

MINUTES — Petal, Mississippi

BE IT REMEMBERED that there was begun and held a regular meeting of the Mayor and Board of Aldermen of the City of Petal, at 7:30 P. M., on February 19, 1980, in the Board Room of said City.

Those present: Sidney O. Smith, Mayor
Thomas W. Tyner, City Attorney
Aldermen: W. E. Boutwell
W. H. Campbell
George B. Draughn
Bobby W. Runnels
Robert E. Russell

The Mayor declared a quorem present and declared the city council in session.

The invocation was offered by George B. Draughn.

The minutes of the regular meeting of February 5, 1980, were read by city attorney, Thomas W. Tyner.

THEREUPON, Alderman Runnels made a motion that the minutes be accepted as read. Alderman Campbell seconded the motion.

Those present and voting "AYE":
Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman George B. Draughn
Alderman Robert E. Russell
Alderman Bobby W. Runnels

Those present and voting "NAY":
None

WHEREAS, Mayor Smith called for public comment - there was none.

WHEREAS, Paul Shows stated that Smith & Sanders, Engineers, has sent the Collection System Eligibility report to Mississippi Air & Water Pollution Control.

WHEREAS, Mayor Smith presented the proration for the month of January to the Board.

WHEREAS, Alderman Campbell made a motion to enter into executive session. Alderman Runnels seconded the motion.

Those present and voting "AYE":
Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman George B. Draughn
Alderman Robert E. Russell
Alderman Bobby W. Runnels

Those present and voting "NAY":
None

THEREUPON, Alderman Campbell made a motion to adjourn the executive session. Alderman Runnels seconded the motion.

Those present and voting "AYE":
Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman George B. Draughn
Alderman Robert E. Russell
Alderman Bobby W. Runnels

Those present and voting "NAY":
None

WHEREAS, Mayor Smith presented the letters of resignation from Rebecca Crose and Ralph Eddlemon, employees of the water department. The letter read as follows, to-wit:

MINUTES — Petal, Mississippi

February 8, 1980

Dear Mayor and Board of Aldermen:

I hereby submit my resignation to become effective as of February 22, 1980.

/s/ Rebecca A. Crose
Rebecca A. Crose

* * * * *

January 31, 1980

Dear Mayor and Board of Aldermen:

Please accept this letter as notice of my resignation to become effective at the end of tour of duty on February 8, 1980.

/s/ Ralph Eddlemon, Jr.
Ralph Eddlemon, Jr.

* * * * *

THEREUPON, Alderman Russell made a motion to accept the foregoing letters of resignation. Alderman Boutwell seconded the motion.

Those present and voting "AYE":

- Alderman W. E. Boutwell
- Alderman W. H. Campbell
- Alderman George B. Draughn
- Alderman Robert E. Russell
- Alderman Bobby W. Runnels

Those present and voting "NAY":

None

WHEREAS, Mayor Smith presented a letter requesting maternity leave of absence from Paulette Bates. The letter read as follows, to-wit:

February 19, 1980

Mayor and Board of Aldermen:

I hereby request a temporary leave of absence, beginning February 29th. I plan to return to work upon the advice of my physician.

Sincerely yours,

/s/ Paulette Bates
Paulette Bates

* * * * *

THEREUPON, Alderman Boutwell made a motion to approve the maternity leave of absence for Mrs. Bates. Alderman Russell seconded the motion.

Those present and voting "AYE":

- Alderman W. E. Boutwell
- Alderman W. H. Campbell
- Alderman George B. Draughn
- Alderman Robert E. Russell
- Alderman Bobby W. Runnels

Those present and voting "NAY":

None

WHEREAS, Alderman Boutwell stated that Chief Bounds has requested the use of reserve officers Billy Bolivar and Dan Yancy to check the doors of business areas of town.

THEREUPON, Alderman Boutwell made a motion to permit Billy Bolivar and Dan Yancy to check business area doors without compensation, and without the power of arrest. Alderman Russell seconded the motion.

Those present and voting "AYE":

MINUTES — Petal, Mississippi

Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman George B. Draughn
Alderman Robert E. Russell
Alderman Bobby W. Runnels

Those present and voting "NAY":

None

WHEREAS, Mayor Smith presented the following letters of recommendation from the zoning commission concerning the zoning of the Gerald Smith property and the Joe C. McMurry property. The letters read as follows, to-wit:

February 18, 1980

Mayor and Board of Aldermen
City of Petal
Petal, Mississippi 39465

RE: Zoning Change Request
Gerald Smith

Gentlemen:

The zoning change requested by the above on property located at Carterville Road and Azalea Street, was heard at a meeting of the zoning committee members at 7:00 o'clock P. M., in the City Hall on Tuesday, February 12th.

The decision to grant Mr. Smith's request to change the zoning classification of said property from RF (Rural Fringe) to MHP (Mobile Home Park) was unanimously agreed upon.

/s/ W. G. Barlow
W. G. BARLOW, CHAIRMAN

* * * * *

February 18, 1980

Mayor and Board of Aldermen
City of Petal
Petal, Mississippi 39465

Re: Zoning Change Request
Joe C. McMurry and Ben F. Thompson, Jr.

Gentlemen:

The zoning change requested by the above on property located at 213 and 215 North Main Street, was heard at a meeting of the zoning committee members at 8:00 o'clock P. M., in the City Hall on Tuesday, February 12th.

The committee voted unanimously to grant the request of the above to change the zoning classification of said property from R-3 (Medium Density Residential District) to C-2 (General Commercial).

/s/ W. G. Barlow
W. G. BARLOW, CHAIRMAN

* * * * *

THEREUPON, Alderman Boutwell made a motion to accept the zoning commission's recommendation to grant both these requests and to adopt the following amendments to Ordinance 1979 (42). Alderman Draughn seconded the motion. The ordinances read as follows, to-wit:

ORDINANCE NUMBER 1979 (42-D)

AN ORDINANCE CHANGING AND AMENDING THE COMPREHENSIVE ZONING DISTRICT MAP, ADOPTED AS PART OF COMPREHENSIVE ZONING ORDINANCE NO. 1979 (42) OF THE CITY OF PETAL, MISSISSIPPI, AS AMENDED BY ORDINANCE NUMBERS 1979 (42-A) through (42-C) SO AS TO CHANGE THE ZONING CLASSIFICATION OF CERTAIN LAND IN SAID CITY FROM R-F (Rural Fringe) to MHP (Mobile Home Park)

BE IT ORDAINED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF PETAL, MISSISSIPPI:

MINUTES — Petal, Mississippi

SECTION I. That the Comprehensive Zoning District Map, adopted as part of the Comprehensive Zoning Ordinance Number 1979 (42) of the City of Petal, Mississippi, as amended by Ordinance Numbers 1979 (42-A) through 1979 (42-C) be and the same is hereby changed and amended as per petition filed in connection therewith so that the land described as:

Commence at the Northeast Corner of the Southwest Quarter of the Northeast Quarter of Section 12, Township 4 North, Range 13 West, Forrest County, Mississippi, and run thence South 45 degrees West 1395.33 feet, thence run South 48 degrees 30 minutes East for 1683 feet to an Iron Pipe, and from the Iron Pipe, run South 45 degrees W 565 feet to an Iron Rod as the point of beginning; thence run South 45 degrees West 703 feet to East Bank of Leaf River, thence South 36 degrees 45 minutes East 249 feet; thence South 30 degrees 30 minutes East 105 feet; thence South 39 degrees 50 minutes East 122 feet to an Iron Pipe, thence North 45 degrees East 793 feet to an Iron Pipe, thence North 45 degrees West 433 feet more or less, to the Point of Beginning, containing 8.0 acres, more or less,

as per map or plat thereof on file in the office of the Chancery Clerk of Forrest County, Mississippi, is hereby classified and placed in MHP, Mobile Home Park District of said City.

SECTION II. Except as hereby expressly changed and amended, the aforesaid Comprehensive Zoning District Map and the Comprehensive Zoning Ordinance No. 1979 (42) of the City of Petal, Mississippi, as amended by Ordinance Numbers 1979 (42-A) through (42-C) shall be and remain in full force and form as adopted on April 5, 1979.

SECTION III. That this Ordinance take effect and be in force from and after its passage as provided by law.

The foregoing Ordinance having been reduced to writing, the same was introduced and read and a vote was taken thereon, first section by section, and then upon the Ordinance as a whole with the following results.:

Those present and voting "AYE" and in favor of the passage, adoption, and approval of Sections 1, 2 and 3 of the foregoing Ordinance:

Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman Robert E. Russell
Alderman George B. Draughn
Alderman Bobby W. Runnels

Those present and voting "NAY" or against the adoption of any section of the foregoing Ordinance:

None

Those present and voting "AYE and in favor of the adoption of the foregoing Ordinance as a whole:

Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman Robert E. Russell
Alderman George B. Draughn
Alderman Bobby W. Runnels

Those present and voting "NAY" or against the adoption of the foregoing Ordinance as a whole:

None

MINUTES — Petal, Mississippi

WHEREUPON, the foregoing Ordinance be, and the same is hereby passed, adopted, and approved on this the 19th day of February, A. D., 1980.

/s/ Sidney O. Smith
SIDNEY O. SMITH, MAYOR

(SEAL)

ATTEST:

/s/ Priscilla C. Daniel
Priscilla C. Daniel, City Clerk

* * * * *

ORDINANCE NUMBER 1979 (42-E)

AN ORDINANCE CHANGING AND AMENDING THE COMPREHENSIVE ZONING DISTRICT MAP, ADOPTED AS PART OF COMPREHENSIVE ZONING ORDINANCE NO. 1979 (42) OF THE CITY OF PETAL, MISSISSIPPI, AS AMENDED BY ORDINANCE NUMBERS 1979 (42-A) THROUGH 1979 (42-D) SO AS TO CHANGE THE ZONING CLASSIFICATION OF CERTAIN LAND IN SAID CITY FROM R-3 (Medium Density Residential District) TO C-2 (GENERAL COMMERCIAL)

BE IT ORDAINED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF PETAL, MISSISSIPPI:

SECTION 1. That the Comprehensive Zoning District Map, adopted as part of the Comprehensive Zoning Ordinance Number 1979 (42) of the City of Petal, Mississippi, as amended by Ordinance Numbers 1979 (42-A) through 1979 (42-D) be and the same is hereby changed and amended as per petition filed in connection therewith so that the land described as:

PARCEL NUMBER 61236232-Beg 330' S of NWC SW $\frac{1}{4}$ SW $\frac{1}{4}$ E 360' S 28' W 360' N 28' To Beg Sec 36-5N-13 (B 331 P 130 3-31-70)

and also

PARCEL NUMBER 61236234-Beg 358' S NWC SW $\frac{1}{4}$ SW $\frac{1}{4}$ E 310' S 104' W 150' N 46' W 160' N 58' To Beg Sec 36-5N-13 (B 320 P 96 2-19-69)

as per map or plat thereof on file in the office of the Chancery Clerk of Forrest County, Mississippi, is hereby classified and placed in C-2, General Commercial District of said City.

SECTION II. Except as hereby expressly changed and amended, the aforesaid Comprehensive Zoning District Map and the Comprehensive Zoning Ordinance No. 1979 (42) of the City of Petal, Mississippi, as amended by Ordinance Numbers 1979 (42-A) through 1979 (42-D) shall be and remain in full force and form as adopted on April 5, 1979.

SECTION III. That this Ordinance take effect and be in full force from and after its passage as provided by law.

The foregoing Ordinance having been reduced to writing, the same was introduced and read and a vote was taken thereon, first section by section, and then upon the Ordinance as a whole with the following results:

Those present and voting "AYE" and in favor of the passage adoption, and approval of Sections 1, 2 and 3 of the foregoing

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Ordinance:

- Alderman W. E. Boutwell
- Alderman W. H. Campbell
- Alderman George B. Draughn
- Alderman Bobby W. Runnels
- Alderman Robert E. Russell

Those present and voting "NAY" or against the adoption of any section of the foregoing Ordinance:

None

Those present and voting "AYE" and in favor of the adoption of the foregoing Ordinance as a whole:

- Alderman W. E. Boutwell
- Alderman W. H. Campbell
- Alderman George B. Draughn
- Alderman Bobby W. Runnels
- Alderman Robert E. Russell

Those present and voting "NAY" or against the adoption of the foregoing Ordinance as a whole:

None

WHEREUPON, the foregoing Ordinance be, and the same is hereby passed, adopted, and approved on this, the 19th day of February, A.D., 1980.

/s/ Sidney O. Smith
Sidney O. Smith, Mayor

(SEAL)

ATTEST:

/s/ Priscilla C. Daniel
Priscilla C. Daniel, City Clerk

* * * * *

WHEREAS, Mayor Smith presented a zoning change request from Jo Ellen Carlisle.

THEREUPON, Alderman Boutwell made a motion to set a zoning hearing for March 11, 1980, and to authorize the city clerk to publish the notice of hearing. Alderman Campbell seconded the motion.

Those present and voting "AYE":

- Alderman W. E. Boutwell
- Alderman W. H. Campbell
- Alderman George B. Draughn
- Alderman Robert E. Russell
- Alderman Bobby W. Runnels

Those present and voting "NAY":

None

WHEREAS, Mayor Smith requested the wishes of the Board concerning the salary of Robert Judy, Building Inspector, and the salary of Clarence Sanford, foreman in the highways and streets department.

THEREUPON, Alderman Boutwell made a motion to adopt the following order increasing Robert Judy's salary to \$416.50 per month, effective February 1, 1980, and to adopt the following order increasing Clarence Sanford's salary to \$433.33 per month, effective March 1, 1980. Alderman Russell seconded the motion. The orders read as follows, to-wit:

MINUTES — Petal, Mississippi

O R D E R

WHEREAS, the Mayor and Board of Aldermen of the City of Petal, Mississippi, deem it necessary to increase the pay scale for Robert Judy, Building Inspector and Zoning Administrator.

IT IS THEREFORE ORDERED that the new pay scale for Robert Judy will be \$416.50 per month.

IT IS THEREFORE ORDERED that this pay scale become effective February 1, 1980.

SO ORDERED by the Mayor and Board of Aldermen of the City of Petal, Mississippi, on this the 19th day of February, A. D., 1980.

* * * * *

O R D E R

WHEREAS, the Mayor and Board of Aldermen of the City of Petal, Mississippi, deem it necessary to increase the pay scale for Clarence Sanford, foreman in the highways and streets department.

IT IS THEREFORE ORDERED that the new pay scale for Clarence Sanford will be \$433.33 per month.

IT IS THEREFORE ORDERED that the new pay scale for Clarence Sanford become effective March 1, 1980.

SO ORDERED by the Mayor and Board of Aldermen of the City of Petal, Mississippi, on this the 19th day of February, A. D., 1980.

* * * * *

Those present and voting "AYE":

- Alderman W. E. Boutwell
- Alderman W. H. Campbell
- Alderman George B. Draughn
- Alderman Robert E. Russell
- Alderman Bobby W. Runnels

Those present and voting "NAY":

None

WHEREAS, Mayor Smith requested the wishes of the Board concerning the payment of an invoice from Warren Paving, for the paving done on Ford Drive.

THEREUPON, Alderman Campbell made a motion to pay claim number 6102 from the road maintenance fund for one-half of the invoice, and the remaining one-half on claim number 250 of the R & E fund of the City of Petal Water and Sewer Department. Alderman Boutwell seconded the motion.

Those present and voting "AYE":

- Alderman W. E. Boutwell
- Alderman W. H. Campbell
- Alderman George B. Draughn
- Alderman Robert E. Russell
- Alderman Bobby W. Runnels

Those present and voting "NAY":

None

WHEREAS, Mayor Smith presented claim number 6186 of the General Fund and claim number 9058 of the O & M fund of the City of Petal Water and Sewer Department for Smith Insurance Company's invoice for the audit on Workmen Compensation Insurance.

MINUTES — Petal, Mississippi

for \$5,417.00 and claim number 9058 for \$705.00 to Smith Insurance. Alderman Draughn seconded the motion.

Those present and voting "AYE":

Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman George B. Draughn
Alderman Robert E. Russell
Alderman Bobby W. Runnels

Those present and voting "NAY":

None

WHEREAS, Mayor Smith stated that the BOR requires a sign to be posted on the site of the BOR funded projects.

THEREUPON, Alderman Runnels made a motion to have Thomas Signs prepare the BOR sign for the Petal Recreation Facility. Alderman Boutwell seconded the motion.

Those present and voting "AYE":

Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman George B. Draughn
Alderman Robert E. Russell
Alderman Bobby W. Runnels

Those present and voting "NAY":

None

WHEREAS, Mayor Smith presented a request for a zoning change by W. R. Hearing, et al, for property located at 207 New Richton Road.

THEREUPON, Alderman Campbell made a motion to set the hearing date for March 11, 1980, at 8:00 o'clock P. M., and to authorize the City Clerk to publish the notice of hearing for W. R. Hearing. Alderman Boutwell seconded the motion.

Those present and voting "AYE":

Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman George B. Draughn
Alderman Robert E. Russell
Alderman Bobby W. Runnels

Those present and voting "NAY":

None

THEREUPON, Alderman Campbell made a motion to recess the meeting until 7:30 P. M., on February 26, 1980.

There being no further business, the regular meeting of February 19, 1980, was recessed until 7:30 P. M., on February 26, 1980.

* * * * *

The recessed meeting of February 19, 1980, was called to order on February 26, 1980, at 7:30 P. M., in the Board Room.

Those present:

Sidney O. Smith, Mayor

Thomas W. Tyner, City Attorney

Aldermen: W. E. Boutwell
W. H. Campbell
George B. Draughn
Robert E. Russell
Bobby W. Runnels

Others present:

Hugh Tatum

WHEREAS, Mayor Smith stated that Hugh Tatum of the Research and Development Center in Jackson was present to discuss the Federal Flood Insurance

MINUTES — Petal, Mississippi

Program.

THEREUPON, Mr. Tatum opened the floor to discussion and questions from the citizens concerning the effect of the Regular Flood Insurance Program on the City of Petal.

WHEREAS, Mayor Smith presented a copy of the audit of the fiscal year 10-1-78 to 9-30-79 to the Board. The audit read as follows, to-wit:

A U D I T

NICHOLSON & EASTERLING
CERTIFIED PUBLIC ACCOUNTANTS
131 SOUTH 28TH AVENUE
P. O. BOX 1832
HATTIESBURG, MISSISSIPPI 39401
TELEPHONE 601-264-3519

CARL L. NICHOLSON, JR., CPA
SHERWIN W. EASTERLING, CPA

ACCOUNTANTS' REPORT

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
MISSISSIPPI SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Mayor and Board of Alderman
City of Petal
Petal, Mississippi

We have examined the balance sheets of the various funds of the City of Petal as of September 30, 1979, and the related statements of revenues and expenditures and changes in fund balances for the year then ended. Our examination was made in accordance with generally accepted auditing standards and the "Audit Guide and Standards for Revenue Sharing, U. S. Department of the Treasury", and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the financial position of the various funds of the City of Petal at September 30, 1979, and the results of operations of such funds for the year then ended, in conformity with generally accepted accounting principles applicable to municipalities, applied on a basis consistent with that of the preceding fiscal year.

In connection with our examination, we also (1) made a study and evaluation of the City's system of internal accounting control, (2) performed tests of compliance with the Revenue Sharing and Antirecession Fiscal Assistance

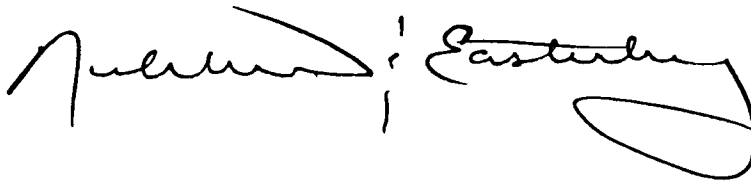
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Acts and regulations as required by Sections II.C.3. and III.C.3. of the "Audit Guide and Standards for Revenue Sharing and Antirecession Fiscal Assistance Fund Recipients" issued by the Office of Revenue Sharing, U. S. Department of Treasury and (3) compared the data on Bureau of Census Form RS-9 to the records of the City of Petal as required by Section II.C.4. of the "Guide".

Based on these procedures, we noted no instance of noncompliance with the regulations for the year ended September 30, 1979.

Hattiesburg, Mississippi
February 1, 1980



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EXHIBIT A

CITY OF PETAL

COMBINED BALANCE SHEET
SEPTEMBER 30, 1979

ASSETS

	<u>General Fund</u>	<u>Federal Revenue Sharing Fund</u>
CURRENT ASSETS		
Cash on hand	\$ 225.00	\$.....
Cash on deposit	35,865.17	34,603.85
Certificates of deposit	68,000.00	
Due from other funds	100.00	
Accounts receivable - customers (net of allowance for bad debts of \$1,451.80)		
Inventory of tools and supplies		
Prepaid insurance		
	<u>104,190.17</u>	<u>34,603.85</u>
FIXED ASSETS		
General fixed assets		
Water and sewer system (net of accumulated depreciation of \$118,002.06)		

OTHER ASSETS		
Amount to be provided for retirement of serial bonds		
Due from other funds (restricted)		
Certificate of deposit (restricted)		

Total assets	<u>\$104,190.17</u>	<u>\$34,603.85</u>

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES		
Bills docketed and accounts payable (Note 7)	\$ 12,101.73	\$.....
Jail fees and drivers education penalties due county	2,362.28	
Refunds due on property taxes	1,533.77	
Due to other funds		
Accrued expenses		
	<u>15,997.78</u>
LONG TERM LIABILITIES		
Bonds payable		
FUND BALANCE		
Reserves		
Contributions		
Retained earnings		
Investment in general fixed assets		
Unappropriated	88,192.39	34,603.85
	<u>88,192.39</u>	<u>34,603.85</u>
Total liabilities and fund balance	<u>\$104,190.17</u>	<u>\$34,603.85</u>

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<u>Municipal Fire Protection Fund</u>	<u>Capital Improvements Fund</u>	<u>Tax Agency Fund</u>	<u>General Fixed Assets</u>	<u>Combined Water and Sewer System</u>
\$..... 101.98 11,394.98	\$..... 112.56 17,712.85	\$.....	\$.....	\$ 886.59 163,280.33
<u>11,496.96</u>	<u>17,825.41</u>	<u>.....</u>	<u>.....</u>	27,101.63 7,375.53 1,897.14 <u>200,541.22</u>
<u>.....</u>	<u>.....</u>	<u>.....</u>	647,110.89	<u>1,670,858.35</u> <u>1,670,858.35</u>
<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	59,117.85 164,000.00 223,117.85 <u>\$2,094,517.42</u>
<u>\$11,496.96</u>	<u>\$17,825.41</u>	<u>\$ -0-</u>	<u>\$647,110.89</u>	
\$.....	\$.....	\$.....	\$.....	\$ 34,089.31
100.00				59,387.85 2,137.78 <u>95,614.94</u>
<u>100.00</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>894,000.00</u>
<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	266,434.43 128,949.96 57,467.60 652,050.49
<u>11,396.96</u> <u>11,396.96</u> <u>\$11,496.96</u>	<u>17,825.41</u> <u>17,825.41</u> <u>\$17,825.41</u>	<u>.....</u> <u>.....</u> <u>\$ -0-</u>	647,110.89 <u>647,110.89</u> <u>\$647,110.89</u>	<u>1,104,902.48</u> <u>\$2,094,517.42</u>

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School Bond Debt Service Fund	Building And Construction Fund	Revolving Fund	Long-Term Debt Fund
\$..... 22.60	\$..... 378.60 2,827,493.75	\$..... 6,264.93	\$.....
<u>22.60</u>	<u>2,827,872.35</u>	<u>6,264.93</u>
.....
<u>.....</u>	<u>.....</u>	<u>.....</u>	3,670,000.00
<u>\$ 22.60</u>	<u>\$2,827,872.35</u>	<u>\$6,264.93</u>	<u>\$3,670,000.00</u>
\$216,000.00	\$.....	\$.....	\$.....
<u>216,000.00</u>
.....	<u>3,670,000.00</u>
<u>(215,977.40)</u> <u>(215,977.40)</u> <u>\$ 22.60</u>	<u>2,827,872.35</u> <u>2,827,872.35</u> <u>\$2,827,872.35</u>	<u>6,264.93</u> <u>6,264.93</u> <u>\$6,264.93</u>	<u>.....</u> <u>.....</u> <u>\$3,670,000.00</u>

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EXHIBIT B

CITY OF PETAL

COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 1979

	General Fund	Federal Revenue Sharing Fund
REVENUES		
Water and sewer charges	\$.....	\$.....
Privilege licenses	6,947.50	
Franchise charges	86,203.29	
Building permits	7,028.50	
Federal grants	60,487.92	52,514.00
State grants	17,275.33	35,526.60
Sales tax (refunded from state)	279,091.13	
Gasoline tax refund	10,516.56	
Court fines and forfeits	43,849.25	
Interest on investments	5,697.22	2,374.88
Recreation fees	4,336.94	
Garbage pickup receipts	9,811.50	
Cemetery receipts	1,750.00	
Other	11,166.44	
Property taxes		
Special homestead exemption		
Printing fees and penalties on taxes		
	<u>544,161.58</u>	<u>90,415.48</u>
TRANSFERS FROM OTHER FUNDS	<u>208,359.80</u>	<u>3,000.00</u>
Total revenues and transfers	<u>752,521.38</u>	<u>93,415.48</u>
EXPENDITURES		
Personal services	487,796.50	
Contractual services	197,325.17	8,281.39
Supplies	42,985.11	3,892.58
Capital outlays	100,509.89	94,000.00
Other		
Interest on bonds		
	<u>828,616.67</u>	<u>106,173.97</u>
TRANSFERS TO OTHER FUNDS		
Transfers to other city funds	5,986.40	
Transfers to Petal Municipal Separate School System		
	<u>5,986.40</u>	
Total expenditures and transfers	<u>834,603.07</u>	<u>106,173.97</u>
EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES AND TRANSFERS	<u>(\$ 82,081.69)</u>	<u>(\$ 12,758.49)</u>

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<u>Municipal Fire Protection Fund</u>	<u>Capital Improvements Fund</u>	<u>Tax Agency Fund</u>	<u>School Bond Debt Service Fund</u>
\$.....	\$.....	\$.....	\$.....
32,364.44			
8,280.54	2,106.18		144.60
		524,089.55 12,794.46 1,134.51	
<u>40,644.98</u>	<u>2,106.18</u>	<u>538,018.52</u>	<u>144.60</u>
<u>40,644.98</u>	<u>2,106.18</u>	<u>538,018.52</u>	<u>144.60</u>
1,200.00 3,031.00 87,220.00	1,003.53 23,988.00	3,898.40	80,000.00 136,122.00 216,122.00
<u>91,451.00</u>	<u>24,991.53</u>	<u>3,898.40</u>	<u>216,122.00</u>
	19,197.00	192,162.80 341,957.32	
<u>.....</u>	<u>19,197.00</u>	<u>534,120.12</u>	<u>.....</u>
<u>91,451.00</u>	<u>44,188.53</u>	<u>538,018.52</u>	<u>216,122.00</u>
<u>(\$50,806.02)</u>	<u>(\$42,082.35)</u>	<u>\$ -0-</u>	<u>(\$215,977.40)</u>

MINUTES — Petal, Mississippi

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Building And Construction Fund	Revolving Fund	Combined Water and Sewer Fund
\$.....	\$.....	\$289,537.11
104,812.43	278.53	11,920.00
<u>104,812.43</u>	<u>278.53</u>	<u>301,457.11</u>
<u>104,812.43</u>	<u>5,986.40</u>	<u>301,457.11</u>
		76,063.81
374,381.67		122,252.76
		5,089.01
644,829.30		24,136.45
7,729.11		34,415.00
<u>1,026,940.08</u>	<u>.....</u>	<u>261,957.03</u>
<u>1,026,940.08</u>	<u>.....</u>	<u>261,957.03</u>
<u>(\$ 922,127.65)</u>	<u>\$6,264.93</u>	<u>\$ 39,500.08</u>

MINUTES — Petal, Mississippi

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EXHIBIT C

CITY OF PETAL

COMBINED STATEMENT OF CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 1979

	<u>General Fund</u>	<u>Federal Revenue Sharing Fund</u>	<u>Municipal Fire Protection Fund</u>	<u>Capital Improvements Fund</u>
BALANCE - OCTOBER 1, 1978	\$170,274.08	\$47,362.34	\$62,202.98	\$59,907.76
Add (Deduct)				
Excess (deficiency) of revenue and transfers over expenditures and transfers for the year	(82,081.69)	(12,758.48)	(50,806.02)	(42,082.35)
Prior period adjustment (Note 5)				
Capital outlays for the year				
BALANCE - SEPTEMBER 30, 1979	<u>\$ 88,192.39</u>	<u>\$34,603.86</u>	<u>\$11,396.96</u>	<u>\$17,825.41</u>

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<u>School Bond Debt Service Fund</u>	<u>Building And Construction Fund</u>	<u>Revolving Fund</u>	<u>General Fixed Assets</u>
\$.....	\$.....	\$.....	\$514,869.45
(215,977.40)	(922,127.65)	6,264.93	
			<u>132,241.44</u>
<u>(\$215,977.40)</u>	<u>(\$922,127.65)</u>	<u>\$6,264.93</u>	<u>\$647,110.89</u>

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COMBINED WATER AND SEWER

<u>Reserves</u>	<u>Contributions</u>	<u>Retained Earnings</u>	<u>Investment In Fixed Assets</u>
\$216,917.50	\$128,949.96	\$46,290.09	\$672,914.69
49,186.77 330.16		13,918.54	(23,605.23)
<u>\$266,434.33</u>	<u>\$128,949.96</u>	<u>\$60,208.63</u>	<u>\$649,309.46</u>

MINUTES — Petal, Mississippi

CITY OF PETAL

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies and procedures, relating to major balance sheet, income and expense classifications, are followed in reporting financial information annually:

General -

All funds, except the Combined Water and Sewer System, follow the modified accrual method of accounting wherein revenues are recognized as collected and expenses are recognized as incurred. The Combined Water and Sewer System follows the accrual method of accounting wherein revenues and expenses are recognized during the period in which they are earned or incurred, respectively.

Fixed Assets -

Fixed assets are stated at cost. Additions are capitalized, while expenditures for maintenance and repairs are charged against revenues. Depreciation is not provided for in the General Fixed Asset Group. Depreciation is provided for in the Combined Water and Sewer System Based upon the estimated useful life of the individual unit of property under the straight line method. Estimated lives of buildings and equipment in the Combined Water and Sewer System are as follows:

	<u>Estimated Useful Life In Years</u>
Water and Sewer Systems	50
Automotive equipment	5
Office equipment	3 - 10
Other equipment	2 - 8

2. COMBINED WATER AND SEWER SYSTEM

A separate report, dated November 30, 1979, was issued covering the Combined Water and Sewer System. The financial statements are included in the combined financial statements of the City of Petal.

3. OPERATIONS ASSUMED OF WATER AND SEWER FACILITY

The City of Petal acquired all assets and assumed all indebtedness of the water and sewer facility previously known as the East Forrest Utility District of Forrest County, Mississippi in an agreement entered into on March 15, 1977. Operations were assumed October 1, 1977. Revenue Bonds outstanding were assumed as follows:

<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Rate of Interest</u>	<u>Original Amount of Issue</u>	<u>Principal Balance 6/1/77</u>
6/1/62	1982	Various	\$ 330,000.00	\$152,000.00
6/1/62	1992	Various	<u>890,000.00</u>	<u>824,000.00</u>
			<u>\$1,220,000.00</u>	<u>\$976,000.00</u>

MINUTES — Petal, Mississippi

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CITY OF PETAL

NOTES TO FINANCIAL STATEMENTS

4. FIXED ASSET INVENTORY

A physical inventory of fixed assets owned by the City of Petal was taken during the first week of October, 1979. The system implemented to account for fixed assets is being carried out in a sufficient manner.

5. PRIOR PERIOD ADJUSTMENT

An adjustment of \$330.16 was made to correct an error in bringing forward the cash balance of Meter Deposit Fund for the year ended September 30, 1978.

6. SCHOOL BONDS PAYABLE

On December 1, 1978, the City of Petal issued bonds to finance the construction of a new school. The bonds were issued on January 25, 1979, at par plus accrued interest. Proceeds from the bond sale were as follows:

	<u>Bond #</u>	<u>Par Value</u>	<u>Proceeds</u>
Sale of Bonds	1 - 750	\$5,000.00	\$3,750,000.00
Accrued Interest			34,705.50
Total Proceeds			<u>\$3,784,705.50</u>

7. LOAN PRINCIPAL DUE

Due to a delay in the collection of tax assessments, it was necessary to take a short-term loan to meet the principal and interest requirements for the redemption of the first series of matured bonds. A note in the amount of \$216,000.00 was taken out with the Bank of Hattiesburg. The note bears an interest rate of six percent and is due March 15, 1980.

8. CONTINGENCIES

The attorney for the City of Petal confirmed that at this time there are no contingencies, pending litigations, or unasserted claims that would materially effect the financial statements of the City of Petal.

MINUTES — Petal, Mississippi

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MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
MISSISSIPPI SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

ACCOUNTANTS' REPORT

The Honorable Mayor and Board of Aldermen
City of Petal
Petal, Mississippi

We have examined the balance sheet of the City of Petal Combined Water and Sewer System as of September 30, 1979, and the related statements of income, fund equity and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other tests as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the financial position of the City of Petal Combined Water and Sewer System at September 30, 1979, and the results of its operations and the changes in financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding fiscal year. It is our further opinion that the accounting requirements of the resolutions that established the various funds have been met.

The accompanying supplemental exhibits, schedules and related information presented on pages 13 to 25 are not necessary for a fair presentation of the financial statements, but are presented as required by the resolution that originally established the various funds in the name East Forrest Utility District of Forrest County and as additional analytical data. This information

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has been subjected to the tests and other auditing procedures applied in the examination of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Hattiesburg, Mississippi
November 30, 1979

MINUTES — Petal, Mississippi

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EXHIBIT A-11

CITY OF PETAL COMBINED WATER AND SEWER SYSTEM

COMBINED BALANCE SHEET
SEPTEMBER 30, 1979

ASSETS

	Operation And Maintenance Fund	Bond And Interest Sinking Fund	Water And Sewer Revenue Fund
LAND, PLANT AND EQUIPMENT			
Operating equipment	\$ 24,740.37	\$.....	\$.....
Water and sewer systems structures and improvements			
Land easements			
Office building and warehouse	<u>24,740.37</u>	<u> </u>	<u> </u>
Less: Accumulated depreciation	<u>12,294.28</u>	<u> </u>	<u> </u>
	<u>12,446.09</u>	<u> </u>	<u> </u>
CURRENT ASSETS			
Cash on hand	366.59		
Cash in bank	21,046.25	47,278.34	30,359.95
Accounts receivable - customers (net of allowance for bad debts of \$1,451.80)			27,101.63
Inventory of tools and supplies	7,375.53		
Prepaid insurance	<u>1,897.14</u>		
	<u>30,685.51</u>	<u>47,278.34</u>	<u>57,461.58</u>
RESTRICTED ASSETS			
Customers depsoits:			
Due from other funds			
Debt service:			
Certificate of deposit	<u> </u>	152,000.00	<u> </u>
	<u> </u>	<u>152,000.00</u>	<u> </u>
	<u>\$ 43,131.60</u>	<u>\$199,278.34</u>	<u>\$57,461.58</u>

MINUTES — Petal, Mississippi

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<u>Meter Deposits Fund</u>	<u>Repair And Extension Fund</u>	<u>Plant And Equipment Fund</u>	<u>Total</u>
\$.....	\$.....	\$.....	\$ 24,740.37
		1,713,184.24	1,713,184.24
		20,883.70	20,883.70
		30,052.10	30,052.10
		<u>1,764,120.04</u>	<u>1,788,860.41</u>
		105,707.78	118,002.06
		<u>1,658,412.26</u>	<u>1,670,858.35</u>
520.00			886.59
17,406.51	47,189.28		163,280.33
			27,101.63
			7,375.53
			1,897.14
<u>17,926.51</u>	<u>47,189.28</u>		<u>200,541.22</u>
4,278.54	54,839.31		59,117.85
12,000.00			164,000.00
<u>16,278.54</u>	<u>54,839.31</u>		<u>223,117.85</u>
<u>\$34,205.05</u>	<u>\$102,028.59</u>	<u>\$1,658,412.26</u>	<u>\$2,094,517.42</u>

MINUTES — Petal, Mississippi

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EXHIBIT A-11 Page 2

CITY OF PETAL COMBINED WATER AND SEWER SYSTEM

COMBINED BALANCE SHEET
SEPTEMBER 30, 1979

LIABILITIES, RESERVES, CONTRIBUTIONS AND FUND EQUITY

	Operation and Maintenance Fund	Bond and Interest Sinking Fund	Water and Sewer Reserve Fund
LONG-TERM LIABILITIES			
Bonds payable (Schedule 1)	\$.....	\$.....	\$.....
CURRENT LIABILITIES			
Accounts payable	5,244.31		28,453.92
Due to other funds	4,548.54	21,025.34	
Accrued payroll taxes	114.06		163.12
Sales tax payable	1,860.60		
Accrued salaries	<u>11,767.51</u>	<u>21,025.34</u>	<u>28,617.04</u>
RESERVES			
Reserve for bond debt services		167,333.00	
Reserve for bond interest		10,920.00	
Reserve for contingencies	<u> </u>	<u>178,253.00</u>	<u> </u>
CONTRIBUTIONS			
Federal Grant-In-Aid	<u> </u>	<u> </u>	<u> </u>
Customers	<u> </u>	<u> </u>	<u> </u>
FUND EQUITY			
Retained earnings	31,364.09		28,844.54
Investment in fixed assets	<u>31,364.09</u>	<u> </u>	<u>28,844.54</u>
	<u>\$43,131.60</u>	<u>\$199,278.34</u>	<u>\$57,461.58</u>

See the accompanying notes to financial statements.

MINUTES — Petal, Mississippi

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<u>Meter Deposits Fund</u>	<u>Repair and Extension Fund</u>	<u>Plant and Equipment Fund</u>	<u>Total</u>
<u>\$.....</u>	<u>\$.....</u>	<u>\$ 894,000.00</u>	<u>\$ 894,000.00</u>
28,845.00			34,089.31
5,360.05			59,387.85
			114.06
			163.12
			1,860.60
<u>34,205.05</u>			<u>95,614.94</u>
			167,333.00
			10,920.00
	88,181.43		88,181.43
	<u>88,181.43</u>		<u>266,434.43</u>
		78,882.00	78,882.00
	13,847.16	36,220.80	50,067.96
	<u>13,847.16</u>	<u>115,102.80</u>	<u>128,949.96</u>
		(2,741.03)	57,467.60
		652,050.49	652,050.49
		<u>649,309.46</u>	<u>709,518.09</u>
<u>\$34,205.05</u>	<u>\$102,028.59</u>	<u>\$1,658,412.26</u>	<u>\$2,094,517.42</u>

MINUTES — Petal, Mississippi

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EXHIBIT B-11

CITY OF PETAL COMBINED WATER AND SEWER SYSTEM

COMBINED STATEMENT OF REVENUE AND EXPENSE
FOR THE YEAR ENDED SEPTEMBER 30 1979

	Operation And Maintenance Fund	Bond And Interest Sinking Fund
OPERATING REVENUES		
Water and sewer service	\$.....	\$.....
Water and sewer tap fees	16,081.74	
Reconnect and relocation charges		
	<u>16,081.74</u>	
REVENUE DISTRIBUTIONS		
Transfers for bond redemption		(42,000.00)
Transfers from (to) other funds	135,561.67	66,183.00
Total revenue distributions	<u>135,561.67</u>	<u>24,183.00</u>
Total operating revenues and distributions	<u>151,643.41</u>	<u>24,183.00</u>
OPERATING EXPENSES		
Salaries and wages - maintenance	69,252.75	
Equipment - rental		
Utilities and telephone	29,556.78	
Plant supplies, repairs and maintenance	11,675.96	
Postage and printing	3,086.42	
Office supplies	540.93	
Other supplies	2,157.21	
Repairs and maintenance - trucks	1,353.04	
Insurance	3,831.77	
Employee group hospitalization insurance	2,410.56	
Employment taxes	4,400.50	
Professional charges	8,358.40	
Other services and charges, bonds	431.96	
Other services and charges	666.26	
Bad debts		
Gas and oil	2,390.87	
Miscellaneous	1,047.36	
Depreciation	1,591.55	
Total operating expenses	<u>142,752.32</u>	
NET OPERATING INCOME	<u>8,891.09</u>	<u>24,183.00</u>
OTHER INCOME		
Interest on investments		11,020.00
		<u>11,020.00</u>
OTHER EXPENSES		
Interest on revenue bonds		34,415.00
EXCESS (DEFICIENCY) OF REVENUES AND DISTRIBUTIONS OVER EXPENSES	<u>\$ 8,891.09</u>	<u>\$ 788.00</u>

See the accompanying notes to financial statements.

MINUTES — Petal, Mississippi

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<u>Water and Sewer Revenue Fund</u>	<u>Repair and Extension Fund</u>	<u>Plant and Equipment Fund</u>	<u>Total</u>
\$273,455.37	\$.....	\$.....	\$273,455.37
			16,081.74
<u>273,455.37</u>			<u>289,537.11</u>
		42,000.00	
(267,597.90)	61,428.48	4,424.75	
<u>(267,597.90)</u>	<u>61,428.48</u>	<u>46,424.75</u>	
5,857.47	61,428.48	46,424.75	289,537.11
			69,252.75
	3,764.00		3,764.00
			29,556.78
	10,165.71		21,841.67
			3,086.42
			540.93
			2,157.21
			1,353.04
			3,831.77
			2,410.56
			4,400.50
			8,358.40
			431.96
			666.26
680.82			680.82
			2,390.87
149.20			1,196.56
		70,029.98	71,621.53
<u>830.02</u>	<u>13,929.71</u>	<u>70,029.98</u>	<u>227,542.03</u>
<u>5,027.45</u>	<u>47,498.77</u>	<u>(23,605.23)</u>	<u>61,995.08</u>
	900.00		11,920.00
	<u>900.00</u>		<u>11,920.00</u>
			34,415.00
<u>\$ 5,027.45</u>	<u>\$48,398.77</u>	<u>(\$23,605.23)</u>	<u>\$ 39,500.08</u>

MINUTES — Petal, Mississippi

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EXHIBIT C-11

CITY OF PETAL WATER AND SEWER SYSTEM

COMBINED STATEMENT OF RESERVES, CONTRIBUTIONS AND FUND EQUITY
FOR THE YEAR ENDED SEPTEMBER 30, 1979

	RESERVES		CONTRIBUTIONS	
	Bond And Interest Sinking Fund	Repair And Extension Fund	Repair And Extension Fund	Plant And Equipment Fund
BALANCE - OCTOBER 1, 1978	\$177,465.00	\$39,452.50	\$13,847.16	\$115,102.80
ADD (DEDUCT)				
Prior period adjustments		330.16		
ADJUSTED BALANCE - OCTOBER 1, 1978	177,465.00	39,782.66	13,847.16	115,102.80
ADD (DEDUCT)				
Excess (deficiency) of revenue and distributions over expenses	788.00	48,398.77		
BALANCE - SEPTEMBER 30, 1979	<u>\$178,253.00</u>	<u>\$88,181.43</u>	<u>\$13,847.16</u>	<u>\$115,102.80</u>

See the accompanying notes to financial statements.

MINUTES — Petal, Mississippi

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RETAINED EARNINGS				
Operation And Maintenance Fund	Water And Sewer Revenue Fund	Meter Deposit Fund	Investment In Fixed Assets Plant And Equipment Fund	Total
\$22,473.00	\$23,817.09	\$ -0-	\$672,914.69	\$1,065,072.24
				330.16
22,473.00	23,817.09	-0-	672,914.69	1,065,402.40
8,891.09	5,027.45	-0-	(23,605.23)	39,500.08
<u>\$31,364.09</u>	<u>\$28,844.54</u>	<u>\$ -0-</u>	<u>\$649,309.46</u>	<u>\$1,104,902.48</u>

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EXHIBIT D-11

CITY OF PETAL COMBINED WATER AND SEWER SYSTEM

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 1979

	Operation And Maintenance Fund	Bond And Interest Sinking Fund
SOURCES OF WORKING CAPITAL		
Operations:		
Excess of revenues and distributions over expenses	\$ 8,891.09	\$ 788.00
Charges not requiring the use of working capital:		
Depreciation	1,591.55	
Adjustments affecting prior periods		
Decrease in reserve for bond debt service and interest		
Increase in liabilities payable from restricted assets		
	<u>10,482.64</u>	<u>788.00</u>
USES OF WORKING CAPITAL		
Deficiency of revenues and distribution over expenses		
Increase in restricted assets		
Decrease in restricted liabilities		
Redemption of revenue bonds		
Purchase of fixed assets	9,978.68	
Net increase in assets due to inventory adjustment		
	<u>9,978.68</u>	<u>-0-</u>
Increase in working capital	<u>\$ 503.96</u>	<u>\$ 788.00</u>
INCREASE IN WORKING CAPITAL WAS PROVIDED BY:		
Increase (Decrease) in current assets:		
Cash on hand	216.59	
Cash in bank	540.95	10,554.92
Prepaid insurance	352.63	
Inventory of tools and supplies	670.00	
	<u>1,780.17</u>	<u>10,554.92</u>
Increase (Decrease) in current liabilities:		
Accounts payable	438.16	
Accrued payroll taxes	33.82	
Accrued wages	534.23	
Due to other funds	270.00	9,766.92
	<u>1,276.21</u>	<u>9,766.92</u>

MINUTES — Petal, Mississippi

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<u>Meter Deposits Fund</u>	<u>Repair And Extension Fund</u>	<u>Plant And Equipment Fund</u>	<u>Total</u>
\$ -0-	\$48,398.77	-0-	\$ 58,077.86
	330.16	70,029.98	71,621.53 330.16
<u>-0-</u>	<u>48,728.93</u>	<u>70,029.98</u>	<u>130,029.55</u>
	10,097.08	23,605.23	23,605.23 10,097.08
		42,000.00 4,424.75	42,000.00 14,403.43
<u>-0-</u>	<u>10,097.08</u>	<u>70,029.98</u>	<u>90,105.74</u>
<u>\$ -0-</u>	<u>\$38,631.85</u>	<u>\$ -0-</u>	<u>\$ 39,923.81</u>
	38,631.85		216.59 49,727.72 352.63 670.00
	<u>38,631.85</u>	<u>-0-</u>	<u>50,966.94</u>
			438.16 33.82 534.23 10,036.92
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>11,043.13</u>
<u>\$ -0-</u>	<u>\$38,631.85</u>	<u>\$ -0-</u>	<u>\$ 39,923.81</u>

MINUTES — Petal, Mississippi

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CITY OF PETAL COMBINED WATER AND SEWER SYSTEM

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies and procedures, related to major balance sheet, income and expense classifications, are followed in reporting financial information annually:

General -

The system follows the accrual method of accounting wherein revenues are recognized during the period in which they are earned and expenses are recognized when incurred.

Land, Plant and Equipment -

Land, plant and equipment are stated at cost. Additions are capitalized, while expenditures for maintenance and repairs are charged to income. Depreciation is provided for, based upon the estimated useful life of the individual unit of property under the straight line method for equipment and declining balance method for water and sewer systems. Estimated lives of equipment are as follows:

	<u>Estimated Useful Life In Years</u>
Water and sewer systems	50
Automotive equipment	5
Office equipment	3-10
Other equipment	2-8

2. OPERATIONS ASSUMED BY CITY OF PETAL

The City of Petal, Mississippi acquired all assets and assumed all indebtedness of the East Forrest Utility District of Forrest County on October 1, 1977. Services have continued and all requirements of the bond resolution creating the District are applicable to Petal's operation of the water and sewer facility. However, the District's fiscal year for financial reporting purposes was changed to coincide with the City of Petal's fiscal year ending on September 30.

3. PRIOR PERIOD ADJUSTMENTS

An adjustment of \$330.16 was made to the Repair and Extension Fund reserve balance. This adjustment was to correct a balance brought forward at an incorrect amount.

4. FIXED ASSET INVENTORY

A physical inventory of fixed assets owned by the City of Petal was taken the week of October 1, 1979. A system of accounting for fixed assets has been implemented and is being administered in a sufficient manner.

MINUTES — Petal, Mississippi

THEREUPON, Alderman Draughn made a motion to accept the audit performed by the firm of Nicholson and Easterling, CPA, and to submit it to ORS by March 1, 1980, and, also, to accept the following order authorizing the city clerk to publish the audit. Alderman Campbell seconded the motion. The order read as follows, to-wit:

O R D E R

SO ORDERED by the Mayor and Board of Aldermen of the City of Petal, Mississippi, that Carl L. Nicholson, certified public accountant, having completed the annual audit of the financial affairs of the City of Petal, Mississippi, for the fiscal year ending September 30, 1979.

IT IS THEREFORE ORDERED that the City Clerk be, and she is hereby authorized and directed to be published the synopsis thereof in the Hattiesburg American, a daily newspaper published and having a general circulation therein as provided by law.

SO ORDERED by the Mayor and Board of Aldermen of the City of Petal, Mississippi, on this the 26th day of February, A. D., 1980.

* * * * *

Those present and voting "AYE":

Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman George B. Draughn
Alderman Robert E. Russell
Alderman Eobby W. Runnels

Those present and voting "NAY":

None

WHEREAS, Mayor Smith presented the following letter of emergency from Shows and Dearman concerning the break-in of sewer lines on Mamie Street.

The letter read as follows, to-wit:

SHOWS & DEARMAN
P. O. Box 1711
Hattiesburg, Ms 39401

February 26, 1980

Mayor and Board of Aldermen
City of Petal
Petal, Mississippi 39465

RE: Sanitary Sewer
Mamie Street

Gentlemen:

The sanitary sewer line on Mamie Street, approximately 20 feet East of the Mamie Street pumping station, has developed a "cave-in" indicating a broken sewer main at this point. This should be repaired immediately since sand and surface water is entering the system at this point causing severe problems at the pumping station and preventing the flow of sewer east of the pumping station.

Due to the high water table and depth of the sewer main in this area, it will be impossible for the maintenance personnel to make this repair. This is an emergency since the lift station serves the Northwestern area of the city, and needs to be repaired as soon as possible.

Yours truly,

SHOWS & DEARMAN

/s/ Paul J. Shows

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THEREUPON, Alderman Boutwell made a motion to adopt the following emergency order authorizing the repair of the Mamie Street sewer lines upon receiving three quotations for the repair work. Alderman Campbell seconded the motion. The order read as follows, to-wit:

O R D E R

WHEREAS, the Mayor and Board of Aldermen of the City of Petal, Mississippi, do find that an emergency exists due to a cave-in in the sewer lines on Mamie Street, pursuant to the finding of the city engineers, Shows and Dearman, and do hereby authorize Robert Powell, Superintendent of the water department, to obtain three quotations for the rental of equipment and the labor to make the necessary repairs to correct the cave-in and the hazardous condition which exists there.

SO ORDERED by the Mayor and Board of Aldermen on this the 26th day of February, A. D., 1980.

* * * * *

Those present and voting "AYE":

- Alderman W. E. Boutwell
- Alderman W. H. Campbell
- Alderman George B. Draughn
- Alderman Bobby W. Runnels
- Alderman Robert E. Russell

Those present and voting "NAY":

None

WHEREAS, Alderman Boutwell presented the following letter from Chief Bounds concerning the promotion of Billy Wayne Murphy from 3rd class to 2nd class, effective February 23, 1980. The letter read as follows, to-wit:

Tuesday February 26, 1980

Mayor and Board of Aldermen
City of Petal
Petal, Mississippi

I request that Patrolman Wayne Murphy be promoted from 3rd class Patrolman to 2nd class Patrolman. Thank you.

Sincerely yours,

/s/ Chief Bounds
Chief Bounds

* * * * *

THEREUPON, Alderman Boutwell made a motion to adopt the following order to promote Billy Wayne Murphy to 2nd class patrolman. Alderman Runnels seconded the motion. The order read as follows, to-wit:

O R D E R

WHEREAS, the Mayor and Board of Aldermen of the City of Petal, Mississippi, upon the completion of the six-month probationary period of Billy Wayne Murphy, and upon the recommendation of the Chief of Police, Henry Bounds, to hereby promote Billy Wayne Murphy to Patrolman 2nd class.

IT IS THEREFORE ORDERED that Billy Wayne Murphy be, and he is hereby appointed as Patrolman 2nd class at a monthly salary of \$833.73 to serve from February 25, 1980, until further orders

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Mississippi.

SO ORDERED by the Mayor and Board of Aldermen of the City of Petal, Mississippi, on this the 19th day of February, A. D., 1980.

* * * * *

Those present and voting "AYE":

Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman George B. Draughn
Alderman Robert E. Russell
Alderman Bobby W. Runnels

Those present and voting "NAY":

None

WHEREAS, Alderman Runnels stated that the fire department is in need of new helmets.

THEREUPON, Alderman Runnels made a motion to purchase thirty (30) helmets at state contract bid price from Moosa Equipment Company. Alderman Russell seconded the motion.

Those present and voting "AYE":

Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman George B. Draughn
Alderman Robert E. Russell
Alderman Bobby W. Runnels

Those present and voting "NAY":

None

WHEREAS, Alderman Runnels made a motion to have a "Dennis Ray Smith Day" to honor a young man whose leadership has had so much effect on the lives of so many young people. Alderman Russell seconded the motion.

Those present and voting "AYE":

Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman George B. Draughn
Alderman Robert E. Russell
Alderman Bobby W. Runnels

Those present and voting "NAY":

None

WHEREAS, Alderman Runnels stated that according to the National Guard, it could be July before the unit could begin more work at the recreation facility.

THEREUPON, Alderman Runnels made a motion to seek permission from the BOR to amend the project and to authorize the city clerk to advertise for bids from contractors to complete the project. Alderman Russell seconded the motion.

Those present and voting "AYE":

Alderman W. E. Boutwell
Alderman W. H. Campbell
Alderman George B. Draughn
Alderman Robert E. Russell
Alderman Bobby W. Runnels

Those present and voting "NAY":

None

WHEREAS, Alderman Russell stated that a space problem has arisen at the police department.

THEREUPON, Alderman Russell made a motion to get an estimate of the

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cost of finishing a 20 x 20 space in the attic for the court clerk's office. Alderman Runnels seconded the motion.

Those present and voting "AYE":

- Alderman W. E. Boutwell
- Alderman W. H. Campbell
- Alderman George B. Draughn
- Alderman Robert E. Russell
- Alderman Bobby W. Runnels

Those present and voting "NAY":

None

THEREUPON, Alderman Campbell made a motion to adjourn. Alderman Russell seconded the motion.

Those present and voting "AYE":

- Alderman W. E. Boutwell
- Alderman W. H. Campbell
- Alderman George B. Draughn
- Alderman Robert E. Russell
- Alderman Bobby W. Runnels

Those present and voting "NAY":

None

There being no further business, the regular recessed meeting of the Mayor and Board of Aldermen of February 19, 1980, was adjourned on this the 26th day of February, A. D., 1980.

Sidney O. Smith

SIDNEY O. SMITH, MAYOR

(SEAL)

ATTEST:

Priscilla C. Daniel
Priscilla C. Daniel, City Clerk