

CITY OF GLADEWATER
CITY COUNCIL SPECIAL SESSION
MINUTES
OCTOBER 1, 2009
6:00 P.M.

MEMBERS PRESENT: Mayor Walter Derrick, Mayor Pro-tem John Lee Ussery, Jimmy Williams, Judith Burlison, Joe Derouen, Scott Owens, Charles Meadows

STAFF PRESENT: Jay Stokes, Melba Haralson

GUESTS PRESENT: Mary Jane Williams, Lon Welton, Delbert Burlison, Wanda Allard, Jimmy Davis, Mark Carpenter, John Murray, Rhonda Murray, Joyce Hugman, Alfred Lacy, Norma Lacy, Bennie Cornutt, Vi Melton, Jackie D. Wood, Lorraine Clark, Leon Watson, Paul Banner, Judy Banner

I. CALL TO ORDER

Mayor Derrick called the meeting to order at 6:00 p.m. and thanked those in attendance for coming and taking an interest in our City. He requested that discussion be limited to new information on the issue.

II. CONSIDERATION of GEDCO budget for fiscal year 2010

Councilmember Judith Burlison read a statement as follows; "I have spoken to Julian Grant, Texas Assistant Attorney General, twice this week to clarify my understanding of the City Council's role in approving the 2010 GEDCO budget. I was told that the Council as the creating entity has an oversight role and responsibility to either approve the budget as stands, approve an amended budget, or approve all programs and expenditures of GEDCO this year. This can be verified by accessing the local government section of the Texas Statutes 501 specifically 501.073."

Councilmember Burlison then asked GEDCO Director Lon Welton several questions regarding specific budgeted items, including car expenses. Mr. Welton stated he has no input in the compensation section of the budget. He said two years ago GEDCO board members Joe Derouen, Jerry Williams and Jackie Wood, all of whom are respected businessmen, set up what they believed to be a reasonable amount of car expense. Councilmember Burlison said she checked and it's not illegal for City Council members to also serve on the GEDCO board but it seems like a conflict of interest to her. She then asked why certain items were set up under the Office & Miscellaneous section of the budget. Mr. Welton explained that Karen Jacks & Associates does their bookkeeping and it is placed in the budget according to the code they assign to each line item. Mayor Pro-tem Ussery said Karen Jacks is a very well respected CPA and what she is doing is correct and standard accounting procedure.

Councilmember Burlison asked why there was no discussion at the last GEDCO meeting to change the budget. Mr. Welton responded that he guessed the GEDCO board is satisfied with how it is. He said they had meetings on the budget and posted the agenda in two different places and no one showed up.

Councilmember Jimmy Williams said we have a Cemetery board, Library board, Planning & Zoning board, etc. They all come to us with their recommendations and we do our best to go along with them. We have been presented with a budget for GEDCO that is a vital to bringing businesses into the City. He said we are holding up operations for GEDCO. He said the car allowance is not taxable and it is a way of increasing salary. We should give people credit who volunteers to serve on the board and not destroy what we've got. Councilmember Burlison responded that she doesn't think there should be any council member serving on the board as it is the Council's responsibility to give oversight. She said she has attended 4 out of the last 5 GEDCO meetings and there are never any public comments at the meeting. Lon Welton replied the GEDCO attorney does not recommend that we have citizen comments and he provided a copy of that letter

CITY COUNCIL MEETING MINUTES

October 1, 2009

Page 2

to Mark Carpenter. Mr. Carpenter confirmed that he got the letter and that is indeed what the attorney said, however the prior GEDCO director disagrees with the attorney.

Councilmember Williams stated business should have been conducted at the GEDCO meeting two or three years ago. Councilmember Burlison stated she was not on the Council then. He said it is not right to treat the board this way.

Councilmember Owens said we are to provide oversight to all boards. GEDCO is organized differently but it is our responsibility to ask questions about what we don't understand. He said in the past he has defended Councilmember Williams for asking questions when he was berated for it. He said our citizens have a right to know. It is okay to have a difference of opinion, but we can respectfully disagree.

Councilmember Williams said we will do what is best for the City but there is a way to conduct business. He said if you want to shut GEDCO down then vote down the budget. He said he is not for doing that when we need business in this town.

Mayor Derrick said the discussion has taken us back to old information. If there is nothing new to add to the discussion, then we should move on to either approve or disapprove the budget.

Councilmember Williams moved to approve the budget as presented (without the \$10,000 for Certified Retirement Community application that was previously deleted). Motion was seconded by Councilmember Derouen. Carried 4-3, with Derrick, Ussery, Derouen and Williams in favor and Burlison, Owens and Meadows opposed.

III. ADJOURN

Councilmember Meadows moved to adjourn at 6:25 p.m. Adjourned by consensus.

WALTER DERRICK, MAYOR

ATTEST:

MELBA HARALSON, CITY SECRETARY