

The Mayor and Board of Aldermen of the City of Hernando met in recessed session at City Hall on Tuesday, September 11, 2012 at 6:00 P.M. with Mayor Chip Johnson presiding. Aldermen present were: Sam Lauderdale, Sonny Bryant, Andrew Miller, Gary Higdon, Jamie Tipton, Marcus Manning, and Jeff Hobbs. Alderman Manning arrived late.

Also present for the meeting were: City Clerk Katie Subia, City Attorney Kenny Stockton, Henry Bailey, and Carl Dhority.

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### INVOCATION

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Alderman Miller gave the invocation.

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### APPROVAL OF AGENDA

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Motion was duly made by Alderman Lauderdale, and seconded by Alderman Hobbs to approve the agenda as presented. A vote was taken with the following results:

Those voting "Aye": Alderman Lauderdale, Alderman Bryant, Alderman Miller, Alderman Higdon, Alderman Tipton, and Alderman Hobbs.

Those voting "Nay": None.

ORDERED AND DONE this the 11<sup>th</sup> day of September 2012.

Agenda  
City of Hernando  
Mayor and Board of Alderman  
Recessed Meeting

September 11, 2012

6:00pm

- 1) Meeting called to order
- 2) Invocation
- 3) Approve Agenda
- 4) Adopt the Budget and Set the Millage FYE 2013
- 5) Adjourn

**ADOPT THE BUDGET AND SET THE MILLAGE FYE 2013**

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Alderman Miller - Did we change any dollar amounts in the original Parks budget?

Mayor Johnson - We did not have baseball grass cutting in the original budget, we did not have baseball in that budget at all. So it didn't change that at all. What we did was add \$25,200 to the park maintenance contract, to contract out that grass cutting.

Alderman Miller – So we actually added to the budget, instead of taking away?

Mayor Johnson – We did.

Alderman Miller – I think that is significant. We talk about the savings, we need to talk about the additions too.

Mayor Johnson – The \$81,000, the Parks Committee had asked Dewayne to spell out and show how much it would cost if we were to do it ourselves.

Alderman Higdon – That is correct.

Mayor Johnson – One of the major changes is baseball revenue. It is our best estimate based on Dewayne's conversation with Danny Phillips, who used to run the ball park.

Alderman Miller – Another thing, we are going to buy two lawn mowers at \$30,000 a piece. Our lawn mowers that we currently have, do we need to buy two brand new lawn mowers at this time?

Mayor Johnson – They are \$15,000 a piece, about, for the zero turn. They are not \$30,000 a piece.

Alderman Miller – But do we need to buy two brand new mowers at this time since we are not going to be doing the grass cutting? Also, do we still need to buy \$12000 in weed eaters, when we have weed eaters now? Is our equipment in that bad of shape that we need to buy all of that equipment in this budget year?

Mayor Johnson – It's \$1200 not \$12000. Dewayne can you describe the state of lawn mowers, the ages, and our weed eaters.

Dewayne Williams – They are all about 4 to 5 years old, and they have a lot of hard hours on them. We are putting them in the shop to be maintained and repaired more, \$1100 and \$1200 to repair a lawn mower. It's time for it to be replaced.

Alderman Miller – I don't want to know about the age, my concern is the condition. Do we have bills and things that say the maintenance cost, and that they are not worthy of being used again? We said that we are hiring another person to do our maintenance work for us, because the equipment is 5 years old, grass cutting equipment is not old, age wise.

Mayor Johnson – There are a lot of hours on them.

Alderman Hobbs – How many hours are on them, on each lawn mower?

Dewayne Williams - I don't know exactly what hours are on them.

Alderman Hobbs – They have hour meters on them.

Dewayne Williams – I don't know what hours are on them, but they have a lot of hard hours on them. They are not used for residential cutting. And just from depreciation and the longevity of the mower, they give you about 4 to 5 years. We have had our mowers that long and some even longer.

Mayor Johnson – We can look back on our records and find bills.

Alderman Miller – Regardless of the age, are the lawn mowers running and are they capable of running this season?

Dewayne Williams – They can run with us fixing them and doing costly repairs on them.

Alderman Miller - Do we have a cost factor, a repair list that shows how much?

Dewayne Williams – Katie can print a report.

Alderman Miller – I don't mind approving it in the budget, but to just go out and buy them and we still have time on the others, that's something I don't want to do.

Mayor Johnson – We can easily give the Board justification before we go and buy them.

Alderman Hobbs – Who do we typically get to work on them?

Alderman Miller – They have a man in house.

Mayor Johnson – Once they go into the engine though, he's not going to dig into that. When they rebuild the engine, they usually go to Reliable Equipment.

Alderman Hobbs – That's between \$3000 and \$4000 a piece to rebuild. That's if you don't have any head work. Can we get a second opinion before we go buy one?

Mayor Johnson – Yes. We weren't going to just go buy any tomorrow.

Alderman Tipton – We have \$2500 in weed eaters, in the Litter department, and blowers. Then we have \$1200 in capital improvement for weed eaters. That's \$3700 for weed eaters and blowers

Dewayne Williams - We have a lot of people using them. We have trustees, community service workers using our equipment. It gets banged around and they get a lot of use on them. We cut a

lot of grass. A lot of people use that equipment. They go in with cracked heads a lot, they are not abusing the equipment, that's just what you run into when you have a short staff, you have to do what you can to get the job done.

Alderman Tipton - \$2500 is the budget for Litter, that's what we had last year so we didn't increase that.

Alderman Miller – I hope ya'll aren't missing my point. I don't have a problem approving the budget, I just don't want to run out and buy any just because it's been there. I think it needs to be that we need to do it because they are gone.

Mayor Johnson – I think everyone agrees. I don't see us running out tomorrow and buying mowers.

Alderman Bryant – We are just going to put the money in there and if we need it we use it and if we don't, we don't.

Alderman Hobbs – If we have to go buy a new mower, would we actually approve it again?

Alderman Miller – Not necessarily Jeff.

Mayor Johnson – We would have to take quotes. Alderman Hobbs, If ya'll are ok with this, since he does this for a living, on the side, we would like to have him help with this process, that way the Board would have the feeling that we are getting our best value.

Alderman Hobbs – I've got a mechanic that I use, he actually works for Valley Crest, which is a huge lawn service in Memphis, he could run by and look at them.

Mayor Johnson – That would be great.

Alderman Miller – Dewayne has a man on staff.

Mayor Johnson – We will definitely justify any purchases.

Alderman Higdon – I think that if he has the money in the budget and one dies on him, and it's going to cost too much to fix it, then we can move forward with purchasing one.

Mayor Johnson – I agree. Since we are talking about the budget, and so much of it changed with the baseball, Kenny do you know if we will be signing the contract with the Civic Center this week?

Kenny Stockton – I hope, but I'm not sure. I haven't heard back from Bill. I don't know if it will be this week or next week. I know there have been no big issues.

Alderman Tipton – I think ya'll have done a very good job putting the budget together. I know it is a very tedious deal, and it's not a lot of money to play with.

Carl Dhority – The \$5000 that you are allocating for fireworks, in other words you would rather see your money burn up in the sky instead of taking care of business. I would like to see some common sense in the leadership. It may be good for publicity, but I can't see burning my money up. That's my opinion.

Mayor Johnson – I respect that opinion. We have the Tourism fund, and that is money that can only be spent on promoting the City, that is where the money for that would come from. Just because the money is allocated there, doesn't mean it will get spent, it was just a suggestion that was put in the budget.

Alderman Miller – I want to talk about the capital improvements. We are talking about making a change to the building. What kind of time line are we talking about on trying to do this and having the revenue in?

Mayor Johnson – I think the capital improvements on the building, especially the one on the Fire station, I think we need to wait until January or February when our property taxes come in, just for cash flow.

Alderman Miller – So we are talking about the 2<sup>nd</sup> or 3<sup>rd</sup> quarter, that's before we do the capital improvements on the building, that's including City Hall?

Mayor Johnson – Probably so, because we are pretty certain that we will have to do a tax anticipation loan, but the less we have to borrow the better. So those expenditures can be put off until after the taxes come in, so we don't have to literally borrow that money. Those things that don't have to be done will be put off until the cash flow comes back in, in January or February.

Alderman Miller – Where is Police Chief planning on purchasing the cars? That will be major.

Mayor Johnson – We will get them from the Highway Patrol again, in Missouri, and it's usually not the best time to buy them, but we generally have to buy them in December before they run out of them.

Alderman Miller – When will Joe Frank start on the overlay list? Hopefully the overlay list from this past budget year will somehow make its way to the top and get done instead of being pushed to the bottom because of the other subdivision that just come into the City, for whatever reason we continue to do those streets before the older part of the City.

Mayor Johnson – I can ask him to start working on that for the second meeting in October. Would that be ok?

Alderman Miller – Yes. I hope the Board will commit to stay with the list.

Mayor Johnson – We will get the overlay list together. Saying that, you all know the overlay list process, if you know of any streets email them to me so Joe can put them in and rank them on their condition.

Alderman Hobbs – Do you still have the old list.

Mayor Johnson – Yes, I will go ahead and send the old list.

Alderman Miller – That is my point, the old list should stay there, I mean that is the wrong thing, that is what it's doing... staying there. We need some action on it.

**RESOLUTION ADOPTING BUDGET FOR FISCAL YEAR BEGINNING  
OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013 FOR THE CITY  
OF HERNANDO, MISSISSIPPI**

**WHEREAS, the City of Hernando, Mississippi acting through the Mayor and Board of Aldermen of the City of Hernando, Mississippi, have pursuant to Section 21-35-5 of the Mississippi Code of 1972, Annotated, prepared a complete budget of the municipal revenues and expenses estimated for the fiscal year of 2012-2013; and**

**WHEREAS, the Mayor and Board of Aldermen of the City of Hernando, Mississippi have prepared a statement showing the aggregate revenues collected during the current year in said city for municipal purposes as required by the aforesaid code section; and**

**WHEREAS, the Mayor and Board of Aldermen of the City of Hernando, Mississippi have maturely considered said budget and now desire to adopt the same as the official City Budget for the fiscal year commencing October 1, 2012 and ending September 30, 2013.**

**NOW, THEREFORE, BE IT RESOLVED by the Mayor and Board of Aldermen of the City of Hernando, Mississippi that pursuant to Section 21-35-5 of the Mississippi Code of 1972, Annotated the following budget is hereby adopted and approved as the budget of the City of Hernando, Mississippi for the fiscal year commencing October 1, 2012, and ending September 30, 2013, said budget being in the following form, to wit:**

**CITY OF HERNANDO BUDGET FYE 2013**

<b>DESCRIPTION</b>	<b>BUDGET AMOUNT</b>
<b>GENERAL FUND</b>	
<b>REVENUE</b>	
LICENSES & PERMITS	550,500.00
INTER-GOVERNMENTAL:	
STATE SHARED REVENUES	3,510,400.00
GRANTS FROM LOCAL UNITS	180,000.00
GRAND GULF	115,000.00
CHARGES FOR SERVICES:	
PUBLIC SAFETY FIRE CALLS	0
HIGHWAY & STREETS	0

HEALTH	350,000.00
OTHER	0
FINES & FORFEITS	301,200.00
MISCELLANEOUS	129,000.00
TOTAL WITHOUT TAXATION	5,136,100.00
TAX LEVY	2,696,440.00
TOTAL REVENUE	7,832,540.00
TRANSFERS FROM SURPLUS	758,000.00
TOTAL AVAILABLE CASH	8,590,540.00

**EXPENDITURES****GENERAL GOVERNMENT**

PERSONAL SERVICES	579,658.00
SUPPLIES	17,400.00
OTHER SERVICES & CHARGES	373,550.00
CAPITAL OUTLAY	45,600.00
GRANT MATCHING	80,000.00
TOTAL GENERAL GOVERNMENT	1,096,208.00

**PUBLIC SAFETY**

PERSONNEL SERVICES	2,647,159.00
SUPPLIES	158,000.00
OTHER SERVICES & CHARGES	210,250.00
CAPITAL OUTLAY	104,000.00
TOTAL PUBLIC SAFETY	3,119,409.00

**PUBLIC WORKS**

PERSONNEL SERVICES	48,040.00
SUPPLIES	25,400.00
OTHER SERVICES & CHARGES	227,000.00
CAPITAL OUTLAY	461,000.00
TOTAL TRANSFERS	0
TOTAL PUBLIC WORKS	761,440.00

**DEBT SERVICES**

DEBT SERVICES	400,750.00
TOTAL DEBT SERVICES	400,750.00

**AMBULANCE**

PERSONNEL SERVICES	497,667.00
SUPPLIES	52,600.00
OTHER SERVICES & CHARGES	40,400.00

CAPITAL OUTLAY	9,000.00
TOTAL AMBULANCE DEPT.	599,667.00

**FIRE DEPARTMENT**

PERSONNEL SERVICES	1,999,035.00
SUPPLIES	56,000.00
OTHER SERVICES & CHARGES	125,000.00
CAPITAL OUTLAY	122,400.00
TOTAL FIRE DEPARTMENT	2,302,435.00
TOTAL CONTINGENCY	56,363.00

**COURT**

	0
PERSONNEL SERVICES	217,268.00
SUPPLIES	1,600.00
OTHER SERVICES & CHARGES	32,400.00
CAPITAL OUTLAY	3,000.00
TOTAL COURT	310,631.00

TOTAL EXPENDITURES	8,590,540.00
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**LIBRARY FUND**

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**REVENUE**

MISCELLANEOUS	0
TAX LEVY REVENUE	105,000.00
TOTAL AVAILABLE REVENUE	105,000.00

**EXPENDITURES**

FIRST REG. LIBRARY EXP.	105,000.00
TOTAL EXPENDITURES	105,000.00

**CULTURE & RECREATION FUND**

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**REVENUE**

STATE REVENUE	0
HERNANDO MATCHING REVENUE	0
MISCELLANEOUS	670,945.00
TAX LEVY REVENUE	242,044.00
TOTAL AVAILABLE REVENUE	912,989.00

**EXPENDITURES**

PERSONNEL SERVICES	366,729.00
SUPPLIES	158,500.00
OTHER SERVICES & CHARGES	248,200.00
CAPITAL OUTLAY	83,000.00



DEBT SERVICES	23,723.00
TOTAL CONTINGENCY	32,837.00
TOTAL EXPENDITURES	912,989.00

**FORFEITURE FUND**

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**REVENUE**

STATE REVENUE - FORFEITUR	0
HERNANDO MATCHING REVENUE	0
MISCELLANEOUS	1,000.00
TOTAL REVENUE	1,000.00
TRANSFERS FROM SURPLUS	28,580.00

**EXPENDITURES**

PERSONNEL SERVICES	0
SUPPLIES	2,500.00
OTHER SERV & CHARGES	0
CAPITAL OUTLAY	2,500.00
TOTAL CONTINGENCY	24,580.00
TOTAL EXPENDITURES	1,000.00

**SPECIAL / HOTEL-MOTEL TAX FUND**

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**REVENUE**

HOTEL-MOTEL TAX	5,000.00
MISCELLANEOUS REVENUE	32,300.00
TOTAL REVENUE	37,300.00

**EXPENDITURES**

SUPPLIES	2,500.00
OTHER SERVICES & CHARGES	26,060.00
CAPITAL OUTLAY	0
CONTINGENCY	8,740.00
TOTAL EXPENDITURES	37,300.00

**DEBT SERVICE FUND**

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**REVENUE**

MISCELLANEOUS	276,300.00
TAX LEVY REVENUE	771,145.00
TOTAL REVENUE	1,047,445.00

**EXPENDITURES**

GEN OBL BOND EXPENSE	764,806.00
CONTINGENCY	282,639.00
TOTAL EXPENDITURES	1,047,445.00

TOTAL EXP & YEAR END BAL	0
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**GENERAL OBLIG. DEBT  
CONSTRUCTION**

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**REVENUE**

MISCELLANEOUS	87,900.00
TOTAL AVAILABLE REVENUE	87,900.00

**EXPENDITURES**

OTHER SERVICES & CHARGES	0
CAPITAL OUTLAY	0
TOTAL CONTINGENCY	87,900.00
TOTAL EXPENDITURES	87,900.00

**UTILITY FUND**

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**REVENUE**

WATER SALES	705,000.00
WATER TAPS	65,000.00
STATE SHARED REVENUES	30,000.00
SANITATION	751,000.00
SEWER	1,980,000.00
TAX LEVY	0
MISCELLANEOUS	86,000.00
SURPLUS FUNDS	822,704.00
TOTAL AVAILABLE REVENUE	4,439,704.00

**EXPENDITURES**

ONLINE PAYMENTS	0
PERSONNEL SERVICES	1,164,026.00
SUPPLIES	270,400.00
OTHER SERVICES & CHARGES	2,142,156.00
CAPITAL OUTLAY	83,500.00
TOTAL TRANSFERS	0
TOTAL PUBLIC WORKS	3,660,082.00
DEBT SERVICES	258,476.00
TOTAL DEBT SERVICES	258,476.00
CONTINGENCY PUBLIC WORKS	521,146.00
TOTAL EXPENDITURES	4,439,704.00

**BE IT FURTHER RESOLVED** that the City Clerk of the City of Hernando, Mississippi shall cause the aforesaid budget to be published at least one (1) time in the

**DeSoto Times Tribune, a newspaper published in Hernando, Mississippi, during the month of September, 2012.**

**Motion was duly made by Alderman Tipton, seconded by Alderman Lauderdale to approve the proposed budget for FYE 2013. A roll call vote was taken with the following results:**

**Those voting "Aye": Alderman Bryant, Alderman Miller, Alderman Higdon, Alderman Tipton, Alderman Manning, Alderman Hobbs, and Alderman Lauderdale.**

**Those voting "Nay": None.**

**SO ORDERED on this the 11<sup>th</sup> day of September, 2012.**

**Chip Johnson**

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**Chip Johnson, Mayor**

**Attest:  
Katie Subia**

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**Katie Subia, City Clerk**

**Publish in DeSoto Times Tribune  
September 18, 2012**

**RESOLUTION SETTING AD VALOREM TAX LEVY FOR THE CITY OF  
HERNANDO, MISSISSIPPI FOR THE FISCAL YEAR 2012 – 2013**

**WHEREAS**, the City of Hernando now desires to set the ad valorem tax levy for the City for the fiscal year 2012 – 2013, pursuant to the Mississippi Code of 1972, Annotated, and the Mayor and Board of Aldermen having carefully considered and determined the needs of the municipality and that the tax rate required to meet the expenses of said municipality for the fiscal year 2012 – 2013.

**NOW THEREFORE, BE IT RESOLVED** by the Mayor and Board of Aldermen of the City of Hernando, Mississippi that the ad valorem tax rate and levies for the fiscal year 2012 – 2013 shall be as follows:

**GENERAL FUND** – on each dollar (\$1.00) valuation as authorized by Section 27-39-307 of the Mississippi Code of 1972, Annotated, for General Revenue purposes and General Improvements, Twenty-Two and 25/100 (22.25) Mills.

**MUNICIPAL BOND AND INTEREST FUND** – on each dollar (\$1.00) valuation as authorized by Section 21-33-45 of the Mississippi Code, Annotated, Six and 59/100 (6.59) Mills.

**LIBRARY FUND** – on each dollar (\$1.00) valuation as authorized by Section 39-3-7 of the Mississippi Code of 1972, Annotated, 90/100 (.90) Mills.

**CULTURE & RECREATION FUND** – on each dollar (\$1.00) valuation as authorized for park improvements and maintenance, Two and 0/100 (2.00) mills.

The total mills for 2012 – 2013 is thirty-one and Three Fourths (31.75) Mills.

**Motion was duly made by Alderman Tipton, seconded by Alderman Lauderdale to approve the Resolution Setting the ad valorem tax levy for the City of Hernando for the fiscal year 2012 – 2013. A roll call vote was taken with the following results:**

**Those voting “Aye”:** Alderman Bryant, Alderman Miller, Alderman Higdon, Alderman Tipton, Alderman Manning, Alderman Hobbs, and Alderman Lauderdale.

**Those voting “Nay”:** None.

**SO ORDERED on this the 11<sup>th</sup> day of September, 2012.**

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**Chip Johnson, Mayor**

**Attest:**

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**Katie Subia, City Clerk**

**ADJOURN**

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There being no further business at this time a motion was duly made by Alderman Lauderdale, seconded by Alderman Bryant to adjourn.

Motion passed with a unanimous vote of "Aye".

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MAYOR CHIP JOHNSON

ATTEST:

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KATIE SUBIA, CITY CLERK