

MINUTES OF A REGULAR MEETING OF THE MAYOR AND COUNCIL OF THE CITY OF GONZALES, STATE OF LOUISIANA, TAKEN ON APRIL 27, 2015, 5:30 P.M. AT CITY HALL.

MEMBERS PRESENT:

Mayor Barney D. Arceneaux
Councilman Harold Stewart
Councilman Kirk Boudreaux

Councilman Neal Bourque
Councilman Terance Irvin
Councilman Kenneth Matassa

MEMBERS ABSENT: NONE

ALSO PRESENT:

Lisa Babin, Administrative Clerk
Sherman Jackson, Chief of Police

Clay Stafford, City Clerk
Erin Lanoux, City Attorney

Motion by Councilman Kirk Boudreaux , seconded by Councilman Kenneth Matassa to approve the Minutes from the City Council Meeting, held on April 13, 2015. UNANIMOUS

Final Vote on Ordinance # 3060:

AN ORDINANCE AMENDING THE CODE OF ORDINANCE CHAPTER 22.
SEC. 22-4 BOUNDARIES OF DISTRICTS TO APPROVE THE REZONING
REQUEST OF SOUTHERN LIFESTYLE DEVELOPMENT, LLC TO REZONE THE
FOLLOWING:

BE IT ORDAINED BY Mayor and Councilman of the City of Gonzales, Louisiana:

That the Code of Ordinance Chapter 22. Zoning. Section 22-4 Boundaries of Districts be hereby amended as follows:

Chapter 22. Zoning

Sec. 22-4. Boundaries of Districts:

106.9 Acres of the M.P. Evans Tract to a TND, and 204.2 Acres of the M.P. Evans Tract to a R-6, situated on the East side of S. Burnside Ave. South of Interstate 10 as shown on a Map by Jason Ellis dated February 24, 2015.

YEAS: Councilman Harold Stewart, Councilman Kirk Boudreaux, Councilman Neal Bourque, Councilman Terance Irvin, Councilman Kenneth Matassa

NAYS: NONE

ABSENT: NONE

Motion by Councilman Kenneth Matassa, seconded by Councilman Kirk Boudreaux to hereby condemn the dangerous and dilapidated structure located at 316 W. Cypress, and to allow the until the next City Council Meeting, scheduled for May 11, 2015, to present a plan of action to remove said structure. UNANIMOUS

Motion by Councilman Kenneth Matassa, seconded by Councilman Kirk Boudreaux to approve the request of Mr. Luiz Gomez for a Special Event Permit to hold a Cinco De Mayo celebration outdoors at the Mi Cocina Restaurant located at 427 S. Burnside Ave from 6:00 -10:00 PM on Tuesday May 5, 2015. UNANIMOUS

Motion by Councilman Neal Bourque, seconded by Councilman Kenneth Matassa to introduce Ordinance No. 3062:

AN ORDINANCE ADOPTING THE 2015-2016 BUDGET ADDRESS

BE IT ORDAINED BY Mayor and Councilman of the City of Gonzales, Louisiana:

That the 2015-2016 Budget Address be hereby adopted as follows:

**CITY OF GONZALES
BUDGET ADDRESS
2015-2016**

These budgets reflect a projection of the requirements necessary to ensure that the City of Gonzales continues to provide the level of services it currently provides. There are some assumptions that must be set forth that are relative to the overall operation of the city. Those assumptions are detailed below.

SALES TAX BUDGET

Sales taxes account for 72% of the revenues in the General Fund and a substantial portion of the revenues in the Capital Outlay Fund. The administration watches sales tax revenue as an important indicator of the city's ability to provide services in the future. We project that the city will collect \$13,980,000 in sales taxes in the current fiscal year compared to \$13,757,069 in the previous year. This represents a 1.6% increase in sales tax revenue.

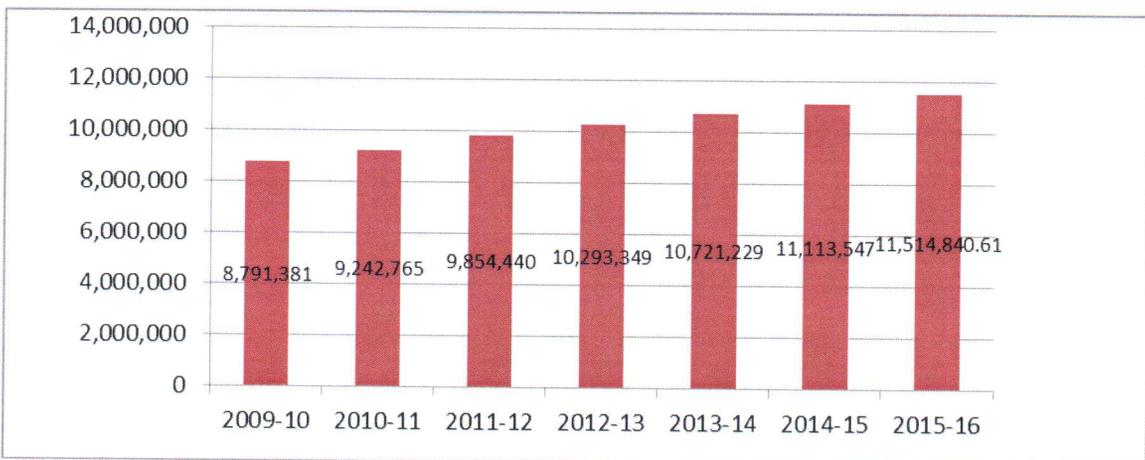
We are optimistic that sales taxes will continue in a slow growth pattern of 1%-2% per year. The administration has decided to leave the projected sales tax revenues for the upcoming fiscal year at \$13,615,000. This represents a standstill budget that we think is the appropriate conservative approach.

PERSONNEL EXPENSE

This budget projects a cost of living increase for city employees of 2.5%. This increase, along with health insurance increases, retirement system increases and merit increases will increase personnel expense by \$376,938 or 3%. Total personnel cost for the City of Gonzales in the proposed budget is \$11,514,840. The city's total General Fund and Utility Fund Budget is \$18,602,233.

The Municipal Employees Retirement System (MERS) employer portion of the retirement premium will remain at 19.75%. The employer portion of the Municipal Police Employees Retirement System (MPERS) will decrease to 29.5% from 31.5%.

GONZALES PERSONNEL RELATED COST



Personnel Requests

We are not requesting any new positions in this year's budget.

However, we are requesting authorization to convert two laborer positions within the Sanitation Department from Range 1 to Range 5. These employees operate the grappling trucks, which we have determined qualifies as an equipment operator position.

We are also requesting that the Assistant Supervisor position within the Streets Department be advanced from a Range 7 to a Range 10. This will more accurately reflect the structure as it exists in the city's other departments, and bring a more equitable balance to the city's organizational chart.

The total cost of both of these moves is \$5,872 and represents a 3.5% increase for these three positions this fiscal year.

We have again included \$45,000 in the Streets Department budget and \$20,000 in the Recreation budget to cover the cost of contracting grass cutters and summer field help to handle the increased work load in the summer if necessary.

INSURANCE

General Insurance

The city's general insurance accounts, which include liability, property, and worker's compensation insurance, total \$880,014 on a budget of \$983,800. The recommended budget for all general insurance accounts is \$1,007,600, which represents an increase of 2.42%.

Health Insurance

Health Insurance costs to the city will total \$1,368,252 on a budget of \$1,473,911 in the current year. The city will budget \$1,528,349 for its portion of health insurance costs this year, which represents a 3.69% increase over last year.

UTILITY FUND BUDGET

Natural Gas

We are projecting that the city will spend approximately \$695,000 on natural gas on a budget of \$725,000. The city's gas sales are expected to exceed \$1,580,000.

The city's cost of operating the Gas Department last year was \$861,713, bringing the total cost of the gas system to \$1,556,713. The natural gas rate charged by the city is a function of the price paid by the city for gas and the cost of operating the city's gas department broken down by MCF. The cost charged per MCF by the city will increase from \$5.79 to \$5.84.

Utility Rates

Water and sewer rates will increase 3% to keep up with inflation and the cost of operating the system.

DEQ STATE REVOLVING LOAN

In the current fiscal year, the city closed on a \$15 million State Revolving Loan to make improvements to the city's wastewater system. This year we expect to borrow \$3,500,000 against this line of credit for wastewater facilities enhancements. The loan operates like a line of credit. The city will make draws against the line of credit only after work has been completed and invoiced to the city.

The city has a remaining balance of \$754,054 on the existing SRF Revolving Loan, which has a scheduled principal payment next year of \$460,000.

CAPITAL OUTLAY BUDGET

The city is proposing a Capital Outlay Budget of \$10,698,870. The proposed Capital Outlay Budget is highlighted by \$3,000,000 in proposed road projects, \$1,068,000 in water and gas projects, and \$3,891,000 in proposed wastewater projects.

FUND BALANCE

The General Fund began the year with a fund balance of \$10,494,615. During the year, the General Fund is projected to run an operational surplus of \$2,772,439. During the year, \$1,000,000 of this surplus was transferred to the Capital Outlay Fund, resulting in a projected end of year fund balance of \$12,267,054. In this year's budget, we recommend a \$5,000,000 transfer from the General Fund surplus to the Capital Outlay Fund help cover the cost of next year's projects.

The Capital Outlay Fund began the year with a fund balance of \$1,103,282. It is projected to generate its own revenue of \$2,250,000 during the year, and \$1,000,000 was transferred in from the General Fund. We project that the city will spend \$3,323,550 in the Capital Outlay Fund this year, resulting in an ending fund balance of \$1,029,731.

SUMMARY

Mayor Barney Arceneaux and City Clerk Clay Stafford have prepared this presentation to the best of our ability with the knowledge of the financial circumstances of the city at this time. We feel that we have herein fairly represented revenues and expenditures and the overall positive impact they will have on present and future endeavors of this administration.

It is the intent of this presentation to hereby grant the Mayor the power to administer these budgets within a margin of plus or minus 5%, this being presented in the interest of expediency, legality, and/or unforeseen and unplanned emergencies.

Final vote on the foregoing amendment to be taken at the next City Council Meeting scheduled for May 11, 2015.

Motion by Councilman Kirk Boudreaux, seconded by Councilman Harold Stewart to introduce Ordinance No. 3063:

AN ORDINANCE ADOPTING THE SALES TAX BUDGET FOR THE FISCAL YEAR BEGINNING JUNE 1, 2015, AND ENDING MAY 31, 2016.

BE IT ORDAINED BY Mayor and Councilman of the City of Gonzales, Louisiana:

That the Sales Tax Budget for Fiscal Year beginning June 1, 2015, and ending May 31, 2016

**CITY OF GONZALES
SALES TAX REVENUE BUDGET
FY 2015-2016**

	2015-2016 Proposed Budget
REVENUES:	
Sales Tax Collections	10,211,250.00
Series 2001 Sales Tax	3,403,750.00
TOTAL:	13,615,000.00
EXPENDITURES:	
Appr. To General Fund	7,111,250.00
Ser-2001 Appr. Fire, Police & Sanitation	3,403,750.00
Appr. To Capital Imp.	2,500,000.00
Appr. To Utility Fund for Debt Service	600,000.00
TOTAL:	13,615,000.00

Final vote on the foregoing amendment to be taken at the next City Council Meeting scheduled for May 11, 2015.

Motion by Councilman Kirk Boudreaux, seconded by Councilman Harold Stewart to introduce Ordinance No. 3064:

**AN ORDINANCE ADOPTING THE GENERAL FUND BUDGET FOR THE
FISCAL YEAR BEGINNING JUNE 1, 2015, AND ENDING MAY 31, 2016.**

BE IT ORDAINED BY Mayor and Councilman of the City of Gonzales, Louisiana:

That the General Fund Budget for Fiscal Year beginning June 1, 2015 and ending May 31, 2016 be hereby adopted as follows:

**CITY OF GONZALES
GENERAL FUND BUDGET SUMMARY
FISCAL YEAR 2015-16**

	PROPOSED BUDGET
REVENUES:	
TAXES	11,150,000.00
FRANCHISE FEES	1,067,000.00
LICENSES AND PERMITS	1,299,000.00
FEES, FINES & FORFIETURES	164,000.00
MISCELLANEOUS	66,600.00
FIRE DEPT. REVENUE	720,100.00
BUILDING RENTALS	79,700.00
INTERGOVERNMENTAL	14,900.00
GRANT REVENUE	185,000.00
INTEREST	50,000.00
TOTAL REVENUES:	14,796,300.00

EXPENDITURES:

FIRE DEPARTMENT	3,076,004.00
ADMINISTRATION	926,441.00
POLICE DEPARTMENT	5,570,208.00
CODE ENFORCEMENT	617,683.00
SANITATION	956,049.00
STREETS & DRAINAGE	1,330,516.00
GENERAL GOVERNMENT	1,035,275.00
CIVIC CENTER	70,700.00
CITY ROOM	22,400.00
RECREATION	1,148,597.00
TOURISM & CULTURAL DEV.	38,200.00
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TOTAL EXPENDITURES:	14,792,073.00
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General Fund Surplus	4,227.00

Final vote on the foregoing amendment to be taken at the next City Council Meeting scheduled for May 11, 2015.

Motion by Councilman Kirk Boudreaux, seconded by Councilman Neal Bourque to introduce Ordinance No. 3065:

AN ORDINANCE ADOPTING THE UTILITY FUND BUDGET FOR THE FISCAL YEAR BEGINNING JUNE 1, 2015, AND ENDING MAY 31, 2016.

BE IT ORDAINED BY Mayor and Councilman of the City of Gonzales, Louisiana:

That the Utility Fund Budget for Fiscal Year beginning June 1, 2015 and ending May 31, 2016 be hereby adopted as follows:

**CITY OF GONZALES
UTILITY FUND BUDGET
FISCAL YEAR 2015-16**

REVENUES:	<u>Proposed Budget</u>
GAS SALES	1,580,000.00
SEWER SERVICE CHARGES	1,080,000.00
WATER SALES	1,250,000.00
MISCELLANEOUS	148,000.00
SALES TAX REVENUE	600,000.00
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TOTAL REVENUES:	4,658,000.00
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EXPENDITURES:	
GAS DEPARTMENT	1,261,670.00
WATER DEPARTMENT	956,270.00
WASTEWATER TREATMENT	756,431.00
UTILITY GENERAL GOVERNMENT	381,255.00
UTILITY ADMINISTRATION	235,767.00
METER READERS	145,367.00
DEQ LOAN EXPENDITURES	70,000.00
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TOTAL EXPENDITURES:	3,806,760.00
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TRANSFER TO DEBT SERVICE	851,240.00

Final vote on the foregoing amendment to be taken at the next City Council Meeting scheduled for May 11, 2015.

Motion by Councilman Kirk Boudreaux, seconded by Councilman Neal Bourque to introduce Ordinance No. 3066:

AN ORDINANCE ADOPTING THE CAPITAL OUTLAY BUDGET FOR THE FISCAL YEAR BEGINNING JUNE 1, 2015, AND ENDING MAY 31, 2016.

BE IT ORDAINED BY Mayor and Councilman of the City of Gonzales, Louisiana:

That the Capital Outlay Budget for Fiscal Year beginning June 1, 2015 and ending May 31, 2016 be hereby adopted as follows:

CITY OF GONZALES	
CAPITAL OUTLAY BUDGET	
FY 2015-2016	
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	2015-2016 Proposed Budget
FUND BALANCE	1,029,731.02
TRANSFER FROM GEN FUND - FUND BALANCE	5,000,000.00
REVENUES:	
Sales Tax Appropriations	2,500,000.00
Interest Earned	0.00
Loan Proceeds	3,500,000.00
TOTAL REVENUES	6,000,000.00
FUNDS AVAILABLE	12,029,731.02
EXPENDITURES:	
STREETS & DRAINAGE IMPROVEMENTS	
INTERSTATE LIGHTING	20,000.00
STREET DEPT / DRAINAGE EQUIPMENT	230,000.00
SIDEWALK CONSTRUCTION	50,000.00
EROSION PREVENTION PROJECT	0.00
BRIDGE REPLACEMENT	125,000.00
BULKHEAD IMPROVEMENT	125,000.00
CAP ROAD IMPROVEMENT PROJECT	3,000,000.00
<i>Total Streets & Drainage Improvements</i>	<u>3,550,000.00</u>
FACILITIES & RECREATION ENHANCEMENTS	
RECREATION CAPITAL OUTLAY	498,000.00
PROPERTY ACQUISITION	600,000.00
CODE ENFORCEMENT CAPITAL OUTLAY	13,000.00
MASTER GROWTH PLAN	100,000.00
CITY HALL	20,000.00
CITY ROOM	7,500.00
CIVIC CENTER	241,000.00
T. JOE MUSEUM	5,000.00
FIRE DEPT CAPITAL OUTLAY	348,500.00
POLICE DEPT CAPITAL OUTLAY	356,870.00
<i>Total Facilities & Recreation Enhancements</i>	<u>2,189,870.00</u>
UTILITY IMPROVEMENTS	
WASTEWATER CAPITAL IMPROVEMENTS	3,891,000.00
WATER SYSTEM CAPITAL IMPROVEMENTS	718,000.00
GAS SYSTEM CAPITAL IMPROVEMENTS	350,000.00
<i>Total Utility Improvements</i>	<u>4,959,000.00</u>
TOTAL EXPENDITURES:	10,698,870.00
ENDING FUND BALANCE	1,330,861.02

Final vote on the foregoing amendment to be taken at the next City Council Meeting scheduled for May 11, 2015.

Motion by Councilman Kenneth Matassa, seconded by Councilman Kirk Boudreaux to introduce Ordinance No. 3067:

AN ORDINANCE ADOPTING THE TANGER MALL
ECONOMIC DEVELOPMENT DISTRICT BUDGET FUND
FOR THE FISCAL YEAR BEGINNING JUNE 1, 2015, AND
ENDING MAY 31, 2016.

BE IT ORDAINED BY Mayor and Councilman of the City of Gonzales, Louisiana:

That the Tanger Mall Economic Development District Budget Fund for Fiscal Year beginning June 1, 2015 and ending May 31, 2016 be hereby adopted as follows:

CITY OF GONZALES
TANGER MALL ECONOMIC DEVELOPMENT FUND
FY 2015-2016

	2015-2016 Proposed Budget
REVENUES:	
Tanger Mall EDD One Cent Sales Tax Revenue	1,060,000.00
TOTAL:	1,060,000.00
EXPENDITURES:	
Transfer to Tanger Mall	742,000.00
Transfer to Gonzales Capital Outlay Fund	318,000.00
TOTAL:	1,060,000.00

Final vote on the foregoing amendment to be taken at the next City Council Meeting scheduled for May 11, 2015.

Motion by Councilman Kirk Boudreaux, seconded by Councilman Terance Irvin to introduce Ordinance No. 3068:

AN ORDINANCE ADOPTING THE WASTEWATER
IMPACT FEE BUDGET FUND FOR THE FISCAL YEAR
BEGINNING JUNE 1, 2015, AND ENDING MAY 31, 2016.

BE IT ORDAINED BY Mayor and Councilman of the City of Gonzales, Louisiana:

That the Wastewater Impact Fee Budget Fund for Fiscal Year beginning June 1, 2015 and ending May 31, 2016 be hereby adopted as follows:

CITY OF GONZALES
WASTEWATER IMPACT FEE FUND
FY 2015-2016

	2015-2016 Proposed Budget
REVENUES:	
Wastewater Impact Fees	200,000.00

TOTAL: 200,000.00

EXPENDITURES:

Transfer to Gonzales Capital Outlay Fund 200,000.00

TOTAL: 200,000.00

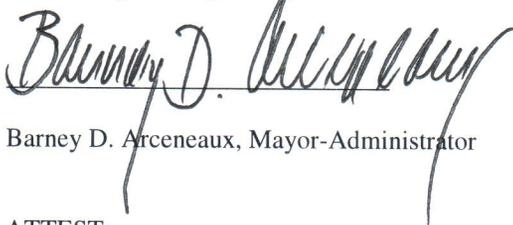
Final vote on the foregoing amendment to be taken at the next City Council Meeting scheduled for May 11, 2015.

Motion by Councilman Kirk Boudreaux, seconded by Councilman Kenneth Matassa to accept the Act of Donation from Project Kidz Kove for the building and improvements of Kidz Kove Park situated on city property located at S. Francis and E. Cornerview St., and accepting the terms of the Cooperative Endeavor Agreement to maintain said property. **UNANIMOUS**

Motion by Councilman Kenneth Matassa, seconded by Councilman Kirk Boudreaux to approve the proposal of SELA Aquatics for the Heater Installation Project at the Jambalaya Park Pool. **UNANIMOUS**

Motion by Councilman Kenneth Matassa, seconded by Councilman Kirk Boudreaux to approve Change Order No. 1 for the 2015 Road Maintenance Project, a deduction in the amount of (18,090.63) resulting in a new contract amount of \$773,253.87. **UNANIMOUS**

There being no further business to come before the City Council and upon a motion duly made and seconded, the meeting was adjourned.



Barney D. Arceneaux, Mayor-Administrator

ATTEST:

Clay A. Stafford, City Clerk