

N.O. ferry operations questioned about missing money, performance

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The Crescent City Connection Division faces an investigation to answer for accounting discrepancies in its 2007 legislative audit and explain unfunded road projects and maintenance. According to a state audit, CCCD revenues in fiscal 2007 from July 1, 2006, to June 30, were \$31.3 million and expenditures were \$32.6 million, leaving the CCCD with a \$1.3-million deficit. Legislative auditors found CCCD inadequately prepared its annual financial report and cited nearly 10 examples, the largest being the CCCD's failure to report \$3.8 million in revenue received for bridge toll violations and unpaid tolls. In a response letter to legislative auditor Steve Theriot, former DOTD Secretary Johnny Bradberry said the \$3.8 million was not properly reported in the annual financial report "because the necessary paperwork from the (CCCD) was not received at the (DOTD) prior to the Aug. 31 deadline." Randall Paisant, CCCD assistant executive director, said this finding and others "were all reporting indicators" and "nothing refers to the accounting." "We don't do the reporting down here in New Orleans," Paisant said. "It's done by the accounting section in Baton Rouge. All the findings all relate to the person that does the financial reports in Baton Rouge. Every dime that's ever been collected through tolls here has been accounted for and has been deposited properly with the trustee." He said reporting responsibilities should be returned to the CCCD but the agency is unable to hire to hire an employee to do the work because Gov. Bobby Jindal put a job freeze on hiring state employees. "The stance we took is if we're going to be written up for it, give us control over the people who are responsible for doing this so we can have control over them because we don't right now," Paisant said. When asked why the CCCD did not provide the information to the DOTD for the annual financial report, Paisant said "if the information was not received by them, it's because they did not ask for it" even though he acknowledges the \$3.8 million was a "new receivable" the CCCD has never reported in previous years. "It's something that should have been included in the report and all we're saying is they're saying they didn't get it from us and all we're saying is they didn't ask for it from us," Paisant said. CCCD management and finances will be under the Legislature's microscope next Thursday when CCCD officials testify before the House of



Representatives Transportation Budget Subcommittee on the agency's financial operations. The state legislative auditor will perform a performance audit of the CCCD after New Orleans-area legislators, led by state Rep. Pat Connick, D-Marrero, passed House Resolution 13 during the state's Ethics Special Session requesting the audit. A performance audit looks at whether agency funds were used efficiently, said David Greer, director of performance audits with the state legislative auditor's office. Greer said once he talks to legislators he hopes to assign and complete the audit "in no more than three to four months." Connick has concerns CCCD officials are poorly managing funds for road projects and maintenance the agency has been assigned for on and off ramps on Manhattan and Barataria boulevards, the extension of Fourth Street on Gen. De Gaulle, landscaping and trash pickup underneath the West Bank Expressway, and consistent ferry operation. Connick refers to the CCCD's 2007 legislative audit, which uncovered several financial discrepancies. The CCCD is a division of the Louisiana Department of Transportation and Development that manages the operation, maintenance and policing of the Crescent City Connection and the ferries through collected toll revenues and some federal funds. None of its funding comes from the DOTD. The CCCD did spend \$7.2 million in various infrastructure projects. Jefferson Parish Councilman Chris Roberts said CCCD officials have consistently stonewalled requests for operational and fiscal information. "I think the folks running the CCCD are their own biggest enemies," Roberts said. "Silence is not necessarily the answer when they're dealing with public funds. They're not a business. I support and applaud Connick's recent efforts." Complaints regarding substandard ferry operations from the nonprofit Friends of the Ferry focused on irregular ferry times and cancellations. Connick said he will consider drafting a bill to take the ferries away from the CCCD and place them under the DOTD's control. "I will not force the issue until I'm sure it would be a good call," Connick said. "But I'll be ready to go once I get the information." Paisant denied ferries are being operated improperly and cited U.S. Coast Guard regulations regarding maintenance and personnel that can sometimes hold up one or more of the CCCD's six ferries. Roberts said projects typically move faster under local control but "if the only way to get enough money is to be under DOTD then we need to explore that."

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