

SPECIAL CALL MEETING AUGUST 12, 2019

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 5:30 p.m. on August 12, 2019. The Mayor presiding, Aldermen Gill, Authement, Bellman, Cox, Papania, Blackman and Impey were present. Also present were Deputy City Clerk Vicky Hupe and City Attorney Kevin Melchi. City Clerk Patty Gaston joined the meeting at 5:41 p.m.

Let the minutes reflect that proper notice of the meeting was provided to all Aldermen via email and that the notice was posted at City Hall and online within one hour of the meeting being called.

The Mayor called the meeting to order.

The Special Call Meeting is for the purpose of any and all matters pertaining to BCBS Renewal Options by John Lockard; discussion of Fire Chief interviews; discussion of Finance Committee; and a preliminary budget overview.

Motion was made by Alderman Cox to nominate Aldermen Impey, Blackman and Bellman to the Finance Committee. Following discussion, motion was withdrawn by Alderman Cox. Motion was made by Alderman Cox, seconded by Alderman Blackman and unanimously carried to appoint Aldermen Impey, Blackman and Authement to the Finance Committee.

John Lockard with Lockard & Williams Insurance presented the updated annual Blue Cross Blue Shield (BCBS) renewal options (Exhibit a). He said he did receive an alternate quote from United Healthcare and then he contacted Blue Cross Blue Shield (BCBS) to see if the 20% increase would be the best offer they could give the city. They responded that if the August claims were lower, they could possibly adjust the increase minimally but we are not able to wait since those numbers would not be available until early September. He reviewed our current plan, four plan options from BCBS and the United Healthcare option which is an 11.59% increase over the current policy but offers the most coverage for the lowest cost. He stated that he will need to come back in a month or two to finalize the wellness plan program for employees. He feels that the employees cost share for those that do not partake in the wellness program needs to be increased to encourage more participation. He then said that UHC.com could be reviewed for local providers. The Human Resources Director said that a decision needs to be made tonight for the carrier and recommended that employee cost share would increase to \$75 a month for employees not participating in the wellness plan and would remain \$25 a month for employees that do participate. Motion was made by Alderman Blackman, seconded by Alderman Gill and unanimously carried to sign up with United Healthcare per the quote with the employee cost share as \$75 monthly for those that are noncompliant with the wellness program and \$25 monthly for those that comply.

The City Clerk spoke about the preliminary budget process. She handed out information regarding increasing the millage and said if a millage increase may happen, a decision needs to be made to meet the deadline for the newspaper advertisement before August 21st. The City Attorney explained that an increase could be advertised but a decision does not have to be made until the public hearing. She said that looking at the budget and the numbers from last year, that payroll has changed, PERS increased, and health insurance is increasing which totals approximately \$500,000 in increases. She said the handout shows that Ocean Springs tax payers pay less than Moss Point, Pascagoula or Gautier in taxes; with most of our taxes going to the school system. She explained that adding 2 mills to a home valued at \$250,000.00 would increase the homeowner's tax bill by \$50.00 per year. This would generate approximately \$356,768.00 of needed funds. She explained that if 3 mills were added, the 3rd mill would be for debt millage; which would increase the homeowner's tax bill by \$75.00 per year for a home valued at \$250,000.00. She also said that the FY18-19 Audit has been completed and just delivered to her office for review. The auditors will present the findings at the board meeting next week. Alderman Gill asked her about the budget process, if she had anything ready for the Board, and when does she plan to meet with the entire Board to present the budget. She replied that she does not have anything ready yet but would possibly have something ready for Monday. He asked if he could sit in on the Finance Committee meetings. The City Attorney said it is an open meeting and that he would look into other Aldermen attending. The City Clerk said that the new accounting system has delayed the process and she is working on the ending balance. Alderman Cox said that rather than increasing the millage the waste needs to be cut. He saw inmates working in D'Iberville on the roads and asked if that is an option for Ocean Springs. The Mayor said he was speaking with MS Department of Corrections today and they said they currently do not have enough inmates to send to Ocean Springs. Alderman Bellman asked about the senior discount on home taxes on the first \$75,000.00 of value, if the city recovers any funds from those discounts. She replied that she is not aware of the senior citizen discount being reimbursed but the homestead deduction is to be reimbursed by the state but we have not received the total amount. She ended saying that there is enough in budget to operate day to day but not for needed maintenance and any additional needs.

Alderman Blackman asked the City Attorney when the Food & Beverage 2% Tax will end. He responded that it expires when the last payment is made to the bond from which it came from, approximately 2032. Alderman Blackman then said this is an out of the box idea but asked if the 2% Food & Beverage Tax could be replaced with a 1% increase across all purchases. The City Clerk said that the city receives 18% of the current 7% sales tax from the state. Alderman Cox said that the purpose of the 2% tax was to have tourists pay the majority. Alderman Impey said that residents would be able to circumvent a 1% the tax by going just outside of city lines to shop at other big box stores. Alderman Impey said there was a bill last year in state legislature to return the city's percentage back to 20% over a 3 year period, which unfortunately didn't pass.

Motion was made by Alderman Cox, seconded by Alderman Gill and unanimously carried to go into closed session to determine the necessity of going into executive session.

Motion was made by Alderman Cox, seconded by Alderman Authement and unanimously carried to remain in executive session to discuss the interviews for the Fire Chief position.

Motion was made by Alderman Impey, seconded by Alderman Blackman and unanimously carried to come out of executive session.

Motion made by Alderman Gill, seconded by Alderman Impey and unanimously carried to adjourn the Special Call meeting.

The meeting ended at 7:00 p.m.

Bethy Maston
City Clerk

September 3, 2019
Date

Ann Olson
Mayor

September 3, 2019
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

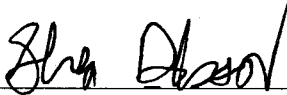
To: Aldermen Cox, Gill, Authement, Bellman, Papania, Blackman, and Impey

You are hereby notified that a Special Call Meeting is called to meet at City Hall at **5:30 p.m., Monday, August 12, 2019.**

THE OBJECT OF THE MEETING IS AS FOLLOWS:

Any and all matters pertaining to:

- a) BCBS Renewal Options – John Lockard
- b) Discussion of Fire Chief interviews
- c) Discussion of Finance Committee
- d) Preliminary Budget Overview



Shea Dobson, Mayor

ATTEST:



Patty Gaston, City Clerk