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Special Meeting of August 16, 2011
3:30 P.M.

The Board of Mayor and Aldermen of the City of Waveland, Mississippi, met in special session at the Waveland Civic Center, 335 Coleman Avenue on August 16, 2011 at 3:30 p.m., to take action on the following matters of city business.

Present at the meeting Aldermen Stahler, Lafontaine and Kidd and Alderman Geoffrey acting as Mayor Pro-temp

Also present at the meeting were City Clerk Lisa Planchard, and City Attorney Gary Yarborough

Mayor Garcia was not present due to emergency cardiac care; Alderman Geoffrey presided as Mayor Pro Tem.

AUDIT FY 2009/PUBLIC APPEARANCE

Re: Presentation of 2009 Audit by Ms. Jennifer Bell of Wright, Hatten and Guell

Ms. Jennifer Bell, CPA with Wright, Ward, Hatten and Guell presented the FY 2009 Audit.

AUDIT FY 2009

Re: Approve and Adopt the FY 2009 Audit

Alderman Kidd moved, seconded by Alderman Lafontaine to approve and adopt the FY 2009 Audit as presented by Wright, Ward, Hatten and Guell.

A vote was called for with the following results:

Voting Yea: Stahler, Lafontaine and Kidd

Voting Nay: None

Absent: None

POLICE DEPARTMENT/PERSONNEL

Re: Termination of Police Chief James Varnell

Alderman Lafontaine moved, seconded by Alderman Kidd to concur with the termination of Chief James Varnell.

Alderman Lili Stahler said, "I would just like to say that this termination was swift and if I had been handling it, it would have been differently and I would like to thank Chief Varnell for his many years of service".

A vote was called for with the following results:

Voting Yea: Stahler, Lafontaine and Kidd

Voting Nay: None

Absent: None

There was an outburst from a member of the audience.

City Attorney Gary Yarborough stated to the audience "I know everybody's here and I there's been a lot of discussion, and I know that why we have a large public and were going have a discussion. We have a code, and we have an Ordinance; we have a ordinance that's in effect and were going to have decorum at our meeting, were here for discussion, the Board's going have discussion , but it's going to be for the Board to discuss it and if the Board wants to announce you, recognize you to come and speak, you

will be given that opportunity and we plan on having a discussion, but were not going to have it by people barging up to the front of the meeting and imposing their will. It's going to be orderly and we will have it. Thank you."

In reply to a citizen's comment related to the dismissal of Police Chief James Varnell, Mr. Yarborough then said "And I, to a large extent sir, and I apologize for this part, Chief Varnell's personnel matters are his and they're privileged were not going to discuss Chief Varnell's personnel issues. There comes a time when the Chief wants to talk about that, that's his right and he can do that, were not going to discuss the Chief's or anybody else, any other employee's personnel matters, and I'm sure you wouldn't want your employer doing that either in an open meeting."

BUDGET FY 2011/AMENDED BUDGET

Re: Amended Budget for FY 2011

Alderman Lafontaine moved, seconded by Alderman Kidd to approve and adopt the FY 2011 Amended Budget. **(VOTED POST EXECUTIVE SESSION TO TABLE)**

Mr. Yarborough gave an overview of the amended budget response to a citizen request a copy of the budget. Mr. Yarborough said "Generally, and this is generally what the financially situation of the City is, we have a budget, a revenue shortfall and we have expenditures that the city is looking to cut. I'll give you a brief history just so you know why we're here and I would like this to be a peaceful discussion; I don't expect anything otherwise, but the Board here is dealing with issues that are very difficult to deal with. Some were like that when they got here, some have gotten worse. Right now, we're trying to deal with what it is. So let's talk about what it is. We have currently about a \$1.1 million dollar shortfall for the fiscal year. We began the fiscal year what the last amended budget I believe projected, \$550,000.00 in reserves, we actually began this fiscal year with \$370,000.00 approximately in reserves. Um the City has a cash flow problem; the city has an expenditure problem." Mr. Yarborough then asked the citizens to hold off on their comments and said that the Board would allow input from the Citizens. "The City is having a revenue expenditure problem on an annual basis, and right now we're trying to cure it on a monthly basis, cause that's, it is in a situation now where because of liquidity issues, we are dealing with it on a month to month basis and not on an annual basis right now. The budget we are proposing that has been given by the Mayor, with the Comptroller and the City Clerk is to cut expenditures. We are trying to do that to curb a leaking bucket. The bucket has been leaking at about a rate of \$180,000.00 a month for the last few months and it can't continue to go on that way. The State Auditors have been in, in the last week, they have been very helpful with attempting to resolve these issues, and what options the City may have. The City is exploring different options and given those circumstances the Board is here to try and figure out a budget issue, and when people see their tax dollars going out, they see Fireman, and they see Policemen and I know that's why a lot of people are here, because of the issue and there is a proposal to cut the Police Department, and that is a proposal. The proposal, as I understand, would be for the County to be subsidized to some extent for next fiscal year, and this is a proposal that the Board of Supervisors have not agreed to yet. The proposal would be for them to provide us, two Officers per shift to patrol the City. There would be two officers per shift to patrol the City, and that is what we are here to discuss what that proposal as far as the Police Department. There are other issues and other cuts proposed to other Departments, it is not just the Police Department, but also the Fire Department, Utility Department, Court Department and other Departments that are involved. Um, generally the cuts would reduce next year's fiscal budget \$1.5 million dollars, is that number right Lisa? If I say something that is incorrect, please correct me." Mrs. Planchard said, "It was one million in savings next year". Comptroller Tom Worrel said, "I believe so". Mr. Yarborough said "Currently for the next couple of months the City's projected to bring in \$200 to \$220,000.00 a month and the proposal is try to get us somewhere close to that number, and that's what the Board is faced with. Dealing with that and you have typical budget of \$5,000,000.00 a year; you can do the math and figure it out that is a pretty tough cut when you have \$5,000,000.00 and you're trying to get down to \$2.5 or \$3 million dollar per year spending. So there's nothing easy about this, and if the Board would like to discuss it and they would like to announce people to give other input." Alderman Lafontaine asked about the State Auditor said the City had

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\$336,000.00 the day they took office with \$471,000 per month of expenses to operate. He continued by noting that the City was over \$100,000.00 in debt. Alderman Kidd said with the Budget the way it is, there are some dramatic cuts that have to be made and is going to be very hard, and not everyone will be happy. He said we are not going to point fingers at anybody because it is what it is now. Mr. Yarborough said "And I apologize for not stating this before; the Mayor has asked me to announce that he has had a procedure yesterday and the procedure went well, he is recovering in New Orleans at a hospital. He will be back to work next Monday. At this time, the Board entertained several comments from the audience regarding their comments and concerns related to the budget. Alderman Kidd noted the larger buildings that are currently being built and that they are greater in size that require more insurance and maintenance. Alderman Lafontaine said that he agrees with the fact that the larger buildings should never have been built, this did not happen overnight; this is something that this Board has to deal with. Lafontaine added that the City started in 2007 with \$7,000,000 of cash reserves; the day we were sworn in, we had \$336,000. During the discussion, a citizen asked Mr. Yarborough about how much the Sheriff's office would be paid. Mr. Yarborough said the proposal would be \$570,000.00 per year (this covers everything) with no payments due for the next 2 months. Alderman Lafontaine said that he had run some numbers on the Police Department on his own and said that if anything had to go out, he would suggest Investigators and Narcotics be outsourced with the County and asked the issue be tabled to the next meeting to run some more numbers. Alderman Stahler requested the meeting be tabled and set for the regular meeting of Tuesday, August 17, 2011 and said it would give the Board more time to get some more figures. Mr. Kenny Hurt, who works for the Sheriff's Office, said, "I've heard people in here bad mouthing the Sheriff's Office. I don't want to lose my police department (Waveland resident), but you ought to be thankful for Sheriff Steve Garber to stand up and do what had to be done to help the City of Waveland. He does not want Waveland to lose its police department. Don't abolish the police department completely, let's just make this a temporary (1 to 2 years) security consolidation)." Alderman Lafontaine recommended the issue at hand be tabled until the next meeting. Mr. Yarborough recommended to the Board that they enter Executive Session to discuss specific personnel questions regarding the budget.

A vote was called for with the following results:

Voting Yea: Stahler, Lafontaine and Kidd

Voting Nay: None

Absent: None

EXECUTIVE SESSION

Re: Personnel Issues in all Departments

Alderman Lafontaine moved, seconded by Alderman Stahler to consider going into Executive Session to discuss Personnel issues, all Departments.

A vote was called for with the following results:

Voting Yea: Stahler, Lafontaine and Kidd

Voting Nay: None

Absent: None

Alderman Kidd moved, seconded by Alderman Stahler to approve going into Executive session to discuss Personnel issues, all Departments.

A vote was called for with the following results:

Voting Yea: Stahler, Lafontaine and Kidd

Voting Nay: None

Absent: None

With no positive or negative action taken, Alderman Lafontaine moved, seconded by Alderman Kidd to come out of Executive session.

A vote was called for with the following results:

Voting Yea: Stahler, Lafontaine and Kidd

Voting Nay: None

Absent: None

AMENDED BUDGET: FY 09/30/2011

Re: Discussion post Executive Session by City Attorney

Alderman Lafontaine moved, seconded by Alderman Kidd to **TABLE** the 09/30/2011 Amended Budget.

Mr. Yarborough said, "We have some personnel numbers that are going to be run and this issue will be tabled until tomorrow night, when we will have the exact figures together with other items for consideration, so we will table this until tomorrow night, and it will be taken up at our 6:30 regular meeting; the same place 6:30 tomorrow night." (At this time Mayor Pro-Tem Geoffrey roll called the vote).

A vote was called for with the following results:

Voting Yea: Stahler, Lafontaine and Kidd

Voting Nay: None

Absent: None

POLICE DEPARTMENT/PERSONNEL

Re: Name Mayor's appointment of Police Chief

Alderman Kidd moved, seconded by Alderman Stahler to **TABLE** approval of Mayor's appointment of Police Chief.

A vote was called for with the following results:

Voting Yea: Stahler, Lafontaine and Kidd

Voting Nay: None

Absent: None

POLICE DEPARTMENT/INTERLOCAL AGREEMENT/HANCOCK COUNTY/CONTRACTS

Re: Interlocal Cooperation Agreement with Hancock County for Police Protection

Alderman Kidd moved, seconded by Alderman Stahler to table the proposed Interlocal Cooperation Agreement for submittal to Hancock County, Mississippi for Police Protection Services and other purposes for the term of August 16, 2011 through September 30, 2012.

A vote was called for with the following results:

Voting Yea: Stahler, Geoffrey, Lafontaine and Kidd

Voting Nay: None

Absent: None

ADJOURN

Re: Adjourn at 7:42 p.m.

Alderman Lafontaine moved, seconded by Alderman Stahler to adjourn the meeting at 7:42 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 September 21, 2011.

Lisa B. Planchard
City Clerk

The Minutes of July 14, 2011 have been read and approved by me on this, the 21st day of September, 2011.

David A. Garcia
Mayor

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