

The Mayor and Council of the City of Abbeville met for a committee meeting on May 2, 2017 at 5:15 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., Joe Hardy and Francis Touchet, Jr.

Members Absent: Councilman Wayne Landry

Also Present: Ike Funderburk, City Attorney
Jude Mire, Fire Chief
Richard Primeaux, Engineer
Steve Moosa, Accounting Consultant
Joseph Vallee, Municipal Employees Civil Service Board

Mayor Piazza stated we are here today for a Finance Committee meeting chaired by Councilman Francis Touchet, Jr. He turned the floor over to Councilman Touchet.

Councilman Touchet stated this is our quarterly checkup on our budget. We invited Mr. Steve Moosa here tonight to discuss this topic. He asked Mr. Moosa to present the information.

Mr. Moosa stated we are looking at the first quarter of 2017. The first page of the handout is the cash balances showing a five year trend. These are grouped by four major categories: operating accounts, capital outlay accounts, special purpose/non-operating accounts and debt service accounts. Operating accounts are those accounts like the General Fund and Utility System accounts. The cash balances in those are about \$3.9 million. In 2013 the cash balance was \$1.8 million. This is very much improved because we now have a program in our Utility System Fund that is a reserve fund. This allows us to have some money available for emergencies and capital outlay. The capital outlay accounts are just under 2 million dollars in 2017. Back in 2013 we had about 1 million dollars. Some of that increase is due to oil/gas royalty we receive at the airport. In 2013 that balance was about \$20,000 and in 2017 it is almost \$500,000. The special purpose and debt service accounts are consistent with the last couple of years. The next page of the handout is a recap of revenues. At this time in 2016 you had taken in \$865,210 in sales tax revenues. For the first three months of this year we are at \$917,052. That is a \$50,000 increase from last year at this time. We had budgeted a slight decrease. We only budgeted \$834,000. That is an \$80,000 surplus over the budgeted amount. Water and Sewer revenue were just under \$400,000 in 2016. For 2017 water revenue is \$428,000 and sewer revenue is \$420,000. We had budgeted \$425,000 in the water and \$417,500 in the sewer. Both of those revenues exceeded our budgeted amount slightly so they are basically right in line with the budget. The revenue from electrical sales last year was \$897,000 compared to this year which is \$855,000. That is a \$40,000 decrease or about 5%. The budget is just monthly so your high usage months are coming up. Your highest usage is late in the second quarter and the third quarter so the budget variance will shrink as the year progresses. When we look at kilowatts sold, in 2016 we sold 28,497,478 and in 2017 we sold 26,997,707. This is a 5% reduction due to the mild weather we have had. This is not industry related or related to the number of customers. We basically had no winter. The third page of the handout shows the departmental payroll. The General Fund payroll in 2016 was just over 1 million dollars at \$1,053,000. In 2017 the payroll is \$1,071,000. We budgeted \$1,044,500. The increase over budget is attributed to overtime in the Fire and Police Department. The Utility Fund payroll was budgeted at \$395,000 and it came in at \$375,000. It came in under budget. Overall the City is within .50% of the budgeted payroll amount. We budgeted a total payroll of \$1,439,500 and we came in at 1,447,072. The final page of the handout shows expenses by department. In the General Fund we budgeted \$2.3 million and we came in at \$2.26 million. We are \$68,000 under budget in the General Fund. In the Utility Fund we budgeted \$1,038,000 and we came in at \$1,045,000. We are over budget by about \$7,000. We are still ahead by about \$60,000 in expenditures. Overall the City is in good shape. The positive news is the Sales Tax revenue. The Water and Sewer revenue are all moving in a positive direction. The electrical usage will

come back around. We will give another update in July after the completion of the second quarter. The cash balances are in good shape.

Mayor Piazza asked Steve to give an update on the audit.

Mr. Moosa stated the field work for the audit has begun as of yesterday. We should be here for about one week. He should be back at the June meeting to give a full report on the audit. We will have a single audit since we have some federal dollars that you didn't get last year.

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

ATTEST:

APPROVE:

Kathleen S. Faulk
Secretary-Treasurer

Mark Piazza
Mayor