

**MINUTES
FOR THE CITY COUNCIL MEETING OF AUGUST 24, 2023**

The regular meeting of the Mandeville City Council was called to order by the Council Chairman at 6:00 p.m. followed by roll call.

ROLL CALL - present: Jason Zuckerman, Jill McGuire, Rick Danielson, Skelly Kreller, Rebecca Bush

Also present: Keith LaGrange, PW Director, Elizabeth Sconzert, City Attorney, Cara Bartholomew, Planning Director, Kathleen Sides, Finance Director, Mayor Madden,

MINUTES:

1. Adoption of the August 9, 2023, Budget Meeting Minutes. A motion was made by Mrs. Bush and seconded by Mr. Danielson. With no further comments or questions a vote was taken and the minutes were adopted 5-0.

2. Adoption of the August 10, 2023, Council Regular Meeting Minutes. A motion was made by Dr. Kreller and seconded by Mrs. Bush. With no further comments or questions a vote was taken and the minutes were adopted 5-0.

3. Adoption of the August 14, 2023, Budget Meeting Minutes A motion was made by Mrs. Bush and seconded by Mrs. McGuire. With no further comments or questions a vote was taken and the minutes were adopted 5-0.

4. Adoption of the August 15, 2023, Sucette Meeting Minutes. A motion was made by Mrs. Bush and seconded by Dr. Kreller. With no further comments or questions a vote was taken and the minutes were adopted 5-0.

PRESENTATION:

The mayor read a proclamation in recognition of Louisiana Flood Awareness Week, August 21-23, 2023.

Mr. Zuckerman asked if he could discuss new business before old business. With no objections, Mr. Zuckerman started with new business.

NEW BUSINESS:

1. Approval of the nomination of Nick Cressy to a 7 yr. term on the Mandeville Planning & Zoning Commission. A motion was made by Dr. Kreller and seconded by Mrs. Bush. Mrs. McGuire feels Mr. Cressy will be a good addition and asked him to give the council a bit of his experience. Mr. Cressy discussed his background and his history living in Mandeville. Mr. Zuckerman explained he discussed with Mr. Cressy the upcoming challenges, that is not the normal course of business with the commission: revision of the comprehensive master plan and then the CLRUC. He wants to make sure he plans on filling the 7 yr. term. Since his name was advertised, he has heard some people say he is planning on running for some elected office and he wants to make sure the council is not passing over the other applicants and his commitment is to serve out this 7 yr. term. It does take a while to learn the CLRUC. Mr. Cressy explained this is the right fit for him and running for public office is in the back seat. Mr. Zuckerman stated this is a big commitment, its totally volunteer and it is a great way to learn about the city. Mr. Danielson is familiar with Mr. Cressy's diverse background and appreciates his interest. Dr. Kreller feels having a lifelong resident is important- they have the pulse of the community. Mr. Cressy will learn

a lot and have enough training. Mrs. Bush agrees on his appointment and feels his skills are transferable with regards to land use issues Mr. Zuckerman stated being able to select the consultants to work with the comp plan, really sets the path for the next 20-30 yrs. It's a big deal and he appreciates his willingness to serve. With no further comments or questions, a vote was taken, and the nomination was approved 5-0.

2. Approval of the special event liquor for the Hospice Foundation of the South – Wine & Dine with Hospice on Thursday, November 9, 2023, from 6-9pm to be located at Benedict's Plantation, 1144 N. Causeway Blvd. Mandeville. A motion was made by Mrs. Bush and seconded by Mrs. McGuire. Dr. Kreller stated this is their 14th year and all their paperwork in order. He hopes it is a lucrative event. With no further comments or questions, a vote was taken, and the application was approved 5-0

3. Approval of the special event liquor permit for the Children's Museum of St. Tammany – Northshore Rising Star Talent Competition to be held on Saturday, November 18, 2023, from 6-9 pm at the Mandeville Trailhead. A motion was made by Mrs. Bush and seconded by Dr. Kreller. Mr. Ryan Myers stated this is a new event and will be a talent competition. It will be for singers, bands, and others. They will have about 10-15 performers. Tickets are available online and those who wish to participate can register online and upload their video. (cmse.org) The age range will be from 12-20 yrs. With no further comments or questions, a vote was taken, and the application was approved 5-0

4. Approval of the substantial completion of the Wastewater Treatment Plant Sludge Removal project in the amount of \$2,714,479.00. A motion was made by Mrs. Bush and seconded by Mrs. McGuire. Mr. LaGrange stated there is a punch list attached. They mayor stated the air quality is now much better. With no further comments or questions, a vote was taken, and the application was approved 5-0.

Mr. Zuckerman stated there will be no discussion regarding the following ordinance introductions. The mills ordinances are back on the agenda for technical reasons.

5. Introduction of Ordinance No. 23-29; AN ORDINANCE OF THE CITY OF MANDEVILLE LEVYING AND IMPOSING TAXES ON PROPERTY SUBJECT TO TAXATION IN THE CITY OF MANDEVILLE, STATE OF LOUISIANA, FOR THE YEAR 2023 IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE VII, SECTION 23(C) OF THE LOUISIANA CONSTITUTION AND R.S. 47:1705(B). A motion was made by Dr. Kreller and seconded by Mrs. Bush. Mr. Zuckerman stated this will be discussed and up for a vote at our next meeting.

6. Introduction of Ordinance No. 23-30; AN ORDINANCE OF THE CITY OF MANDEVILLE LEVYING AND IMPOSING TAXES ON PROPERTY SUBJECT TO TAXATION IN THE CITY OF MANDEVILLE, STATE OF LOUISIANA, FOR THE YEAR 2023 IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE VII, SECTION 23(B) AND (C) OF THE 1974 LOUISIANA CONSTITUTION AND R.S. 47:1705 (B) (1) AND (2). A motion was made by Mrs. Bush and seconded by Mr. Danielson. Mr. Zuckerman stated this will be discussed and up for a vote at our next meeting.

7. Introduction of Ordinance No. 23-33; AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MANDEVILLE AMENDING THE PERSONNEL POLICIES RULE 1.0, SECTION 1.02 (C) AND ADOPTING RULE 1.0, SECTION 1.05 FOR THE MUNICIPAL EMPLOYEES' CIVIL SERVICE SYSTEM, AND ITS EMPLOYEE RULES AND REGULATIONS AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH. A motion was made

by Mrs. Bush and seconded by Dr. Kreller. Mr. Zuckerman stated this will be discussed and up for a vote at our next meeting.

OLD BUSINESS:

1. Adoption of Ordinance No. 23-27; AN ORDINANCE TO APPROPRIATE FUNDS RELATIVE TO AND FOR ADOPTION OF THE OPERATING BUDGET FOR THE CITY OF MANDEVILLE FOR FISCAL YEAR 2023-2024; AND TO ESTABLISH THE ADMINISTRATION OF EXPENDITURES THEREOF AND TO PROVIDE FOR RELATED MATTERS. A motion was made by Mrs. Bush, seconded by Mr. Danielson. Mr. Zuckerman wanted to make a motion to make some housekeeping changes to the body of the ordinance: In paragraph #1, change the months to January, April and July; paragraph 2, add exhibit "G"; paragraph 3, change the exhibits to "B"; paragraph 4, change exhibits to "C, D, and E,"; this was seconded by Mrs. Bush. With no further comments or questions, a vote was taken, and the amendments were approved 5-0.

Mr. Danielson stated after the financial forecast process, his feeling is for us to not micromanage the budget for the city, but make sure we know the monies going in and out. The forecast expressed some concerns, it looks like based upon cuts, that we could finish the next fiscal year with additional funds. We have some increasing expenses which is a concern. It has been brought up several times, but it can be an amendment is to include a strategic financial forecast for the operating budget in the ordinance. He has talked with Kathleen and Keith about this. His concern is not this fiscal year, but we need to know where we are going in 3-5+ years from now. What is our roadmap and possible contingencies and what if's. How we can get ahead of things, if we need to make changes for future years, before it could become an issue. We could establish a committee with members from the Council, administration, and public. One topic to discuss is to see how we can improve the information that is presented in the budget. There are certain things that have to go in per state law, but there could be other things that could help everyone understand the budget better to make the process easier. Also reviewing our personnel costs and benefits. We have a strong package, and he hopes it never has to change, but we can look at some "what if" scenarios – good and bad. We can also look at the enterprise fund fees to make sure we keep up with expenses. This would be a basic scope of work and he would like to start in the near future; this was seconded by Mrs. McGuire. Mrs. Bush asked if this would be an outside service? Mr. Danielson explained no, this is like an advisory committee. To establish a strategic financial plan and forecast for the next 3-5 years and look at key concerns in the operating budget. Mrs. Bush thinks it is grate but does not want to change the budget process. Mr. Danielson feels this would just be a help similar to adding the quarterly budget review meetings. Mr. Zuckerman would like to see more details before we put this into this ordinance. He feels it is a good concept, he is not sure how this would be done, via resolution or ordinance. Mr. Danielson explained this could be simple as establishing a plan for the city and then work on the committee and put together a scope of work. Mrs. Bush asked if it is similar to a MFOC. Mr. Zuckerman wants dedicated time to put things together. Mr. Danielson does not have a problem with this, he just wants to make sure this gets done. He thinks this will be helpful whether it goes in the budget tonight or in a future ordinance. Mr. Danielson will work with Mrs. Sconzert on establishing the format. Mr. Danielson has no problem withdrawing the motion.

Mr. Zuckerman made a motion to change exhibit "C" to adjust the council clerk pay from \$72,128 to \$76,000; seconded by Mr. Danielson. With no further comments or questions, a vote was taken, and the amendment was approved 5-0.

Mr. Glen Runyon explained he sent 3 emails to the council this afternoon, all having issues with the operating budget. He feels any one of them would be sufficient to not approve the budget tonight. He stated the budget is not compliant and he has a response back from the finance

director that it was and was not approved. He asked the clerk to pull up the file he sent – the budget is not in state compliant. It's not just a format issue it is an information issue. Mrs. Sconzert stated the chair has to make the determination if the exhibit can be introduced. Mr. Zuckerman explained we are not introducing new information. Mr. Runyon stated he has asked to put things up before and it was done. Mr. Zuckerman asked him to finish his comment. Mr. Runyon finished by saying the council are like three blind mice and they are not listening to what the audit says – not compliant for past 2 yrs. The fund balances FY 23 need to be included with beginning and estimated ending. Mr. Lyons wanted to ask someone on the council to comment concerning Mr. Runyon's concerns and he asked to give his remaining time to Mr. Runyon. R. Zuckerman stated he is not giving time this evening because he is trying to get through public comment and this matter of business. We have had 6 public meeting on this budget, 2 with Civil Service and it is time to move forward or not move forward. Mrs. Sides explained this information has been out there for 9 meetings. Second, she did address the two finding in the audit last year: signed budget message and estimated FY24 beginning and ending fund balances. She did not read that she needs prior year estimates, but she can add that fund summary document as an exhibit. The audit did approve the budget. Mrs. Sconzert thought there was no harm in adding this to the ordinance.

Mr. Zuckerman made a motion to add FY24 fund summary budget report as exhibit "H" and include this in paragraph 2; seconded by Mrs. Bush. Mrs. Sides has a new report with notes that describe what comprises each of the numbers and how they were arrived at. No numbers have changed, just added notes for clarification. Mr. Lyons asked if this was the information Mr. Runyon was trying to explain. Mrs. Sides thinks it is. Mr. Lyons feels it was inappropriate for Mr. Zuckerman not to allow him to give minutes to another person, it has been done over and over again. Mr. Runyon has spoken a lot, but this is the budget, and it was inappropriate. Mrs. Sides explained the LGBA said she needed a budget message signed by the preparer in the ordinance and the other thing the auditor said was we did not have our estimated end of year and beginning of year fund balances which is now listed on the exhibit. Mrs. Sides feels she has met the requirements. Most of what she has gotten from Mr. Runyon has been assumptions and they have been incorrect. Mrs. McGuire said Mr. Runyon can meet with the council, administration but it is not appropriate for employees to get the heat, but there is a line, and this is not bringing healthy information- this is not helpful. Mrs. Sides said there has been misinformed assumptions that have been sent to the public and she has a problem with that. If someone disagrees then ask the question, don't say we are putting our false or misrepresented information. Mr. Runyon does not believe the fund balance sheet is compliant, it should have prior year end numbers. It is missing land purchases- we need an accurate picture. Mr. Runyon explained he has not said someone was doing something illegal, it appears the numbers don't add up. Mrs. Sconzert explained this is not a requirement for prior year's budget. Mr. Danielson asked if the numbers would include the 2 land purchases. Mrs. Sides will make sure end FY23 matches beginning FY24. With no further comments or questions, a vote was taken, and the amendment was approved 5-0.

Mrs. Becky Rohrbough wanted to request to remove the word "quarterly" in paragraph 1 of the budget ordinance because the council is not meeting quarterly. Also, to fix a grammatical error on paragraph 5. Mrs. McGuire made a motion to remove the word "quarterly" and fix the grammatical error on paragraph 5; seconded by Mrs. Bush. With no further comments or questions, a vote was taken, and the amendment was approved 5-0. Mr. Zuckerman asked for any more comments regarding the ordinance. With no further comments or questions, a vote was taken, and the ordinance passed 5-0.

2. Adoption of Ordinance No. 23-26; AN ORDINANCE TO APPROPRIATE FUNDS RELATIVE TO AND FOR ADOPTION OF THE CAPITAL IMPROVEMENT BUDGET FOR THE CITY OF MANDEVILLE FOR FISCAL YEAR 2023-2024; AND TO ESTABLISH THE

ADMINISTRATION OF EXPENDITURES THEREOF AND TO PROVIDE FOR RELATED MATTERS. A motion was made by Mrs. Bush, seconded by Mr. Danielson. Mr. Danielson wanted to make a motion to make some housekeeping changes to the body of the ordinance: In paragraph #1, change the months to January, April and July and fix the grammatical error in paragraph #5; seconded by Mrs. Bush. With no further comments or questions, a vote was taken, and the amendment was approved 5-0. Mr. Danielson also wanted to remove the words “specifically to include but not limited to the Lakefront Wetlands Restoration Project”; seconded by Mrs. Bush. Mr. Danielson explained last year the council wanted to specifically note the restoration project, but it has since been funded. This still means that any project over \$1 million is subject to approval by Planning & Zoning and then the Council before it goes out to bid. With no further comments or questions, a vote was taken, and the amendment was approved 5-0. Taking a look at the 5-year capital budget plan, Mr. Danielson wants to make a motion under capital streets “east Mandeville by-pass road” to remove the \$250K for the years 2028 and 2029; seconded by Dr. Kreller. Mr. Danielson explained the city’s commitment will be made by the FY 2027. With no further comments or questions, a vote was taken, and the amendment was approved 5-0.

Mr. Danielson made a motion to amend under general government “seawall repair” to change in FY2025 the amount to \$2 million dollars and remove the \$250K for the FY2026 thru FY2029; seconded by Mrs. Bush. Mr. Danielson stated this is so we can start budgeting for the major issues with the seawall. With no further comments or questions, a vote was taken, and the amendment was approved 5-0.

Mr. Danielson would still like to discuss a strategic plan on the capital side. He would like to include follow ups on capital projects in addition to topics he stated in the operating discussions. Mr. Runyon said the change in the capital budget has #2, 908K moved from the special sales tax fund to the enterprise fund. The enterprise fund has never been included because it is not a special revenue fund. IT is a commercial account and the only way it gets a fund balance is to transfer special sales tax funds into it. There is \$4.6 million sitting from ARPA sitting in the enterprise fund. He wants to make sure the council knows they are allocating \$2.9 in capital projects from the enterprise fund and there is \$4.6 million in ARPA money- is that what the council is going to use? Secondly, the enterprise fund is losing over \$1 million a year and is currently being subsidized by the special sales tax fund. The questions are why move \$2.9 million from sales tax – because the allocation of FY24 capital projects without the \$2.9 million you have already depleted the special sales tax fund. You put \$2 million for seawall and the money comes from special sales tax. \$3.6 million is already depleted down to \$300K, there is no more money. A strategic plan will help address both areas, capital and operating. With no further comments or questions, a vote was taken, and the amendment was approved 5-0

3. Adoption of Ordinance No. 23-32; AN ORDINANCE FOR THE CITY COUNCIL OF THE CITY OF MANDEVILLE TO AMEND ORDINANCE NUMBER 22-17, THE CAPITAL BUDGET OF THE CITY OF MANDEVILLE AND FOR OTHER MATTERS IN CONNECTION THEREWITH. A motion was made by Mrs. Bush, seconded by Mr. Danielson. Mr. Zuckerman explained this is for the Harbor field improvements. Mr. Danielson explained this is proposed change of \$400K, but the low bid was \$243K greater than the budgeted amount. Is the full \$400K needed or do we only need the \$243K? Mr. LaGrange stated they left a little in there for change orders. With no further comments or questions, a vote was taken, and the amendment was approved 5-0

Mrs. Sconzert asked to open the agenda for the financial report. Mrs. Sides stated it is needed for the end of the fiscal year. Mr. Danielson made a motion to open the agenda; seconded by Mrs. Bush. With no further comments or questions, a vote was taken, and the motion to open the agenda

was approved 5-0. Mrs. Bush made a motion to open the agenda for the Finance report and public comment. With no further comments or questions, a vote was taken, and the motion to add the two items was approved 5-0.

FINANCE REPORT

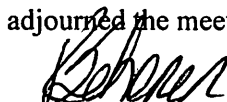
Mrs. Sides reviewed the finance report for the period ending July 31, 2023. Governmental funds revenue collected is \$31 million (64%) of the 2023 budget. This does not include money received from the water sector. Governmental funds expenditures are \$20.4 million (98%) of the operating expenditure budget. The enterprise fund revenue is \$3.5 million (97%) of revenue, while expenses are \$3.9 million (80%) excluding depreciation. The general fund as of July 31, 2023, is showing \$708,251 deficit. If you exclude one-time revenues, we are at a deficit of \$214K, however as of August 24, 2023, we are at a deficit of \$289K. We have not received franchise tax, licensing fees or sales tax for the remaining month so, hopefully we will end the year on a positive note.

PUBLIC COMMENT:

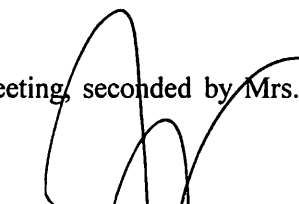
Mr. Jeff Lyons wanted to thank the city for working with the Ozone Music Festival. The festival is November 3-5, 2023, and it is free to the public.

ADJOURNMENT:

Mrs. McGuire made a motion to adjourn the meeting, seconded by Mrs. Bush. Mr. Danielson adjourned the meeting at 7:35p.m.



Kristine Scherer
Council Clerk



Jason Zuckerman
Council Chairman