

MINUTES OF A REGULAR MEETING OF THE MAYOR AND COUNCIL OF THE CITY OF GONZALES, STATE OF LOUISIANA TAKEN ON APRIL 11, 2016, 5:30 P.M. AT CITY HALL.

MEMBERS PRESENT:

Mayor Barney D. Arceneaux	Councilman David Guitreau
Councilman Neal Bourque	Councilman Harold Stewart
Councilman Terance Irvin	Councilman Kirk Boudreaux

MEMBERS ABSENT: NONE

ALSO PRESENT:

Lisa Babin, Administrative Clerk	Clay Stafford, City Clerk
Sherman Jackson, Police Chief	Erin Lanoux, City Attorney

Motion by Councilman Kirk Boudreaux, seconded by Councilman Neal Bourque to approve the Minutes from the City Council Meeting, held on March 28, 2016.

YEAS: Councilman Neal Bourque, Councilman Terance Irvin, Councilman David Guitreau, Councilman Harold Stewart, Councilman Kirk Boudreaux

NAYS: NONE ABSENT: NONE

Motion by Councilman Kirk Boudreaux, seconded by Councilman David Guitreau to authorize renewal of the Lease between the City of Gonzales and the Ascension Parish Chamber of Commerce for management of the City Room, establishing an expiration date of December 31, 2021, with an option to extend an additional five years beyond that upon the agreement of both parties.

YEAS: Councilman Neal Bourque, Councilman Terance Irvin, Councilman David Guitreau, Councilman Harold Stewart, Councilman Kirk Boudreaux

NAYS: NONE ABSENT: NONE

Motion by Councilman Neal Bourque, seconded by Councilman Kirk Boudreaux to introduce Ordinance No. 3084:

AN ORDINANCE AMENDING THE CODE OF ORDINANCE TO (DELETE) IN IT'S ENTIRETY CHAPTER 22. ZONING., REPLACING IT WITH THE NEW CHAPTER 22. ZONING, WRITTEN AND PRESENTED BY THE CENTER FOR PLANNING EXCELLENCE.

Final vote on the foregoing amendment to be taken at the next regular meeting scheduled for April 25, 2016.

Motion by Councilman Kirk Boudreaux, seconded by Councilman Harold Stewart to introduce Ordinance No. 3085:

AN ORDINANCE AMENDING THE CODE OF ORDINANCE TO (DELETE) IN IT'S ENTIRETY CHAPTER 15. PLANNING.

Final vote on the foregoing amendment to be taken at the next regular meeting scheduled for April 25, 2016.

Motion by Councilman David Guitreau, seconded by Councilman Terance Irvin to introduce Ordinance No. 3086:

AN ORDINANCE AMENDING THE CODE OF ORDINANCE TO (DELETE) IN IT'S ENTIRETY CHAPTER 23.COMMUNICATIONS TOWERS AND ANTENNAE.

Final vote on the foregoing amendment to be taken at the next regular meeting scheduled for April 25, 2016.

Motion by Councilman Neal Bourque, seconded by Councilman David Guitreau to approve the final plat of Commerce Park as presented by McLin Taylor, Inc., Professional Land Surveyors, contingent upon approval of the final start-up inspection of the subdivision's wastewater pump station.





Facilities Rental

The administration is also requesting an increase in fees charged for facilities rental at the City Room and Civic Center in accordance with the following table:

City Room	Current Rates	Proposed Rates
Front Room	\$ 250.00	\$ 300.00
Pavilion	\$ 250.00	\$ 300.00
Front Room & Pavilion	\$ 300.00	\$ 500.00
Deposit	\$ 200.00	\$ 250.00

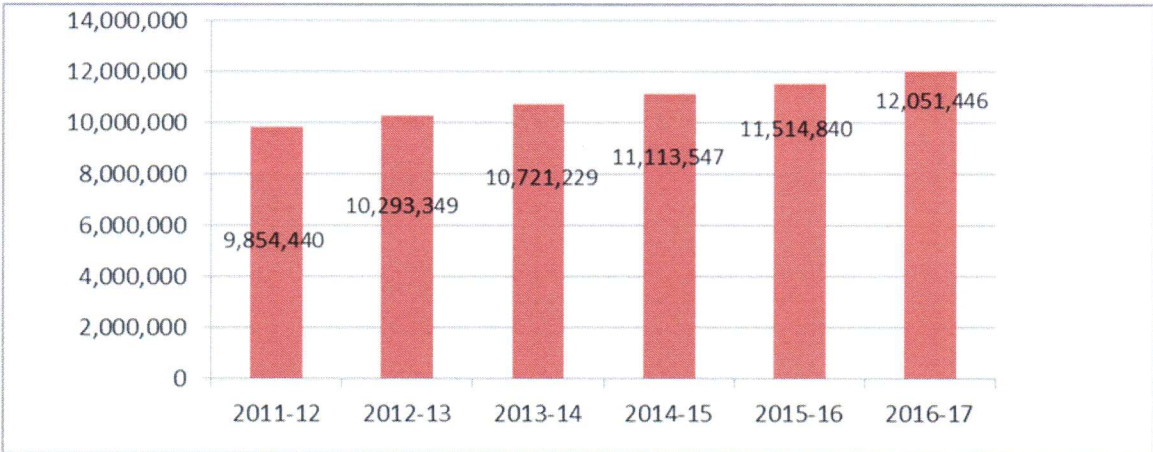
Civic Center	Current Rates	Proposed Rates
Regular Rate	\$ 700.00	\$ 800.00
Non-Profit (Church/School/Government)	\$ 500.00	\$ 600.00
Political Candidate Rate	\$ 500.00	\$ 600.00
Deposit	\$ 200.00	\$ 250.00

PERSONNEL EXPENSE

This budget projects a cost of living increase for city employees of 2%. This increase, along with health insurance increases, retirement system increases and merit increases will increase personnel expense by \$536,606, or 4.5%. Personnel cost for the City of Gonzales across all proposed budgets totals \$12,051,446.

The Municipal Employees Retirement System (MERS) employer portion of the retirement premium will increase by 3.5% percentage points to 23.25%, representing a \$183,000 increase. The employer portion of the Municipal Police Employees Retirement System (MPERS) will increase by 2.25 percentage points to 31.75%, or \$75,000.

GONZALES PERSONNEL RELATED COST



Personnel Requests

The administration has eliminated the position of Public Information Officer. The city will attempt to provide public information services through the use of existing employees and part-time labor, creating an anticipated annual savings of \$50,000.

The Fire Department is requesting the addition of a Director of Fire Administration position within the fire department. The additional revenues from the increase in ambulance service rates are expected cover the cost of this position.

The Police Department is requesting a change to the position of Police Records Clerk, moving the three current Police Records Clerk positions from Range 4 to Range 5.

INSURANCE

General Insurance

The city’s general insurance accounts, which include liability, property, and worker’s compensation insurance, total \$934,631 on a budget of \$883,700. The recommended budget for all general insurance accounts is \$938,600.

Health Insurance

The city’s health insurance budget will increase from \$1,528,349 to \$1,587,800 in the upcoming year, or \$59,451, which represents a 3.89% increase over last year.

The city will increase amounts paid by employees and retirees for health insurance premiums by \$50 per month in accordance with the following table:

City of Gonzales Health Coverage	FY 2016 Monthly Rate	FY 2017 Monthly Rate
Single Coverage	\$100.00	\$150.00
Family	\$300.00	\$350.00
Participant + Spouse	\$275.00	\$325.00
Participant + Child	\$250.00	\$300.00
Retiree Family	\$850.00	\$900.00
Retiree Single	\$475.00	\$525.00

*Retiree Medicare Stipends*

The City of Gonzales has traditionally paid all medically covered retirees, upon reaching the age of 65, a \$200 per month stipend to help offset the cost of health services past the age of 65. This has proven to be a costly benefit to the city, exceeding \$50,000 per year. In an effort to further control benefit spending, we are recommending ending this benefit at the end of 2016. All covered retirees currently receiving the benefit on December 31, 2016, or having attained the age of 65 by December 31, 2016, will be grandfathered-in to the program and allowed to receive the benefit. Any retirees turning 65 after December 31, 2016 will not be eligible for this program.

**UTILITY FUND BUDGET**

*Natural Gas*

We are projecting that the city will spend approximately \$500,000 on natural gas on a budget of \$725,000. The city’s gas sales are expected to exceed \$1,173,000.

The city’s cost of operating the Gas Department last year was \$873,592, bringing the total cost of the gas system to \$1,373,592. 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 city sold 123,149 MCF of natural gas in 2015. The cost charged per MCF by the city will increase from \$5.84 to \$7.09 in the coming Fiscal Year.

*Utility Rates*

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

**DEQ STATE REVOLVING LOAN**

The city currently has one outstanding loan with the DEQ State Revolving Loan Fund for Wastewater Improvements. The current loan balance is \$2,339,162. In the coming Fiscal year, the city expects to borrow \$3,000,000 against this line of credit for wastewater facilities enhancements.

In accordance with bond covenants, the city has established a “Series 2014 Bond Reserve Fund” and a “Utility Fund Investment Account”, both serving the purpose of securing future loan payments in case of impending default. Current balances in these accounts total \$941,243.

**CAPITAL OUTLAY BUDGET**

The city is proposing a Capital Outlay Budget of \$8,823,500. The proposed Capital Outlay Budget is highlighted by \$2,400,000 in proposed road projects, \$850,000 in water and gas projects, and \$3,500,000 in proposed wastewater projects.

**TANGER MALL ECONOMIC DEVELOPMENT FUND BUDGET**

This fund was established in 2012 to account for revenues generated by the city’s Tax Increment Financing arrangement with Tanger Mall. The tenants in Tanger Mall agreed to assess an additional 1% sales tax in a district containing only Tanger Mall tenants.

The proceeds from this additional 1% shall be allocated 70% to the Tanger Mall Economic Development Fund and 30% to the City of Gonzales. The Tanger Mall Economic Development Fund proceeds may be used for improvements to the mall property itself. The City of Gonzales portion is reserved for road infrastructure improvements within the City of Gonzales.

As of the end of March 2016, the funds reserved for road infrastructure improvements totaled \$1,213,413.

**WASTEWATER IMPACT FEE FUND BUDGET**

This fund was established in 2014 to account for revenues generated by wastewater impact fees instituted in that year. The March 2016 balance in the fund is \$511,120, all of which is available for use in wastewater infrastructure projects.

**FUND BALANCE**



The General Fund began the year with a fund balance of \$12,348,805. In the current year, the General Fund is projected to run an operational surplus of \$1,229,609. 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 \$12,578,412.

The Capital Outlay Fund began the year with a fund balance of \$1,956,439. It is projected to generate revenue from taxes, loans, and transfers of \$6,011,162 during the year. We project that the city will spend \$6,104,844 in the Capital Outlay Fund this year, resulting in an ending fund balance of \$1,862,756.

Projected fund balances in the 2016-2017 Fiscal Year are as follows:

Fund Balance Projections 2016-2017	General Fund	Capital Outlay Fund	Tanger Mall Economic Development Fund	Wastewater Impact Fee Fund
Beginning June 1, 2016	12,578,414	1,862,756	1,273,400	534,120
Revenues	15,245,900	6,336,000	1,060,000	200,000
Expenditures	(15,174,519)	(8,823,500)	-	-
Transfers In (Out)	(2,000,000)	2,000,000	(742,000)	-
Ending May 31, 2017	10,649,795	1,375,256	1,591,400	734,120

SUMMARY

The city administration has 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 regular meeting scheduled for April 25, 2016.

Motion by Councilman David Guitreau, seconded by Councilman Kirk Boudreaux to introduce Ordinance No. 3088:

AN ORDINANCE ADOPTING THE 2016-2017 SALES TAX BUDGET

CITY OF GONZALES  
SALES TAX REVENUE BUDGET  
FY 2016-2017

REVENUES:

Sales Tax Collections	14,200,000.00
TOTAL:	<u>14,200,000.00</u>

EXPENDITURES:

Appr. To General Fund	7,100,000.00
Ser-2001 Appr. Fire, Police & Sanitation	3,550,000.00
Appr. To Capital Imp.	2,840,000.00
Appr. To Utility Fund for Debt Service	<u>710,000.00</u>
TOTAL:	<u>14,200,000.00</u>

Final vote on the foregoing amendment to be taken at the next regular meeting scheduled for April 25, 2016.

Motion by councilman Kirk Boudreaux, seconded by Councilman Neal Bourque to introduce Ordinance No. 3089:

AN ORDINANCE ADOPTING THE 2016-2017 GENERAL FUND BUDGET

CITY OF GONZALES  
GENERAL FUND BUDGET SUMMARY  
FISCAL YEAR 2016-17

REVENUES:

TAXES	11,381,000.00
FRANCHISE FEES	1,027,000.00
LICENSES AND PERMITS	1,329,000.00
FEES, FINES & FORFIETURES	162,000.00
MISCELLANEOUS	93,300.00
FIRE DEPT. REVENUE	916,500.00
BUILDING RENTALS	82,200.00
INTERGOVERNMENTAL	14,900.00
GRANT REVENUE	200,000.00
INTEREST	40,000.00
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<b>TOTAL REVENUES:</b>	<b>15,245,900.00</b>

EXPENDITURES:

FIRE DEPARTMENT	3,309,400.00
ADMINISTRATION	1,045,500.00
POLICE DEPARTMENT	5,620,360.00
CODE ENFORCEMENT	537,819.00
SANITATION	963,520.00
STREETS & DRAINAGE	1,358,700.00
GENERAL GOVERNMENT	992,820.00
CIVIC CENTER	74,500.00
CITY ROOM	22,400.00
RECREATION	1,196,300.00
TOURISM & CULTURAL DEV.	53,200.00
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<b>TOTAL EXPENDITURES:</b>	<b>15,174,519.00</b>

Final vote on the foregoing amendment to be taken at the next regular meeting scheduled for April 25, 2016.

Motion by Councilman David Guitreau, seconded by Councilman Harold Stewart to introduce Ordinance No. 3090:

AN ORDINANCE ADOPTING THE 2016-2017 UTILITY FUND BUDGET

CITY OF GONZALES  
UTILITY FUND BUDGET  
FISCAL YEAR 2016-17

REVENUES:

GAS SALES	1,158,000.00
SEWER SERVICE CHARGES	1,140,000.00
WATER SALES	1,300,000.00
MISCELLANEOUS	148,700.00
SALES TAX REVENUE	710,000.00
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<b>TOTAL REVENUES:</b>	<b>4,456,700.00</b>

EXPENDITURES:

GAS DEPARTMENT	1,170,600.00
WATER DEPARTMENT	999,600.00
WASTEWATER TREATMENT	725,200.00
UTILITY GENERAL GOVERNMENT	354,200.00
UTILITY ADMINISTRATION	247,924.00
METER READERS	140,250.00
DEQ LOAN EXPENDITURES	60,000.00
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<b>TOTAL EXPENDITURES:</b>	<b>3,697,774.00</b>

Final vote on the foregoing amendment to be taken at the next regular meeting scheduled for April 25, 2016.

Motion by Councilman Kirk Boudreaux, seconded by Councilman Neal Bourque to introduce Ordinance



AN ORDINANCE ADOPTING THE 2016-2017 CAPITAL OUTLAY BUDGET

CITY OF GONZALES	
CAPITAL OUTLAY BUDGET	
FY 2016-2017	
FUND BALANCE	1,862,756.58
TRANSFER FROM GEN FUND - FUND BALANCE	2,000,000.00
REVENUES:	
Sales Tax Appropriations	2,836,000.00
Loan Proceeds	3,500,000.00
TOTAL REVENUES	6,336,000.00
FUNDS AVAILABLE	10,198,756.58
EXPENDITURES:	
STREETS & DRAINAGE IMPROVEMENTS	
INTERSTATE LIGHTING	20,000.00
STREET DEPT / DRAINAGE EQUIPMENT	50,000.00
SIDEWALK CONSTRUCTION	50,000.00
BRIDGE REPLACEMENT	0.00
BULKHEAD IMPROVEMENT	125,000.00
CAP ROAD IMPROVEMENT PROJECT	2,400,000.00
Total Streets & Drainage Improvements	2,645,000.00
FACILITIES & RECREATION ENHANCEMENTS	
RECREATION CAPITAL OUTLAY	906,000.00
PROPERTY ACQUISITION	100,000.00
CODE ENFORCEMENT CAPITAL OUTLAY	38,000.00
MASTER GROWTH PLAN	25,000.00
GENERAL CAPITAL	72,000.00
CITY ROOM	7,500.00
CIVIC CENTER	150,000.00
T. JOE MUSEUM	5,000.00
FIRE DEPT CAPITAL OUTLAY	235,000.00
POLICE DEPT CAPITAL OUTLAY	290,000.00
Total Facilities & Recreation Enhancements	1,828,500.00
UTILITY IMPROVEMENTS	
WASTEWATER CAPITAL IMPROVEMENTS	3,500,000.00
WATER SYSTEM CAPITAL IMPROVEMENTS	500,000.00
GAS SYSTEM CAPITAL IMPROVEMENTS	350,000.00
Total Utility Improvements	4,350,000.00
TOTAL EXPENDITURES:	8,823,500.00
ENDING FUND BALANCE	1,375,256.58

Final vote on the foregoing amendment to be taken at the next regular meeting scheduled for April 25, 2016.

Motion by Councilman Neal Bourque, seconded by Councilman David Guitreau to introduce Ordinance No. 3092:

AN ORDINANCE ADOPTING THE 2016-2017 TANGER MALL ECONOMIC DEVELOPMENT DISTRICT BUDGET

CITY OF GONZALES	
TANGER MALL ECONOMIC DEVELOPMENT FUND	
FY 2016-2017	
REVENUES:	
Tanger Mall EDD One Cent Sales Tax Revenue	1,060,000.00

EXPENDITURES:

Transfer to Tanger Mall	742,000.00
Transfer to Gonzales Capital Outlay Fund	318,000.00
<b>TOTAL:</b>	<u><u>1,060,000.00</u></u>

Final vote on the foregoing amendment to be taken at the next regular meeting scheduled for April 25, 2016.

Motion by Councilman Kirk Boudreaux, seconded by Councilman Neal Bourque to introduce Ordinance No. 3093:

AN ORDINANCE ADOPTING THE 2016-2017  
WASTEWATER IMPACT FEE BUDGET

CITY OF GONZALES  
WASTEWATER IMPACT FEE FUND  
FY 2016-2017

REVENUES:

Wastewater Impact Fees	200,000.00
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EXPENDITURES:

Transfer to Gonzales Capital Outlay Fund	200,000.00
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Final vote on the foregoing amendment to be taken at the next regular meeting scheduled for April 25, 2016.

Motion by Councilman Kirk Boudreaux, seconded by Councilman Neal Bourque to declare as surplus the following:

- (1) 2008 Crown Victoria Vin # 2FAFP71V68X100714

YEAS: Councilman Neal Bourque, Councilman Terance Irvin, Councilman David Guitreau,  
Councilman Harold Stewart, Councilman Kirk Boudreaux

NAYS: NONE ABSENT: NONE

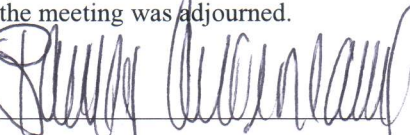
Motion by Councilman Neal Bourque, seconded by Councilman Harold Stewart to accept the low bid of Magnolia Construction in the amount of \$127,960.00 for the Waterline Extension Project from the following bids received:

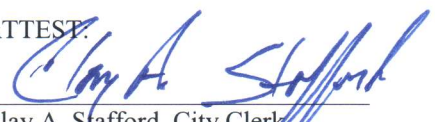
Magnolia Construction	\$127,960.00
L. King Company, LLC	\$157,462.00

YEAS: Councilman Neal Bourque, Councilman Terance Irvin, Councilman David Guitreau,  
Councilman Harold Stewart, Councilman Kirk Boudreaux

NAYS: NONE ABSENT: NONE

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