

FINANCE MEETING
March 13, 2014

The Finance Meeting of the City of Natchez met in the Council Chambers on Thursday, March 13, 2014, at 9:30 a.m.

PRESENT: Mayor Butch Brown

Alderman Sarah Carter Smith	Ward 3
Alderman Tony Fields	Ward 4
Alderman Mark Fortenbery	Ward 5
Alderman Dan Dillard	Ward 6

ABSENT: Alderman Joyce Arceneaux-Mathis Ward 1
Alderman Rickey Gray Ward 2

ALSO PRESENT: City Clerk Donnie Holloway
City Attorney Hyde Carby
Temple Hendricks, Board Secretary
Ed Bowser
James Johnston

James Johnston, Planning Department

Mr. Johnston reported, regarding the execution of Memorandum of Agreement w/MDAH for the Auburn Kitchen Dependency Restoration, the grant totaled \$157,688.00 and the local match totaled \$47,101.00 for a total project budget of \$204,789.00. He reminded the BOA that the city had originally applied for \$271,700.00 with \$80,000.00 in local matching funds (\$7,500.00 from Auburn). Because MDAH did not award the full amount requested and the grant award would not address all the needed repairs at Auburn, the Auburn board requested the city to still provide the entire amount originally budgeted.

Mr. Johnston advised that a motion would be required approving execution of the Memorandum of Agreement.

In addition, MDAH required the execution and recording of a Preservation and Maintenance Covenant for a 25 year period. Motions would be needed approving the execution of the covenant and to approve the execution and recording of the required Preservation and Maintenance Covenant.

The Planning Department had worked with Britton & Koontz Bank and Concordia Bank & Trust to prepare and submit 21 applications for funding consideration. All 21 received funding from the Federal Home Loan Bank. The average amount expended on each home was \$4,740.00, with most of the work consisting of roof replacement. Participating homeowners were from Wards 1, 2, 4 and 5 and total investment for the 2014 SNAP Program totaled \$105,137.00.

For the 2013 SNAP Program, the city had also worked with B&K and CB&T and assisted 19 eligible homeowners. Investment for the 2013 SNAP Program totaled \$95,245.00.

For the two years the city has participated in the SNAP Program 40 eligible homeowners have received assisted and \$200,382.00 has been invested in the community.

Mayor Brown advised that he had a letter from a citizen that had sewage back up into her house. She was told if between meter and house, she would need to pay the plumber's bill. It turned out that the problem was not on her line after the lady had paid an almost \$2,000.00 bill. When she asked for reimbursement, NWW denied. Engineering is now reviewing. The point in mentioning this was the NLC has established a program with an insurance policy where they come into a community and do an assessment of infrastructure such as sewer lines—anything not covered by NWW would be covered by the NLC group. Mayor Brown had invited them to come to Natchez for a presentation.

Mayor Brown and Alderman Arceneaux-Mathis met with Clarence Anthony of the NLC to see about the city hosting smaller constituency groups particularly during the Tricentennial. The city also asked about establishing an award for the cleanest/best developed Martin Luther King Street in America.

Last week Mayor Brown had spoken with Darryl Grennell, BOS, and reminded him that two or three pieces of unfinished business needed to be addressed--one is a fire agreement with components that haven't been met such as a new fire truck, breakout equipment, reduction of calls by the city into the county (which are currently increasing, not decreasing)-there are penalties associated with not meeting those benchmarks.

Regarding recreation-Supervisor Grennell said that there'd not been a presentation by the Recreation Committee to the BOS. Mayor Brown said that he was under the impression that a consensus had been reached on redevelopment of Duncan Park, the use of school lands for soccer and softball and additional land to house a pool at Liberty Park. The Recreation Commission is to meet with the BOS on March 17th to address.

Ed Bowser, IT Department

Mr. Bowser said that he'd been looking at a hosted exchange/e-mail server for city employees. A contract had been negotiated with BCI and he would be asking for a motion to execute the contract.

Mayor Brown had attended a meeting with a NLC a group which sponsored after school tutoring, etc.--he's getting more info. Mayor Brown said he mentioned as the city is working with Charlie McVean from Memphis regarding his Peer Power learning program for high school at risk students. He asked the BOA to contact the Mayor's office if they'd like to attend the one day affair.

Alderman Dillard said that he'd received and reviewed the bank statements that had been obtained by the city attorney:

On 10/18/13 \$67,808.00 was transferred from payroll to the Isaac fund. Why did the Clerk or Assistant Clerk transfer money from payroll to a fund that wasn't budgeted and shouldn't exist, for a hurricane that happened two years ago?

10/31/14 \$27,000.00 was transferred from Isaac fund to MM MDAH reroofing. Why would the Clerk or Assistant Clerk transfer money from a fund that was not budgeted and shouldn't exist to a fund that also wasn't budgeted?

10/31/13 \$150,000.00 was transferred from Capital Improvements to the General Fund for payroll. Why did the Clerk or Assistant Clerk transfer money from Capital Improvements to the General Fund to make payroll which has its own fund?

11/14/13 \$114,000.00 was transferred from the Casino Fund to Payroll to make payroll. This fund is restricted so some discussion would need to be held with BOA on why a transfer would be made without first getting BOA approval.

1/6/14 \$10,900.00 was transferred from Isaac fund, which wasn't budgeted and shouldn't exist, to Gustav fund, which wasn't budgeted and shouldn't exist, to pay MM reroofing, which wasn't budgeted. As of 2/28/14 the Isaac fund had a balance of \$29,000.00.

He asked that his concerns and notes be spread on the minutes.

Mayor Brown said regarding the \$100,000.00 for the colonnades, he wasn't sure why it would be deposited into Capital Improvements but the \$100,000 was sent to the CVB for making capital improvements/repairs to the colonnades. Alderman Dillard asked why in capital improvement and not in colonnades as the colonnades as its own fund.

Mr. Holloway said on the casino transfer- it was a loan not a transfer. Mayor Brown said that there is a significant difference between a transfer and an interfund loan. Alderman Dillard agreed stating that if an interfund loan isn't paid back, it becomes a transfer.

Alderman Dillard asked Mr. Holloway why \$67,000.00 was transferred from payroll to Isaac—Mr. Holloway said the city was paying Isaac fund back. Alderman Dillard advised that Isaac happened two years ago and asked, as a special revenue fund, why would payroll be paid out of this fund? Mr. Holloway said FEMA and MEMA had performed audits and the funds were due to the city for cleanup payroll. All was put into one account to make it easier for the state and feds to audit. Alderman Dillard asked, as two years ago, why is the city still reconciling the account? Mr. Holloway said his department isn't reconciling but he was holding onto the money in case the city needed it and the city needed it.

Alderman Dillard asked why the City Clerk was transferring money from Isaac to MM reroofing. Mr. Holloway said that the city had received a bill for \$27,000.00; the city wasn't receiving any funds from MDAH until repairs were complete. Mayor Brown clarified that Mr. Holloway was making an interfund loan from Isaac to repair MM's roof. Only after the repairs are made can a bill be submitted to MDAH for payment regardless of when the incident occurred. Alderman Dillard advised that MM's reroofing was not budgeted this year—Mr. Holloway stated that MM construction was budgeted.

Alderman Dillard asked as a \$10,900.00 transfer for Isaac, which was two years ago, to Gustav, which was six years ago—so is the city still trying to collect money from the federal government? Mr. Holloway said not trying to collect but he kept money separate in the event the city needed the money or an emergency came up.

Alderman Dillard said the information he has from the monthly reports is fraudulent and he can only get correct information from the bank statements.

Mr. Holloway advised that the transfer of \$ 175,182.00 from capital improvements to the Regional Transit Facility was approved by the BOA. Alderman Dillard asked Mr. Holloway to look at his budget. Mr. Holloway said that he'd pull the minutes to show that was approved for an overrun. Alderman Dillard stated that Mr. Holloway had originally told him \$175,000 was for the match and now he's saying for an overrun. Mayor Brown said that about the time that the current BOA took office, the transit center came in \$1M over budget so an additional 20% match was required. Mayor Brown reminded the BOA that they had approved the additional expenditure and the city had to come up with the \$175,000.00 match. Alderman Dillard said that he wasn't speaking about the match but the question was that it was in the last fiscal year budget and not in this fiscal budget—Mayor Brown said the budget was modified when they added the match to go with the new \$1M price increase.

A motion was made by Alderman Fields to close the Finance meeting to make a determination that a valid reason existed to go into Executive Session. A second was made by Alderwoman Carter Smith. The motion carried unanimously.

Mr. Carby advised that it had been determined that a valid reason existed to go into Execution Session which was the discussion of the performance of a Recreation Department employee, a CVB employee and two Police Department employees.

A motion was made by Alderman Fields, seconded by Alderman Dillard, to go into Executive Session. The motion carried unanimously.

A motion was made by Alderman Fields to remain in Executive Session to discuss performance of a Recreation Department employee, CVB employee and two Police Department employees. Alderman Fortenbery seconded the motion which carried unanimously.

After meeting in Executive Session, Alderwoman Carter Smith made the motion to go out of Executive Session and adjourn to the Regular Meeting of the Board of Aldermen. Alderman Dillard seconded the motion which carried unanimously.

Larry L. "Butch" Brown, Mayor

Attest:

Donnie Holloway, City Clerk