

The Mayor and Council of the City of Abbeville met for a committee meeting on December 6, 2016 at 5:00 P.M., at the regular meeting place, the Council Meeting Room located at 101 North State Street, with the Honorable Mark Piazza, Mayor presiding.

Members Present: Council Members Francis Plaisance, Mayor Pro-Tem, Brady Broussard, Jr., Wayne Landry, Joe Hardy and Francis Touchet, Jr.

Members Absent: None

Also Present: Ike Funderburk, City Attorney
Jude Mire, Fire Chief
Steve Moosa, Accountant

Mayor Piazza stated we are here for two committee meetings. One is the Finance Committee chaired by Councilman Francis Touchet, Jr. and the other one is the ordinance committee meeting chaired by Councilman Wayne Landry. The Finance Committee is for the presentation of the proposed 2017 budget and the Ordinance Committee is to consider an ordinance amending the 2016 budget and adopting the 2017 budget. He turned the floor over to Councilman Touchet.

Councilman Touchet asked Mr. Steve Moose to present the 2017 budget.

Mr. Moosa stated the budget is in order. In 2016 we budgeted a 4% decrease in sales tax. The sales tax revenue has increased the last few months because of the flooding but we are also preparing for a 4% decrease in the 2017 budget. We do not see the oil revenue increasing very much in 2017 so we will take a conservative approach on the sales tax number. In the general fund we budgeted revenue of \$1.7 million and in other special revenue we budgeted \$3.5 million. We are only required to adopt budgets in the general fund and special revenue funds. This budget does not include the utility fund. The expenditures in the general fund are about \$9.96 million. We do transfer in about \$7 million from the utility fund to offset the shortfall of the general fund revenue. There is a \$493,000 deficit in the general fund but that is because of a \$450,000 capital improvement project planned at the airport. We have already received those revenues but the expenditures will occur next year. The \$40,000 deficit is very small and we have those funds available from prior years. On the special revenue side we are taking in about \$3.5 million. This includes sales tax and the M & O Fire Department fund. There is no operating shortfall. The shortfall shown is because of a capital improvement projects of two new fire trucks and a new fire station building planned for next year. We received bond proceeds in 2016 for the fire trucks and we will pay for them in 2017. Because we received the revenue in one year and will expend it in the next it appears the fund is short on money but that is not the case. The trucks are \$400,000 and the building is another \$200,000 to \$400,000. Everything is consistent as previous years. The departments are all keeping tabs on their expenses.

Mayor Piazza stated on page one of the budget, it outlines some of the highlights of the budget. In the third paragraph it shows that the City currently has 159 employees. This is the same number as last year. The budget includes a 2% pay increase for Police, Fire and City Court personnel and a \$.50 per hour increase for all full-time Municipal employees. The pay increase occurs on the anniversary date of their hiring. Mayor Piazza stated in our ordinance we are adopting the 2017 budget but we are also amending the 2016 budget. He asked Mr. Moosa how each department did in 2016. Steve stated all departments are all within 2-5% margin whether it is positive or negative. You are not required to amend your budget unless you have a 5% or higher variance. We amend it because it has always been a practice we follow. No one was over 5%. Mayor Piazza stated we have copies of the budget at City Hall for public view. We will adopt it at our December 20, 2016 City Council meeting. The notice has been advertised in the official journal as required. We are fortunate that we are not dependent on sales tax and oil and gas revenue. Our revenues come from utilities. Those are climate driven so we still have to be very prudent with our spending.

-01 introduced by Mr. Francis Plaisance and seconded by Mr. Wayne Landry to approve the proposed 2017 budget as presented. The motion carried unanimously.

-02 introduced by Mr. Francis Touchet, Jr. and seconded by Mr. Wayne Landry to recommend to the City Council to adopt an ordinance at their regular meeting scheduled for December 20, 2016 amending the 2016 budget and adopting the 2017 budget. The motion carried unanimously.

There being no further business to discuss, Mayor Piazza declared this meeting adjourned.

ATTEST:

APROVE:

Kathleen S. Faulk
Secretary-Treasurer

Mark Piazza
Mayor