

**MANDEVILLE FINANCIAL OVERSIGHT COMMITTEE
SUBCOMMITTEE OF THE MANDEVILLE CITY COUNCIL
MINUTES FOR THE MEETING OF JANUARY 21, 2015**

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

PRESENT: Clay Madden, Ernest Burguieres, Leonard Rohrbough, Marilyn Osborne, Glen Runyon

ABSENT: Vince Talazac

1. Adoption of the September 17, 2014 Minutes.

A motion was made by Mr. Burguieres and seconded by Mr. Rohrbough for the adoption of the September 17, 2014 minutes. The motion passed 4-0.

2. City Council Resolution No. 15-01, adopted on January 8, 2015

The City Council commissioned The Mandeville Financial Oversight Committee 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 budget and capital budget. The Committee discussed the following items:

(a) The addition of summary pages by department – Mr. Madden preferred the summary pages presented in the 2012-2013 budget.

(b) The addition of exhibits and or/appendixes – There was consensus to keep the mandatory items in a simple format and add details through exhibits and appendixes. The current format is overwhelming. Mr. Burguieres agreed to research budget formats of other municipalities, statewide and nationally, to provide examples to the MFOC members prior to the February meeting. The Committee agreed that presentation and readability were equally as important as the ability to analyze the budget. Content must not only be concise but reliable so the Council and others can perform a comparative analysis, year after year.

(c) The Clerk will research if the Council adopted or deferred a Resolution or Ordinance requiring five year forecasting of revenue and operating expenses for inclusion in the budget document. If the Resolution or Ordinance was deferred, the Committee agreed that it should be placed back on the February agenda for Council consideration since it was a GFOA requirement as of February 2014.

(d) Determine what kind of schedules the Council wants to see in the operating budget analysis year after year. For example, the budget used to contain a list, by department, of personnel by classification to include title and salary. Currently, all jobs are lumped together and you cannot tell if positions were filled or unfilled. We have 15 to 20 positions that are never filled. We need to identify a schedule of certain kinds of details in order to do a proper analysis. The details do not have to be in the primary budget. The details and schedules of information would support the current and rolling forecast. Ideally, the schedules should be provided in May in order to have two months to complete the analysis. The Committee agreed to have the MFOC recommendations to the Council in April.

(e) The Clerk will forward copies of the 2011 capital and operating budget to the committee members for review. Each Committee member will create lists (1) items to keep (2) items to delete (3) mandatory items.

(f) Investigate creating a special account or trust fund to pay for future health insurance costs for retired employees who are not on Medicare. The unfunded benefit is currently in excess of \$1.5 million and growing a couple of hundred thousand dollars per year. Include the account in the next budget cycle since special sales tax has been freed up by the voters to go into the general fund (approximately \$2.6 million).

(g) Include an appendix identifying City real estate holdings with direct and indirect costs associated with each facility. Facilities include City Hall, the Police Station Complex and the

station on Jefferson Street, The Trailhead, Sunset Point Fishing Pier, Water Towers, Spitzfaden Community Center, and the Dew Drop Jazz Hall. Ms. Osborne stated that she and Mr. Danielson have already started working on this appendix.

(h) Mandatory items by Louisiana State Law and Best Practices by GFOA - The Committee will defer to the Finance Director for these mandatory items.

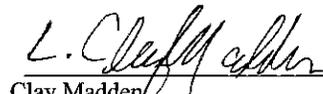
3. Mr. Runyon announced that he needed to resign from the Committee, in the near future, to pursue an opportunity in Atlanta.

4. Next Meeting: Wednesday, February 25, 2015, 5:30 pm

ADJOURNMENT:

The meeting adjourned at 5:45 p.m.


Lorraine Chotin
Council Clerk


Clay Madden
Chairman