

The Board of Mayor and Aldermen of the City of Waveland, Mississippi, met in special session at the City of Waveland Complex at 407 Highway 90, Unit D on August 26, 2011 at 12:50 p.m., to take action on the following matters of city business.

Present at the meeting were Mayor Garcia and Aldermen Stahler, Geoffrey, Lafontaine (via telephone) and Kidd.

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

#### **ROLL CALL**

**Re: Mayor Garcia asked for a roll call to identify the presence of each Alderman**

Mayor Garcia called roll call:

Stahler : Present

Geoffrey: Present

Lafontaine: Present (via telephone)

Kidd: Present

Upon roll call, Mayor Garcia asked to let the record reflect that all of the Aldermen are present including Alderman Lafontaine, whose participation is provided in Open meetings law by telephone.

#### **BUDGET FY 2011**

**Re: Mayor's opening statement regarding the State of the City**

Mayor Garcia said that last week the City of Waveland adopted its amended budget for the current 9/30/2011 fiscal year, which is still showing the City of Waveland \$981,000.00 in the red. The Mayor said he received a phone call from the Office of the State Auditor and as of today, he, the City Clerk Lisa Planchard and City Attorney Gary Yarborough have been in discussions with the State of Mississippi Department of Audit. The Mayor said that he and City Attorney Gary Yarborough would be traveling to Jackson, Mississippi Monday (August 29, 2011) to meet with representatives of the Office of the State Auditor. The Mayor said the City is now operating under the recommendations of the Office of State Auditor. The Mayor said the City has to lower the salaries and current expenses to an estimated \$222,000.00 per month (the approximate amount of revenue the City is currently taking in each month), which should include payroll and operating supplies. Mayor Garcia asked to move forward with the agenda. Alderman Stahler asked if the Board would be presented with the issues one at a time or would the Mayor present the Board with what is going on. The Mayor said the plan was to lower expenditures to \$222,000.00 a month or less. If the revenue is less next month, then the expenditures would be reduced again. Mayor Garcia said from today forward, all City employees would be furloughed with the exception of the essential employees. The Mayor said through evaluating utility and building department employees via brief interviews and in an effort to consolidate and because Ms. Janita Cole knows the job duties of both offices, she will remain covering those offices and assisting in accepting court fines.

#### **PERSONNEL/PUBLIC WORKS/BUILDING DEPARTMENT**

**Re: Move Ms. Janita Cole from the Building Department to the Public Works Department**

Alderman Stahler moved, seconded by Alderman Geoffrey to transfer Janita Cole from Building Department to Utility Department.

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**Special Meeting of August 26, 2011**  
**12:50 P.M.**

Alderman Kidd asked about the number given by the State Auditors and asked about the who provided the calculations to get to this figure. The Mayor said the \$222,000 is coming off sales tax, ad valorem, and County Road and Bridge for what we expect to receive this month. Mrs. Planchard said this is an approximate number and what is being said is that expenditures will not exceed the revenues. Mr. Yarborough said the aim of the furloughs, regardless of the amount of savings, is to save as much money as possible and to not spend any more than necessary. Alderman Kidd asked of the time frame involving the furloughs as it relates to management of the City. Mr. Yarborough said for right now, everyone has been furloughed until at least this coming Tuesday, however it may be an indefinite time until the revenues exceed the expenditures, which may be until October 1, 2011 or later. Alderman Stahler questioned the amount of employees that will be present to run the City. Mayor Garcia said there will be one Firefighter on duty to run each shift, one Police Officer on duty per shift, a total of 4 employees for Public Works, including Streets and Utilities. The Mayor further added that he would be working, as well as the City Clerk, the Mayor's Secretary next door, and the Comptroller will be furloughed on the days that he is not needed. Human Resources will be furloughed on the days that she is not needed, as is the same with Purchasing/Accounts Payable Clerk, and Court is being furloughed until sometime in October or November 2011. Alderman Stahler asked if the City could be run like this. Mayor Garcia said yes, it will be tough. Alderman Kidd asked about the dollar amount and keeping this amount of people. Mayor Garcia said the dollar amount would change from month to month. Right now the City is looking at \$222,000.00 per month, if the totals are less, than somebody else will get furloughed a day or two next month. He said that it is not a secret that the City is owed millions of dollars by FEMA. For example, the General Fund has paid for the Pier (by the previous Administration) in the amount of \$1,000,000.00; he said with that being said, in order to receive the money owed to the City, a payment in the amount of approximately \$130,000.00 would have to be made to receive this refund. It will then take over 6 months to close this project out to get the money back because once the project is closed this goes into the 'million-dollar queue' in Washington D.C. The Mayor said that he and the City Attorney have been in Washington DC to work on getting the \$1.4 million dollars back (regarding a current pending appeal) that has been paid out. Yesterday, Senator Cochran sent two staff members to Waveland to drive around and observe the City with the Mayor, however the Mayor said that because he had to be in Federal Court for a deposition for a law suit against him for an issue prior to his becoming the Mayor, this was cut short. Again, the City is owed money by FEMA. Alderman Kidd asked if the Sheriff's Department would be helping. The Mayor said that he thought so and turned the floor over to Sheriff Steve Garber. Sheriff Garber said somehow the City has to get organized on it's money, there will be one Police Officer on duty and the County will back that officer up as they always have. The Sheriff gave an overview of a few cases that have been handled in the City by the SO. Former Police Chief (county Investigator) Kenny Hurt said that he is still here for no pay, working with the Police Department. The Mayor asked for clarification on that statement. Investigator Hurt, noted that Sheriff Garber allowed him to retain his position with the County; this way his City salary he was provided in the Police Chief position can go back into the budget. He said they will do what has to be done to maintain a Police Department. Alderman Lafontaine stated the same concern as Alderman Stahler regarding the running of the City with just a few employees. The Mayor said he feels comfortable in saying that with the Sheriff's Deputies on duty supporting the City; it will work because of the brotherhood among the Law Enforcement Community. Alderman Lafontaine thanked Sheriff Garber for the support, but has concerns about other Departments as well. He asked the Mayor if there will be any "light shed" during the meetings in Jackson on Monday? The Mayor said that he could not say at this time. Alderman Kidd said that he is not in this for the money and asked if he could surrender his pay. Aldermen Lafontaine and Stahler agreed to this as well. Mayor Garcia asked if they could move to make this a motion. Alderman Kidd asked if there were other city employees that would be willing to offer their salary? Mayor Garcia explained his pay cuts since taking office and could not afford another cut, he also explained that the General Government salaries took a pay cut last week, basically about 8 employees. Mr. Yarborough said, "What we noticed was a general discussion of budget and motion to raise that, so we don't have to amend the agenda, whatever action the Board decides today, based on the budget, they can make a motion." The Mayor asked for clarification of the motions. Mr. Yarborough provided clarification of the motion on the floor.

A vote was called for with the following results:

Voting Yea: Stahler, Geoffrey, Lafontaine and Kidd

Voting Nay: None

Absent: None

**CITY HALL/PERSONNEL**

**Re: Board Rescind their salaries for remainder of FY2011**

Alderman Kidd moved, seconded by Alderman Lafontaine to approve the Board rescinding their salary through the remainder of the Fiscal Year, 09/30/2011.

A vote was called for with the following results:

Voting Yea: Stahler, Geoffrey, Lafontaine and Kidd

Voting Nay: None

Absent: None

**RECREATION FUND/LIBRARY FUND/TAX REVENUES/BUDGET**

**Re: Authorize use of Recreation Fund and Library Fund Tax Revenues to pay Municipal Operation costs**

Alderman Kidd moved, seconded by Alderman Geoffrey to authorize use of recreation fund and library fund tax revenues to assist in paying current Municipal operating costs.

During discussion, The Mayor said this had been discussed with the State Auditor's Office; the funds can be borrowed from that account and can be transferred back when the funds come in after October. Alderman Stahler asked the City Attorney questioned the funds. Mr. Yarborough asked Mr. Worrel, "Hey Tom, if you can just indicate to the Board how much money we have in those funds?" Mr. Worrel said, "In the Parks and Recreation Fund, the balance is \$560,662.69. In the Library Fund, it's \$34,625.36." Yarborough asked Worrel, "How much does the City have liquid in its accounts, whatever they're made up of?" Mr. Worrel said, "In the, Uh, I don't have that information with me." Mr. Yarborough said, "Recreation Fund, we typically get \$25,000.00 a month, um for tax money into that fund that is based on General Millage, that's uh, paid by citizens, the Library Fund is likewise General Tax money that we get monthly. What is the amount of that one Tom?" Mr. Worrel said "Um, yea, I'm, I, I don't know, it's a um, maybe \$6,000.00 a month." Alderman Kidd asked for the dollar amount on the Library. Mr. Worrel said, "The Library is, the balance is \$34,625.36." There was discussion on the clarification of the question between the Mayor, Alderman Stahler and Alderman Kidd. Mr. Worrel said about the parks and recreation was "\$560,662.69." Alderman Stahler said "And the General Fund, we don't what's in that right now, were transferring these to the General Fund and what's in the General Fund?" Mr. Worrel said "The General Fund is currently overdrawn, I don't know how, I, I can't give you a figure, it's at least \$500,000.00. Alderman Stahler said "Its \$500,000.00 overdrawn?" Mr. Yarborough asked if we could have a moment for the Board to consider litigation related to personnel in all Departments, if someone could take up a motion to consider it." Mayor Garcia said, "Executive Session, based on that.

**EXECUTIVE SESSION**

**Re: Personnel issues in all Departments**

Alderman Kidd moved, seconded by Alderman Geoffrey to consider going into Executive Session to consider litigation related to personnel issues in all Departments.

A vote was called for with the following results:

Voting Yea: Stahler, Geoffrey, Lafontaine and Kidd

Voting Nay: None

Absent: None

Alderman Stahler moved, seconded by Alderman Geoffrey to enter Executive Session to consider litigation related to personnel issues in all Departments.

A vote was called for with the following results:

Voting Yea: Stahler, Geoffrey, Lafontaine and Kidd

Voting Nay: None

Absent: None

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

A vote was called for with the following results:

Voting Yea: Stahler, Geoffrey, Lafontaine and Kidd

Voting Nay: None

**RECREATION FUND/LIBRARY FUND/TAX REVENUES/BUDGET**

A vote was called for with the following results:

Voting Yea: Stahler, Geoffrey, Lafontaine and Kidd

Voting Nay: None

**ANIMAL SHELTER/BUDGET**

**Re: Animal Shelter contributions to assist in daily operational costs of Animal Shelter**

Alderman Geoffrey moved, seconded by Alderman Kidd to authorize Animal Shelter contributions (previously restricted and present) to assist in daily operations to sustain Animal Shelter operations, emergency purposes, as per conversation with Eddie Smith, Office of the State Auditor.

Mayor Garcia said that earlier in the morning, he met with the members of the "Friends of the Animal Shelter", to use the funds that were donated to the rebuilding of the Shelter. The Mayor said that he had also called the State Auditor's Office to ask if the funds (approximately \$60,000) could be used to operate the Animal Shelter. Mayor Garcia said the response was yes, but it could only be done by Board action, because these were restricted funds.

A vote was called for with the following results:

Voting Yea: Stahler, Geoffrey, Lafontaine and Kidd

Voting Nay: None

Absent: None

**REVENUES AND EXPENDITURES/GENERAL FUND**

**Re: Expenditures shall not exceed Revenues in the General Fund**

Alderman Stahler moved seconded by Alderman Kidd to enforce that Expenditures shall not exceed Revenues in the General Fund and thus produce net positive cash flow.

A vote was called for with the following results:

Voting Yea: Stahler, Geoffrey, Lafontaine and Kidd

Voting Nay: None

Absent: None

**CITY HALL/PUBLIC WORKS/POLICE DEPARTMENT/FIRE  
DEPARTMENT/PERSONNEL/ANIMAL SHELTER**

**Re: Implement a maximum 15% pay cut for all Departments**

Alderman Geoffrey moved, seconded by Alderman Stahler to implement a maximum 15% pay cut until September 1, 2011.

Alderman Stahler questioned the current deadline of the paycut of one week, ie. until September 1<sup>st</sup>. Mr. Yarborough said it would be from the date of this motion forward and would be revisited in 1 week.

A vote was called for with the following results:

Voting Yea: Stahler, Geoffrey, Lafontaine and Kidd

Voting Nay: None

Absent: None

**POLICE DEPARTMENT/PERSONNEL**

**Re: Resignation of Chief Kenny Hurt**

Alderman Stahler moved, seconded by Alderman Geoffrey to accept the resignation of Kenny Hurt as Police Chief, Mr. Hurt will revert to a Reserve Officer.

During discussion, Mayor Garcia said that he would like to thank Mr. Hurt for offering to resign to allow the funds to go back into the City's account.

A vote was called for with the following results:

Voting Yea: Stahler, Geoffrey, Lafontaine and Kidd

Voting Nay: None

Absent: None

**Re: Appointment of David Allen as Acting Police Chief**

Alderman Geoffrey moved, seconded by Alderman Kidd to appoint David Allen as acting Police Chief.

A vote was called for with the following results:

Voting Yea: Stahler, Geoffrey, Lafontaine and Kidd

Voting Nay: None

Absent: None

**Recess Meeting**

**Re: Recess meeting at 2:05 pm**

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Special Meeting of August 26, 2011  
12:50 P.M.

Alderman Geoffrey moved, seconded by Alderman Stahler to recess the meeting at 2:05 pm. until Tuesday August 30, 2011 at 6:30 pm at the Civic Center, to allow Mayor David Garcia and City Attorney Gary Yarborough to attend meetings in Jackson, Mississippi with the Office of the State Auditor.

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 23, 2011.

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Lisa B. Planchard  
City Clerk

The Minutes of August 26, 2011 have been read and approved by me on this, the 23<sup>rd</sup> day of September 2011.

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David A. Garcia, Mayor

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