

The Board of Mayor and Aldermen of the City of Waveland, Mississippi, met in special session at the Waveland Civic Center on April 26, 2012 at 6:30 p.m., to take action on the following matters of city business.

(Tape of meeting for listening available via records request, in Meeting folder)

ROLL CALL

Mayor Garcia noted for the record the presence of Aldermen Stahler, Geoffrey, Lafontaine, and Kidd along with City Attorney Gary Yarborough and City Clerk Lisa Planchard.

9/30/2010 AUDIT

Re: Ms. Jennifer Bell with Wright, Ward, Hatten and Guell presented Board members with the 9/30/10 Audit results

Ms. Bell said the report was the same as it had been in 2010; however, there was improvement in Court Department reporting of the receivables. She said there is a new finding involving building permits and privilege licenses. She indicated most of the financial audit findings are carry over items from 2009, 2008 and 2007. During testing, they found building permits that were still open, but should have been closed; they also found instances where a building project was carried over from one year to the next without the permit having been renewed.

A few businesses were found to be operating in the City without a privilege license. This too has been corrected by incorporating this check into building fire inspections performed by the Fire Department. She said that the other area that still has unresolved issues is with billing and collecting for utilities; while there is improvement, the City ordinance does not appear to be being followed for cutoffs. Additional improvement is needed in this department. Ms. Bell recommended paying close attention to the A/R Aging Reports. They should be printed by Utility staff, reviewed each month, scanned to determine who is and is not paying their bills, and make sure collections are followed with that. In addition, old deposits (for which people no longer have service) also need to be cleaned up. Ms. Bell said in comparing 2009 and 2010, the revenues and expenditures in Utilities stayed fairly constant. She said she hopes to get started on the 2011 audit within the next two months and, depending on ease of testing should have completed by the end of September, and the City will then be current. Ms. Bell told Board members that with the new financial reporting system, she feels the City has a better handle on financial reporting. Alderman Lafontaine asked if there was currently a policies handbook for the Utility Department's job procedures. Mayor Garcia said the staff is currently working on that. Ms. Bell said the only other area that needs attention are fixed assets, which will take a lot of time to set up initially, but after that, will be a matter on adding to and maintaining and performing an inventory each year. Mayor Garcia said those lists are currently being prepared.

AUDIT FY 2010

Re: 2010 Audit Report as submitted by Wright, Ward, Hatten and Guell

Alderman Kidd moved, seconded by Alderman Lafontaine to accept the 2010 Audit Report, as presented by Ms. Jennifer Bell, CPA with Wright, Ward, Hatten and Guell.
(EXHIBIT A)

A vote was called for with the following results:

Yea: Stahler, Geoffrey, Lafontaine, and Kidd

Nay: None

Absent: None

9/30/2012 BUDGET

Re: Comptroller Janet Dudding discussed the current progress of the 9/30/2012 budget (EXHIBIT B)

Comptroller Janet Dudding presented Board and audience members with an update of the 9/30/2012 Budget. Ms. Dudding said, "We are at the end of April so we should be at 58% of the way through the budget for the fiscal year, but we're operating right now at 37% of the expenditure budget. In other words, we have only spent 37% of what we had budgeted. As of April, we were expected to be at 58%. We've collected 70.4% of what we had budgeted in revenues; we are a municipality and that is not unusual for a municipality since most of property tax comes in from December through March. The other major portion of revenue is sales tax. We are 2.6 million dollars revenue over expenditures right now. If we collected no more revenue through the rest of the year, we would be able to meet this budget. We've made all of our debt service payments, we're current on all of our bills; and we've got enough money in the bank to make next year's debt service payment in November. We don't anticipate having to do a tax anticipation note in November to make that debt service payment. This success, and it is a success, is due to the employees; they've been wearing multiple hats, they have been doing more jobs than what they've been hired to do, and they've been doing it for 10% less salary and paying half their health insurance since August of 2011. At this point in time all departments are operating under budget.

**9/30/2012 BUDGET AMENDMENTS TO CONSIDER FOR 5/16/12 MEETING
Re: Proposed Amendments for Consideration**

Alderman Stahler said she would like to add some budget amendments for consideration. She said she had been wrestling ever since she's been in office with the difference between business accounting and municipal accounting and never completely understood why municipal accounting was so very different. She said that coming from a business background, you're in business to make a profit, but in municipal accounting you're not out to make a profit. Alderman Stahler said that with municipal accounting we're only here to serve our citizens, so we therefore have to look at municipal accounting in a different way than you would look at your business. She said she believed at the beginning of this budget year the City was not a healthy city financially; but it appears we have done a very responsible job of becoming a lot healthier than we were. She mentioned that she's been attending a lot of meetings lately about the quality of life, economic development; all of these go into making a healthy city, and putting our best foot forward sometimes takes a little money. She added, "We've had to draw back and I think now is the time we need to start looking at coming back responsibly. I feel that our employees have worked hard and they had a temporary cutback in pay, which is now at six months; I would like to see a budget amendment restoring that 10%. I have spoken to you about trees; I feel we must budget properly to have our natural resources kept in the best shape they can be kept in, and we are coming into grass cutting season and we will need more public works employees. She asked Ms. Dudding to do a version that would add the following:

- a. Restoring 10% pay to Employees.
- b. Budget for rehabbing our oak trees – Care of natural resources.
- c. Addition of 2 more Public Works employees

Alderman Kidd said, "One thing about that Ms. Lili, before we start giving back 10%, if you remember our police department took a cut before we did that and then took a 10% cut on top of that. I'd like to restore some of their pay back before we start giving everybody else their 10%. Aldermen Lafontaine and Kidd said this was in August (2011). Alderman Stahler said, "I'm not saying I'm giving back 10%, I'm saying I would like a showing of the numbers." Alderman Lafontaine asked Ms. Dudding to run numbers to bring back full staffs in all Departments, because the City is still down in all Departments. Mayor Garcia said that he made recommendations today to Recovery Manager, Brent Anderson to consider (before personnel are brought back), the fact that the City needs to be sure the employees must have the equipment to work with. The City needs to get the equipment before the people come back, otherwise there's no purpose to bringing them back to work. The Mayor recommended that the City offset with leasing/lease purchasing some of these salaries to provide purchased equipment that these people will have to do their jobs. He said the City was down to one lawnmower until last meeting when the Board approved to buy one more (propane mower) and we still need

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one more. We need a mini excavator, a bobcat to load dump trucks, and 1 dropdeck and 1 extended arm for the tractors.

Mayor Garcia commended the entire Board for their continuing efforts in working toward certification. The Mayor also said a lot of this was paid out of their own pockets. He said that he is very proud of be a part of this. The Mayor also thanked City Attorney Gary Yarborough, City Clerk Lisa Planchard and Mayor's Secretary Tammy Fayard for their hard work.

ADJOURN

Re: Adjourn at 7:36 p.m.

Alderman Geoffrey moved, seconded by Alderman Kidd to adjourn the meeting at 7:36 p.m.

A vote was called for with the following results:

Voting Yea: Stahler, Geoffrey, Lafontaine and Kidd

Voting Nay: None

Absent: None

The foregoing minutes were presented to Mayor Garcia on May 18, 2012.

Lisa B. Planchard
City Clerk

The Minutes of April 26, 2012 have been read and approved by me on this, the 18th day of May, 2012.

David A. Garcia
Mayor

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