CHARTER COMMISSION MEETING MINUTES
WEDNESDAY, AUGUST 11, 2010
705 W. University Avenue, Council Auditorium

Commission members in attendance: Odon Bacque, Dale Bourgeois, Karen Carson, Bruce M Conque, George A. Lewis, Greg Manual, Desmond Keith Miller, Stephen J. Oats, Aaron Walker
Absent: None

Charter staff members in attendance: Pat Ottinger (City-Parish Attorney), Tammy Pratt (Assistant City-Parish Attorney) and Vivian Neumann (Assistant City-Parish Attorney), Veronica L. Williams (Charter Commission Clerk)

Council Members/Staff in attendance: Chair Jay Castille, Brandon Shelvin, Sam Doré, Keith Patin, William Theriot, Council Clerk Norma Dugas

Administration staff in attendance: City-Parish President Joey Durel and Chief Financial Officer Becky Lalumia

(5:30 p.m.) AGENDA ITEM NO. 1: Call to order
Chair Lewis called the meeting to order.

AGENDA ITEM NO. 2: Invocation and Pledge of Allegiance
Commissioner Keith Miller was called upon to deliver the invocation and lead the Pledge of Allegiance.

AGENDA ITEM NO. 3: Comments/Announcements from Commission Members
There were no comments and/or announcements.

AGENDA ITEM NO. 4: Recognize Chief Financial Officer Becky Lalumia for Finance Department presentation

Lalumia gave a presentation on the Financial Operations of LCG and stated that she had worked for local government for more than 30 years. The overview included the role of the Finance Department, governmental Finance basics, Consolidated basics, LCG Financial stats, LCG budget and finally, a review of the Charter provisions. Lalumia then explained governmental accounting, dedicated revenue sources for restricted purposes and LCG restrictions on the use of funds.

The total of LCG assets was $1.7 billion, with the total liabilities being $870 million. This left the net asset at $862 million and a reserve fund/retained earnings of $39 million. The number of LCG employees was 2,329. A review of the Home Rule Charter was provided. It was noted that city and parish funds were kept separate. The budget totaled $587,558,228, of which 10% ($61,000,000) was parish funds and 90% ($526,000,000) city funds.

(5:54) The total budget funding came from Utilities (38%), General government (42%), Communications System-Fiber (4%) and Interfund transfers (16%). Revenues from Taxes ($140 million) fell under General government revenues and were broken down as follow: Property Taxes (25%), Sales Taxes (31%) and Gross receipts taxes-Utility franchises (1%). The Utilities System (LUS) paid an In-Lieu-of-Tax (ILOT) fee of $19 million to the City's General Fund for the right to provide utility services inside the City. The City has a 2% sales tax, with the Parish having a 1% sales tax. The revenues for the city sales tax were dedicated to capital needs (65%) and operations (35%), while the Parish Sales Tax revenues had no restrictions and could be used for either capital or operating needs.

The funding allocated for State mandated services, such as the Coroner, City Court, City Marshal and District Attorney, was 3% of the City of General Fund and amounted to 49% of the total parish budget.

Lalumia then updated the Commission on the various 5-year capital outlay programs and provided a status on available bonding authority. Conque asked how much of the Parish budget would be left for administrative services after obligations have been paid and Lalumia responded about 16% of the administration's budget was paid by the Parish with the remaining amount being paid by the City (84%).

(6:38) Karen Carson asked what affect did annexations in the unincorporated parish have on revenues and Lalumia clarified that, from a financial standpoint, the parish government millages were parishwide and not affected by annexations. Greg Manuel questioned what a contingency sinking fund was and Lalumia responded a type of set aside fund for future debt payments. Given the statement that parish revenues were expended on the unincorporated area of parish, Manuel questioned how the small municipalities paid for their road maintenance and projects and Lalumia explained that roads were maintained by the municipalities through their tax structures and revenue sources.

(6:56) Lalumia then provided a list of recommended Charter amendments that could clarify and streamline the operations of Finance. The amendments were related to:

- Contracts and how they were noted in the budget document;
- The definition of "Professional services";
- Changing the dates of the fiscal year;
- Operations budget instructions and provisions; and
- Capital Improvement budget provisions.

Lewis requested that the Commissioners be provided with a copy of all slides relating to Lalumia's recommended Charter amendments.

Oats asked where the best practices for cost allocation could be found and Lalumia responded that the current cost allocation plan used by LCG was patterned after the Baton Rouge process. Conque asked, hypothetically, if the decision was made to revert back to a separate City Council and separate Parish Council, could the governmental functions remain consolidated and Lalumia responded affirmatively. Bourgeois asked whether the structure, as described by Conque, would

be better or worse in her opinion and Lalumia explained that there could be some inefficiencies with the structure should the needs of the two legislative branches differ in instructions.

(7:40) AGENDA ITEM NO. 5: Response by Legal on extending the terms of the City-Parish President and Council

Ottinger responded to the question of whether it would be permissible to extend the terms of elected officials, opining that there was no impediment to amending the Charter to extend the terms. The amendment would take a vote of the people of Lafayette Parish, which would involve several steps. Ottinger expressed serious doubt that the process could be completed for placement on the April 30 ballot. This was due to the various requirements and practicalities of law. Conque asked for clarification with reference to the Commission making one Charter recommendation, as opposed to making one change and coming back later with subsequent recommendations and Ottinger reminded that the process of adopting changes at different times would trigger the start of a new lengthy procedure (Council ordinance, the bond Commission approval, the Justice Department approval, required timelines and publication requirements).

Ottinger then responded to questions related to when Charter changes approved by the voters would take effect, Ottinger placed the changes into two (2) categories, those being "administrative/technical changes" (purely cosmetic) and those of a structural change to the government. It was possible that administrative could be implemented immediately, while more significant changes to the government structure would not take effect until 2016, including changes to the Lafayette Public Utilities Authority (LPUA). Lewis requested that Ottinger perform further research on the questions posed during the meeting.

AGENDA ITEM NO. 6: Next meeting date
Lewis announced that the next meeting of the Commission would be held on August 30 to hear input from the Public Works Department. Further, organizations should email the Charter Commission at CharterCommission@LafayetteLa.gov if they were interested in addressing the Commission about the Charter and form of government.

AGENDA ITEM NO. 7: Comments from the public on the above referenced agenda items
●Jay Castille signed in to address the Council but withdrew after being called upon.

●Conrad Comeaux explained why the current Charter required that certain budget changes and contracts be brought to the Council for approval. As a former Parish Councilman, he recalled that the Council did not want the Parish president to transfer funds from one division to another without Council approval. If the Council approved the budget item and funds were justified by that department head during the budget process, than the Council wanted the funds to be used for that purpose.

●Patrick Brasseaux expressed concern that the smaller municipalities, although not a part of Consolidated Government, were allowed to vote on ballot issues impacting Consolidated Government; however, LCG residents had no input on ballot decisions in their communities. He applauded the way the Commission was selected to only include applicants from the

unincorporated parish and the City of Lafayette and asked that the Commission review his concern.

AGENDA ITEM NO. 8: Adjourn
There being no further business, the meeting adjourned at 8:09 p.m.