

DESOTO COUNTY BOARD OF SUPERVISORS

BOARD MEETING MINUTES

ALLEN LATIMER, PRESIDENT 2008 PRESIDING

January 24, 2008

A. CALL TO ORDER

The January 24, 2008, meeting of the DeSoto County Board of Supervisors was called to order by Supervisor Allen Latimer, Board President.

Sheriff Bill Rasco of the DeSoto County Sheriff's Department was present and did open the DeSoto County Board of Supervisors meeting in a regular session to hear any and all business to come before the Board. The following were present:

Supervisor Jessie Medlin-----District 1
Supervisor Eugene C. Thach-----District 2
Supervisor Bill Russell-----District 3
Supervisor Allen Latimer-----District 4
Supervisor Tommy Lewis-----District 5
W. E. Sluggo Davis-----Chancery Clerk
Michael Garriga-----County Administrator
Tony Nowak-----Board Attorney
Sheriff Bill Rasco-----Sheriff's Department

B. INVOCATION

The County Administrator Michael Garriga presented the invocation.

C. PLEDGE OF ALLEGIANCE

D. OLD BUSINESS

E. NEW BUSINESS

1. License Commission

Supervisor Allen Latimer made the motion and Supervisor Eugene Thach seconded the motion to appoint William L. Brown, Jr., as the District 4 Appointee to the License Commission. The motion passed by a unanimous vote.

2. Strategic Planning Session

County Administrator Michael Garriga said he encourages the Board to start listing capital priorities 7-20 years out.

Financial Advisor Demery Grubbs said he is here to establish immediate priorities, but he agrees that it would be good for the Board to look into the future to establish long range planning goals. Mr. Grubbs said he has provided information on the financial picture of the county today. He presented the existing debt schedule which outlined the existing debt of the county. Mr. Grubbs also presented an assessment of valuations in the county which determines the county's debt limit. He said, at this time, the Board of Supervisors has an available debt limit of \$137,346,547.90.

Supervisor Bill Russell said the Board knows the jail and certain roads are a priority. He asked if the Board wanted to start by determining how much money the Board can issue in bonds without a tax increase.

Mr. Grubbs said, as you look at Desoto County, it has done well in regards to growth. He said education is a world that the Board of Supervisors has no control over and it takes a lot of millage from county taxpayers every year. Mr. Grubbs said, what he is seeing, is that the county's growth is leveling out some. He said that the tremendous growth level has subsided. He said the county is still growing, but that does not mean the demands of the people are less. He said Desoto County is one of the two counties with an AA bond rating. He said the county's debt capacity is set by state law. Right now, the Board has \$137 million debt capacity and the county is in an excellent position to borrow money. Mr. Grubbs said the sad thing about debt, is that you will never have enough money to meet all of the needs. He said, to start the process of looking at the future, the Board should start determining long range goals. He said most elected officials are going to act on the needs that can be attained within their term or four years. In fast growing areas, plans often change. He said the county used to issue bonds on the first year of their term and there are good reasons for doing that. First, because it is the first year of the term, projects can be planned that will likely take a while to complete so they can be accomplished within the Board's term. Second, by starting on the projects, it is more likely that the projects will be accomplished within the Board's term. Mr. Grubbs said he would recommend starting with a Christmas list of projects. He said, under such a list, you realize you will not get everything, but it is easy to prioritize and then plan for the future. He said, when the county has an issue like the jail, those issues must take first priority for spending. Mr. Grubbs said, his purpose today, is to get the Board started on determining their priorities.

Supervisor Bill Russell said he is concerned about a recession. He asked what a recession would do with the county's ability to pay back our debt.

Mr. Grubbs said the second way to determine which projects to fund is to set a limit for the bond and decide the projects based on the amount of money issued. He said most of the county's money is ad valorem tax and that is less risky than sales tax when looking at the economy. Mr. Grubbs said he is not saying the county is protected, but property tax is less likely to be affected by changes in the economy. Mr. Grubbs said we can start talking about lists today. He said, if the Board is going to issue bonds, they need to do it during the first or no later than the second quarter of their term.

Supervisor Jessie Medlin asked why weren't some of the balances going down in 2008. Supervisor Medlin said, the list that was presented, does not show a decrease in the balances during the year. It was determined that the 2008 payments were not figured in the assessment provided and the sheets were changed to reflect the 2008 debt payment as detailed in Exhibit E.2 and as follows:

**Desoto County Mississippi
Debt Schedule to Be Paid
In Fiscal Year Ending 9/30/2008**

AS OF 1/24/08						
ISSUE		10/1/07 BALANCE	ISSUED	REDEEMED	ADJUSTMENTS	9/30/08 BALANCE
G.O. Bonds						
Building Bonds		655,000		320,000		335,000
Courthouse Renovation		320,000		155,000		165,000
Administration Building		325,000		325,000		0
1999 Refunding Bonds		2,200,000		460,000		1,740,000
Public Improvements *		14,335,000		835,000		13,500,000
2002 Refunding Bonds		3,660,000		1,040,000		2,620,000
2003 Refunding Bonds		8,280,000		545,000		7,735,000

2004 Public Improvements Bonds	19,830,000		795,000		19,035,000
2005 Refunding Bonds	6,770,000		395,000		6,375,000
Walls Sewer	235,000		30,000		205,000
2007 MDB Pool Loan Refunding Bonds		8,755,000	525,000		8,230,000
Total G.O. Bonds	56,610,000	8,755,000	5,425,000	0	59,940,000
Other Loans					
MDB promissory note	8,427,083.39		83,333.32	(8,343,750.07)	# 0.00
Total Other Loans	8,427,083.39	0.00	83,333.32	(8,343,750.07)	0.00
Capital Leases					
Total Capital Leases	0		0		0
Total Debt	65,037,083	8,755,000	5,508,333	(8,343,750)	59,940,000

* Variable Interest Rate

This was the payoff of the notes to roll into the new 2007 Refunding Bonds.

Mr. Grubbs said he would suggest looking at all of the county's debt. He said that debt that is being paid off can open up the capacity for new debt.

Supervisor Tommy Lewis asked how many of the bonds listed are back loaded. Mr. Grubbs said none of them.

Mr. Grubbs presented a basic tabulation showing annual payments for different bond amounts. He said he has figured the assessment a little higher than the market is now. Mr. Grubbs said the county should not borrow money for overlays because overlays will not last for the pay out of the bonds before it has to be replaced. He said we can structure the payments to take care of those types of projects. He said the county is in a sound financing position and he thinks the county has some protection from a recession. He said we need to issue the bond during the first part of this year.

Mr. Grubbs said his firm knows how prisons work. He said his firm can address the issue if a regional jail is needed in the area. Supervisor Bill Russell asked if Mr. Grubbs is able to give the Board some information. Mr. Grubbs said different locations have different needs and they can help the Board in that regard. Supervisor Russell asked if regional jail facilities get involved with additions to existing buildings. Mr. Grubbs said, most of them are new buildings but he would rely on the State Department of Corrections Commissioner Christopher Epps to answer that question.

The board discussed different funding strategies. Mr. Grubbs said the Board needs to come up with a list but it cannot be finalized until the county knows about the jail.

Mr. Garriga said everyone has ideas and we need to put them on paper. He said if we don't plan properly for the process, we may miss some opportunities.

Mr. Grubbs said he would like to recommend the possibility of hiring a consultant. He said the first step toward building a regional jail is to get legislation to allow that as well as the county talking to Mr. Epps. Mr. Garriga recommends hiring a consultant for the jail expansion.

Supervisor Tommy Lewis said he thinks we need to look at where we need to be in twenty years in terms of facilities. He said, so far, we have only been putting a band-aid on the problem of meeting our jail needs and it is time to look at the future, twenty years out. Mr. Grubbs said he agrees, but he would wait until meeting with Mr. Epps before making a final decision. He said they do so many projects in a session that Mr. Epps may say it would be two to three years before they could build a facility, or that may not be the case. Mr. Grubbs said the county needs to decide whether they can wait that long if the state cannot act sooner. He said that a consultant can advise the Board on the process. He said the county needs to meet with Mr. Epps' office and get a time line. He said his firm will be a part of the process. Mr. Grubbs said his firm is working on the county's finances and they will sit in on any meetings the Board desires and will assist the Board in planning jails, roads and anything else.

Supervisor Jessie Medlin said he does not mind looking at the cost of building a regional jail. Road Manager Russell Dorris said that is a wonderful point but he wants to remind the Board that we can have the finest buildings but you must have roads to get to those buildings.

Supervisor Eugene Thach said the roads have improved every year and he thinks the Board should look at what is best for Desoto County as a whole. He said the county has the best roads in Mississippi now.

Supervisor Allen Latimer asked if we decide to move the jail, what the existing jail would be used for. Supervisor Lewis said it could be used for youth court and female and pretrial inmates.

Mr. Garriga said the Board has invested a lot of money in the existing jail and it is a good facility and the county will have ongoing needs for the facility. Mr. Grubbs said that he thinks we can use 1 to 1.5 mills to repay debt.

Mr. Garriga said we must also consider what debt is being freed and look at growth and reappraisal. Mr. Garriga said we need to determine the spending priorities for the county.

Chancery Clerk Sluggo Davis said we have had 7% to 10% growth each year. We have not had to raise taxes but our government has grown every year. He said we are going to lose ground to provide the same service compared to past years.

Supervisor Latimer asked the ratio we need to keep in contingency. Mr. Grubbs said it depends on the budget. Supervisor Latimer asked if we need to grow the fund balance to keep the bond rating. Mr. Grubbs said you can use some of your fund balance without it hurting the county. He said the people who do bond ratings become concerned when you decrease your fund balance every year.

Supervisor Medlin said we need to be concerned about moving traffic so we do not need to stop at the city limits. He said the cities may participate in the cost of the projects, but the Board's priority should be moving traffic.

Supervisor Russell said the jail is a "must" and DeSoto Road from Highway 301 to Poplar Corner Road is a priority project. He said we have right of way and \$50,000 plus in the bank for that project. He said Horn Lake Road between Stateline Road and Goodman Road is a priority also. He said it is a dangerous road because there is an area one mile long with no shoulder and he recommended fixing that during this term.

Supervisor Thach said Pleasant Hill Road from Goodman Road to Church Road is a priority in his opinion. Mr. Garriga suggested doing preliminary engineering and right of way for this roadway. Mr. Dorris said \$650,000 is appropriated for this work. He said we need to earmark it in a line item.

Supervisor Eugene Thach made the motion and Supervisor Bill Russell seconded the motion to earmark/allocate \$650,000 from the Road Department to widen Pleasant Hill Road to five lanes from Goodman Road to Church Road. The motion passed by a unanimous vote.

Supervisor Latimer said the school road in Horn Lake from Church Road, west of Tulane is a priority in his opinion. The Board discussed that this project had been included in the previous bond, but the work had not been done because plans in the city had changed more than a few times.

Supervisor Allen Latimer made the motion and Supervisor Tommy Lewis seconded the motion to re-appropriate \$400,000 for Horn Lake school road and designate that in the budget. The motion passed by a unanimous vote.

Supervisor Tommy Lewis said, at one time there was \$750,000 to connect Bankston Road to Swinnea Road. Mr. Garriga said that money was allocated to other projects. Mr. Dorris said when a bond item is not accomplished, it should automatically roll over to the next budget. The Board discussed this issue.

Supervisor Allen Latimer said Confederate Ridge is the subdivision that the bond went bad and the developer did not stay on the plan when he built the road. Mr. Dorris said part of the road is on the right of way and part of it is not. He said it will cost more money to reconstruct the road to the end rather than fix the road and extend it as planned, where it was already built. He said we can get the entire road up to date for \$100,000. Supervisor Latimer said he would like to approve the project for Confederate Ridge.

Supervisor Latimer questioned the \$86,250 cost for the intersection at Tulane Road and Church Road. Road Manager Russell Dorris said that the \$86,250 is to cut down hills. Supervisor Latimer said the cities will use MPO money for the intersection.

The Board discussed Cowpen Creek Bridge and Starlanding Road.

County Administrator Michael Garriga said we had estimated \$4.5 million for Starlanding Road from Highway 51 to the Railroad. MDOT had received money, but bureaucratic issues have held it up.

Supervisor Tommy Lewis said that Airways Blvd., from Bankston north to existing Airways, would provide another north/south route for county travelers. He said the Byhalia and Green T Intersection needs to be improved. He said there may be a match to improve from Holly Springs Road. Supervisor Lewis said that Getwell from Stateline Road to the Tennessee state line should also be a priority. Planning Director Jim McDougal said that the MPO has approved money for Getwell Road.

Supervisor Bill Russell asked if MDOT will build bridges based on county plans to build bridges or will the Board have to build the bridges before I-69 is built. Supervisor Lewis said we need to clarify that point with Commissioner Minor.

Supervisor Russell said that is important for the Board to plan this list. He said our plan is for several roads to go over the interstate with three lane bridges.

Supervisor Lewis said the big question is how long it will be before a five lane bridge is needed at Getwell. The Board agreed that Getwell from Church Road to Byhalia Road should be considered.

Supervisor Medlin said Alexander Road is another road that could need attention. He said that Olive Branch has talked about working on that road. He said Old Goodman Road at the bypass should be considered.

Supervisor Medlin said that Church Road east to a couple of subdivisions for about one half mile would be a priority. Supervisor Medlin removed Bethel Road from the priority listing since funding is not available for all of the roads.

At the end of discussions, the following list was made for project consideration:

Jail	?
DeSoto Rd. – Hwy 301 to Poplar Corner	750,000
Horn Lake Rd. – Stateline to Goodman	?
Pleasant Hill Rd – Goodman to Church Road	4,550,000
Widen to 5 lanes \$5.2 mill - \$650 K =	
Confederate Ridge	21,000
Starlanding Corridor – Hwy 51 to Railroad	2,600,000
Airways – Bankston Rd. north to Airways exit	750,000
Commerce St. – City limits to Jaybird	?
2 lanes with possible median	
Byhalia and Green T Intersection	230,000
Laughter – south of Byhalia to Brights Rd	750,000
Malone Rd. – Malone to north of where it turns into Johnson north of Church	2,250,000
From Starlanding to Church Road	
Swinnea – Bankston to Starlanding	1,320,672
Holly Springs Road – Match	?
I-69 Intersections	?
1. Craft	2,000,000
2. Getwell	2,000,000
3. Red Banks	2,000,000
4. Tchulahoma – Green T to Pleasant Hill Road	?
Getwell & I-69	?
Getwell – Church to Byhalia	?
Alexander – Old Goodman to bypass ½ mile –match with city – possibly	?
Church east ½ mile to a couple of subdivisions	?
Centerhill – Stateline to 178	18,200,000
Nail Rd alignment	?
Bethel Rd. – College Rd to Miller – cut hill	?
Railroad Bridge to Nail Rd.	1,319,740

See Exhibit E.2

3. Sheriff’s Department – Jail Committee

Supervisor Tommy Lewis said the committee met yesterday regarding the jail. It has come to the committee’s attention that we need to hire Board Attorney Tony Nowak to look into some programs the state provides for the jail. Supervisor Lewis said he would like to recommend the Board consider hiring Mr. Nowak.

Supervisor Tommy Lewis made the motion and Supervisor Bill Russell seconded the motion to hire Board Attorney Tony Nowak to research options regarding the jail. The motion passed by a unanimous vote.

4. Metro Narcotics

County Administrator Michael Garriga said we did not receive the grant for Metro Narcotics this year and it is unlikely we will receive that grant in the future. He said he would like to recommend putting the Metro Narcotics budget under the Sheriff’s control.

Sheriff Bill Rasco said, in years past, there has been a Metro Task Force that has been reduced to the county and the City of Hernando. Sheriff Rasco said that we have a good relationship with the cities and we have seen a change in the working relationship with the Sheriff’s office and the cities. He said he will continue to work on a plan to have the cities and county participate.

Supervisor Eugene Thach asked where the money comes from. Mr. Garriga said the general fund. Mr. Garriga explained that it will remain a general fund account. Supervisor Medlin said once there was a grant writer in Metro Narcotics. He asked if that person will still be there. Sheriff Rasco said yes, Tammie will remain as Administrative Assistant to Metro

Narcotics. The Board discussed that Metro Narcotics stopped writing their grant when the county hired a full time grant writer.

At the recommendation of the County Administrator, Supervisor Jessie Medlin made the motion and Supervisor Tommy Lewis seconded the motion to transfer the Metro Narcotics budget to the Sheriff's office control. The motion passed by a unanimous vote.

5. NACO Transportation Committee

Supervisor Bill Russell said that he and Road Manager Russell Dorris were asked to be on the transportation committee for NACO.

6. Department of Road Management – Four Year Road Plan

Supervisor Jessie Medlin said the Board voted to accept the alignment from Nail Road to Centerhill Road. Mr. Dorris said he would add that to the four year road plan. Supervisor Jessie Medlin made the motion and Supervisor Tommy Lewis seconded the motion to amend the four year road plan 1.) to approve the alignment of Nail Road from Hacks Cross Road to Centerhill Road, 2.) Commerce Street from the city limits to Jaybird, 3.) Horn Lake Road North from Goodman to Stateline Road. The motion passed by a unanimous vote.

F. EXECUTIVE SESSION

The executive session portion of these minutes is recorded under the portion of the minutes called "Executive Session".

Supervisor Tommy Lewis made the motion and Supervisor Jessie Medlin seconded the motion to adjourn the meeting until February 4, 2008, at 9:00 a.m. The motion passed by a unanimous vote.

THIS the 24th day of January 2008, these minutes have been read and approved by the DeSoto County Board of Supervisors.

Allen Latimer, President
DeSoto County Board of Supervisors