

**MANDEVILLE FINANCIAL OVERSIGHT COMMITTEE
SUBCOMMITTEE OF THE MANDEVILLE CITY COUNCIL
MINUTES FOR THE MEETING OF MAY 19, 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, Bill Haacke, Ernest Burguières, Marilyn Osborne

ABSENT: Vince Talazac

1. Adoption of the April 22, 2015 Minutes

A motion was made by Mr. Rohrbough and seconded by Mr. Burguières for the adoption of the April 22, 2015. The motion passed 4-0.

2. Agenda Items

Mr. Madden stated his homework involved was to request from the administration documents that listed what is required to be in the budget. The committee was to review last year's budget and see what documents are redundant and if anything could be taken out. Mr. Madden received the required documents necessary from Mr. Oliveri for review. Mr. Oliveri sent the engagement letter from P&W and the budget policy and procedures memo from the LA Legislative Auditor. The items listed (see policy letters A-B-C-D) are all included in our budget, so the city is in line with the state requirements. Mr. Madden stated the City has about 3-4 budget meetings starting in June or July.

Mr. Madden asked if anyone had seen anything that could be deleted or edited to make the budget more user friendly. Mr. Burguières stated he felt that narratives could be more compact. Mr. Haacke said he felt there was a lot of wording and graphs that were not needed and made the budget too busy and difficult to follow. Mr. Haack stated he has looked at the budget from Jefferson Parish (won a GFOA award) and found their packet to be a good example for us to mirror. The Parish has 2 parts: summary pages by departments; and budgeted highlights for each department which are located in the attachments. Jefferson parish has fewer graphs, but they are more meaningful. Their summaries are about 64 pages with about 200+ pages of details; of course they are a larger city than Mandeville. We could have 5 summaries using the format of the LA Auditors and have small highlights at the bottom of each summary with a few years' worth of trends.

Ms. Osborne agreed that we need to start with an executive summary and then have appendices and other information in the back of the document.

Mr. Rohrbough said if it deals with the spending or making of money, it needs to be in the budget. He cannot stress the inclusion of concise summary pages. The listing of projects, mission statements, and departmental information, can go into the appendices if needed, they are not necessary in the annual budget.

Mr. Burguières would like a list of properties that the City owns and its associated costs/revenues to be included in the budget. He stated we need to know how much it costs to run these properties. Mr. Burguières stated for example, pages 12-32 is just fluff and does not really need to be in the budget. It could be an attachment in the back of the budget if needed.

Mr. Haacke and Ms. Osborne said we should get with Mr. Oliveri and bring him a copy of the Jefferson Parish budget to see if we can almost mirror their budget packet. It is too late to do changes for this year's budget but this can be a goal for next year along with the ultimate goal of getting the GFOA award. We can ask Mr. Oliveri for a list of his priorities and then gather a priority list from the Council and use these two lists as a guide and starting point for next year's goal. Mr. Haacke stated we need to follow LLA format and GFOA requirements and come up with a new format for the City by 11/15/15. The budget should include an executive summary for each department with details to follow.

Mr. Madden suggested the council should pass a resolution that requests the following to be included in the budget packet: follow the LLA format, include all GFOA requirements, have 5 main summary pages, include concise departmental summaries with any additional information in appendices, and have all summaries to include 3 yrs. of history. Mr. Haacke will set up a meeting with Mr. Oliveri to discuss possible changes before we create a resolution.

Mr. Burguières discussed the deferred retirement benefits line item he is asking to be added in the budget. The idea is to set aside money for this benefit in a designated line item. Mr. Haacke stated the audit report has \$5.5 million in total unfunded liabilities. The City only funds the actual expenses which are around \$150K a year; more people are starting to retire because of the older work force. The City can set up a restricted account this year and actually un-restrict it the next year, but the idea to set aside the money just makes sense.

Mr. Rohrbough said we should make a resolution to set aside real funds of \$250K in a specific retired health benefit line item and put this money in a designated investment fund. We want the assets to be secure. This will be coauthored by Mr. Madden and Mr. Burguières.

3. Recommendations to the Council:

A motion was made by Mr. Rohrbough and seconded by Ms. Osborne to develop a resolution to be presented at the next council meeting to designate a specific line item for the retired health benefit. The motion was passed 5-0.

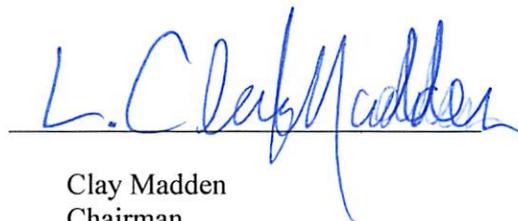
4. Next Meeting: June 17, 2015 at 5:30 pm.

ADJOURNMENT:

A motion was made by Mr. Madden to adjourn the meeting, seconded by Mr. Burguières. All in favor 4-0. The meeting adjourned at 6:25p.m.



Kristine Scherer
Council Clerk



Clay Madden
Chairman