chairman      | <u>P</u>  |
| Jeffery LaGrange, Police Jury Association of Louisiana Appointee      | <u>P</u>  |

#### Proxies:

|  |           |
|--|-----------|
| Neshelle S. Nogess, LA School Board Association, Secretary | <u>P</u>  |
| _____, LA Sheriff's Association (Vacant)                   | <u>  </u> |
| Romy Samuel, LA Municipal Association                      | <u>P</u>  |
| David Hall, Police Jury Association of Louisiana           | <u>P</u>  |

#### STAFF PRESENT:

|   |          |
|---|----------|
| Clarence Lymon, CPA, Executive Director | <u>P</u> |
| Dewanna Trask, Sales Tax Analyst        | <u>P</u> |

#### OTHERS PRESENT:

Rick Mekdessie  
 Andrew Kolb, LULSTB Executive Counsel  
 Renee Roberie, Remote Sellers Commission Executive Director  
 Darlene Allen, LATA Executive Director  
 Administrators participating via the Zoom Web Conferencing platform.

Each member of the Board received the following documents prior to the meeting:

1. Meeting Agenda – March 21, 2024
2. Meeting Minutes for January 25, 2024 and February 8, 2024
3. Financial Statements for - January & February 2024
4. Y-T-D Budget Review - January & February 2024
5. Bills Paid Report - January and February 2024

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6. TaxWatch API Modification Proposal
7. 7722 Office Park Boulevard, Suite 300 Expansion Proposal
8. Lookup Tool Hold Harmless Provision

**1. Roll Call**

Chairman Krennerich called the meeting to order at 1:30 p.m. The secretary called the roll and a quorum (5 members / proxies or more) was established.

**2. Adoption of the Agenda**

ON MOTION of Neshelle Nogess, SECONDED BY Jeff LaGrange, AND CARRIED, the Board voted to adopt the agenda of the March 21, 2024, meeting of the LA Uniform Local Sales Tax Board.

**3. Approval of the Minutes of the LA Uniform Local Sales Tax Board Meeting Held 1/25/24 and 2/8/24**

ON MOTION OF Shawn McManus, SECONDED BY Jeff LaGrange, AND CARRIED, the Board voted to approve the minutes of the meetings of the LA Uniform Local Sales Tax Board held January 25, 2024, and February 8, 2024. The January 25, 2024, meeting minutes were previously given to the Board but not voted on at the February 8, 2024, meeting for lack of a quorum.

**4. Remote Sellers Commission Update**

Renee Roberie, Executive Director of the Louisiana Remote Sellers Commission, provided an update on monthly collections and distributions for the month of February 2024. This year \$64M has been collected, up \$9M from the previous 12 months. The Remote Sellers commission is averaging 35-40 new accounts per week. This period the Commission expects to distribute \$48M with about \$25M being distributed to the local jurisdictions.

**5. Executive Director's Report**

Clarence J. Lymon, Executive Director of the Louisiana Uniform Local Sales Tax Board, provided the following report:

- **Annual Audit Report for FY 2022-2023 – Update**

There was a question on whether a motion for acceptance of the audit findings was necessary. According to Mr. Lymon, there had not been a motion for acceptance of the

audit findings in the previous year. There was also a question on Statewide Agreed Upon Procedures as listed in the audit report. According to Executive Director Lymon, the distinction made between financial audits and SAUPs is included only to differentiate between Statewide agreed-upon procedures and financial audits.

- **Act No. 375 (2023 Regular Session Update – Single Filing and Remittance System**

- **Lookup Tool Hold Harmless Provision – Update**

The look-up tool hold harmless provision was provided to the board members in their meeting packet. With approval, the terms were ready for posting. Andrew Kolb, the Boards Executive Counsel, did not want to extend rights beyond the statutory language. We believe this version takes care of those precautions.

ON MOTION OF Amanda Granier, SECONDED BY Romy Samuel, AND CARRIED, the Board voted to accept the terms of the hold harmless provision for the Look-up Tool.

Amanda Granier asked if she must accept the terms before using the tool, once the agreement is there. Executive Director Lymon stated that only credentialed users can be held harmless. Single-use users will not have to accept the terms. Executive Counsel Kolb stated that the terms of use can be updated at any time. At that time, the users would be forced to accept the terms again.

- **UELRURAC Nominees (LATA, LRA, LABI & SLCPA) – Update**

Executive Director Lymon reported that he had been in contact with the Governor's office and they said that the LABI Nominee for the LULSTB will be announced tomorrow publicly.

- **Taxability of Magazines, Newspapers, and Periodicals – Update**
- **Groceries/Meals Delivery Services – Update**

Executive Director Lymon reported that for the taxability of Magazines, Newspapers, and Periodicals, and for the Groceries/Meals Delivery Services, the Board is meeting with LDR and has agreed to collaborate on guidance. Presently the board is waiting for a 2<sup>nd</sup> meeting with LDR to be scheduled.

- **Louisiana Asset Management Pool (LAMP) / Hancock Whitney Federal Treasury Obligations Fund – Update**

Shawn McManus asked if excess funds could be deposited into LAMP. Executive Director Lymon said that only political subdivisions may deposit funds and that the accounts are not insured in any way, i.e., via FDIC or Pledged Securities by the bank.

- LAMP has a higher return by up to 1% over the bank. The bank offers a similar account as LAMP but the return rate at the bank is ½ point lower, most of the time.
- Funds are invested in AAA-Rated investment accounts – both LAMP and bank
- Bank offers 28-day MMA that could exceed LAMP with more risk; both are equally secure, so a recommendation of LAMP or a combination of LAMP or Bank is recommended.

Jeff LaGrange said it is a good exercise to explore options. A money market with the bank would be as secure as an account with LAMP.

Neshelle Nogess asked what percentage of excess funds would be placed with LAMP. Executive Director Lymon answered 25% to 75%.

Jeff LaGrange said that LAMP is very liquid and in his experience with LAMP they move money often and get same-day transfers if needed.

Executive Director Lymon reminded the board that there is no minimum amount to open an account with LAMP.

Amanda Granier asked who is our regular bank? Executive Director Lymon answered Hancock Whitney.

Romy Samuel asked if Executive Director Lymon was firm on the 75% to be deposited with LAMP or was that percentage subject to change. Executive Director Lymon said that the percentage is subject to change and that 75% is conservative. Executive Director Lymon continued by saying that opening an account at LAMP requires action by the Board's Chairperson and/or Secretary.

ON MOTION OF Jeff LaGrange, SECONDED BY David Hall, AND CARRIED, the Board voted to open a LAMP account and further explore how much to put into the account.

- **Smarty Streets Address Verification – Update**

A question was asked previously about the payment intervals for Smarty Streets. According to Executive Director Lymon, we currently pay \$1000 per 360K look-ups. To date, we have not exceeded \$3000 in any 1 year. The next level is \$5000 for 2.4M look-ups. The Enhanced Plan at \$6,000 is the next available plan. The enhanced plan is.

reported to have an enhanced security feature whereas Smarty Streets does not log the addresses that are looked up.

Executive Director Lymon said that he would recommend the board keep its current contract.

Romy Samuel asked how many annual lookups are we having and Amanda Granier answered 23M annually.

Neshelle Nogess asked if the emails that she was receiving asking her to confirm addresses were requests coming from Smarty Streets. The answer is no, those requests are coming from our board.

David Hall asked about the postal addresses that were requested last month. Executive Director Lymon said that the information is still flowing in. Taxpayers are putting post office addresses in the look-up tool, and we would like to return a domicile code for those transactions. In the future we will have a post office lookup feature added to the Lookup Tool.

- **TaxWatch API Modification Proposal – Update**

The TaxWatch proposal is in the packet for historical data to be provided. Currently, only the current information is archived, Collectors are called for historical information needed.

The proposal for TaxWatch would keep archive information the current and three years prior. They have the information, but it is not in the current contract. After implementation, a transaction date will be required. (Section 2 of the Agreement).

Attorneys will look at the indemnification clause (Section 7). Romy Samuel asked what is the meaning of Section 1? Executive Director Lymon said that we will get clarification and also asked the board members to pay close attention to the payment and billing terms on pg. 6, annual increase going forward.

- **7722 Office Park Blvd., Suite 300 Expansion Proposal**

Primarily to establish budget, page 1, extends the space an additional 260 square feet. The owner is attempting to save us money by relocating some of the doors and not purchasing new ones. If approved, we pay in cash or change the lease agreement to pay over the remaining term of the lease. Chairperson Kressy Krennerich asked if current lease is per square foot now, and the answer was yes.

ON MOTION OF David Hall, SECONDED BY Romy Samuel, AND CARRIED, the Board voted to proceed with the modification plans and pay cash if possible.

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After the vote, the question of paying upfront or through the lease came up again, Executive Director Lymon said that we could revisit, but also, if the quotes received are materially higher, he will revisit the cost issue with the board.

**6. Financial Reports**

- **Financial Statements – January & February 2024**
- **Y-T-D Budget Review – January & February 2024**
- **Bills Paid Review/Approval – January & February 2024**

According to Executive Director Lymon, funds have been received from OMV. Our YTD budget has been spent on normal expenditures. We have completed 67% of our FY and we have 65% of our budget remaining.

Executive Director Lymon stated that there is an outstanding \$84K to Watch Systems that is unpaid due to not receiving an invoice from OTS. Our bill payment reports are normal. Expenditures related to IT have been approved to enhance the system for electronic submission of changes and collector dashboard, which explains the increase in expenditures.

ON MOTION OF Jeff LaGrange, SECONDED BY Amanda Granier, AND CARRIED, the Board voted to receive the financial reports and approve the bill payments for the months ending January 2024 and February 2024.

**7. Other Business**

- **Project Manager Position:** Kressy Krennerich stated that UELRRAC submitted the qualifications and requirements for a project manager position. It is a full-time position to assist in selecting a vendor for the IT project.

Chairperson Krennerich asked board members to come up with compensation and suggested that the person hired would stay on for about 2 years.

After reading the qualifications, Romy Samuel stated that many IT people have alternative certifications instead of Bachelor's Degrees, is that a consideration? Kressy answered, yes, that's why it's a draft.

- **Parish e-file:** Executive Director Lymon stated that until January 1, 2026, DOR is responsible for maintaining Parish e-file. But questioned what happens when there are insufficient funds before 12/31/2025. Executive Director Lymon said that he had reached out to DOR to discuss the potential shortfall and invited the board to attend the Wednesday morning meeting (by Zoom) to address the insufficient funding.

**Public Comment** - None

**Adjournment** - ON MOTION OF David Hall, SECONDED BY Amanda Granier, AND CARRIED, the Board voted to adjourn at 2:35 PM.