

**FILED**

OCT 25 2024

IN THE FIRST JUDICIAL DISTRICT OF THE CHANCERY COURT  
OF HINDS COUNTY, MISSISSIPPI

EDDIE JEAN CARR, CHANCERY CLERK  
BY \_\_\_\_\_ D.C.

THE STATE OF MISSISSIPPI,  
AUDITOR SHAD WHITE *ex rel.*  
THE CITY OF INDIANOLA, MISSISSIPPI

PLAINTIFF

VS.

CAUSE NO.

*2024-1299 H/3*

MARVIN ELDER, RUBEN WOODS,  
SAM BROCK, JR., AND  
WESTERN SURETY INSURANCE COMPANY

DEFENDANTS

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**COMPLAINT**

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COMES NOW, the State of Mississippi, State Auditor Shad White (“State Auditor”), in his official capacity on behalf of the City of Indianola, Mississippi, through the undersigned counsel from the Office of the Attorney General for the State of Mississippi (the “State”) and files this Complaint against Marvin Elder, Ruben Woods, Sam Brock, Jr., (collectively the “Individual Defendants”) and against their surety Western Surety Company. In support the Plaintiff shows the following:

PARTIES

1. Shad White is the duly elected State Auditor for the State of Mississippi, appearing in his official capacity on behalf of the municipality of Indianola, Mississippi, with his principal office at 501 North West Street, Suite 801, Jackson, First Judicial District of Hinds County, Mississippi 39201. MISS. CONST. art. 5, § 134

(1890); *see also* Miss. Code Ann. §§ 7-7-201 *et seq.* This action on behalf of the city of Indianola is authorized to seek recovery for public funds that were expended unlawfully at the direction of the Individual Defendants. *See* Miss. Code Ann. § 7-7-211, § 7-7-213, § 25-1-45, and § 31-7-57(3).

2. Defendant Ruben Woods is an adult resident citizen of the State of Mississippi and may be served with process at 511 Hampton Street, Indianola, Mississippi 38751 or such other place as he may be found.

3. Defendant Marvin Elder is an adult resident citizen of the State of Mississippi (his address is unknown) ; he receives mail at P.O. Box 1385 Indianola, Mississippi and may be served with process at the official meeting place of the Board of Alderman of Indianola, Mississippi or such other place as he may be found.

4. Defendant Sam Brock, Jr., is an adult resident citizen of the State of Mississippi and may be served with process at 1114 Third Avenue, Indianola, Mississippi 38751 or such other place as he may be found.

5. Defendant Western Surety Company (“Western”) is a foreign nonresident insurance and surety corporation qualified and licensed to do and doing business in the State of Mississippi. Western holds Company License #: 7701000 with the Mississippi Department of Insurance and may be served with process on the Commissioner of Insurance or on its registered agent: CT Corporation System of Mississippi 645 Lakeland East Drive Suite 101, Flowood, MS 39232.

#### JURISDICTION AND VENUE

6. This Court has subject matter jurisdiction pursuant to Mississippi

Constitution Article 6, §161. This Court has personal jurisdiction over the Defendants.

7. Venue in this cause is proper in the First Judicial District of the Chancery Court of Hinds County, Mississippi under the provisions of Mississippi Code § 7-7-211(g) and to the extent applicable Mississippi Code § 11-11-3(1). The First Judicial District of the Chancery Court of Hinds County, Mississippi is in the county where a substantial alleged act or omission occurred or where a substantial event that caused the injury occurred.<sup>1</sup>

#### STATEMENT OF FACTS

8. At all times relevant to the events described in this Complaint, Mississippi Code § 31-7-57 (3) imposes personal liability on any public officer for “causing any public funds to be expended, any contract made or let, any payment made on any contract or any purchase made, or any payment made, in any manner whatsoever, contrary to or without complying with any statute of the State of Mississippi.” *Id.*

9. At all times relevant to the events described in this Complaint, Mississippi Code § 25-1-45 provided:

If any ... officer who has executed bond for the faithful performance of duty shall ... violate his official obligations in any respect, ... any person interested in either case shall cause suit to be brought on the bond of such officer for the recovery of the damages that may have been sustained thereby.

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<sup>1</sup> The bonds of all public officers ... required to give bond shall be made payable to the [State of Mississippi].... Miss. Code § 25-1-17. *See* Miss. Code § 25-1-15 (non-conforming bonds conformed to state law). Mississippi’s Constitution Art. 4, §101 provides that the “seat of government of the state shall be at the City of Jackson....” The bonds and statutory obligations of the Defendants to pay the State Auditor in Jackson, Mississippi pursuant to Miss. Code §§ 7-7-211 to 7-7-213 are contractual and statutory obligations of both the public employee and the sureties.

10. At all times relevant to the events described in this Complaint, Mississippi Code § 7-7-211(g) provided:

[If] such person or persons or such surety shall refuse, neglect or otherwise fail to pay [to the State Auditor] the amount demanded and the interest due thereon within the allotted thirty (30) days, the State Auditor shall have the authority and it shall be his duty to institute suit, and the Attorney General shall prosecute the same in any court of the state to the end that there shall be recovered the total of such amounts from the person or persons and surety on official bond named therein....

11. At all times relevant to the events described in this Complaint, the Individual Defendants each held an elected position as a member of the city of Indianola's Board of Aldermen, such that Elder, Woods and Brock Jr., each are public officials.

12. Prior to assuming their Office, each of the Individual Defendants was required to give bond with sufficient surety, to be payable, conditioned and approved as provided by law, in an amount to be determined by the governing authority but which could not be less than Fifty Thousand Dollars (\$50,000.00).

13. At all times relevant, the faithful performance of Woods, Elder and Brock, Jr., was bonded by Western Surety Company, as surety, under public official bonds Nos. 63462132 (Elder); 61962946 (Woods); and 6342115 (Brock Jr.). A true and correct copy of those three bonds (each in the amount of \$100,000.00) is attached hereto as Exhibit A and incorporated herein by reference.

14. On December 21, 2023, Woods, Elder and Brock, Jr., violated Mississippi Code § 31-7-57 by unlawfully and unfaithfully authorizing the expenditure of public funds rightfully belonging to the city of Indianola. They did so by voting (3-2) to

approve that the city make payment in amount of \$38,900.00 to Spencer Construction, despite the fact that there was no contract that obligated the city of Indianola to pay Spencer Construction. A true and correct copy of the Board Minutes and related documents are attached hereto as “B-9” through “B-18” in collective Exhibit B. Neither was there any other legal obligation or legitimate dispute at the time of the Individual Defendants’ votes that caused the city to make the unlawful payment. *Id.*

15. The city of Indianola’s attorney previously advised the Board of Aldermen that they *should not* approve the city’s expenditure to Spencer Construction, because there was no contract or other legal obligation by the City to pay Spencer Construction. Ex. B at 1, 2, 4, 7-8. The Individual Defendants disregarded that advice from Indianola’s legal counsel and voted to approve the payment to Spencer Construction in violation of state law. *Id.*

16. Pursuant to Mississippi Code § 7-7-211, the statutory interest due and payable in Jackson, Mississippi, on this amount (\$38,900.00 @ 1%/mo.) totaled \$3,504.00 through October 2024.

17. At all times, Woods, Elder and Brock, Jr., were each obliged, but failed to obey the law and act in the best interests of and remain loyal to Indianola, and the State of Mississippi, particularly concerning the expenditure of public monies owned by the city.

18. The above-described actions of Woods, Elder and Brock, Jr., were violations or non-compliance with the statutes and laws of the State of Mississippi relative to their duties and obligations regarding the handling and delivery of public monies.

19. By voting to approve the extra-contractual payment, despite no legal obligation to do so (and being advised of this by the city attorney), the Individual Defendants were not faithful in the performance of the duties of their respective office.

20. Upon learning of the possible violation of law, the Office of the State Auditor undertook an investigation, the reasonable cost of which amounted to \$1,210.00. *See* Exhibit C. Pursuant to Mississippi Code § 7-7-213, the investigative fees due and payable to the State Auditor in Jackson, Mississippi, by the Defendants is \$1,210.00.

21. Demands on *all* Defendants were made on or about July 2, 2024, by the Mississippi State Auditor for payment in Jackson, Mississippi, which included principal, interest then due and investigation cost. Receipt of Demand was confirmed by each Defendant. A true and correct copy of the State Auditor's demand letters are attached as Exhibit D to the Complaint.

22. Each of the Individual Defendants has failed and refused to pay in full as demanded and required.

23. Western Surety has also failed and refused to pay all of the amounts due in discharge of its obligations as surety under the above referenced bonds.

COUNT I

BREACH OF DUTIES BY WOODS, ELDER AND BROCK, JR.

24. The State incorporates and reasserts herein the averments contained in the foregoing paragraphs of this Complaint.

25. On December 21, 2023, each of the Individual Defendants violated Mississippi Code § 31-7-57 and other applicable laws, by unlawfully and unfaithfully expending public funds not authorized by law.

26. On and after August 3, 2024, each of the Individual Defendants violated Mississippi Code § 7-7-211(g) and other applicable laws, by unlawfully and unfaithfully failing to deliver public funds without delay to the State Auditor at the seat of State Government.

27. As described above, the Individual Defendants were not faithful in the performance of the duties of their office because they voted to expend city funds despite having no contractual or legal obligation to do so in violation of state law.

28. The Individual Defendants defaulted in the performance of the terms and conditions of their statutory duties and violated their oath to be faithful to the city.

29. Indianola and the State were and continue to be damaged as the direct, foreseeable, and proximate result of the breaches of duties owed.

DAMAGES DUE FROM WOODS, ELDER AND BROCK, JR.

30. The State incorporates and reasserts herein the averments contained in the foregoing paragraphs of this Complaint.

31. Indianola and the State were and continue to be damaged as the direct,

foreseeable and proximate result of the Individual Defendants' breach of duty. As the direct, foreseeable and proximate result of these breaches of duty, the State is entitled to a Judgment against Woods, Elder and Brock Jr., in the amount of **\$43,614.00** (or \$14,358.00 per Individual Defendant) plus prejudgment and post-judgment interest per statute, investigation cost, penalties and reasonable attorney's fees, litigation expenses and all cost of court, collection and execution.

COUNT II – WESTERN SURETY COMPANY

BREACH OF CONTRACT AND STATUTES

32. The State incorporates and reasserts herein the averments contained in the foregoing paragraphs of this Complaint.

33. On December 21, 2023, the Individual Defendants voted to approve the expenditure of city funds despite there being no contractual obligation to do so and despite the city's attorney advising the Board not to approve payment due to the lack of a contract or other legal obligation to pay Spencer Construction.

34. During that time, each of the Individual Defendants was covered by a \$100,000.00 bond binding Woods, Elder and Brock, Jr., as principal and Western as surety. Exhibit A.

35. The faithful performance of Woods, Elder and Brock Jr., on December 21, 2023, was bonded by Western, as surety. *Id*

36. The breach of their duty of faithful performance was, as a matter of law, a violation of state statutes and there is no defense that excuses the loss that occurred to the city of Indianola when the Individual Defendants caused the city to pay Spencer

Construction \$38,900.00 without a legal obligation to do so. Ex. B

37. The principal balance due from Western as surety for each of the Individual Defendants is \$38,900.00. *Id.*

38. Pursuant to Mississippi Code §7-7-211(g) Western is liable for interest of 1% per month (now \$3,504.00), from December 2023 to the date of repayment.

39. Interest on this amount has been accruing since the December 21, 2023, date of loss and continues to accrue each month by approximately \$389/month.

40. The above-described Surety Bonds are fully enforceable in accordance with Mississippi Code § 25-1-15 *et seq.*

41. Western has defaulted in the performance of the terms and conditions of their surety bond and relevant state statutes.

42. All conditions precedent to Western's obligations under the terms of the bond and relevant statutes had occurred and its obligations to the State have been and remain due and owing.

43. The State was and continues to be damaged as the direct, foreseeable and proximate result of Western's breach of contract. Western, as surety of the other defendants is obligated to pay no less than \$43,614.00 to the State without delay or condition.

COUNT III – WESTERN SURETY

NON-EXCLUSIVE CIVIL PENALTY

44. The State incorporates and reasserts herein the averments contained in the foregoing paragraphs of this Complaint.

45. Mississippi Code § 7-7-211(g) provides that in “any case where written demand is issued to a surety ... and the surety refuses, neglects or otherwise fails within one hundred twenty (120) days to either pay the amount demanded and the interest due thereon or to give the State Auditor a written response with specific reasons for nonpayment, then the surety shall be subject to a civil penalty in an amount of twelve percent (12%) of the bond, not to exceed Ten Thousand Dollars (\$10,000.00), to be deposited into the State General Fund.

46. Western Surety was provided written demand by the State Auditor by way of its inclusion in the correspondence and demands made to the Individual Defendants. Exhibit C. Western failed to make payment, despite demand, and therefore breached its statutory obligation with regard to the bonds it issued covering the Individual Defendants.

47. As a result of, Western is liable to the State in the amount of \$10,000.00 per \$100,000.00 bond.

#### DAMAGES – WESTERN SURETY COMPANY

48. The State incorporates and reasserts herein the averments contained in the foregoing paragraphs of this Complaint.

49. The State was and continues to be damaged as the direct, foreseeable and proximate result of Western’s breach of contract and violations of statutes. As the direct, foreseeable and proximate result of Western’s breach of contract and violations of statute, the State is entitled to a Judgment against Western in the amount of at least **\$53,614.00** (all principal, interest accrued, and penalties), plus additional

prejudgment and post-judgment interest.

PRAYER

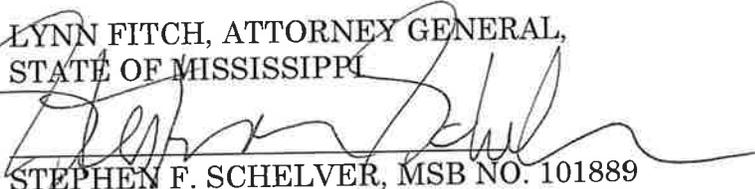
Plaintiff prays that the State, for its benefit and for the benefit of the City of Indianola, be granted a judgment against Marvin Elder, Ruben Woods and Sam Brock, Jr., and against Western Surety Company for actual, compensatory, incidental damages and statutory penalties, including interest in the amounts described above; plus investigation fees, reasonable attorney's fees and all expenses and costs, prejudgment and post-judgment interest on such award as allowed by law and until paid in full, and such other and further relief, both general and special, to which the State may be entitled or as deemed fit.

This the 25<sup>th</sup> day of October 2024.

Respectfully submitted,

THE STATE OF MISSISSIPPI, AUDITOR SHAD WHITE  
*ex rel.* THE CITY OF INDIANOLA, MISSISSIPPI

BY: LYNN FITCH, ATTORNEY GENERAL,  
STATE OF MISSISSIPPI

BY:   
STEPHEN F. SCHELVER, MSB NO. 101889  
SPECIAL ASSISTANT ATTORNEY GENERAL

Office of the Attorney General  
Civil Litigation Division  
Post Office Box 220  
Jackson, Mississippi 39205  
Telephone: (601) 359-3522  
Facsimile: (601) 359-2003  
Email: [stephen.schelver@ago.ms.gov](mailto:stephen.schelver@ago.ms.gov)



# Western Surety Company

## OFFICIAL BOND AND OATH

KNOW ALL PERSONS BY THESE PRESENTS:

Bond No. 63462132

That we, Marvin Elder, as Principal, and WESTERN SURETY COMPANY, a corporation duly licensed to do business in the State of Mississippi, as Surety, are held and firmly bound unto the City of Indianola, State of Mississippi

in the penal sum of One Hundred Thousand and 00/100 DOLLARS (\$100,000.00), to the payment of which sum, well and truly to be made, we jointly and severally bind ourselves and our legal representatives firmly by these presents.

Dated this 25th day of October, 2021.

THE CONDITION OF THIS OBLIGATION IS SUCH, That whereas, the said Principal was duly  elected  appointed to the office of Alderman in the City of Indianola, State of Mississippi, for the term commencing on the 3rd day of January, 2022, and ending on the 3rd day of January, 2026.

NOW THEREFORE, if the said Principal shall faithfully perform the duties of his said office, then this obligation shall be void and of no effect, otherwise to remain in full force and effect.

[Signature]  
Principal  
WESTERN SURETY COMPANY  
By Paul T. Bruffat  
Paul T. Bruffat, Vice President

BY Curtis K. B.  
Appointed Agent of Surety

APPROVED: We have inspected the above Bond and do hereby certify that the same is sufficient.



\_\_\_\_\_  
Approving Officer's Title

### OATH OF OFFICE

STATE OF Mississippi }  
County of Sunflower } ss

Marvin Elder, being duly sworn, says that he will support the Constitution of the United States and the Constitution of the State of Mississippi, and that he will faithfully discharge the duties of his said office as alderman.

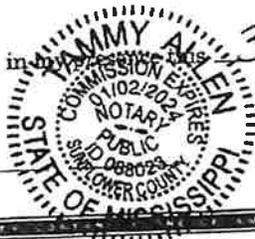
[Signature]  
Principal

Sworn to before me and signed in my presence this

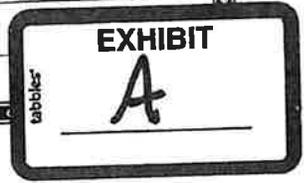
30th day of December, 2021.

My commission expires

1/2/2024



Sammy Allen  
Title of Officer

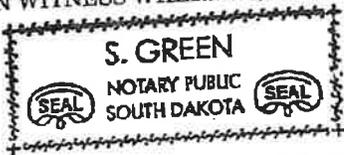


ACKNOWLEDGMENT OF SURETY  
(Corporate Officer)

STATE OF SOUTH DAKOTA }  
County of Minnehaha } ss

On this 25th day of October, 2021, before me, the undersigned officer, personally appeared Paul T. Bruflat, who acknowledged himself to be the aforesaid officer of WESTERN SURETY COMPANY, a corporation, that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



J. Green  
Notary Public

My Commission Expires February 12, 2027

WESTERN SURETY COMPANY • ONE OF AMERICA'S OLDEST BONDING COMPANIES



# Western Surety Company

## OFFICIAL BOND AND OATH

KNOW ALL PERSONS BY THESE PRESENTS:

Bond No. 61962946

That we, Ruben Woods, as Principal, and WESTERN SURETY COMPANY, a corporation duly licensed to do business in the State of Mississippi, as Surety, are held and firmly bound unto the City of Indianola, State of Mississippi

in the penal sum of One Hundred Thousand and 00/100 DOLLARS (\$100,000.00),

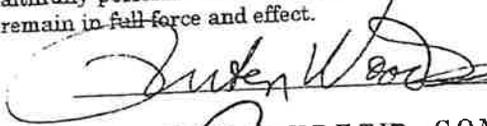
to the payment of which sum, well and truly to be made, we jointly and severally bind ourselves and our legal representatives firmly by these presents.

Dated this 25th day of October, 2021.

THE CONDITION OF THIS OBLIGATION IS SUCH, That whereas, the said Principal was duly

elected  
 appointed to the office of Alderman in the City of Indianola, State of Mississippi, for the term commencing on the 3rd day of January, 2022, and ending on the 3rd day of January, 2026.

NOW THEREFORE, if the said Principal shall faithfully perform the duties of his said office, then this obligation shall be void and of no effect, otherwise to remain in full force and effect.

  
 Principal  
 WESTERN SURETY COMPANY  
 By Paul T. Buflet  
 Paul T. Buflet, Vice President

BY Cynthia K. B.  
 Appointed Agent of Surety

APPROVE: We have inspected the above Bond and do hereby certify that the same is sufficient.

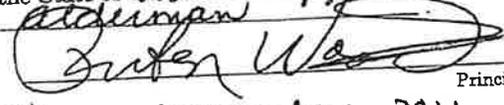


Approving Officer's Title \_\_\_\_\_

### OATH OF OFFICE

STATE OF Mississippi } ss  
 County of Sunflower  
Ruben Woods

, being duly sworn, says that he will support the Constitution of the United States and the Constitution of the State of Mississippi, and that he will faithfully discharge the duties of his said office as Alderman

  
 Principal

Sworn to before me and signed by this 30th day of December, 2021.

My commission expires 1/2/2024

Tammy Allen  
 Title of Officer \_\_\_\_\_



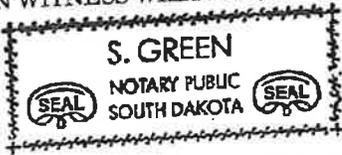
ACKNOWLEDGMENT OF SURETY  
(Corporate Officer)

STATE OF SOUTH DAKOTA  
County of Minnehaha

} ss

On this 25th day of October, 2021, before me, the undersigned officer,  
personally appeared Paul T. Bruflat, who acknowledged himself to be the aforesaid officer  
of WESTERN SURETY COMPANY, a corporation, that he as such officer, being authorized so to do,  
executed the foregoing instrument for the purposes therein contained, by signing the name of the  
corporation by himself as such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



S. Green  
Notary Public

My Commission Expires February 12, 2027

  
**Western Surety Company**

**OFFICIAL BOND AND OATH**

KNOW ALL PERSONS BY THESE PRESENTS: Bond No. 63462115

That we, Sam Brock, Jr., as Principal, and WESTERN SURETY COMPANY, a corporation duly licensed to do business in the State of Mississippi, as Surety, are held and firmly bound unto the City of Indianola, State of Mississippi

in the penal sum of One Hundred Thousand and 00/100 DOLLARS (\$100,000.00), to the payment of which sum, well and truly to be made, we jointly and severally bind ourselves and our legal representatives firmly by these presents.

Dated this 25th day of October, 2021.

THE CONDITION OF THIS OBLIGATION IS SUCH, That whereas, the said Principal was duly  elected  appointed to the office of Alderman in the City of Indianola, State of Mississippi, for the term commencing on the 3rd day of January, 2022, and ending on the 3rd day of January, 2026.

NOW THEREFORE, if the said Principal shall faithfully perform the duties of his said office, then this obligation shall be void and of no effect, otherwise to remain in full force and effect.

BY Curtis K. B.  
Appointed Agent of Surety

Sam Brock Jr.  
Principal  
 WESTERN SURETY COMPANY  
 By Paul T. Bruffat  
Paul T. Bruffat, Vice President

APPROVER: I have inspected the above Bond and do hereby certify that the same is sufficient.



\_\_\_\_\_  
Approving Officer's Title

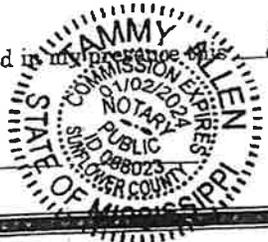
**OATH OF OFFICE**

STATE OF Mississippi } ss  
County of Sunflower

Sam Brock, Jr., being duly sworn, says that he will support the Constitution of the United States and the Constitution of the State of Mississippi, and that he will faithfully discharge the duties of his said office as Alderman.

Sworn to before me and signed in my presence, on 30th day of December, 2021.  
Sam Brock Jr. Principal  
 Title of Officer \_\_\_\_\_

My commission expires 1/2/2024

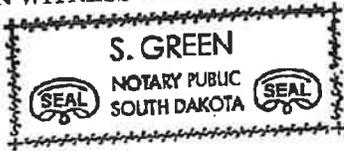


ACKNOWLEDGMENT OF SURETY  
(Corporate Officer)

STATE OF SOUTH DAKOTA }  
County of Minnehaha } ss

On this 25th day of October, 2021, before me, the undersigned officer,  
personally appeared Paul T. Bruflat, who acknowledged himself to be the aforesaid officer  
of WESTERN SURETY COMPANY, a corporation, that he as such officer, being authorized so to do,  
executed the foregoing instrument for the purposes therein contained, by signing the name of the  
corporation by himself as such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



S. Green  
Notary Public

My Commission Expires February 12, 2027

# The Enterprise-Tocsin

www.enterprise-tocsin.com

Volume CXXXVIII No. 4

\$4 Indianola, MS

Friday, January 26, 2024

## City may have improperly paid contractor, reimbursement now in doubt

Merchant, this board voted 3-2 last month to pay Spencer Construction \$39,900 for a home rehabilitation project

By BRYAN DAVIS  
Publisher

The Indianola Board of Al-

dermen may have payer's re-  
morse after agreeing to cut a  
check back in December to  
compensate a contractor who  
did not have a bidding agree-  
ment with the city.  
Against twice given advice  
from City Attorney Kimberly

that was bid through MS  
Home Corps, the Department  
of Housing & Urban

See **Funds** Page 24

### FUNDS

Continued from Page 1

Development and South  
Delta Planning & Develop-  
ment.

Aldermen Ruben Woods,  
Marvin Elder and Sam Brock  
voted yes. Aldermen Gary  
Frazier and Darrell Simpson  
voted no.

Merchant told the board  
multiple times last month  
that because Spencer, which  
is owned by Frederick  
Spencer, was not under con-  
tract with the city, the board  
was not authorized to pay the  
bill.

Some members of the  
board reasoned that the city  
would be reimbursed once the  
funds are disbursed from  
HUD to MS Home Corps. But

that may not happen after all.

"For whatever reason,  
HUD just hasn't renewed it,"  
Merchant told the board this  
past Monday night, referring  
to a process where the agency  
would award and waive for  
the project and agree to re-  
lease the funds.

Merchant read a portion of  
a letter she received from MS  
Home Corps explaining the  
latest on the situation.

"However, HUD denies  
this request," the letter appar-  
ently stated. "MS Home  
Corps must deem the project  
to be ineligible for funding,  
and all funds that have been  
paid out must be repaid to  
MS Home Corps, and re-  
turned to HUD."

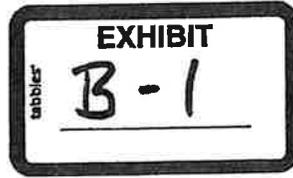
"Meaning, we won't get  
any money," Merchant said.  
On top of that, Merchant  
said the city may be on the

hook for an additional  
\$16,000 in monies that had  
been previously drawn down.  
She said that was in the letter  
from MS Home Corps, but  
she had not gotten to the bot-  
tom of what that money is by  
the time of the meeting.

There also were communi-  
cation issues between MS  
Home Corps, Merchant and  
City Clerk Angela Goodwin,  
who said that her contact at  
the agency said the city had  
the authority to pay the con-  
tractor.

"She cannot speak to our  
contract with South Delta,"  
Alderman said. "She can't tell  
the city it's okay to pay some-  
thing." I disagree with her  
wholeheartedly.

The city is now crossing its  
fingers that HUD will grant  
the waiver and reimburse the  
funds to the city.





**STATE OF MISSISSIPPI  
OFFICE OF THE STATE AUDITOR  
CRIMINAL INVESTIGATIONS DIVISION  
REPORT OF INVESTIGATION**



**Case Number:** 67-24-2212  
**Subject Name:** Marvin Elder  
**Report Date:** 02/05/2024  
**Report Title:** Mayor Kenneth Featherstone Interview  
**Special Agent:** Scott Floyd

On 02/02/2024, while at Indianola City Hall, 101 Front Street, Indianola, MS, Special Agent (SA) Scott Floyd spoke with City of Indianola Mayor Kenneth Featherstone concerning a complaint filed with OSA alleging that the City of Indianola Board of Aldermen voted in December 2023 to pay Spencer Construction \$38,900.00 at a time when the City did not have a binding contract with Spencer Construction. Mayor Featherstone made the following statements:

- The City received a grant through Mississippi Home Corporation to repair homes.
- Spencer Construction entered into an agreement with Mississippi Home Corporation to repair a home through the grant.
- The City of Indianola does not have a contract for services with Spencer Construction.
- The invoices for payment from Spencer Construction were submitted after the grant had expired, therefore they were not paid.
- The Board of Aldermen voted to pay Spencer Construction, thinking the grant would be extended and the City would recoup the funds.

Kenneth V. Featherstone  
101 Front Street  
Indianola, MS 38751  
(662)887-1825

**IMPORTANT NOTICE**

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**67-24-2212 - Sunflower Co., Sb: Indianola Board of Aldermen for Misuse of Public Funds  
City Clerk Angela Goodwin Interview.pdf**

Date: 2024-02-12 Signed by: Jeff Joel

B-3



**STATE OF MISSISSIPPI  
OFFICE OF THE STATE AUDITOR  
CRIMINAL INVESTIGATIONS DIVISION  
REPORT OF INVESTIGATION**



**Case Number:** 67-24-2212  
**Subject Name:** Marvin Elder  
**Report Date:** 02/05/2024  
**Report Title:** City Clerk Angela Goodwin Interview  
**Special Agent:** Scott Floyd

On 02/02/2024, while at Indianola City Hall, 101 Front Street, Indianola, MS, Special Agent (SA) Scott Floyd spoke with Indianola City Clerk Angela Goodwin concerning a complaint filed with OSA alleging that the City of Indianola Board of Aldermen voted in December 2023 to pay Spencer Construction \$38,900.00 at a time when the City did not have a binding contract with Spencer Construction. Goodwin made the following statements:

- She has been employed as Indianola City Clerk since August of 2023.
- Spencer Construction provided invoices for payment of residential repair services to be paid through a grant from the Mississippi Home Corporation (MHC).
- She is unaware of a contract between the City of Indianola and Spencer Construction.
- The only contract she knows of is between Spencer Construction and the homeowner.
- According to documents provided by City Attorney Kimberly Merchant, MHC did not pay Spencer Construction because his paperwork was submitted too late.
- The Board of Aldermen voted to pay Spencer Construction \$38,900.00 at the December 21, 2023, board meeting, thinking the grant would be extended and the City would recoup the funds.
- City Attorney Kimberly Merchant advised against the payment.
- The vote authorizing the payment was recorded in the board minutes, but the payment was not included in the claims docket.

Goodwin provided SA Floyd with copies of two invoices from Spencer Construction, check #61451 drawn on the Planters Bank account of the City of Indianola made payable to Spencer Construction for \$38,900.00, board minutes, claims dockets, letters between City Attorney Merchant and MHC, AHC Credit Authorization Form between the City of Indianola and MHC and MHC paperwork pertaining to the project in question.

Angela Goodwin  
321 North Macarthur Circle  
Indianola, MS 38751  
(662)303-4070

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**67-24-2212 - Sunflower Co., Sb: Indianola Board of Aldermen for Misuse of Public Funds  
Alderman Sam Brock Jr. Interview.pdf**

Date: 2024-02-13 Signed by: Jeff Joel

B.5



**STATE OF MISSISSIPPI  
OFFICE OF THE STATE AUDITOR  
CRIMINAL INVESTIGATIONS DIVISION  
REPORT OF INVESTIGATION**



**Case Number:** 67-24-2212  
**Subject Name:** Marvin Elder  
**Report Date:** 02/06/2024  
**Report Title:** Alderman Sam Brock Jr. Interview  
**Special Agent:** Scott Floyd

On 02/05/2024, Special Agent (SA) Scott Floyd spoke by phone with City of Indianola Alderman Sam Brock Jr. concerning a complaint filed with OSA alleging that the City of Indianola Board of Aldermen voted in December 2023 to pay Spencer Construction \$38,900.00 at a time when the City did not have a binding contract with Spencer Construction. Brock made the following statements:

- The City of Indianola (City) was awarded a grant through Mississippi Home Corporation (MHC) to be used for renovations of homes owned by low-income residents.
- The grant was administered by South Delta Planning and Development District (SDPDD).
- Spencer Construction renovated a home and submitted invoices to be paid through the grant.
- "Lauderdale sat on" (Randall Lauderdale, SDPDD) the Spencer Construction paperwork.
- The home inspector "sat on" the Spencer Construction paperwork.
- The Spencer Construction paperwork was submitted after the grant expired, and the invoices were unpaid.
- SDPDD did not make the City aware that the grant had expired.
- The Board of Aldermen voted in December to pay Spencer thinking that the City would be reimbursed through the grant.
- He has never seen any paperwork between the City, SDPDD, or MHC.
- Spencer Construction is a small business that needed to be paid for the work.

Sam Brock Jr.  
1114 Third Avenue  
Indianola, MS 38751  
(662)390-7747

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SYNOPSIS REPORT



**STATE OF MISSISSIPPI**  
**OFFICE OF THE STATE AUDITOR**  
**CRIMINAL INVESTIGATIONS DIVISION**  
**SYNOPSIS REPORT**



**Case Number:** 67-24-2212  
**Subject Name:** Marvin Elder  
**Report Date:** 02/12/2024  
**Special Agent:** Scott Floyd

An investigation conducted by the Mississippi Office of the State Auditor (OSA) has determined that City of Indianola Aldermen Ruben Woods, Marvin Elder, and Sam Brock Jr. violated provisions of the Mississippi Constitution and the laws of the State of Mississippi, including but not limited to, violations of Miss. Const., Art. 4 §66 and §96, and Miss. Code §25-1-45, and §31-7-57. On December 21, 2023, these individuals collectively misappropriated and/or illegally expended \$38,900 by causing public funds to be paid in the absence of a binding, non-void, and enforceable contract in the minutes.

On January 31, 2024, a complaint was received by the OSA alleging that the City of Indianola (City) paid Spencer Construction without a binding contract. The complaint included a copy of an article printed in The Enterprise-Tocsin newspaper detailing the issue.

In September 2019, the City entered into a contract with Mississippi Home Corporation (MHC) to receive grant funds totaling \$392,336.00 to be used in the rehabilitation and/or reconstruction of homes for low-income homeowners in Indianola. In addition, the City contracted with South Delta Planning and Development District (SDPDD) to perform administrative services associated with the grant.

In April 2023, Spencer Construction entered into a contract totaling \$38,900.00 with homeowner Mary Young for renovations to her residence, to be paid for through the MHC grant. Spencer Construction submitted invoices in June and July 2023 totaling \$38,900.00 to SDPDD for payment for work on the residence.

SDPDD submitted the required paperwork to MHC requesting payment be issued to Spencer Construction, however the request was submitted after the August 01, 2023 grant expiration date and the request for payment was denied.

At the December 21, 2023, City board meeting, Aldermen Ruben Woods, Marvin Elder, and Sam Brock Jr. voted to pay Spencer Construction the \$38,900.00 that MHC

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had not paid.

Upon speaking with the Mayor, City Clerk and City Attorney, it was determined that the City did not have a binding contract with Spencer Construction. The only contract that could be provided was between Spencer Construction and the homeowner for whom the work was provided.

On February 05, 2024, SA Floyd spoke with Aldermen Marvin Elder, Sam Brock Jr., and Ruben Woods. All three men stated that they voted to pay Spencer Construction for the unpaid invoices because Spencer Construction is a small business, and the invoiced funds were needed for the business to continue to operate. The men stated that they thought that MHC would reimburse the City for the payment. Brock and Elder stated that they had never seen paperwork between the City, SDPDD, and MHC, while Woods stated that the City did not have a contract with Spencer Construction. Brock went on to say that SDPDD had "sat on the paperwork" and did not make the City aware that the grant had expired.

The Mississippi Attorney General has repeatedly opined, and the Mississippi Supreme Court has held that the board speaks and acts only through its minutes. For a contract to be enforceable, the minutes must contain enough of the terms and conditions of the contract to determine the liabilities and obligations of the contracting parties without the necessity of resorting to other evidence. No contract can be implied or presumed; it must be stated in express terms and recorded in the official minutes. The City never entered into a contract with Spencer Construction.

The City of Indianola had no binding legal obligation to make any payments to Spencer Construction and Miss. Code §31-7-57(3) imposes liability upon officers who "causing any public funds to be expended, any contract made or let, any payment made on any contract or any purchase made, or any payment made, in any manner whatsoever, contrary to or without complying with any statute of the State of Mississippi...."

The board members who were present and voted in favor of approving payments to Spencer Construction violated Miss. Code §25-1-45 (violation of official obligations in any respect), §31-7-57 (unlawful expenditure), and Miss. Const., Art. 4 §66 (unlawful donation) and §96 (prohibited extra allowance or payment) by causing public funds to be paid in the absence of any binding legal obligation to do so.

In conclusion, Aldermen Marvin Elder, Sam Brock Jr., and Ruben Woods collectively misappropriated and/or illegally expended \$38,900.00 in public funds.

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**CITY OF INDIANOLA**  
**MINUTES OF REGULAR BOARD MEETING**  
**Thursday, December 21, 2023, at 7:00 p.m.**

**BE IT REMEMBERED** that the Mayor and Board of Aldermen of the City of Indianola, Sunflower County, Mississippi, met in the City Hall Building located at 104 E. Percy Street in the City of Indianola in a regular board meeting on Thursday, December 21, 2023, at 7:00 o'clock P. M., with the following officers and members present:

Ken Featherstone, Mayor  
Ruben Woods, Alderman  
Sam Brock, Jr., Alderman  
Dr. Phyllis Rhodes (by phone)  
Attorney Kimberly Merchant  
Inspector Jamal Mayfield  
Tereasa Nolden, Municipal Court  
Asst. Fire Chief, Bill Alford

Marvin Elder, Alderman  
Darrell Simpson, Alderman  
Gary Fratesi, Alderman (by phone)  
Angela Goodwin, City Clerk  
Chief Ron Sampson  
Fire Chief Orlando Battle  
Charles Mc McClatchy, Cemetery Sexton  
Asst. Police Chief, Earnest Gilson

It appeared to the Mayor and Board that all officers and members were present for a quorum, and the Mayor thereupon declared the meeting in order and open for business.

**WHEREUPON** the following proceedings were had and done-to-wit:

**RE: ADOPTION OF THE AGENDA**

**ON MOTION** by Alderman Marvin Elder, and seconded by Alderman Darrell Simpson, and carried with an AYE by Alderman Gary Fratesi, Alderman Ruben Woods, Alderman Marvin Elder, Alderman Darrell Simpson and Alderman Sam Brock, Jr., to adopt the regular board meeting agenda with the following additions and deletions: Add - Discussion on the status of the Indianola Comprehensive Plan - Slaughter & Associates; Remove Item # 3 – Discuss and approve the renewal proposal for the insurance policies consisting of Property and Casualty, Property, Auto, Commercial General Liability, Law Enforcement Liability, Employment Practices Liability, Cyber Liability, Airport Liability and Public Entity Liability, expiring January 1, 2024- Doug Russell; and Remove Item # 16- Approval for the Board of Aldermen to enter into Winter recess until January 4, 2024- City Clerk.

(Attachment A – Agenda)

This is the 21<sup>st</sup> of December 2023.

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**CITY OF INDIANOLA**  
**MINUTES OF REGULAR BOARD MEETING**  
**Thursday, December 21, 2023, at 7:00 p.m.**

**RE: DISCUSSION AND UPDATE ON THE STATUS OF THE INDIANOLA  
COMPREHENSIVE PLAN - SLAAUGHTER & ASSOCIATES**

**BE IT NOTED** – Slaughter & Associates updated the Board on the future land use for the city. Presented drawings and mappings of new zoning and provide the Board with a proposed comprehensive plan for growth. No action was taken.

(Attachment B – Comprehensive Plan)

This is the 21<sup>st</sup> of December 2023.

**RE: DISCUSSION AND APPROVAL TO RELEASE BODY CAM FOOTAGE TO THE  
PUBLIC IN ITS ENTIRETY - ALDERMAN MARVIN ELDER**

**ON MOTION** by Alderman Marvin Elder to release body cam footage to the public in its entirety, failed for lack of a second on the motion. A copy of the Order Granting Motion to Seal the body cam footage was provided to the Board by Attorney Mike Carr.

(Attachment C – Order Granting Motion to Seal)

This is the 21<sup>st</sup> of December 2023.

**RE: APPROVAL TO ENTER CLOSED SESSION**

**ON MOTION** by Alderman Gary Fratesi and seconded by Alderman Sam Brock Jr., and carried with an AYE by Alderman Gary Fratesi, Alderman Darrell Simpson, Alderman Ruben Woods, Alderman Marvin Elder, and Alderman Sam Brock, Jr. to enter closed session to consider entering executive session to discuss a personnel recommendation to reinstate employee #618 in the police department.

This is the 21<sup>st</sup> of December 2023.

**RE: APPROVAL TO EXECUTIVE SESSION**

**ON MOTION** by Alderman Darrell Simpson and seconded by Alderman Marvin Elder, and carried with an AYE by Alderman Gary Fratesi, Alderman Darrell Simpson, Alderman Ruben Woods, Alderman Marvin Elder, and Alderman Sam Brock, Jr. to enter closed session to consider entering executive session to discuss a personnel recommendation to reinstate employee #618 in the police department.

This is the 21<sup>st</sup> of December 2023.

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**CITY OF INDIANOLA**  
**MINUTES OF REGULAR BOARD MEETING**  
**Thursday, December 21, 2023, at 7:00 p.m.**

**RE: APPROVAL TO RETURN TO OPEN SESSION**

**ON MOTION** by Alderman Darrell Simpson and seconded by Alderman Ruben Woods, and carried with an AYE by Alderman Darrell Simpson, Alderman Ruben Woods, Alderman Marvin Elder, and Alderman Sam Brock, Jr. [Alderman Gary Fratesi was not on the phone] to return to open session.

This is the 21<sup>st</sup> of December 2023.

**RE: APPROVAL TO REINSTATE SGT. GREGORY CAPERS - ALDERMAN GARY FRATESI**

**ON MOTION** by Alderman Darrell Simpson and seconded by Alderman Gary Fratesi, and carried with an AYE by Alderman Gary Fratesi, Alderman Darrell Simpson, Alderman Ruben Woods, and Alderman Sam Brock, Jr. and a NAY by Alderman Marvin Elder to reinstate Sgt. Gregory Capers to the Indianola Police Department, effective immediately.

**ON A SUBSIDIARY MOTION** by Alderman Marvin Elder to terminate Sgt. Gregory Capers from the Indianola Police Department, effective immediately, failed for lack of a second.

This is the 21<sup>st</sup> of December 2023.

**RE: CONSENT AGENDA**

**ON MOTION** by Alderman Darrell Simpson and seconded by Alderman Ruben Woods, and carried with an AYE by Alderman Gary Fratesi, Alderman Darrell Simpson, Alderman Ruben Woods, Alderman Marvin Elder, and Alderman Sam Brock, Jr. to approve Consent Agenda Item 2.B. – Approval of Departmental Reports; Item 2.C. – Discussion on Information Reports; and Item 2.E. – Approval for Tasha Woods to attend Ethics in Leadership Conference, January 25-26, 2024, at VFW Road in Greenville, MS to include registration, per diem and mileage.

This is the 21<sup>st</sup> of December 2023.

**RE: APPROVAL OF THE MINUTES OF THE DECEMBER 11, 2023, REGULAR BOARD MEETING**

**ON MOTION** by Alderman Gary Fratesi and seconded by Alderman Marvin Elder, and carried with an AYE by Alderman Gary Fratesi, Alderman Darrell Simpson, Alderman Ruben Woods, Alderman Marvin Elder, and Alderman Sam Brock, Jr. to approve the Minutes of the December 11, 2023, Regular Board Meeting.

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**CITY OF INDIANOLA**  
**MINUTES OF REGULAR BOARD MEETING**  
**Thursday, December 21, 2023, at 7:00 p.m.**

This is the 21<sup>st</sup> of December 2023

**RE: APPROVAL FOR ANGELA GOODWIN TO ATTEND SPRING CERTIFIED MUNICIPAL CLERK PROGRAM CONFERENCE, APRIL 3-5, 2024, IN MERIDIAN, MS**

**ON MOTION** by Alderman Marvin Elder and seconded by Alderman Gary Fratesi, and carried with an AYE by Alderman Gary Fratesi, Alderman Darrell Simpson, Alderman Ruben Woods, Alderman Marvin Elder, and Alderman Sam Brock, Jr. to approve the attendance of Angela Goodwin at the Spring Certified Municipal Clerk Program Conference, April 3-5, 2024, in Meridian, MS to include registration, per diem, lodging and mileage.

This is the 21<sup>st</sup> of December 2023.

**RE: APPROVAL FOR ANGELA GOODWIN TO ATTEND MISSISSIPPI CERTIFIED MUNICIPAL CLERKS SPRING CONFERENCE, APRIL 24-26, 2024, AT THE EMBASSY SUITE HOTEL, RIDGELAND, MS**

**ON MOTION** by Alderman Marvin Elder and seconded by Alderman Gary Fratesi, and carried with an AYE by Alderman Gary Fratesi, Alderman Darrell Simpson, Alderman Ruben Woods, Alderman Marvin Elder, and Alderman Sam Brock, Jr. to approve the attendance of Angela Goodwin at the Mississippi Certified Municipal Clerks Spring Conference, April 24-26, 2024, at the Embassy Suite Hotel, Ridgeland, MS to include registration, per diem, lodging and mileage.

This is the 21<sup>st</sup> of December 2023.

**RE: APPROVAL TO PAY ALEXIS NELSON FOR DISCONTINUATION OF WATER SERVICES AT 1107 SECOND AVENUE IN THE AMOUNT OF \$201.20**

**ON MOTION** by Alderman Marvin Elder and seconded by Alderman Gary Fratesi, and carried with an AYE by Alderman Gary Fratesi, Alderman Darrell Simpson, Alderman Ruben Woods, Alderman Marvin Elder, and Alderman Sam Brock, Jr. to TABLE the approval for payment to Alexis Nelson for discontinuation of water services at 1107 Second Avenue in the amount of \$201.20.

This is the 21<sup>st</sup> of December 2023.

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**CITY OF INDIANOLA**  
**MINUTES OF REGULAR BOARD MEETING**  
Thursday, December 21, 2023, at 7:00 p.m.

**RE: APPROVAL TO PAY SPENCER CONSTRUCTION IN THE AMOUNT OF \$38,900 FROM THE GENERAL FUND 001-140-600, PROFESSIONAL SERVICES, FOR CONSTRUCTION SERVICES RENDER FOR MS HOME CORP AND SOUTH DELTA PLANNING & DEVELOPMENT DISTRICT ALDERMAN SAM BROCK, JR.**

**ON MOTION** by Alderman Sam Brock Jr. and seconded by Alderman Marvin Elder, and carried with an **AYE** by Alderman Ruben Woods, Alderman Marvin Elder, Alderman Sam Brock, Jr. and a **NAY** by Alderman Gary Fratesi and Alderman Darrell Simpson to approve payment to Spencer Construction in the amount of \$38,900 from the General Fund 001-140-600, professional services, for construction services render in the MS Home Project for Mary Young at 509 Stewart Street, Indianola, MS.

This is the 21<sup>st</sup> of December 2023.

**RE: REQUEST FOR UPDATE ON STATUS OF BROWN & EWING COMPLETION OF 2018 AUDIT- ALDERMAN MARVIN ELDER**

**BE IT NOTED** – No action was taken.

This is the 21<sup>st</sup> of December 2023.

**RE: DISCUSSION ON THE PROPERTY LOCATED ON 203 E PERCY ST, IN HISTORICAL DISTRICT, OF PLACEMENT OF FENCE, ABANDONED AND DRIVEWAY- INSPECTOR MAYFIELD**

**ON MOTION** by Alderman Sam Brock, Jr. and seconded by Alderman Darrell Simpson, and carried with an **AYE** by Alderman Gary Fratesi, Alderman Darrell Simpson, Alderman Ruben Woods, Alderman Marvin Elder, and Alderman Sam Brock, Jr. to **TABLE** the approval of the abandonment of the alley located at 203 E Percy Street.

This is the 21<sup>st</sup> of December 2023.

**RE: APPROVAL TO ENGAGE DIGITAL FORENSICS CORP FOR PHASE I OF FORENSIC ACCOUNTING SERVICES, EVALUATION, AND INVESTIGATION FOR 60-DAY AT A COST OF \$7,000 – ALDERMAN MARVIN ELDER**

**ON MOTION** by Alderman Marvin Elder and seconded by Alderman Ruben Woods, and carried with an **AYE** by Alderman Gary Fratesi, Alderman Darrell Simpson, Alderman Marvin Elder, and Alderman Sam Brock, Jr. [Alderman Ruben Woods was not present] to accept the

B-13

**CITY OF INDIANOLA**  
**MINUTES OF REGULAR BOARD MEETING**  
**Thursday, December 21, 2023, at 7:00 p.m.**

proposal from Digital Forensic Corp for Phase I of Forensic Accounting Services, Evaluation, and Investigation for 60-day at a cost of \$7,000 and for review of years 2017-2023.

This is the 21<sup>st</sup> of December 2023.

**RE: DISCUSSION ON THE SUSPENSION OF B.B. KING SIDEWALK PROJECT AND THE IMPACT TO CONTRACT – ALDERMAN MARVIN ELDER**

**BE IT NOTED** – No action was taken.

This is the 21<sup>st</sup> of December 2023.

**RE: DISCUSSION THE NEW POLICE SUV INVOLVED IN RECENT ACCIDENT - ALDERMAN SAM BROCK, JR.**

**BE IT NOTED** – No action was taken.

This is the 21<sup>st</sup> of December 2023.

**RE: APPROVAL TO AMEND FYE 2024 BUDGET TO INCLUDE CITY OF INDIANOLA MUNICIPAL AIRPORT FUND (PLANTER'S BANK & TRUST-0570) - CITY CLERK**

**ON MOTION** by Alderman Gary Fratesi and seconded by Alderman Marvin Elder, and carried with an AYE by Alderman Gary Fratesi, Alderman Darrell Simpson, Alderman Ruben Woods, Alderman Marvin Elder, and Alderman Sam Brock, Jr. to approve the amendment of the FYE 2024 Budget to include City of Indianola Municipal Airport Fund (Planter's Bank & Trust - 0570) and change the name of the account to "City of Indianola Legion Municipal Airport Fund".

This is the 21<sup>st</sup> of December 2023.

**RE: DISCUSS AND APPROVE TO REQUEST C & G RAILROAD TO REMOVE DEBRIS ALONG THE RAILROAD CROSSING BB KING ROAD AND WITHIN THE CITY LIMITS- ALDERMAN SAM BROCK, JR.**

**ON MOTION** by Alderman Sam Brock, Jr. and seconded by Alderman Marvin Elder, and carried with an AYE by Alderman Gary Fratesi, Alderman Ruben Woods, Alderman Marvin Elder, and Alderman Sam Brock, Jr. [Alderman Simpson was not present] to approve the Mayor making a written request to C & G Railroad to remove debris along the railroad crossing of B.B. King Road within the city right of way.

This is the 21<sup>st</sup> of December 2023.

**CITY OF INDIANOLA  
MINUTES OF REGULAR BOARD MEETING  
Thursday, December 21, 2023, at 7:00 p.m.**

**RE: DISCUSS GUN SHOTS FIRED WITHIN THE CITY LIMITS WITH POLICE DEPARTMENTS AND THE CITY COUNCIL SOLUTION- ALDERMAN SAM BROCK, JR.**

**BE IT NOTED-** No action was taken.

This is the 21<sup>st</sup> of December 2023.

**RE: APPROVAL OF THE CLAIMS DOCKET - CITY CLERK**

**ON MOTION** by Alderman Darrell Simpson and seconded by Alderman Sam Brock, Jr., and carried with an AYE by Alderman Gary Fratesi, Alderman Darrell Simpson, Alderman Ruben Woods, Alderman Marvin Elder, and Alderman Sam Brock, Jr. to approve the claims docket with the exclusion of Item #400-722-630 in the amount of \$201.20 to Alexis Nelson.

This is the 21<sup>st</sup> of December 2023.

**RE: ADJOURNMENT**

**ON MOTION** by Alderman Marvin Elder and seconded by Alderman Ruben Woods, and carried with an AYE by Alderman Gary Fratesi, Alderman Darrell Simpson, Alderman Marvin Elder, Alderman Ruben Woods and Alderman Sam Brock, Jr. to adjourn the meeting at 9:00 pm.

This is the 21<sup>st</sup> of December 2023.

**APPROVED BY THE BOARD**, on the 4<sup>th</sup> day of January 2024 and **CERTIFIED BY THE MAYOR AND CITY CLERK.**

\_\_\_\_\_  
Mayor Ken Featherstone

\_\_\_\_\_  
Angela Goodwin, City Clerk



**CITY OF INDIANOLA**

101 FRONT STREET - INDIANOLA, MISSISSIPPI 38751 • (662) 887-3101  
CITY OF INDIANOLA - CONTROL ACCOUNT

Ref: 001-0242758 Claim No. 380

PLANTERS BANK  
INDIANOLA, MISSISSIPPI 38751

85-570  
842

VOID AFTER 60 DAYS

CHECK NO.  
61451

**Thirty-Eight Thousand Nine Hundred And No/100  
Dollars**

DATE  
12/22/2023

AMOUNT  
\$38,900.00

PAY TO THE ORDER OF:

\*\*\*\*\*  
SPENCER CONSTRUCTION\*\*\*\*\*

106B S.MARTIN LUTHER KING JR.DR  
INDIANOLA MS 38751

NON-NEGOTIABLE

Account	Check Date	Description	Invoice	Amount
[REDACTED]	12/22/2023	PARTIAL PAYMENT (50%) COMPLETION FOR MARY YOUNG	5	19,450.00
[REDACTED]		FINAL PAYMENT (100%) COMPLETION FOR MARY YOUNG	6	19,450.00
		<b>Total</b>		<b>38,900.00</b>

LAWRENCE-GREENWOOD 11846

<b>Total</b>	<b>\$19,450.00</b>
PLEASE MAKE CHECK PAYABLE TO SPENCER CONSTRUCTION Thank you for your business!	

B-16

GLMCIQ01 ACCTCY CASH DISBURSEMENTS DATA ENTRY GLWCIQ97/R4  
 Fund 001 GENERAL FUND Trans 242758 Amount 38900.00  
 Claim 380 Claim Date 12 22 2023 Release Date 12 22 2023 Status P N O V D H  
 Bank 1 Check Date 12 22 2023 Check 61451 Ep Cash Account 000 001  
 Voided by Reason  
 Vendor No Payee SPENCER CONSTRUCTION

Addr1  
 Addr2 106B S.MARTIN LUTHERKING JR.DR Added 20231222 - KIA  
 City INDIANOLA MS 38751 - Chged 00000000 -

For Investments	CD No	Maturity Date	Rate	Invoice Date	Amount
Account	Description	Invoice			
0 [REDACTED]	PARTIAL PAYMENT(50%)COMPLETION	5		6 27 2023	19450.00
0 [REDACTED]	FOR MARY YOUNG			6 27 2023	
0 [REDACTED]	FINAL PAYMENT(100%)COMPLETION	6		7 11 2023	19450.00
0 [REDACTED]	FOR MARY YOUNG			7 11 2023	

Copyright 1999, Delta Computer Systems, Inc. - All Rights Reserved 12/17-JRR  
 F14-PAPERLINK  
 F3-Next\_Claim,PAGE-UP\_for\_Prev\_Claim F4-Prev\_Detail F5-Next\_Detail F13-Mode

B-17

Good Afternoon, Angela Goodwin



# CITY OF INDIANOLA NOW ACCOUNT

Last Updated: February 2, 2024 12:24 PM

**\$2,072,229.16**

~~2,072,015.71~~

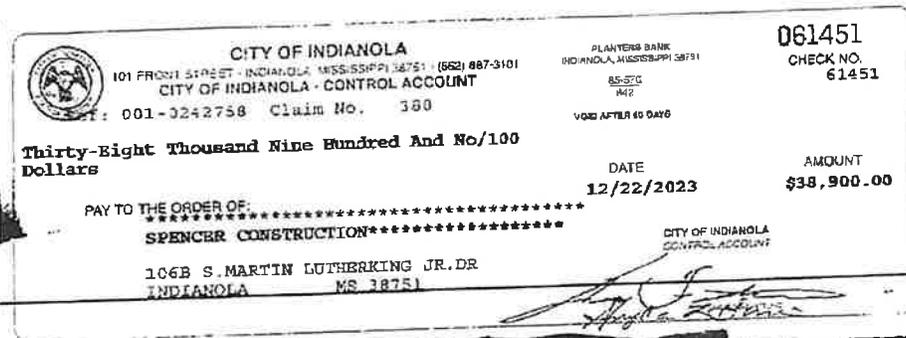
Current Balance

Available Balance with No ODP

Transactions Details & Settings

61451

Date



,900.00)

DEC 26 2023

PRI

1 of 2

Details

### Statement Description:

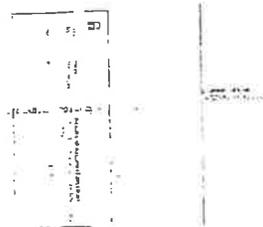
PRIORITY 5 CHECK

Date:

12/26/2023

Type:

Debit - Check 61451



MISSISSIPPI  
X  
Angela Goodwin

B-18

SF2 B 3

**SPENCER CONSTRUCTION**  
106B S. Martin Luther King Jr. Dr.  
Indianola, MS 38751  
Office: 662-445-2131  
Cell: 662-207-5352  
Email: flspencer1@yahoo.com

**INVOICE**

**#5**

**DATE:** June 27, 2023  
**Purchase Order:**  
**Jobsite:** Mary Young  
509 Stewart  
Indianola, MS

**Bill To:** Randall Lauderdale/South Delta Planning & Development District

DESCRIPTION	LABOR
The following work will included:  Partial Payment (50%) Completion for Mary Young	
<b>Total</b>	<b>\$19,450.00</b>
<b>PLEASE MAKE CHECK PAYABLE TO SPENCER CONSTRUCTION</b> Thank you for your business!	

B-19

Mississippi Home Corporation  
Consolidated Support Sheet

Program: Homeowner Rehabilitation  
Recipient: City of Indiana  
Request for Cash Number: 4

Contract Number: M19-SG-280-216  
Total Amount Requested: \$19,460.00

IDIS #	Line Items	Vendor	Invoice #	Total Invoice	Amount of This Request	Match	Amount Budgeted	Total Received to Date	Balance
	Application Fee			\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00	\$0.00
	Total Administration			\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00	\$0.00
Home #1	Orlando Bolden Reeves						\$1,500.00	\$1,500.00	\$0.00
									\$0.00
Home #1	Mary Smith			\$0.00	\$0.00	\$0.00	\$1,500.00	\$1,500.00	\$0.00
Home #2							\$80,000.00	\$2,200.00	\$57,800.00
									\$0.00
Home #2	Doratha Harvey			\$0.00	\$0.00	\$0.00	\$60,000.00	\$2,200.00	\$57,800.00
Home #3							\$62,017.00	\$2,200.00	\$59,817.00
									\$0.00
Home #4	Mary Young			\$0.00	\$0.00	\$0.00	\$92,017.00	\$2,200.00	\$59,817.00
Home #4							\$47,917.00	\$2,200.00	\$45,717.00
			1	\$19,460.00	\$19,460.00				\$19,460.00
									\$0.00
Home #4	Rosale Stewart			\$19,460.00	\$19,460.00	\$0.00	\$47,917.00	\$21,650.00	\$26,267.00
Home #5							\$151,402.00	\$2,200.00	\$149,202.00
									\$0.00
Home #5				\$0.00	\$0.00	\$0.00	\$151,402.00	\$2,200.00	\$149,202.00

I hereby certify that (a) the services covered by this request have not been received from the Federal/State Government or expended for such services under any other contract agreement or grant; (b) the amount requested will be expended for allowable costs/expenses under the terms of the contract agreement or grant; (c) the amount requested herein does not exceed the total funds obligated by contract; and (d) the funds are requested for only immediate disbursements.

I hereby certify that the goods and/or services ordered have been delivered and/or performed in good order when the items listed above and are in compliance with all statutory requirements and regulations. I certify that this request does not include any advance or funds for future obligations.

  
Signature of Authorized Official

Steve Rosenthal, Mayor  
Typed Name and Title of Authorized Official

7/3/22  
Date Signed

Randall Lauderdale  
Prepared By

682-537-2134  
Preparer's Telephone No.

B-20







Mississippi Home Corporation  
Consolidated Support Sheet

Program: Homeowner Rehabilitation  
 Recipient: City of Indianola  
 Request for Cash Number: 5

Contract Number: M18-SG-280-218  
 Total Amount Requested: \$19,450.00

IDS #	Line Items	Vendor	Invoice #	Total Invoice	Amount of This Request	Match	Amount Budgeted	Total Received to Date	Balance
	Application Fee						\$5,000.00	\$5,000.00	\$0.00
	Total Administration			\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00	\$0.00
Home #1	Oreada Bolden Reeves						\$1,500.00	\$1,500.00	\$0.00
									\$0.00
Home #1	Mary Smith						\$1,500.00	\$1,500.00	\$0.00
Home #2				\$0.00	\$0.00	\$0.00	\$60,000.00	\$2,200.00	\$57,800.00
Home #2	Doretha Harvey			\$0.00	\$0.00	\$0.00	\$60,000.00	\$2,200.00	\$57,800.00
Home #3							\$62,017.00	\$2,200.00	\$59,817.00
Home #4	Mary Young	Spencer Construction	1	\$19,450.00	\$19,450.00	\$0.00	\$47,917.00	\$21,950.00	\$26,267.00
Home #4	Roslie Stewart			\$19,450.00	\$19,450.00	\$0.00	\$47,917.00	\$41,100.00	\$6,817.00
Home #5							\$151,402.00	\$2,200.00	\$149,202.00
Home #5				\$0.00	\$0.00	\$0.00	\$151,402.00	\$2,200.00	\$149,202.00

I Herby Certify That (a) the services covered by this request have not been received from the Federal / State Government or expended for such services under any other contract agreement or grant; (b) the amount requested will be expended for allowable costs / expenditures under the terms of the contract agreement or grant; (c) the amount requested herein does not exceed the total funds obligated by contract; and (d) the funds are requested for only immediate disbursements.

I Herby Certify That the goods sold and/or services rendered have been obtained and/or performed in good order within the time listed above and are in compliance with all statutory requirements and regulations. I certify that this request does not include any advances or funds for future obligations.


  
 Signature of Authorized Official  
**MEN FEATHERS**  
 Shana Boscobal, Mayor  
 Typed Name and Title of Authorized Official

Date Signed: 8/11/23  
 Prepared By: Randall Lauderdale  
 Preparer's Telephone No.: 662-537-2134

B-21

Mississippi Home Corporation  
Consolidated Support Sheet

Program: Homeowner Rehabilitation  
Recipient: City of Indiana  
Request for Cash Number: 5

Contract Number: M18-SG-280-216  
Total Amount Requested: \$19,450.00

IDIS #	Line Items	Vendor	Invoice #	Total Invoice	Amount of This Request	Match	Amount Budgeted	Total Received to Date	Balance
Home #8	Rena Stewart						\$64,500.00	\$2,200.00	\$62,300.00
Home #6									\$0.00
Home #7	Linda Plahn		\$0.00		\$0.00	\$0.00	\$64,500.00		\$62,300.00
Home #7									\$0.00
Home #8	Learnee Blackmon		\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Home #8									\$0.00
Home #8			\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Home #8								\$56,400.00	\$0.00
								\$36,950.00	\$0.00
								TOT REQ TO DTE	\$0.00
								\$392,348.00	\$56,400.00
<b>GRAND TOTAL</b>				\$19,450.00	\$19,450.00	\$0.00	\$0.00	\$56,400.00	\$355,806.00

Services Rendered - Beginning: February 1, 2023 Thru June 30, 2023 Equals (=) \$56,400.00  
 Cumulative: \$56,400.00 Program Expenditures Plus (+) \$0.00 Matching Expenditures Total Expenditures

I Herby Certify That (a) the services covered by this request have not been received from the Federal/State Government or expended for such services under any other contract agreement or grant; (b) the amount requested will be expended for allowable costs / expenditures under the terms of the contract agreement or grant; (c) the amount requested herein does not exceed the total funds obligated by contract; and (d) the funds are requested for only immediate disbursements.

I Herby Certify That the goods and/or services rendered have been delivered and/or performed in good order within the time listed above and are in compliance with all statutory requirements and regulations. I certify that this request does not include any advances or funds for future obligations.

Signature of Authorized Official:  Date Signed: 8/11/25  
 Prepared By: Randall Lauderdale  
 Preparer's Telephone No.: 662-537-2124

B-25

**Mississippi Home Corporation  
Request for Cash**

Program: HOME Homeowner Rehabilitation Program

Section A: General Information		Section B: Project Information	
Request	City of Indianola	Grant No.	Contract No.
Mailing Address	P O, Box 269	1230	M10-SG-280-216
Street Address		Services Rendered	
City, State Zip	Indianola, MS 38751	From	To
Telephone No.	662-887-3101		
		0000000	0000000
			Request No. 5
			MHC Staff Initials

Section C: Request Per Activity						
	Activity Description	Budget Amount	Total Received to Date	This Request	Remaining Balance	Activity Numbers
1	Application Fee	\$5,000.00	\$5,000.00		\$0.00	
2	Orzada Golden Reeves	\$1,500.00	\$1,500.00		\$0.00	
3	Mary Smith	\$60,000.00	\$7,200.00		\$52,800.00	
4	Doretha Harvey	\$62,017.00	\$2,200.00		\$59,817.00	
5	Mary Young	\$67,917.00	\$21,950.00	\$19,450.00	\$48,467.00	
6	Rosie Stewart	\$151,402.00	\$7,200.00		\$144,202.00	
7	Reno Stewart	\$84,500.00	\$2,200.00		\$82,300.00	
8	Linda Plain		\$0.00	\$0.00		
9	Loanice Blackmon		\$0.00	\$0.00		
10		\$0.00	\$0.00	\$0.00	\$0.00	
	<b>Total</b>	<b>\$392,336.00</b>	<b>\$36,950.00</b>	<b>\$19,450.00</b>	<b>\$355,386.00</b>	

Required Accomplishment Narrative: (Please provide a brief update on this project.)  
Drawing 100% construction completion for Mary Young unit.

I hereby certify that (a) the services covered by this request have not been received from the Federal Government/State Government or expended for such services under any other contract agreement or grant; (b) the amount requested will be expended for allowable costs / expenditures under the terms of the contract agreement or grant; (c) the amount requested herein does not exceed the total funds obligated by contract; and (d) the funds are requested for only immediate disbursements.

I hereby certify that the goods sold and/or services rendered have been delivered and/or performed in good order within the time listed above and are in compliance with all statutory requirements and regulations. I certify that this request does not include any advances or funds for future obligations. By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 2801-2812).

Is this your final request for cash on this contract? YES  NO


8/11/25
Ronda L. Laidford
7/31/2027

Signature of Authorized Official Date Signed Prepared By Date Prepared

Keri Featherstone-Mayer 662-537-2134  
 Typed Name and Title of Authorized Official Preparer's Telephone No.

To be completed by MHC Authorized Official

APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
 Signature, Authorized MHC Representative

AUTHORIZED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
 Signature, Authorized MHC Representative

IDIS APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
 Signature, Authorized MHC Representative

DIS Voucher Number	Vendor Number	Issue/Sorts	Fund/Sub-Fund	Service

B-26

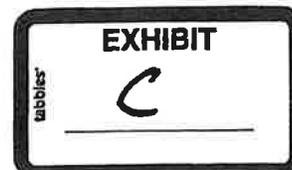


# Investigative Hours Detail

2/15/2024

Case No: 67-24-2212

Agent	Date	Hours	Comments
Floyd Scott	2/2/2024	9	Traveled to Sunflower County. Met with Indianola Mayor, City Clerk and Deputy Clerk. Received copies of case related documents.
	2/5/2024	7	Case document review. Interview reports. Telephone interviews with Randall Lauderdale, Alderman Ruben Woods and Alderman Marvin Elder.
	2/6/2024	6.5	Document review. Worked on spreadsheets and supportive files.
	2/7/2024	2	Reviewed contracts.
	2/8/2024	2.5	Spreadsheets/supportive files. Emailed with SD.
	2/12/2024	3	Worked on case file, synopsis.
	2/13/2024	2.5	Financials, checklists, final revisions.
	<b>Total Hours:</b>	<b>32.5</b>	
<b>Total Investigative Hours:</b>		<b>32.5</b>	





# Sunflower Co., Sb: Indianola Board of Aldermen for Misuse of Public Funds

Case No: 67-24-2212

## Interest Summary

Subject	Type	Category	Loss Date	Description	Amount	Interest	Demand Interest	Demand Date
Marvin Elder	Civil	Principal	12/22/2023	SF1 A 1	\$12,966.67	\$129.67	\$0.00	
		Principal Total:			\$12,966.67	\$129.67	\$0.00	
		Civil Total:			\$12,966.67	\$129.67	\$0.00	
<b>Marvin Elder Total:</b>					\$12,966.67	\$129.67	\$0.00	
Ruben Woods	Civil	Principal	12/22/2023	SF1 A 1	\$12,966.66	\$129.67	\$0.00	
		Principal Total:			\$12,966.66	\$129.67	\$0.00	
		Civil Total:			\$12,966.66	\$129.67	\$0.00	
<b>Ruben Woods Total:</b>					\$12,966.66	\$129.67	\$0.00	
Sam Brock	Civil	Principal	12/22/2023	SF1 A 1	\$12,966.67	\$129.67	\$0.00	
		Principal Total:			\$12,966.67	\$129.67	\$0.00	
		Civil Total:			\$12,966.67	\$129.67	\$0.00	
<b>Sam Brock Total:</b>					\$12,966.67	\$129.67	\$0.00	
<b>Grand Total:</b>					\$38,900.00	\$389.00	\$0.00	



**STATE OF MISSISSIPPI  
OFFICE OF THE STATE AUDITOR  
SHAD WHITE  
STATE AUDITOR**

July 2, 2024

Sam Brock  
1114 Third Avenue  
Indianola, MS 38751

Western Surety Company  
CNA Plaza  
333 South Wabash  
Chicago, IL 60685  
63462115

Dear Mr. Brock,

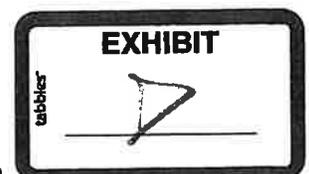
After a thorough investigation, I am required by Miss. Code § 7-7-211, to demand you make payment, as directed below, in the amount of \$14,147.05. An itemized statement is enclosed.

This demand is made for the use and benefit of Town of Indianola.

This amount demanded includes funds that were misappropriated and/or otherwise illegally expended by you while serving as a member of the board of aldermen. Your acts and omissions include but are not limited to, violations of law by causing public funds to be improperly paid in the absence of any binding, non-void, valid, and enforceable contract.

Your wrongful acts and omissions repeatedly violated the applicable provisions of the Mississippi Constitution, the applicable laws and regulations of the State of Mississippi, and the contractual and other legal and equitable rights of the City of Indianola, including, but not limited to, violations of Miss. Const. Art. 4, §66 (unlawful donation) and §96 (unlawful extra payment), Miss. Code §25-1-45 (violations of official obligations), and Miss. Code §31-7-57 (unlawful expenditure).

If you fail to pay this demand in full within thirty (30) days, I must perform my duty, pursuant to Miss. Code §7-7-211, to institute suit against you in the proper court, and the Attorney General of Mississippi shall prosecute such civil lawsuit. Please be aware that interest accrues at one percent (1%) per month from the date(s) of loss until the demand is paid in full.



Sam Brock  
July 2, 2024  
Page Two

Please refer to case number 67-24-2212 when corresponding with this office concerning this case. Your certified funds payment should be payable to "State Department of Audit Exception Clearing Account" and should be addressed to the attention of Gigi Allen at the address listed below.

This demand is not exhaustive and all rights, claims and remedies are reserved.

Sincerely,

A handwritten signature in black ink, appearing to read "Shad White". The signature is stylized with large, sweeping loops and a long vertical stroke extending downwards.

Shad White  
State Auditor

SW/gra  
Enclosure

**SCHEDULE OF EXCEPTION**

**Sam Brock**

Alderman

July 2, 2024

<b>ITEM</b>	<b>AMOUNT</b>
<b>CIVIL</b>	
<b>Principal</b>	<b>\$12,966.67</b>
<b>Interest</b>	<b>\$778.00</b>
<b>Cost of Recovery</b>	<b>\$402.38</b>
<b>Subtotal</b>	<b>\$14,147.05</b>
<b>Subtotal</b>	<b>\$0.00</b>
<b>TOTAL EXCEPTION</b>	<b>\$14,147.05</b>



STATE OF MISSISSIPPI  
 OFFICE OF THE COMPTROLLER  
 OFFICE OF THE STATE AUDITOR  
 STATE AUDITOR  
 Auditor

This document verifies receipt of a formal demand letter in the amount of \$14,147.05, OSA case number 67-24-2212.

*Sam Brock Jr.*  
 \_\_\_\_\_  
 Sam Brock

7-9-24  
 \_\_\_\_\_  
 Date

*W. Scott Ray*  
 \_\_\_\_\_  
 Witness



**STATE OF MISSISSIPPI**  
**OFFICE OF THE STATE AUDITOR**  
**SHAD WHITE**  
**STATE AUDITOR**

July 2, 2024

Marvin Elder  
P.O. Box 1385  
Indianola, MS 38751

Western Surety Company  
CNA Plaza  
333 South Wabash  
Chicago, IL 60685  
63462132

Dear Mr. Elder,

After a thorough investigation, I am required by Miss. Code § 7-7-211, to demand you make payment, as directed below, in the amount of \$14,147.05. An itemized statement is enclosed.

This demand is made for the use and benefit of Town of Indianola.

This amount demanded includes funds that were misappropriated and/or otherwise illegally expended by you while serving as a member of the board of aldermen. Your acts and omissions include but are not limited to, violations of law by causing public funds to be improperly paid in the absence of any binding, non-void, valid, and enforceable contract.

Your wrongful acts and omissions repeatedly violated the applicable provisions of the Mississippi Constitution, the applicable laws and regulations of the State of Mississippi, and the contractual and other legal and equitable rights of the City of Indianola, including, but not limited to, violations of Miss. Const. Art. 4, §66 (unlawful donation) and §96 (unlawful extra payment), Miss. Code §25-1-45 (violations of official obligations), and Miss. Code §31-7-57 (unlawful expenditure).

If you fail to pay this demand in full within thirty (30) days, I must perform my duty, pursuant to Miss. Code §7-7-211, to institute suit against you in the proper court, and the Attorney General of Mississippi shall prosecute such civil lawsuit. Please be aware that interest accrues at one percent (1%) per month from the date(s) of loss until the demand is paid in full.

Marvin Elder

July 2, 2024

Page Two

Please refer to case number 67-24-2212 when corresponding with this office concerning this case. Your certified funds payment should be payable to "State Department of Audit Exception Clearing Account" and should be addressed to the attention of Gigi Allen at the address listed below.

This demand is not exhaustive and all rights, claims and remedies are reserved.

Sincerely,

A handwritten signature in black ink, appearing to read "Shad White". The signature is stylized with large, sweeping loops and a long vertical stroke extending downwards.

Shad White  
State Auditor

SW/gra  
Enclosure

**SCHEDULE OF EXCEPTION**

**Marvin Elder**

**Alderman**

**July 2, 2024**

<b>ITEM</b>	<b>AMOUNT</b>
<b>CIVIL</b>	
<b>Principal</b>	<b>\$12,966.67</b>
<b>Interest</b>	<b>\$778.00</b>
<b>Cost of Recovery</b>	<b>\$402.38</b>
<b>Subtotal</b>	<b>\$14,147.05</b>
<b>Subtotal</b>	<b>\$0.00</b>
<b>TOTAL EXCEPTION</b>	<b>\$14,147.05</b>



STATE OF MISSISSIPPI  
 OFFICE OF THE MISSISSIPPI  
 OFFICE OF THE STATE AUDITOR  
 STATE AUDITOR  
 AUDITOR

This document verifies receipt of a formal demand letter in the amount of \$14,147.05, OSA case number 67-24-2212.

*[Handwritten Signature]*

Marvin Elder

*7/9/2024*

Date

*[Handwritten Signature]*

Witness



**STATE OF MISSISSIPPI  
OFFICE OF THE STATE AUDITOR  
SHAD WHITE  
STATE AUDITOR**

July 2, 2024

Ruben Woods  
511 Hampton Street  
Indianola, MS 38751

Western Surety Company  
CNA Plaza  
333 South Wabash  
Chicago, IL 60685  
61962946

Dear Mr. Woods,

After a thorough investigation, I am required by Miss. Code § 7-7-211, to demand you make payment, as directed below, in the amount of \$14,147.04. An itemized statement is enclosed.

This demand is made for the use and benefit of Town of Indianola.

This amount demanded includes funds that were misappropriated and/or otherwise illegally expended by you while serving as a member of the board of aldermen. Your acts and omissions include but are not limited to, violations of law by causing public funds to be improperly paid in the absence of any binding, non-void, valid, and enforceable contract.

Your wrongful acts and omissions repeatedly violated the applicable provisions of the Mississippi Constitution, the applicable laws and regulations of the State of Mississippi, and the contractual and other legal and equitable rights of the City of Indianola, including, but not limited to, violations of Miss. Const. Art. 4, §66 (unlawful donation) and §96 (unlawful extra payment), Miss. Code §25-1-45 (violations of official obligations), and Miss. Code §31-7-57 (unlawful expenditure).

If you fail to pay this demand in full within thirty (30) days, I must perform my duty, pursuant to Miss. Code §7-7-211, to institute suit against you in the proper court, and the Attorney General of Mississippi shall prosecute such civil lawsuit. Please be aware that interest accrues at one percent (1%) per month from the date(s) of loss until the demand is paid in full.

Ruben Woods

July 2, 2024

Page Two

Please refer to case number 67-24-2212 when corresponding with this office concerning this case. Your certified funds payment should be payable to "State Department of Audit Exception Clearing Account" and should be addressed to the attention of Gigi Allen at the address listed below.

**This demand is not exhaustive and all rights, claims and remedies are reserved.**

Sincerely,

A handwritten signature in black ink, appearing to read "Shad White". The signature is stylized with large loops and a long tail that extends downwards.

Shad White  
State Auditor

SW/gra  
Enclosure

**SCHEDULE OF EXCEPTION**

**Ruben Woods**

Alderman

July 2, 2024

<b>ITEM</b>	<b>AMOUNT</b>
<b>CIVIL</b>	
Principal	\$12,966.66
Interest	\$778.00
Cost of Recovery	\$402.38
Subtotal	\$14,147.04
Subtotal	\$0.00
<b>TOTAL EXCEPTION</b>	<b>\$14,147.04</b>



STATE OF MISSISSIPPI  
 OFFICE OF THE ATTORNEY GENERAL  
 OFFICE OF THE STATE AUDITOR  
 STATE AUDITOR  
 Auditor

SF      RW  
 14,147.04

This document verifies receipt of a formal demand letter in the amount of \$13,192.61 OSA case number 67-24-2212.

*Ruben Woods*  
 Ruben Woods

7-9-2024  
 Date

*U. Scott Ford*  
 Witness



101 S Reid Street, Suite 300, Sioux Falls, SD 57103-7046

**Ginger L. Barnes**

Claims Consultant

Telephone (605)330-2603

[ginger.barnes@cnaSurety.com](mailto:ginger.barnes@cnaSurety.com)

July 15, 2024

Gigi Allen  
Mississippi Office Of The State Auditor  
P. O. Box 956  
Jackson, MS 39205

Principal: Marvin Elder  
Surety: Western Surety Company  
Obligee: City Of Indianola  
Bond No.: 63462132  
Claim No.: 9A382861-199634  
Case No: 67-24-2212 - \$14,147.05

Dear Gigi Allen:

We have received the demand against the bond and have written to Marvin Elder to determine whether he will be filing an appeal or paying the claim. Once we have allowed him time to respond, we will be back in touch with you.

In the meantime, we request whether you have made demands on any of the other officials involved in this matter. If so, we would appreciate contact information for those individuals.

Sincerely,

Ginger L. Barnes  
Authorized Representative of  
Western Surety Company



STATE OF MISSISSIPPI  
OFFICE OF THE STATE AUDITOR  
SHAD WHITE  
STATE AUDITOR

February 6, 2023

**VIA EMAIL**

Western Surety Company  
Ginger Barnes  
101 S. Reid Street, #300  
Sioux Falls, SD 57103  
[claims@cnasurety.com](mailto:claims@cnasurety.com)

**\*\* This is not a demand; please read letter in its entirety. \*\***

Bond/Policy No.: 63462115  
Insured: City of Indianola, MS  
Principal: Sam Brock Jr.  
OSA Number: 67-24-2212

Bond/Policy No.: 61962946  
Insured: City of Indianola, MS  
Principal: Ruben Woods  
OSA Number: 67-24-2212

Bond/Policy No.: 63462132  
Insured: City of Indianola, MS  
Principal: Marvin Elder  
OSA Number: 67-24-2212

Dear Western Surety:

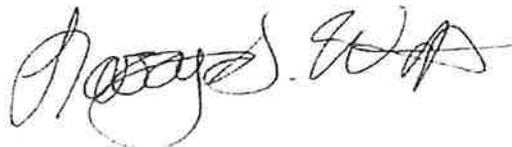
Regarding the above bonds, an investigation by this office into the unlawful loss of public funds in City of Indianola, in Sunflower County Mississippi is being conducted. Please forward any necessary claim forms to this office so that we can submit a claim on behalf of the insured in accordance with state law. **No claim will be made against the bond/policy until completion of the investigation and/or any criminal prosecution.**

If our investigation determines that a loss of public funds has occurred, a demand letter signed by the State Auditor will be mailed to you. It will inform you that in accordance with Miss. Code Ann. § 7-7-211 (1972), a demand for repayment of public funds, plus applicable interest and costs, is being made against the principal and your company. Along with the demand letter, a claim will be submitted along with its supporting documents. Failure to make repayment within thirty (30) days will result in referral to the Mississippi Attorney General's Office.

The requirement to refer the matter to the Attorney General is statutory and does not necessarily mean that litigation will be immediate. Correspondence regarding this letter should be directed to **Mary Ford, Esq., at P. O. Box 956, Jackson, MS 39205.**

Please refer to the above mentioned OSA case number in all correspondence.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry Ware". The signature is fluid and cursive, with a large initial "L" and a distinct "W" at the end.

Larry Ware  
Director of Investigations

LW/sss



IN THE CHANCERY  COURT OF HINDS  COUNTY, MISSISSIPPI  
FIRST  JUDICIAL DISTRICT, CITY OF Jackson

Docket No. \_\_\_\_\_ - \_\_\_\_\_ Docket No. If Filed  
File Yr Chronological No. Clerk's Local ID Prior to 1/1/94 \_\_\_\_\_

DEFENDANTS IN REFERENCED CAUSE - Page 1 of 1 Defendants Pages  
IN ADDITION TO DEFENDANT SHOWN ON CIVIL CASE FILING FORM COVER SHEET

**Defendant #2:**

**Individual:** Woods Last Name Ruben First Name (Maiden Name, if Applicable) Middle Init. Jr/Sr/III/IV

Check (✓) if Individual Defendant is acting in capacity as Executor(trix) or Administrator(trix) of an Estate, and enter style:  
Estate of \_\_\_\_\_  
Check (✓) if Individual Defendant is acting in capacity as Business Owner/Operator (D/B/A) or State Agency, and enter that name below:  
D/B/A \_\_\_\_\_

**Business** \_\_\_\_\_  
Enter legal name of business, corporation, partnership, agency - If Corporation, indicate state where incorporated

Check (✓) if Business Defendant is being sued in the name of an entity other than the name above, and enter below:  
D/B/A \_\_\_\_\_

ATTORNEY FOR THIS DEFENDANT: \_\_\_\_\_ Bar # or Name: \_\_\_\_\_ Pro Hac Vice (✓) Not an Attorney(✓) \_\_\_\_\_

**Defendant #3:**

**Individual:** Brock Last Name Sam First Name (Maiden Name, if Applicable) Middle Init. Jr.

Check (✓) if Individual Defendant is acting in capacity as Executor(trix) or Administrator(trix) of an Estate, and enter style:  
Estate of \_\_\_\_\_  
Check (✓) if Individual Defendant is acting in capacity as Business Owner/Operator (D/B/A) or State Agency, and enter that name below:  
D/B/A \_\_\_\_\_

**Business** \_\_\_\_\_  
Enter legal name of business, corporation, partnership, agency - If Corporation, indicate state where incorporated

Check (✓) if Business Defendant is being sued in the name of an entity other than the name above, and enter below:  
D/B/A \_\_\_\_\_

ATTORNEY FOR THIS DEFENDANT: \_\_\_\_\_ Bar # or Name: \_\_\_\_\_ Pro Hac Vice (✓) Not an Attorney(✓) \_\_\_\_\_

**Defendant #4:**

**Individual:** \_\_\_\_\_ Last Name \_\_\_\_\_ First Name (Maiden Name, if Applicable) Middle Init. Jr/Sr/III/IV

Check (✓) if Individual Defendant is acting in capacity as Executor(trix) or Administrator(trix) of an Estate, and enter style:  
Estate of \_\_\_\_\_  
Check (✓) if Individual Defendant is acting in capacity as Business Owner/Operator (D/B/A) or State Agency, and enter that name below:  
D/B/A \_\_\_\_\_

**Business** Western Surety Insurance Company  
Enter legal name of business, corporation, partnership, agency - If Corporation, indicate state where incorporated

Check (✓) if Business Defendant is being sued in the name of an entity other than the above, and enter below:  
D/B/A \_\_\_\_\_

ATTORNEY FOR THIS DEFENDANT: \_\_\_\_\_ Bar # or Name: \_\_\_\_\_ Pro Hac Vice (✓) Not an Attorney(✓) \_\_\_\_\_