Attorney General in a Dec. 1992 opinion upheld Rev. Statute 39 where transferring funds from a fund which caused or increased a deficit is illegal. Councilman Johnston again made a statement off mike.

Ms. Lulue said it was properly put there and it cannot be moved now.

Councilman Benton asked about the bond that will be refinanced. She said that if we don’t reduce the deficit that would affect the refinancing and we would lose the projected $83,000 savings.

Ms. Lulue responded that if the money is moved and the Legislative Auditor saw the audit report saying that the deficit was going back up questions would be asked and we would be in a formal arena to answer how we are going to eradicate the deficit.

Councilman Wheeler said there are other ways to eradicate it. This is a proposed budget correct.

Ms. Lulue said yes it is, but the figures have nothing to do with the BP money.

Councilman Wheeler said the council has the option to move that money into capital by ordinance. I’m not saying you’re wrong but it was made very clear so I’m surprised that this wasn’t divulged to us initially when we asked about it and now we’re being told we can’t move it. We were told by several people it could be moved.

Ms. Lulue said she wasn’t here for that and she doesn’t know who Councilman Wheeler is speaking about.

Ms. Lulue continued with Page 17 the non-departmental department/administrative department. She isn’t sure why previous administrations had separated it out – but it’s all overhead administrative costs associated with running the city. The revenues are all items that are collected by the city that are not associated with any particular department. Theses revenues are used to subsidize the expenditures in other departments of the general fund. This is a common practice amongst municipalities for the general government to carry other departments. The non-departmental expenditure section – your specific questions refer to line 38 – accounting maintenance contract. That is the city’s software package which is the backbone for running the city. It contains the general ledger, paychecks and collected revenues are all done in Incode by Tyler Technologies. You asked why there was an increase. There is always an annual increase and the average cost is $2,620 for a total of $31,440.

Councilman Wheeler asked if it was paid monthly or annually.

Ms. Lulue replied it’s paid monthly but the figures come in piecemeal. . .

Councilman Wheeler said no, my original question to you was - is it paid monthly or annually.

Ms. Lulue said it’s paid monthly.

Councilman Wheeler asked the monthly amount.

Ms. Lulue said it’s $2,620 and she has the invoices for her and the contract is on the web site. She continued with legal fees and lawsuits. Currently we have the minimum pay out at $50,000 for a lawsuit should we lose. There are 3 under issues under advisement that may turn into lawsuits. My recommendation is to leave it at $50,000 because for the past 3 years the average was $65,000.

Councilman Baudier asked her to define line 39 – legal fees – council.

Councilman Baudier said actually I’ll take that question back.

Ms. Lulue continued with line 44 – auditing - $45,500. The current contract with Postlewaite has increased from $28,000 to $30,000 for the 2015 external audit. If an internal control audit for a major program received an additional $5,000 will be charged, which totals $35,000 for Postlewaite which will be paid as the audit progresses.
Councilman Baudier said he would like that addressed. Legal fees for the council because it's been questioned that when we had no city attorney, I was actually trying to introduce and ordinance for a business and I was told by the Mayor that she was basically not going to pay the attorney that I wanted to have represent the council to get this ordinance passed. So can you explain that to me. If you can, how are we allowed to use that money if at all?

Ms. Lulue said I don't know what you are referring to. My understanding is that you guys utilize Mr. Buras for something city related.

Councilman Wheeler asked if that wasn't in his annual pay.

Ms. Lulue said she did not know if the line item was there last year...

Councilman Baudier asked if the council can use this money to hire an outside attorney?

Mayor Miceli said that's more of a legal issue about who can sign a contract for professional services.

Councilman Baudier then asked Mr. Buras the same question. If there is a line item allocated to the council, how does that work?

Councilman Hueete said are you asking how could we ever use it?

Councilman Baudier said yes – how could we ever use it?

Mr. Buras said I think you can use it when there is a demonstrated - this happens quite frequently in governmental practice - where the Mayor and the city attorney have one position and the council feels it is incorrect.

Councilman Baudier and Councilman Hueete both said that's interesting.

Councilman Baudier continued we were told in a public statement that she would not pay that attorney. Thank you.

Mr. Buras said I wasn't here for that but I think I have been pretty consistent in that opinion, but the caveat there is a demonstrable conflict.

Councilman Baudier replied absolutely.

Councilman Wheeler asked to get back to the audit and reiterated what Ms. Lulue had said about the Postlewaite audit.

Ms. Lulue continued there's an additional $10,500 to cover the possibility of a sales tax audit because as the Mayor said they were concerned about the steep drop in sales taxes and the steady decline in occupational licenses. However, the expense would be recouped from the companies who were audited if underreporting of taxes are found those companies do pay a portion of the audit fee.

Councilman Wheeler said so the $35,000 is for Postlewaite and the additional $10,500 is for presumed expenses.

Ms. Lulue said yes – it was for us to go after revenue that is owed.

Councilman Wheeler said this was presumed expenses – not actual expenses.

Ms. Lulue said yes because that's what a budget is – you are projecting your expenses.

Councilman Wheeler said she understood.

Mayor Miceli said that's why when you examine the sales tax fund again – there is a $400,000 drop from 2013-21014 that would help our city get out of deficit mode and put up back on the road to financial stability.

Ms. Lulue reiterated that the main drop in sales tax was between 2013 & 2014 and if we are going after this lost revenue we need to do it quickly because after this year the amount that expires in 2013 will no longer be looked at so at least the letters need to go out and the taxpayers need to sign a waiver so that the audit can be kept open until the next year. She noted that once word gets out on the street that a sales tax audit is pending your sales taxes magically increase because they know at some point they
are going to be held accountable. Line 5 – accounting services $48,000 this
is where the contract CPA and any other accounting services are coded to.
Councilman Wheeler asked if this was for Linda.
Ms. Lulue responded yes but it's not only her.
Councilman Wheeler said that's what she wanted to find out. She had pulled
Ms. Lulue's contract from the city website – talks about fees – one says $105
an hour of owner principal, which I am assuming is you and a senior
accountant at $75 an hour. So how does the city budget and know who's
doing the work? Do we know that 8 hours is billed by you and 10 hours is
billed by him. How do we know?
Ms. Lulue responded that the invoices spell out who has done what and there
are certain things that only I can do.
Councilman Wheeler said that at $48,000 a year – I did a worst case scenario
of $105 per hour – that breaks down to 457 hours a year; divided monthly
that's about 38 hours a month which is an average of 7 hours a week. To me
it seems we are probably going to be over that amount.
Ms. Lulue said you're over that amount right now. I have spent so much time
on the 2016 budget.
Councilman Wheeler asked so what's going to happen. You're proposing 48
and we're over now and we're only in March.
Ms. Lulue answered well, we're hoping that the budget will move on and we
can close 2015 and the rest of the time I can work on 2016 and a lot of those
hours can be delegated down... .
Councilman Wheeler said so are you telling me now that as of March 10th you
have exceeded the $48,000 that was annual.
Ms. Lulue responded no that's not what I meant to say.
Councilman Wheeler said well, you had said you had exceeded that point – so
where are you at? Because if we're budgeting 48 – it looks like we might
have to increase that. We're obviously going to exceed the 48 annually I'm
assuming, correct – regardless of who does the work hourly.
Ms. Lulue right.
Councilman Wheeler said that line could be potentially overspent.
Ms. Lulue said yes.
Councilman Wheeler said it probably would be. So I'd like an estimate of
where you are at right now currently as of March 10th. What has been
charged to the city.
Ms. Lulue said she would have to double check because she hasn't billed for
March yet.
Councilman Wheeler said ok – give me January & February. I'm anticipating
this month is only the 8th ??? – but if we are 2 months into it and we're close
to 48 now – I know we're at 48 now, but if we're going to overspend – that's
an issue.
Mayor Miceli reiterated part of her budget message - many things left undone
by prior administration – we had to put forth money to create a budget for
2015 because one was not created in 2014 as it should be. Now Ms. Lulue –
the longer the budget process drags on, the more hours she puts in on this –
she can't do the daily operation and she also has to address the
reimbursements from Katrina forward on all hurricanes. She is assisting on
closing grants from 2013 2014. She also addressing other problems so the
city can get reimbursed. It is unfortunate that our accounting costs are going
to be high at this time, but it is true and it is the reason we can decrease
that deficit. We can't decrease the deficit & put the city on a healthy footing
without assistance of professionals. We must address that have to collect
uncollected taxes; we have to close grants; we have to address project work
sheets that have been open since Katrina on forward. We have to address
the DEQ loan. We are creating grant files because there were no grant files. We also had to create a more sophisticated budget to give our citizens and businesses the transparency they deserve. We need to create a safety net and get out of deficit and create a surplus is with professionals. We have a lot of backward work from past years that must be done to be compliant with all laws. It can’t be done without professional help.

Ms. Lulue continued with line 46 & 47 – miscellaneous expenses she will break out the recurring expenses. Her goal is transparency in accounting rather than all things lumped together so you cannot tell what makes up the numbers. She left some small fees to the Secretary of State & some late fees. The polling expenses are $17,500 and in 2016 there are more elections – she increased it to $22,000.

Councilman Johnston questioned the $2,500 and asked if it was from late fees.

Ms. Lulue said there were some small late fees and association fees to the Secretary of State. The wage section – in prior years the Mayor and council were included but the Mayor’s salary has been moved to the administrator department. The sub-contractor’s salaries includes emergency personnel and the transcription for the council meetings. Line 58 . . .

Councilman Wheeler questioned the emergency personnel – somebody in City Hall is allocated extra money for being here.

Mayor Miceli said no it was for our Emergency Director, Jimmy Pretlove who coordinates with the Parish during emergencies.

Ms. Lulue continued with Line 58 – group hospitalization for the council is now 0 because their health insurance was terminated and the Mayor’s has been moved to the administrative department. She continued with the Administrative Dept. – line 67 is for notary fees of $1,500 is a new line item but it doesn’t mean there was no expense prior.

Councilman Johnston said I don’t have a line 67.

Councilman Benton said it’s line item 69.

Ms. Lulue apologized for the wrong number. Often expenses were put in the category that fit it best – but she wants the right fit. Due to increased grant opportunities, loans and the refinanced bonds they estimated notary fees at $1,500. Salaries – there have been no pay raises for any city employee. One part time person has increased hours but at the same rate of pay. The Mayor’s salary and related expenses has been moved to the administrative dept. Line 105 – overtime – one employee works overtime but she is paid straight time during the tax times and . . .

Councilman Wheeler said let’s go back to salaries – you propose $224,680 – can you provide me with a breakdown.

Ms. Lulue said she had provided that prior at a closed door session 3 weeks ago.

Councilman Wheeler said she sent an email to see if there were any changes – she’s been sending emails since February 22 to be prepared for this and not waste time.

Ms. Lulue said the only email she had received was . . .

Councilman Wheeler said unfortunately, she didn’t have Ms. Lulue’s email so she sent them all to the Mayor.

Ms. Lulue said she is on the city’s email – I didn’t know yours either – I just typed in Carrie. . .

Councilman Wheeler said I typed in Linda but it didn’t bring you up that’s why I sent them to the Mayor and asked her to forward it to you. The reason I sent them to her was because people said we were wasting time and billing and everything else – that’s why I started sending emails on Feb. 22 to have my questions answered.
Ms. Lulue said she only had one email with 35 questions and she answered them all. I do actually have another piece of paper for you - to break out the administrative salaries to show dollar amounts. It shows the change of people – the people on the left are from the previous administration and the people on the right in the same slot and it shows the dollar amount and compares across the board as best as I could possibly could. It shows we do not have additional people and are actually working with $16,000 less salaries.

Councilman Wheeler and the allocated overhead salaries, I know I had a question and several of us do about the $177 and the explanation about it. Could you take the department as a whole and break out the percentage of who's what.

Ms. Lulue said the auditor's have always taken the general liability insurance and broken it out at the audit amongst the departments based on the percentage of each department's expenses as compared to overall expenses for the general fund. They also been telling us that they wanted other administrative and overhead expenses allocated out. So I took our salaries which I emailed you showing the breakdown.

Councilman Johnston said while you are looking for that – how did you come up with the percentages for each department?

Ms. Lulue said she started with what Postlewaite had used. I asked everyone what they do and I took their salaries and allocated a percentage of it based on the total expenses that I budgeted thus far. Then I took the Clerk of Court and the other clerk and what they do is collect the money. So I took their salaries and allocated out based on the percentage of income of the various departments. Some departments like the Sr. Center and Maintenance don't have any income so they do not receive any portion of those ladies' salaries. Then I took payroll, he does more things then just that function, so I took 15% of his salary off the remainder of which I allocated to other departments based on the number of employees. This still leaves the bulk of salaries in the general administrative fund because this was based purely on straight salaries – no overtime, holiday pay, etc. So the bulk of payroll is still in administrative but it does help allocate some of the city's cost out to all the departments.

Councilman Johnston said it looks to me, I mean, that $224,000 is the salaries and you are allocating or pulling out $177,000.

Ms. Lulue explained that's just the salary line item. If you add back in the rest of the overtime, the annual pay, the hospitalization, the FICA... Councilman Johnston said well the overtime went up a little bit, but the sick, annual and all that...

Ms. Lulue continued saying the rest of the salary cost is not allocated out – this is just the salary.

Councilman Johnston said just the salary.

Ms. Lulue continued saying the administrative department is still eating the bulk of people's salaries.

Councilman Johnston said all the extras - right I gotcha.

Ms. Lulue said she was trying to strip...

Councilman Johnston again said I got what you're saying.

Ms. Lulue said she was just trying to share just like the General Administrative Dept. shares the revenues it collects, it was only fair to share some of the expenses that it takes to collect those revenues.

Line 104 - salaries – other sub-contractors - most of those expenses were miscoded in prior years and should have been part of one or two salaries. I budgeted $7,000 to reflect an estimate to reflect contractors to complete the time clock installation and computer related expenses. We know that hard
drives need to be wiped prior to disposal of old computers and networking issues within the city. People have asked about the insurance expense. Actual insurance cost is $227,000, but after allocation to other departments it shows that on page 17 in the past we always budget for the entire amount and the auditor always allocated out. So this year I went ahead and allocated the insurance the way the auditors did and put the $50,000 here and the applicable portion to the other departments.

Councilman Wheeler asked this is insurance for?

Ms. Lulue answered it is the insurance with Gulf South Risk Services – the liability insurance.

Councilman Johnston asked about 109 – did that go up because the Mayor was pulled over into this and that’s why the group went up?

Ms. Lulue said yes, that’s the group hospitalization with the Mayor’s health insurance. Page 19 Civil Service which serves the Civil Service employees – the only salary is the transcriptionist who receives $200 a month. The next page, page 20 – court dept. revenues to have an annual decline of over 20% since 2013; it went down 22% and then 24%. Our clerk of court has been looking diligently into this and I received an answer yesterday afternoon. First of all, the number of tickets written during this period have declined – so fewer tickets results in fewer court fines. But most importantly, prior to May, 2014 tickets were closed with no attachments due to allowing prosection to expire. Beginning in Sept. 2012 and prior to this administration approximately $205,000 worth of attachments have expired. That’s revenue lost. Currently the clerk is investigating the legality of collecting from such ticket holders should that person come into the city to have other dealings. This is a great example of when I say the budget is not a static document. I based my $184,000 on line two on past collections. Knowing about these proscriptions and her making sure things are attached properly, I recommend that we increase this figure by $76,000. Line 40 life insurance match has a miskey – it should read $122.

Councilman Wheeler said I want to go back to the allocated overhead salaries – line 30. It seems you are it adding it but when you get to the non-departmental you are subtracting it.

Ms. Lulue explained that you subtract it from the non-departmental because you are adding it to the other departments.

Councilman Wheeler said okay.

Ms. Lulue said the bottom line though is that it is all general fund. That’s all I have for courts. The next page is the Emergency Department. This is used to track expenses and related grants when an emergency happens and right now the amount is zero. We are working diligently to capture past grant money but as it is an unknown factor, we cannot put it in the budget. You will be informed when the money comes in. Fire Dept. line item 52 & 53. In 2013, the last payment was made on the fire truck so that frees up $30,000 and is 0 this year. Holiday pay – a miskey – it should be $23,603.

Councilman Wheeler said I know some of the departments – for fire you have total revenue $550,775 with expenses at $1 million which leaves a deficit of $452,000 – where is the money coming from to make the dept. whole because the expenses are more than the revenue. It seems a lot of the depts. are done that way.

Ms. Lulue said that most of the departments are not fully financed themselves from what the collect. The departments that are plush like court and administrative dept. are used to finance the depts. At the balance sheet and the checks all come from the same check register – it’s just that laying it out this way we can see who’s collecting what, who’s responsible for what and it help with things like Tim’s grant. In the past, he didn’t know where his
grants went, he didn’t see it. He didn’t see it on a piece of paper showing this is my grant income - this is my grant expense. But if it is laid out like this in black and white and every month once we get into 2016 I want to give you guys this is the budget, this is where we are year to date thus far and this is what's left of our money and if we are going to be way over or under on each line item. That's the goal and doing it this way, it helps us achieve that goal. Councilman Johnston said this is one of the ones I was questioning, the whole fire department in general. They go to a site - a fire - they have 3 people working - they need more employees there and I don't see where we are trying to allocate them any more money for salaries.

Ms. Lulue said this budget does not include new people and ??

Councilman Johnston said we are looking at raising it to get more people to help out with the fire.

Mayor Miceli said everyone wants to do that and when we are starting to look at increasing our revenues with looking at our sales taxes and start doing those attachments we are going to get extra money that we can dedicate to fire and police because those are our first responders. I think we really have to . . .

Councilman Johnston said I understand that.

Fire Chief St. Cyr asked does this include replacing two people or adding 2 people . . .

Councilman Johnston said it's not adding anybody.

Fire Chief St. Cyr said if not, I'm very concerned.

Councilman Johnston said my main concern is . . .

Chief St. Cyr continued I thought you kept the same numbers as Robert Heinz had.

Mayor Miceli said she thought they had kept it the same.

Ms. Lulue said it was for 12 people.

Chief St. Cyr said to answer your question those numbers if they are Robert's numbers would fund hiring 2 additional people to bring us back up to 4 people per shift which is still short, but ya'll know we would need big numbers and there is not enough money in the entire city budget for what we need.

Councilman Johnston said we are gloating about having a surplus from earlier in the statements - we're gloating about having a surplus, but we're not funding our departments properly, that's what I think.

Ms. Lulue said we have a surplus for the year but we have the deficit over all.

Councilman Johnston said of course.

Ms. Lulue said we can only do so much.

Councilman Johnston said I'm not saying take the whole amount but you can probably go a little more further into the $186 to get the department a couple more people that they need. The departments that matter - the police & fire are what matters really - but probably safety wise.

Councilman Wheeler said let me ask a quick question about the salary lines.

So when Linda provided us with the new pay categories, your regular salary for your 12 employees including yourself matches exactly what 2016 is - so I don't see if you're asking for 2 additional there's - it matches - there is no room for extra people.

Chief St. Cyr asked the $352,316?

Councilman Wheeler said yes on the salary page it totals exactly what the 12 people including yourself...

Chief St. Cyr said if you look at the 2015 actual - is that what you are looking at?

Councilman Wheeler well I know you mentioned something about you wanted to increase that line to allow you to hire 2 new firemen - is that correct?
Chief St. Cyr said yes.
Councilman Wheeler said I don't see that allocated here – what's allocated here is just the 12 people you have now – if you are looking for two more people – this amount should be higher.
Chief St. Cyr said he would have to do his salary breakdown again. He said if you look at the annual figures...
Mayor Miceli called for a short break while the figures were checked.
Mayor Miceli called the meeting back to order.
Mr. Buras said I had earlier said that the technical procedure to recess had not been done but it can be done now. The ordinance is here on first reading there's no question about that but the discussions should be...
Mayor Miceli said we are trying to do things right.
She asked for a motion to recess and reconvene to discuss the budget as a sub-committee.
A motion was offered by Councilman Johnston to recess and reconvene for discussion of the budget seconded by Councilman Baudier.
YEAS: Baudier, Benton, Huete, Johnston, Wheeler
NAYS: None
ABSENT: None
MOTION PASSES

A motion was offered by Councilman Johnston to reconvene in sub-committee to discuss the budget and seconded by Councilman Benton
YEAS: Baudier, Benton, Huete, Johnston, Wheeler
NAYS: None
ABSENT: None
MOTION PASSES

Councilman Johnston asked where we were at.
Councilman Wheeler asked Chief St. Cyr to start back at the salary.
Chief St. Cyr said in Robert's proposed budget – he added the 2 additional personnel.
Ms. Lulue said these are Robert's figures.
Chief St. Cyr said right - the confusion comes in with we have been paying a lot of overtime – from being short and where do you break it, when do you hire the people and how much do you allocate to overtime until we hire those people and then what do you put towards salary and salary expenses. At what point do you break it off? So what he did, was keep some in overtime just to cover us in case and once we would hire those people we could back some of that out of overtime and put it into the salary line item.
Mayor Miceli said that was her recollection of it too.
Chief St. Cyr said that my answer would be that yes – it does include hiring 2 new firemen.
Councilman Johnston said but you need more.
Chief St. Cyr thanked Robert and Ms. Linda for giving them the same numbers.
Ms. Lulue asked if there were any other questions about fire.
Chief St. Cyr said he had questions about the allocated overhead salaries – which I know are services that we use through the city. These funds came from where they are at- so it's a wash. So I don't need to concern myself with them.
Ms. Lulue said correct.
Councilman Johnston said I have one question – what is – we may have been over this before but I don't remember – the salary adjustment – what is the salary adjustment about.
Chief St. Cyr is built in overtime that is built in the schedule - we have to break it out - we don't need to do it necessarily as salary adjustment we can actually add the two salaries but somewhere we have to document that we paid overtime because there is 24 hours per pay that is built into the budget.

Ms. Pat Jackson was the one who was hired by the city to arbitrate the problem of overtime with the city.

Ms. Lulue continued with the Maintenance Dept. – line 23 – I increased the line item of computer supplies to $1,000 because they asked for a lap top to work on.

Councilman Johnston said the $1,000 was for a lap top. I was concerned myself...

Councilman Wheeler asked which line item and Ms. Lulue answered line 23.

She said previously it was $34 in the budget which I had upped to $50 and changed it to $1,000 because they asked for a lap top. Any comments about this dept.?

Councilman Wheeler asked about the insurance expense. She asked if it was the liability insurance – is it the master umbrella policy.

Ms. Lulue said yes it is an umbrella policy and that is their portion. The police department – I've been working with the police chief on this budget. I did add a few new line items – one is for $1,200 for the audit to look into the previous audit about the missscoded expenditures.

Councilman Wheeler asked it that was his estimate.

Ms. Lulue said yes it was. Which you still have to give permission to do the audit. Line item 47 – $2,000 attorney fees for current labor disputes with the officers. Line item 49 – accounting - $5,500 estimated accounting for dealing with grants and asset forfeitures and that number is a complete grab depending on the number of grants and the dollar amount received to determine how much time and costs will be needed. Line 55 – police supplies – it decreased from the previous years expenses of $14,000 to $8,000 this year because new weapons will not need to be purchased. Line 92 – the FICA match – the projected 2015 number was incorrect.

Councilman Johnston asked what line is that on.

Ms. Lulue said it was page 22 line 92 the FICA should have be $67,722 – that was the 2015 projected. That makes the 2016 number look more in line.

Councilman Johnston reiterated that the 2015 number was $67,722.

Ms. Lulue that was all the questions she had about the dept.

Chief Walker said he had questions – I submitted my proposed budget of $2,036,692 which included 3 additional officers. When he came into office in 2014 he discovered that there were 4 or 5 officers less than in years prior – for whatever reason those officers were not replaced. Last year I lost 5 officers – but as of 2 weeks ago they have been replaced and 3 of them are in the academy now but they won't be on the streets until possibly June so I am extremely low right now. Going back to the allocated expenses it looks like I got a $205,000 increase in operating expenses and actually I don't. I don't have any more than last year, but the perception is there is $205,000 increase which there is not. I do have a problem with that.

Ms. Lulue said I know you keep telling me, who knows nothing because I just stepping into this position.

Chief Walker said it's nothing personal – it's the public perception.

Councilman Johnston said that's a concern for me also.

Chief Walker said I know it's a wash but it still looks like I got an increase.

Ms. Lulue said as to your employees though I dug through the payroll files and I made a chart from 2012 to now and I do not see that there was a difference in the number of police officers on the force. It's always been 26 or 25 plus the chief.
Chief Walker said but I'm at 19 now.
Councilman Johnston said that was a concern of mine that people look at the budget – they look at the total amount, they don't look at the allocations. They think you have . . .
Chief Walker said something off mike.
Ms. Lulue said you are say 19 but according to the spreadsheet . .
Chief Walker said I have 19 full time officers.
Ms. Lulue said I don't know who's full time & who's part time, but I have 25 salaries because I pulled Tracie and Gus out.
Councilman Huete asked how many part time police officers do you have?
Chief Walker said I don't have any part time police officers – I have a part time mechanic. All the officers are full time.
Councilman Johnston said so you only have 19 officers including myself and 3 of them are in the academy right now.
Ms. Lulue asked if they were on the spreadsheet with the others?
Several people were speaking at one time including the Chief – off mike.
Mayor Miceli said she wanted to express that the chief has been wonderful with sitting down with this administration with the CPA staff and it is difficult when we are presenting a budget in a new format and try to make it clear with the budget message that by no means because the format is different no one is to be misled as to the staffing more pay, etc. This is simply a new format and the salaries and positions are pretty stable and haven't been changed. We respect that . .
Chief Walker again spoke off mike.
Councilman Wheeler said I know you had mentioned this before but what does it actually cost the city for another police officer. Isn't it right around $60,000.
Chief Walker said base pay is $34,000 and adding on health insurance, state pay & payroll expenses and other benefits it's around $50,000. He said being shorthanded – he is worried about his officers' safety.
Councilman Johnston said so on top of this 18 you want 2 more policemen. That's what you are looking for – not necessarily what we can do – but that's what you're looking for.
Councilman Wheeler asked Chief St. Cyr to confirm that the proposed budget is giving him the 2 extra men he asked for.
Chief St. Cyr agreed and said this would bring them back to where they were.
Councilman Wheeler said so you are just bringing it back to where it was before – you were down.
Chief St. Cyr agreed- the dept. was down. This just gives us two more full time employees and later we will address 2 part time employees.
Ms. Lulue said it is almost $76,000 dollars for the city to have 1 additional police officer including all the payroll expenses. She gave the council a spreadsheet with all the expenses listed and the total was almost $76,000.
Councilman Johnston asked this is for 1.
Ms. Lulue said the actual total is $76,653 for one and for two employees it is $153,306, $229, 959 for three. This is full time with a base salary of $34,000.
Mayor Miceli asked about vehicles.
Chief Walker said that would come from the capital budget.
Councilman Wheeler asked if Ms. Lulue had a salary spreadsheet for the fire dept.
Ms. Lulue said no, she did not anticipate Chief St. Cyr asking for more people.
Councilman Wheeler requested that she do on for the fire department and send it to the Council.
Chief St. Cyr said if you take a regular salary, salary expenses - no overtime and payroll expenses and state supplement. If you add all this together that would be the cost of one employee.

Chief Walker said that a long time ago the police dept. opted out of social security and started a pension system. Now they are back in social security and they must pay both.

Councilman Johnston said it was a one-time thing - you opt in or out. He then asked about the Holiday Pay being higher because they only operated on 1/2 a year last year.

Chief Walker explained off mike.

Councilman Johnston said that's why Holiday Pay went way up.

Mayor Miceli said they had negotiated prior about adding officers, etc. I think the agreement was they would get an extra 4 hours of Holiday Pay.

Ms. Lulue said that one additional fireman would cost $57,390.

Mayor Miceli said we negotiated with the Police Chief for the extra 4 hours of Holiday Pay and as we get on a better financial footing we will add more officers.

Ms. Lulue said that recreation has no change. In Regulatory we are expecting more businesses in Harahan and have projected a 5% increase. We have increased the fines and collections and expect the trend to continue. For legal fees we have budgeted $1,000 - we are trying to budget for issues that a lawyer would handle. If fact, it is wiser to negotiate than have everything result in a lawsuit. Actually, some of the things that have come up since starting this budget, we may want to increase this line item. It is cheaper to pre-empt an issue before it becomes a lawsuit. Under salaries -- this line item and payroll expenses relate to hiring a full time CBO and part time asst. -- and a permit clerk in the front office to collect payments. Our CBO has resigned but we should leave the salary line item as is for when we hire a new CBO.

She presented the council with a spreadsheet on salaries. Line 51 - overtime -- one employee does work overtime at straight time to collect annual taxes and occupational licenses.

Councilman Johnston said you skipped line 50 -- salaries for other subcontractors for $17,500.

Ms. Lulue said originally the part time assistant said he could work extra hours as needed so I allocated the rest of his salary to that line item -- but with the resignation of our CBO - he stepped up and is now working full time. So his salary will be moved up to full time salary with benefits.

Councilman Huete said that the $17,500 would be added to the $93,000.

Ms. Lulue said that total salaries would be $110,700. And the subcontractors were dropped to $2,000. Group hospitalization has increased because the CBO had insurance. FICA - line 56 should have been $5369. Even with a 32% increase in expenses the dept. is still expected to bring in $446,000 net income for the year which is a 7% increase from last year. Sanitation -- we project a 5% increase in service because of the increase in businesses this year. The current contract if $55,740 for garbage and $8,920 a month for recycling. She provided the contracts to the council. Sr. Center is definitely cost more to run because it brings in no revenue. Misc. revenue from Jeff. Parish Council of $5,000 for the seniors. Lastly page 30 street lights is virtually unchanged from last year. Net revenue for general fund $248,000 which leaves $115,00 of overall deficit. She gave copies of the complete packet to the council.

Mayor Miceli thanked our team -- they have poured over these numbers and get them correct for the city to function well. She asked if anyone had questions.

Councilman Johnston said he didn't have any more questions.
ADDRESS COUNCIL
Tommy Budde, Stoneleigh Dr. said that non-recurring items in 2015 and 2016 that will help reduce the deficit. He would like to know how much the non-recurring monies were. It's probably $800-$900,000 dollars. The sales tax audit is a great idea – since there was not down turn in the economy. He thought that auditing firms may do the audit on a contingency basis. Ms. Lulue replied that that was illegal today. What is the DEQ $4,000,000 loan for?
Mayor Miceli said it was for sewer rehab to rehabilitate and aging system. It is allowing rainwater to infiltrate and other problems. Part of the money has been spent.
Mr. Budde asked to have the balance? All five property tax millages are expiring in 2016. I don't know it that's correct.
The Clerk explained off mike.
Mr. Budde said that would create a huge hole in the Need a election to renew or create a huge hole in budget. Sr. Center page 29 – typo – line 4 is showing a total of $880 and it should be $5,880. He questioned the traffic cameras on Riverside drive.
Mayor Miceli said we need to caution about using non-recurring revenue to fund recurring costs – we have to keep that in mind. The BP money is a one-time allocation – it is not a recurring revenue.

Mr. Buras said they have to adjourn the committee meeting before you adjourn the meeting.
A motion to adjourn the sub-committee meeting was made by Councilman Johnston and seconded by Councilman Benton.
YEAS: Baudier, Benton, Huete, Johnston, Wheeler
NAYS: None
ABSENT: None
MOTION PASSES

A motion to reconvene the meeting was made by Councilman Johnston and seconded by Councilman Benton.
YEAS: Baudier, Benton, Huete, Johnston, Wheeler
NAYS: None
ABSENT: None
MOTION PASSES

Mr. Buras said that while they were discussing the budget he had looked up the procedure for introducing the budget and they do need a sponsor for the ordinance.
A motion was offered by Councilman Benton to introduce the budget for first reading.
Mr. Buras said that any of the other councilmen who wanted to be a co-author – they could do so now.
Councilman Huete said so what you told us earlier in the meeting was wrong.
Mr. Buras said what I told you that the Mayor has to present the budget with a statement and the instrument needs a sponsor.

ADJOURN
A motion was offered by Councilman Johnston and seconded by Councilman Wheeler to adjourn at 9:30 p.m.

LAWSUITS
A. The following matter involving pending litigation may be considered:


B. The following matter involving prospective litigation for which formal written demand has been made may be considered.

C. The following matters involving discussion of the character, professional competence, or physical or mental health of:

Name

__________________  _____________________________
Tina Miceli, Mayor   Judy Johnson, Clerk