

**MANDEVILLE FINANCIAL OVERSIGHT COMMITTEE
SUBCOMMITTEE OF THE MANDEVILLE CITY COUNCIL
MINUTES FOR THE MEETING OF FEBRUARY 25, 2015**

The meeting of the Financial Oversight Committee was called to order by Councilman Clay Madden at 5:30 p.m.

PRESENT: Clay Madden, Leonard Rohrbough, Vince Talazac

ABSENT: Ernest Burguieres, Marilyn Osborne, Glen Runyon

1. Adoption of the January 21, 2015 Minutes

A motion was made by Mr. Rohrbough and seconded by Mr. Talazac for the adoption of the January 21, 2015 minutes. The motion passed 3-0.

2. Announcements

Mr. Madden will announce Mr. Runyon's resignation at the March 12, 2015 regular City Council meeting and request resumes for the Council's consideration for their appointment of an ex-officio citizen member to the Committee.

3. Operating and Capital Budget

The City Council commissioned The Mandeville Financial Oversight Committee, under Resolution No. 15-01, to research, discuss with the Administration, and recommend a list of items back to the City Council for inclusion or possible exclusion in the operating and capital budget. The Committee discussed the following ideas:

Important components of the budget are the executive summary portions and how they are presented so that the key points are up front and the supporting documentation is behind and referenced.

Keep the representation of historical trends (for key items) relative to budgeted items simple, so the reader can ascertain what is happening over time and draw conclusions.

Ordinance No. 13-24, effective October 25, 2014, requires that each operating budget contain a five year forecast of revenues and operating expenses.

Forecasted numbers for revenues and operating expenses should be labeled "projected" figures.

Provide minimum data required by the State. Use appendices to provide details and supplemental data.

Build in a three month operating reserve.

Provide a glossary of budget terms and "How to Read the Budget" instructions. Eliminate four or five pages of analysis, if it can be stated in a diagram or chart.

Keep the same format from year to year.

Investigate if there is a standard for municipalities to be used in the forecasting of revenue and expenses. Mr. Talazac will research this action item. Ordinance No. 13-24 states that forecasts shall be conducted under methods contained in the forecasting best practices published by the National Advisory Council on State and Local Government.

Return the summary pages of revenue and expenses that were provided in previous Mandeville budget documents (2011 and earlier). Track and show how much tax is collected for each sales tax category.

Show plan year vs actual year.

Separate and show each position (by title) and corresponding wage in the organizational chart. There was discussion on including the cost of benefits (pension plus average healthcare) per

employee to reflect total salary for each position.

When budget work sessions begin, discuss and work through the operating budget before the capital budget because the Council has more discretion over the capital budget.

4. Recommendations to the Council:

A motion was made by Mr. Talazac and seconded by Mr. Rohrbough to remind the Administration, via an announcement and recommendation at the March 12, 2015 regular Council meeting, that the new requirement of providing a five year forecast of revenues and operating expenses became effective with the 2015-2016 fiscal year budget. The motion passed 3-0.

A motion was made by Mr. Talazac and seconded by Mr. Rohrbough to recommend that the Council, starting with this budget fiscal year and moving forward, take up the operating budget before the capital budget during the budget public hearings to improve the process. The motion passed 3-0.

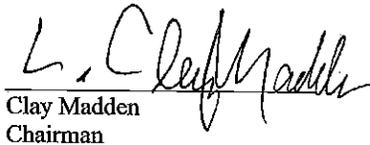
5. Next Meeting: Wednesday, March 18, 2015, 5:30 pm

ADJOURNMENT:

The meeting adjourned at 6:45 p.m.



Council Clerk


Clay Madden
Chairman