

SPECIAL CALL MEETING AUGUST 29, 2017

Be it remembered that the Mayor and Board of Aldermen of the City of Ocean Springs met in a Special Call Meeting at City Hall in the City of Ocean Springs at 6:00 p.m. on August 29, 2017. Mayor Dobson presiding, Aldermen Cox, Gill, Authement, Bellman, Papania, Blackman, and Impey were present. Also present was City Clerk Shelly Ferguson and City Attorney Kevin Melchi.

The Mayor called the meeting to order.

The Special Call Meeting is for the purpose of any and all matters pertaining to accepting resignation of Joshua Drummond from the Planning Commission and to select another member to fill the vacant position; City of Ocean Springs 125th Anniversary of Incorporation; and the FY17-8 proposed budget.

Motion was made by Alderman Gill, seconded by Alderman Blackman and unanimously carried to accept the resignation of Joshua Drummond from the Planning Commission and select a new member to fill the vacant position. (Exhibit a)

Chic Cody came before the Board to discuss the 125th Anniversary of Incorporation Parade. Mr. Cody presented a summary of events to the Mayor and Board of Aldermen. Mr. Cody said they were not requesting to close any roads but to have a rolling road block due to other events previously scheduled in the downtown area. Mr. Cody said there will be a ceremony following the parade at the Community Center. (Exhibit b)

Motion was made by Alderman Impey, seconded by Alderman Papania and unanimously carried to appoint Elizabeth Feder-Hosey as the new member selected to fill the vacant position on the Planning Commission. (Exhibit a)

The City Clerk reviewed the procedure for adopting a budget with the Mayor and Board of Aldermen. She told the Mayor and Board that the meeting tonight is for the Boards review and no motions need to be made. The City Clerk further explained that a Public Hearing is held a week prior to adopting the budget and that the budget has to be adopted on or before September 15th. The City Clerk tentatively scheduled a Public Hearing for September 7th at 5:30 p.m. and adoption of the budget is tentatively scheduled for September 14th at 5:30 p.m.

The City Clerk gave a summary of the proposed budget for FY17-18.

The City Clerk started with the revenue side of the General Fund. She stated the ad valorem assessment increased to \$2 million dollars which equates to a \$40,000.00 increase. The City had a net gain of (8) new parcels for the year. She notified the Board that the Department of Revenue added a new gasoline tax for next year which is estimated at \$119,000.00. This tax is generated by the sales of gasoline at the gas stations. The utility franchise tax is down from what was projected. The county road taxes are less than anticipated. The Building permits have increased. Our local match from the county, which is what they allocate for Parks and Recreation, is up \$11,000.00 which comes to a sum of \$231,000.00 received from the county. Parks participation fees

are down. Police fines are down. The City finally received the balance from Hurricane Isaac which was \$15,000.00 less than the project worksheet stated they would be. The projected operating budget for next year is \$13,902,419.00 which includes a 2 mill ad valorem increase. The reason for the increase is because our revenue is down. The City Clerk said each department has decreased their budgets at or below what they were last year. The Finance Committee agrees to reinstate the 2 mills. There will be a request to increase the debt service 1 mill which will be a total increase of 3 mills.

The City Clerk presented the list of the departmental capital requests.

The City Clerk explained some of the expenses listed in the FY17-18 budget. The Mayor's department attorney fees are less this year than projected so the budget for next year was decreased. There was an allotment of \$100,000.00 added for annexation fees.

The Board of Aldermen had \$5000.00 in their ward capital improvement fund. The City Clerk said if there are any funds left that was not spent will remain in the budget for next year.

The City Clerk's department requested \$5000.00 to repair the fire pits on the beach. The fire pits are very popular and highly used by the citizens and are in need of repairs. Alderman Gill asked the city clerk to add \$5000.00 to the City Clerk's budget for a temporary employee to help throughout the year as needed.

Human Resources' is requesting a new copier for their office.

The Planning & Community Development Department budget has remained the same except CTA is requesting a \$4000.00 increase which would bring the Transit System budget up to \$64,000.00. The Mayor is in discussion with CTA about a possible shuttle plan for employees who work in the downtown area that take up valuable parking spots. Alderman Impey asked about the ridership numbers for CTA. The City Clerk said she was given a packet with all of that information and will forward it to him. The Planning Department purchased a plotter several years ago that has never operated properly. AGJ did get it working but the department has asked to leave the \$5,000.00 in their machinery and equipment line item for a few weeks in case the plotter stops working in which case they will have to purchase a new one.

The Building Department has asked to increase the tree removal and maintenance line item to \$25,000.00 to complete the Washington Avenue project. They have also asked for \$5,000.00 in their building improvements line item to complete the renovations to the building.

The Police Department budget for computer software support has increased because of the AGJ contract. The City Clerk looked at usage by each department and the police department uses 50% or more of the IT usage. The police department has also budgeted \$60,000.00 for (2) new vehicles.

The Court Department is also asking for a new copier and the Finance Committee recommends to increase hours for a warrants officers from 20 hours to 30 hours.

The Fire Department has had to repair a lot of their equipment this year. The budget for General Repairs and Maintenance started out pretty low but so far this year the fire department has spent \$72,000.00 in General Repairs and Maintenance. The Fire Chief has asked to put \$40,000.00 for next year. They have requested \$5,000.00 to paint the fire stations. He has also asked for a power unit for the Jaws of Life in the amount of \$14,500.00 to retrofit the unit he currently has instead of asking for \$30,000.00 to purchase a new unit.

The EOC Department has asked to put \$3000.00 in Travel Training Seminars for the EOC Director to go to the Hurricane Conference if he chooses to do so this year or in the case we have to open the EOC for an emergency.

Public Works Administration Department has budgeted for a Public Works Director and did not budget for an Assistant Director. Public Works asked for additional employees but the City was not able to accommodate that request this year. The Landscaping Budget was increased by \$6,000.00 in Materials and Supplies. The Street Department asked for \$60,000.00 for asphalt repairs, \$60,000.00 for sidewalk repairs and \$60,000.00 for concrete street panels. The Drainage Department's budget had an increase of \$50,000.00 to their Drainage Project line item due to the lack of the Pat Harrison Waterway District funding.

The Parks Department is requesting to purchase a piece of equipment for \$9000.00 to be used at Highway 57 Sportsplex. The City Clerk stated this piece of equipment can be purchased through the 2 % funds so she will be moving that money to the 2% fund.

The repairs to get the Taconi Building up to the Health Department standards came from the 2% funds. Any routine maintenance from this point forward will come out of the General Fund budget. The City Clerk said the rent collected for the use of the building will help offset these costs.

The City has spent a lot of money for repairs to the Mary C. last year. The City did not budget as much for repairs to the Mary C. next year but that may have to change if issues continue to arise.

The Porter Avenue sidewalk match for this year was \$40,000.00 and we had budgeted \$50,000.00 so this amount has been reduced.

The City Clerk reports the worker's comp had a reduction of \$26,000.00 this year which is reflected in the budget as well.

The projected ending balance for next year is \$296,317.00. This amount includes the 2 mill increase and deducting the \$9,000.00 that will be moved to the 2% fund for equipment in the Park's Department.

The Food and Beverage tax had an increase of \$60,000.00 this year. We are also going to be receiving \$20,000.00 from the Jackson County BOS to assist in the cost of Cruisin' the Coast.

The Economic Development where we give \$30,000.00 to the Ocean Springs Chamber of Commerce and any overtime expenditures for festivals is transferred to this line item from the General Fund.

The Highway 57 Sports Complex expenditures consists of a punch list of repairs that need to be made at all of the parks. The City Clerk said she budgets \$300,000.00 every year to cover the items on her punch list and this year she added an additional \$100,000.00 to purchase items requested by the Parks Director. Some of these items are to replace the lights at Alice Street, upgrades to Freedom Field, replace lights at Freedom Field, playground mulch and railing at Fort Maurepas, raise the infields at Highway 57, and (2) two pieces of equipment (1) is a John Deere TX Turf and an Argrimetal 4420 Vac. Alderman Cox talked about getting the MOU with the Seabee's to help stretch these funds as far as we can.

The Fire Department is requesting a Flat Bed Pumper Unit in order to use at festivals instead of using the large Ladder Fire Truck. He would like to put the pumper on his truck so he can maneuver easier and faster during festivals if needed. He will also need generators to run the truck during festivals. The cost for this equipment is \$24,000.00.

The Debt Service shows a reduction this year which is due to the reduction the City will receive this year for refinancing the bond.

The ending balance for the Food and Beverage Tax is \$459,951.00. This amount may change once we know where we are with the road at which time we can do a budget amendment to move that money.

The Water Department Fund for the revenue side of water. The City Clerk mentioned the City's ordinance which includes a 3% annual increase every year which is reflected in the budget. The Finance Committee and approved for the City Clerk to raise the reconnect fee from \$30.00 to \$40.00. The City Clerk stated by raising this fee by \$10.00 will generate \$20,000.00 of additional revenue.

The City Clerk did reduce the cost for water meters and replacement by \$20,000.00. The Water System Improvements line item was increased from \$280,000.00 to \$350,000.00.

The Sewer Department Fund revenue side shows a reimbursement of \$600,099.00 for the Section 592 Sewer Grant which we do anticipate reimbursement before September 30th. The City Clerk stated that due to the increased expenses in sewer she is requesting a 6% increase to the sewer department billing fees.

The ending balance for sewer is \$105,996.00 and water's ending balance is \$787,077.00. Between these two the City has a reserve of approximately \$900,000.00.

The Debt Service Fund major projects we would like to endeavor this year are purchasing new accounting and utility billing software for \$200,000.00 and replace the Windstream phone system. We have received an estimated cost of \$176,000.00 to replace the hardware alone. Once the hardware is replaced our phone bill should decrease significantly. The Police Department is requesting a police car and body camera system at a cost of \$350,000.00. Roof repairs need to be completed on several city buildings.

The Planning and Grants Administrator is working on a grant for the roof at the library. The City Hall and Dewey Substation roofs need to be repaired and if a grant is not received the Library roof will need to be included as well. The City Clerk said we will need to assess all other city building roofs to see if any additional buildings need roof repairs. The City Clerk stated that because of these major expenditures our current debt service millage will not cover those payments. The City Clerk is asking for an annual increase of (1) one mill in order to cover all of these projects.

The Special Revenue Fund tourism hotel tax has grown over the last several years. This year will receive \$40,000.00. There was a previous motion made that the Chamber of Commerce would receive all of the hotel tax. The Chamber used to receive \$25,000.00 but because we have been doing so well we were giving them \$35,000.00. The City Clerk is requesting to set a limit of \$30,000.00 and we can use the other \$10,000.00 for Economic Development to help with annexation fees. The Chamber also received \$30,000.00 from our 2% funds which is a total of \$60,000.00 the Chamber will receive from the City this year. The City has 1.01 mill dedicated to the library. We give the library \$135,000.00 per year toward operating expenses. The City uses the balance for building insurance and repairs and maintenance to our building.

The Municipal Reserve Fund also called the Emergency Fund currently has a balance of \$900,527.00. Our goal is to grow this fund to a balance of 1.3 million. This fund is for the City to have 50% operating funds in case of an emergency.

The Fire Rebate Fund is insurance money we receive from the state based on our fire rating. The Fire Chief is looking to purchase a new fire truck with the rebate money. He is currently waiting to get a price on a couple of trucks that they have looked at. The City Clerk said the cost of a new fire truck runs \$400,000.00 to \$420,000.00 with no bells and whistles. The City Clerk would like to purchase (2) two new trucks this year, however due to our good fire rating our money was decreased. The better the rating the less money you receive. The City Clerk said we will definitely buy (1) new fire truck but hoping to purchase (2) two.

The Forfeiture Fund is a floating number. The Police Chief would like to purchase new vehicles with these funds. The City Clerk budgets a base on \$50,000.00 but also said no purchases are made until funds are received.

The Garbage Fund is money we collect from the customer to pay WastePro and salaries to our employees. No increase requested in the garbage account at this time.

Motion made by Alderman Cox, seconded by Alderman Authement and unanimously carried to adjourn the Special Call Meeting.

Meeting ended at 7:10 p.m.

City Clerk

Mayor

Date

Date

**CITY OF OCEAN SPRINGS
COUNTY OF JACKSON
STATE OF MISSISSIPPI**

Call for a Special Meeting of the Mayor and Board of Aldermen of the City of Ocean Springs, Mississippi.

From: Mayor Dobson

To: Aldermen Cox, Gill, Authement, Bellman, Papania, Blackman, and Impey

You are hereby notified that a Special Call Meeting is called to meet at City Hall at **6:00 p.m., Tuesday, August 29, 2017.**

THE OBJECT OF THE MEETING IS AS FOLLOWS:

Any and all matters pertaining to:

- a) Accept resignation of Joshua Drummond from the Planning Commission; select another member to fill the vacant position (Exhibit a)
- b) Any and all matters pertaining to City of Ocean Springs 125th Anniversary of Incorporation (Exhibit b)
- c) FY17-18 Proposed Budget



Shea Dobson
Shea Dobson, Mayor

ATTEST:



Shelly Ferguson
Shelly Ferguson
City Clerk