

BE IT REMEMBERED THAT THERE WAS BEGUN AND HELD THE REGULAR MEETING OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF PETAL, MISSISSIPPI ON FEBRUARY 7, 1995 AT 7:00 P.M. IN THE BOARD ROOM OF SAID CITY.

THOSE PRESENT

MAYOR JACK GAY

CITY ATTORNEY

THOMAS W TYNER

ALDERMEN

RAYMOND C BRANDLE
WILLIAM H. CAMPBELL
REUBEN CLEPPER
LEROY SCOTT
SHELBY TIMS

OTHERS PRESENT

WAYNE MURPHY
AUBRA EVANS
DEMARIS LEE
DAN TOLBERT
E. R. MYRICK
JERRY CROWE
AND OTHERS

THE MAYOR DECLARED A QUORUM PRESENT AND DECLARED THE CITY COUNCIL IN SESSION.

THE INVOCATION WAS OFFERED BY LEROY SCOTT.

THE PLEDGE OF ALLEGIANCE WAS RECITED.

WHEREAS, MAYOR GAY STATED THAT DUE TO THE ABSENCE OF THE CITY CLERK AND THE RESIGNATION OF THE DEPUTY CITY CLERK, THE BOARD WILL NEED TO APPOINT AN INTERIM DEPUTY CITY CLERK.

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO APPOINT AVA C. PICKETT AS THE INTERIM DEPUTY CITY CLERK. ALDERMAN TIMS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, ALDERMAN CAMPBELL MADE A MOTION THAT THE MINUTES OF THE REGULAR MEETING OF JANUARY 17, 1995 BE ACCEPTED AS WRITTEN. ALDERMAN SCOTT SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED THE FOLLOWING QUOTATIONS FOR THE PETAL CIVIC CENTER AND LIBRARY SIGN.

SEE EXHIBIT "A"

MUNN ENTERPRISES \$4,400.00
7712 U.S. HIGHWAY 49 NORTH
HATTIESBURG, MS. 394902

THE HEADRICK COMPANIES \$5,261.40
P O BOX 4407
LAUREL, MS. 39441-4407

CLINESIGNS \$5,850.00
1118 WEST PINE STREET
HATTIESBURG, MS. 39401

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO ACCEPT THE LOWEST QUOTATION FOR THE SIGN FROM MUNN ENTERPRISES. ALDERMAN SCOTT SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, CHIEF WAYNE MURPHY STATED THAT THE FBI WILL BE OFFERING A SEMINAR IN HOSTAGE NEGOTIATIONS IN HATTIESBURG ON FEBRUARY 27, 28 AND MARCH 1 AND THAT HE WOULD LIKE TO SEND TWO (2) OFFICERS AT A FEE OF \$25.00 EACH.

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO AUTHORIZE THE CHIEF TO SEND TWO (2) OFFICERS TO THE FBI SEMINAR. ALDERMAN TIMS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY CALLED FOR PUBLIC COMMENT.

THEREUPON, JERRY CROWE ADDRESSED THE BOARD CONCERNING THE HIRING PRACTICES OF THE CITY.

WHEREAS, MIKE WAITS, OF SHOWS, DEARMAN & WAITS, INC., STATED THAT THE MISSISSIPPI DEPARTMENT OF TRANSPORTATION HAS APPROVED THE SPECIFICATIONS AND PLANS FOR THE WIDENING AND OVERLAYING ROADWAY, SAFETY AND DRAINAGE IMPROVEMENTS ON WEST FIRST AVENUE BETWEEN U.S. HIGHWAY 11 AND NORTH MAIN STREET IN PETAL.

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO ADVERTISE THE WEST 1ST AVENUE PROJECT FOR BIDS. ALDERMAN CAMPBELL SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, WILLOUGHBY C. WRIGHT, CPA, WITH WRIGHT & KING AND COMPANY, P.A., PRESENTED THE ANNUAL AUDIT REPORT FOR THE CITY OF PETAL AND THE PETAL WATER AND SEWER TO THE BOARD FOR THE YEAR ENDING SEPTEMBER 30, 1994.

THEREUPON, ALDERMAN CAMPBELL MADE A MOTION TO ADOPT THE FOLLOWING RESOLUTION ACCEPTING THE ANNUAL AUDIT REPORT FOR F/Y 1993-94 AND AUTHORIZING THE CITY CLERK TO ADVERTISE THE ACCEPTANCE AND AVAILABILITY OF THE REPORT. ALDERMAN BRANDLE SECONDED THE MOTION.

SEE EXHIBIT "B"

RESOLUTION

AUDIT REPORT F/Y 93-94

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY STATED THAT IN REFERENCE TO THE LETTER THE CITY HAS RECEIVED FROM THE BARRONTOWN UTILITY DISTRICT CONCERNING THEIR INCREASE FOR THE BILLING OF THE CITY'S SEWER CHARGES TO THEIR WATER CUSTOMERS FROM \$2.00 PER MONTH TO \$4.00 PER MONTH, IT IS HIS RECOMMENDATION THAT THE CITY CANCEL THE MEMORANDUM AGREEMENT CONTRACT WITH BARRONTOWN UTILITY DISTRICT FOR THE COLLECTION OF THE SEWER CHARGES EFFECTIVE MARCH 1, 1995 AND THE CITY WILL BEGIN BILLING THESE CUSTOMERS FOR SEWER BASED ON A YEARLY AVERAGE OF THEIR WATER CONSUMPTION, FURNISHED ANNUALLY BY THE BARRONTOWN UTILITY DISTRICT, AND THE PRORATED MONTHLY COST OF THE SEWER BONDS BASED ON THE ASSESSED VALUE OF THEIR PROPERTY.

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO CANCEL THE AGREEMENT WITH BARRONTOWN UTILITY DISTRICT EFFECTIVE MARCH 1, 1995 AND FOR THE CITY TO BEGIN BILLING THE SEWER CUSTOMERS OUTSIDE OF THE CITY BY THE AFOREMENTIONED FORMULA. ALDERMAN CLEPPER SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED THE PROPOSED CHANGES TO THE CITY OF PETAL SUBDIVISION REGULATIONS FROM THE PETAL PLANNING COMMISSION AND A LETTER FROM THE ZONING ADMINISTRATOR, DAN TOLBERT, CONCURRING WITH THE PLANNING COMMISSIONS RECOMMENDATIONS.

SEE EXHIBIT "C"

PROPOSED CHANGES "SUBDIVISION REGULATIONS"

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO TABLE THE RECOMMENDATIONS UNTIL A MEETING CAN BE HELD WITH ALL OF THE PLANNING COMMISSION MEMBERS AND THE BOARD OF ALDERMEN. ALDERMAN SCOTT SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

THOSE PRESENT AND ABSTAINING:

ALDERMAN RAYMOND C. BRANDLE

WHEREAS, MAYOR GAY PRESENTED THE LETTER OF RESIGNATION FROM LYNDIA SUE DOGGETT, TAX CLERK AND DEPUTY CITY CLERK EFFECTIVE FEBRUARY 3, 1995.

SEE EXHIBIT "D"

LETTER

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO ACCEPT THE LETTER OF RESIGNATION FROM LYNDIA SUE DOGGETT. ALDERMAN TIMS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED A RECOMMENDATION TO APPOINT RODNEY SESSIONS TO THE PETAL TREE BOARD TO FILL THE POSITION VACATED BY BOB ECHOLS.

THEREUPON, ALDERMAN BRANDLE MADE A MOTION TO APPOINT RODNEY SESSIONS TO THE PETAL TREE BOARD FOR A TERM OF ONE (1) YEAR ENDING DECEMBER 31, 1995. ALDERMAN CAMPBELL SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED THE LETTER OF RESIGNATION FROM TRACEY MONTAGUE, WATER DEPARTMENT EMPLOYEE, EFFECTIVE FEBRUARY 10, 1995.

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO ACCEPT TRACEY MONTAGUE'S LETTER OF RESIGNATION. ALDERMAN CLEPPER SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED A REQUEST FROM THE PETAL OPTIMIST CLUB FOR THE CITY TO PURCHASE ADVERTISING ON THREE (3) SIGNS AT THE OPTIMIST CLUB BALL PARK.

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO TAKE THIS UNDER ADVISEMENT AS THERE APPEARS TO BE A DISCREPANCY IN THE BILLING. ALDERMAN TIMS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED INVOICE # 41277 IN THE AMOUNT OF \$1,000 FROM NEEL-SCHAFFER, INC. WHICH REPRESENTS 20% COMPLETION FOR THE PETAL 1994 HOME PROGRAM.

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO PAY NEEL-SCHAFFER, INC. \$1,000. ALDERMAN CAMPBELL SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED A RECOMMENDATION TO HIRE WILLIAM GARY HOLLINGSWORTH AS ACCOUNTING CLERK EFFECTIVE FEBRUARY 13, 1995.

THEREUPON, ALDERMAN CAMPBELL MADE A MOTION TO ADOPT THE FOLLOWING ORDER HIRING WILLIAM GARY HOLLINGSWORTH AS ACCOUNTING CLERK EFFECTIVE FEBRUARY 13, 1995 AT A RATE OF \$14,900.00 ANNUALLY. ALDERMAN BRANDLE SECONDED THE MOTION.

ORDER

WHEREAS, THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF PETAL, MISSISSIPPI DO HEREBY DEEM IT NECESSARY TO HIRE AN ACCOUNTING CLERK IN THE FINANCIAL OFFICE;

IT IS HEREBY ORDERED THAT WILLIAM GARY HOLLINGSWORTH IS HIRED EFFECTIVE FEBRUARY 13, 1995 AT A RATE OF \$14,900.00 ANNUALLY AS AN ACCOUNTING CLERK.

SO ORDERED ON THIS THE 7TH DAY OF FEBRUARY, A.D., 1995.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED A RECOMMENDATION FOR THE TRANSFER OF GREG SMITH FROM THE WATER DEPARTMENT TO THE RECREATION DEPARTMENT.

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO TRANSFER GREG SMITH FROM THE WATER DEPARTMENT TO THE RECREATION DEPARTMENT EFFECTIVE UPON THE HIRING OF A REPLACEMENT FOR MR. SMITH. ALDERMAN BRANDLE SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY STATED THAT THE CITY HAS RECEIVED NOTIFICATION FROM WASTE MANAGEMENT OF MISSISSIPPI, INC. THAT BEGINNING FEBRUARY 1, 1995 THE ROLL-OFF RATE FROM \$80.00 TO \$85.00 PER HAUL.

THEREUPON, ALDERMAN BRANDLE MADE A MOTION TO AUTHORIZE THE MAYOR TO EXECUTE A NEW SERVICE AGREEMENT WITH WASTE MANAGEMENT OF MS - PINE BELT INCREASING THE HAUL RATE TO \$85.00. ALDERMAN TIMS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED A REQUEST FROM BEN DEARMAN FOR A SEWER REFUND IN THE AMOUNT OF \$304.75. MAYOR GAY STATED THAT MR DEARMAN HAS BEEN CHARGED FOR SEWER SINCE 1988 AND AFTER VERIFICATION FROM THE SEWER DEPARTMENT THE RESIDENCE AT 601 HILLCREST WAS FOUND NOT TO BE CONNECTED TO THE SEWER SYSTEM.

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO REFUND MR. DEARMAN \$304.75. ALDERMAN TIMS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED CLAIMS # 32186 - 32554 OF THE CITY OF PETAL GENERAL FUNDS AND THE PETAL WATER AND SEWER FUNDS.

THEREUPON, ALDERMAN TIMS MADE A MOTION TO PAY CLAIMS # 32186 - 32554 OF THE CITY OF PETAL GENERAL FUNDS AND THE PETAL WATER AND SEWER FUNDS. ALDERMAN SCOTT SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED THE FOLLOWING TRAVEL REQUEST FROM DAN TOLBERT TO ATTEND THE CODE SEMINAR FOR THE MISSISSIPPI CHAPTER OF THE IAEI ON MARCH 12 - 14, 1995 IN STARKVILLE, MISSISSIPPI.

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO AUTHORIZE MR TOLBERT TO ATTEND THE SEMINAR MARCH 12 - 14, 1995 IN STARKVILLE, MS. ALDERMAN SCOTT SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED A TRAVEL REQUEST FOR LIZ BREWER TO ATTEND THE JUDICIAL TRAINING SEMINAR IN BILOXI, MS. ON MARCH 22 AND 23, 1995.

THEREUPON, ALDERMAN CLEPPER MADE A MOTION AUTHORIZING MS. BREWER TO ATTEND THE JUDICIAL TRAINING SEMINAR IN BILOXI, MS. MARCH 22 AND 23, 1995. ALDERMAN SCOTT SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED A TRAVEL REQUEST FOR PRISCILLA DANIEL TO ATTEND THE XXV ANNUAL CONFERENCE OF THE MS MUNICIPAL CLERKS ASSOCIATION IN MERIDIAN, MS. MARCH 22-24, 1995.

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO AUTHORIZE MS DANIEL TO ATTEND THE CONFERENCE IN MERIDIAN IN MARCH. ALDERMAN SCOTT SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY REQUESTED THAT THE BOARD RATIFY THE APPROVAL OF POLICE OFFICERS KEITH HENRY AND KEN BULLOCK TO ATTEND THE ONE DAY SEMINAR ON RIVER AND FLOOD RESCUE IN GULFPORT, MISSISSIPPI ON FEBRUARY 2, 1995.

WHEREAS, MAYOR GAY PRESENTED A RESOLUTION OPPOSING THE PASSAGE OF HOUSE CONCURRENT RESOLUTION NO. 53 WHICH IF PASSED WOULD IMPAIR AND POSSIBLY PROHIBIT ANY FUTURE ANNEXATION BY MUNICIPALITIES.

SEE EXHIBIT "G"

RESOLUTION

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO ADOPT THE FOREGOING RESOLUTION AND TO FAX COPIES TO LOCAL DELEGATES OF THE MISSISSIPPI HOUSE OF REPRESENTATIVES. ALDERMAN TIMS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY STATED THAT DUE TO THE VACANCY OF THE TAX CLERK POSITION IN THE FINANCIAL OFFICE, MELLEEN MOORE HAS AGREED TO FILL THIS POSITION ON A TEMPORARY BASIS.

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO ADOPT THE FOLLOWING ORDER HIRING MELLEEN MOORE TO FILL THE POSITION OF TAX CLERK FOR A TEMPORARY PERIOD AT A RATE OF \$6.00 PER HOUR EFFECTIVE IMMEDIATELY. ALDERMAN SCOTT SECONDED THE MOTION.

ORDER

WHEREAS, THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF PETAL, MISSISSIPPI DO HEREBY DEEM IT NECESSARY TO TEMPORARILY FILL THE TAX CLERK POSITION;

IT IS HEREBY ORDERED THAT MELLEEN MOORE BE APPOINTED TO FILL THE POSITION OF TAX CLERK ON A TEMPORARY BASIS AT A RATE OF \$6.00 PER HOUR IMMEDIATELY.

SO ORDERED ON THIS THE 7TH DAY OF FEBRUARY, A.D., 1995.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED THE FOLLOWING RESOLUTION OPPOSING THE CONDEMNATION OF MOORE FUNERAL HOME AS A RESULT OF THE CONSTRUCTION OF THE MISSISSIPPI HIGHWAY 42 CONNECTOR ROAD.

SEE EXHIBIT "H"

RESOLUTION - MOORE FUNERAL HOME

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO ADOPT THE FOREGOING RESOLUTION. ALDERMAN CAMPBELL SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

THOSE PRESENT AND ABSTAINING:

ALDERMAN RAYMOND C. BRANDLE

WHEREAS, MAYOR GAY STATED THAT SHELIA HUMPHREY HAS REQUESTED PERMISSION TO REPLACE HER MOBILE HOME ON KELLY ROSE LANE WITH A LARGER MODEL.

THEREUPON, ALDERMAN BRANDLE MADE A MOTION TO TAKE THE FOREGOING REQUEST UNDER ADVISEMENT. ALDERMAN SCOTT SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY STATED THAT THE MOTOR ON WELL NO 2 AT PLANT "C" HAS BURNED OUT AND THAT THE CITY ENGINEER HAS DETERMINED THAT THIS WILL CREATE AN EMERGENCY SITUATION IF NOT REPLACED IMMEDIATELY.

SEE EXHIBIT "I"

LETTER - SHOWS, DEARMAN & WAITS, INC.

EMERGENCY ORDER

WHEREAS, THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF PETAL, MISSISSIPPI DO FIND THAT THE MOTOR ON WELL # 2 AT PLANT "C" HAS BECOME INOPERABLE AND THAT THIS COULD CREATE AN EMERGENCY SITUATION WITH THE WATER SUPPLY FOR THE CITY OF PETAL, AND;

WHEREAS, IF THE MOTOR CANNOT BE REPAIRED A REPLACEMENT MOTOR MUST BE OBTAINED IMMEDIATELY TO PREVENT A WATER SUPPLY SHORTAGE AND DUE TO THE NATURE OF THIS EMERGENCY TIME WILL NOT PERMIT THE CITY TO ADVERTISE FOR BIDS FOR THE MOTOR, WHICH IS ESTIMATED TO COST \$3,500.00;

THEREFORE, IT IS HEREBY ORDERED THAT A MOTOR BE PURCHASED, IF NEEDED, WITHOUT BIDS.

SO ORDERED BY THE MAYOR AND BOARD OF ALDERMEN ON THIS THE 7TH DAY OF FEBRUARY, A.D., 1995.

WHEREAS, ALDERMAN CAMPBELL MADE A MOTION TO ADOPT THE FOREGOING EMERGENCY ORDER. ALDERMAN CLEPPER SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE

THEREUPON, ALDERMAN CAMPBELL MADE A MOTION TO ADJOURN. ALDERMAN SCOTT SECONDED THE MOTION.

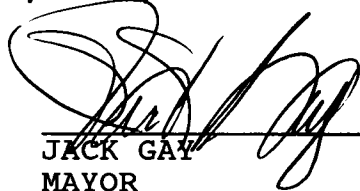
THOSE PRESENT AND VOTING "AYE":

ALDERMAN RAYMOND C BRANDLE
ALDERMAN W H CAMPBELL
ALDERMAN REUBEN CLEPPER
ALDERMAN LEROY SCOTT
ALDERMAN SHELBY L TIMS

THOSE PRESENT AND VOTING "NAY":

NONE


THEREBEING NO FURTHER BUSINESS, THE REGULAR MEETING OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF PETAL, MISSISSIPPI WAS ADJOURNED ON THIS THE 7TH DAY OF FEBRUARY, A.D., 1995.



JACK GAY
MAYOR

(SEAL)

ATTEST:



PRISCILLA C. DANIEL
CITY CLERK

EXHIBIT "A"

February 7, 1995

Petal Civic Center
Petal, Mississippi

Headrick Sign Company will fabricate and install one (1) 5' 2" x 10' internally illuminated fabricated aluminum sign with "The Petal Library" "The Petal Civic Center" routed out of face and backed by plexiglas.

The bottom line copy, "The Library of Hattiesburg, Petal and Forrest County", will be vinyl letters applied to face material.

Above quoted is based on sketch provided by the City of Petal. It is the same our sketch #AD-1900-8-94.

Total Cost: \$5,261.40

- * Plus applicable sales tax and permit
- * Electrical connection not included
- * Our terms are as follows:

Thirty percent (30%) deposit with order,
Balance due upon delivery and completion.

ACCEPTED:

PETAL CIVIC CENTER

DATE

ACCEPTED:



HEADRICK SIGN COMPANY

2-7-95

DATE



P.O. BOX 4407
LAUREL, MS 39441-4407
PHONE 601-649-1977
FAX 601-425-2411

OUTDOOR ADVERTISING
SIGN MANUFACTURING
RESORT HOTELS
SCREENPRINTING

EXHIBIT "A"

SIGNS OF ALL KINDS

MUNN *Enterprises*

PROPOSAL #: 443

TO: City of Petal

A: P.O. Box 564

B: Petal, Ms

C:

ATTN:

PHONE: 545-1774

FAX:

JOB LOC: Petal Civic Center

D: Petal Library

E: Main Street

F: Petal, Ms

DATE: 1-28-95

EST. DUE DATE: 45 days from contract

F.O.B.: Jobsite

Please accept Munn Enterprises, Inc. proposal to perform the following work.

Work Description

1: Manufacture and install one each 5' x 10' double face internally illuminated monument archeitectoral sign with routed aluminum faces backed with green 2030 3/16" plexiglass. Sign to be mounted on brick base (to be furnished by city).

2: Specification as per bid documents.

3:

4:

5:

Total Price: \$4,400.00 **Plus Tax:** **Plus Permit:**

TERMS— A 50% deposit is required upon signing of contract and remainder due upon completion of job. All prices are plus applicable tax and permit fees.

To confirm as an order, sign and return. All orders will be followed by Purchase Agreement and all orders are subject to conditions of Purchase Agreement.

Accepted by:

Date Signed:

Thank you for letting us present this proposal to you.



EXHIBIT "A"

PROPOSAL
CLINESIGNS

Cheryl Cline Pace
1118 West Pine St.
Hattiesburg, MS 39401
Phone (601) 544-2392

Page No. _____
of _____ Pages

PROPOSAL SUBMITTED TO:

DATE:

NAME: MAYOR JACK GAY

JOB NAME: PETAL CIVIC CENTER-LIBR

STREET:

STREET:

CITY:

CITY:

STATE

STATE:

ARCHITECT:

DATE OF PLANS:
2-7-95

We hereby submit specifications and estimates for: WORK AND PRODUCT AS REQUESTED IN REVISED DESCRIPTION AND SPECIFICATIONS, OUR DETAILED INTERPRETATION ENCLOSED.

We hereby propose to furnish labor and materials - complete in accordance with the above specifications, for the sum of:

Five thousand eight hundred & fifty dollars (\$ 5,850⁰⁰) with payment to be made as follows:

Two thousand nine hundred twenty five (\$2,925) upon acceptance of proposal and the balance (\$2,925) upon completion.

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs, will be executed only upon written orders, and will become an extra charge over and above the estimate.

Authorized Signature

Cheryl Cline Pace

N This proposal may be withdrawn by us if not accepted within _____ days.

Acceptance of Proposal

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Accepted:

Signature _____

Date _____

Signature _____

CITY OF PETAL
MINUTE BOOK 14
 CITY OF PETAL, MISSISSIPPI
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 SEPTEMBER 30, 1994
EXHIBIT B

ASSETS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Cash & other deposits	\$ 344,578	\$ 139,858	\$ 352,910	\$ 112,752
Cash held by fiscal agent				
Receivables (Net of allowance of \$2400)				
Franchise fees receivable	38,606			
Prepaid expenses				
Due from other funds	4,677			
Due from other governments	80,881	924	5,780	
Inventory, at cost	1,536			
Notes receivable		235,955		
Restricted assets				
Property, plant & equipment (net)				
Other assets				
Amount available in debt service fund				
Amount to be provided for retirement of general long-term debt				
Total assets	\$ 470,278	\$ 376,737	\$ 358,690	\$ 112,752

Proprietary	Fiduciary	Account Groups		Total
	Trust and	General	General Long-	(Memorandum
<u>Enterprise</u>	<u>Agency</u>	<u>Fixed Assets</u>	<u>Term Debt</u>	<u>Only</u>
\$ 386,514	\$ 54,053	\$ 0	\$ 0	\$ 1,390,665
	24,341			24,341
75,053				75,053
2,289				38,606
70,859				2,289
				75,536
29,949				87,585
				31,485
497,425				235,955
				497,425
4,060,314		8,040,809		12,101,123
55,578				55,578
			358,690	358,690
			<u>3,637,322</u>	<u>3,637,322</u>
\$5,177,981	\$ 78,394	\$ 8,040,809	\$ 3,996,012	\$18,611,653

EXHIBIT A
 Page Two
 CITY OF PETAL, MISSISSIPPI
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 SEPTEMBER 30, 1994

LIABILITIES:	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Bills docketed	\$ 56,022	\$ 2,384	\$	\$104,376
Due to other funds	9,297	1		
Other payable	29,816			
Deferred compensation payable				
Accrued interest on bonds				
Current portion of revenue bonds				
Current portion of general obligation bonds				
Current portion of notes payable				
Customer deposits				
Five year notes				
Revenue bonds payable				
General obligation bonds payable				
Sewer abatement notes payable				
Refunding notes payable				
Capital leases				
Certificate of participation				
Total liabilities	95,135	2,385	0	104,376

Proprietary	Fiduciary	Account Groups		Total (Memorandum Only)
		General	General Long-	
<u>Enterprise</u>	<u>Agency</u>	<u>Fixed Assets</u>	<u>Term Debt</u>	
\$ 76,216	\$ 397	\$	\$	\$ 239,395
66,233	5			75,536
9,393	40,207			79,416
	24,341			24,341
12,267				12,267
25,000				25,000
40,000				40,000
20,890				20,890
91,470				91,470
			125,000	125,000
715,000				715,000
505,000			3,295,000	3,800,000
821,995				821,995
			34,000	34,000
			12,012	12,012
			520,000	520,000

	Governmental Fund Types			
	Special		Debt Capital	
	General	Revenue	Service	Projects
FUND EQUITY:				
Contributed capital EXHIBIT "B"				
Investment in general fixed assets				
Retained earnings				
Reserved for debt service				
Reserved for facilities replacement				
Unreserved				
FUND BALANCES:				
Reserved for inventory	1,536			
Reserved for unemployment compensation				
Reserved for debt			358,690	
Unreserved	373,607	374,352		8,376
Total fund equity	375,143	374,352	358,690	8,376
Total liabilities and fund equity	\$470,278	\$376,737	\$358,690	\$112,752
	-----	-----	-----	-----

See independent auditors' report.
 The notes to financial statements are an integral part of this statement.

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Proprietary Enterprise	Fiduciary Trust and Agency	Account Groups		Total (Memorandum Only)
		General Fixed Assets	General Long-Term Debt	
176,885		•		176,885
		8,040,809		8,040,809
149,003				149,003
(509,354)				(509,354)
2,977,983				2,977,983
				1,536
	13,444			13,444
				358,690
				756,335
2,794,517	13,444	8,040,809	0	11,965,331
\$5,177,981	\$ 78,394	\$ 8,040,809	\$ 3,996,012	\$18,611,653
-----	-----	-----	-----	-----

EXHIBIT B
 CITY OF PETAL, MISSISSIPPI
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 1994

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
REVENUES:				
Property taxes	\$ 405,170		\$549,384	
Penalties and interest on delinquent taxes	11,025		5,378	
Licenses and permits	30,187			
Franchise fees	159,192			
Homestead exemption	37,845			
State shared revenue				
Sales tax	855,738			
Other		54,717		
Alcoholic beverage levy	900			
Intergovernmental				
Gas tax	9,869			
Other		65,958		
Municipal aid	4,531			
Cultural/recreational fees	16,819			
Fines and forfeitures	45,119			
Interest earnings	7,750	4,649	5,707	13,388
Prior year taxes	19			
Reimbursements		23,331		
Sale of equipment	2,930			
Other	6,542			785
Total revenues	1,593,636	148,655	560,469	14,173

EXHIBIT "B"

<u>Fiduciary Fund Type</u>	Total
<u>Expendable Trust</u>	<u>(Memorandum Only)</u>
\$ 0	\$ 954,554
	16,403
	30,187
	159,192
	37,845
	855,738
	54,717
	900
	9,869
	65,958
	4,531
	16,819
	45,119
304	31,798
	19
	23,331
	2,930
	7,327
<u>304</u>	<u>2,317,237</u>

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EXHIBIT B
CITY OF PETAL, MISSISSIPPI
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 1994

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
EXPENDITURES:				
General government	373,223			
Public safety	782,236	62,608		
Public works	272,618	77,758		
Culture and recreation	76,905			
Health and welfare	22,920			
Debt service	110,185		557,664	
Capital outlay				639,952
Total expenditures	<u>1,638,087</u>	<u>140,366</u>	<u>557,664</u>	<u>639,952</u>
Excess (deficiency) of revenues over expenditures	<u>(44,451)</u>	<u>8,289</u>	<u>2,805</u>	<u>(625,779)</u>
Other financing sources (uses):				
Proceeds of debt				125,000
Discharge of debt per grant contracts		(36,273)		
Transfers in				
Transfers out	<u>(23,989)</u>			
Total other financing sources (uses)	<u>(23,989)</u>	<u>(36,273)</u>	<u>0</u>	<u>125,000</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(68,440)</u>	<u>(27,984)</u>	<u>2,805</u>	<u>(500,779)</u>
Fund balance - 10/01/93	<u>443,583</u>	<u>402,336</u>	<u>355,885</u>	<u>509,155</u>
Fund balance - 9/30/94	\$ 375,143	\$374,352	\$358,690	\$ 8,376

See independent auditors' report.
The notes to financial statements are an integral part of this statement.

EXHIBIT "B"

<u>Fiduciary Fund Type</u>	<u>Total</u>
<u>Expendable Trust</u>	<u>(Memorandum Only)</u>
	373,223
	844,844
	350,401
25	76,905
	22,920
	667,849
	<u>639,952</u>
	<u>2,976,094</u>
25	<u>(658,857)</u>
	125,000
	(36,273)
	0
	<u>(23,989)</u>
	<u>64,738</u>
0	
	(594,119)
279	<u>1,724,124</u>
<u>13,165</u>	
\$ 13,444	<u>\$ 1,130,005</u>
*****	*****

EXHIBIT C-1
CITY OF PETAL, MISSISSIPPI
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP) AND ACTUAL ALL GOVERNMENTAL
AND PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 1994

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:			
Property tax	\$ 442,000	\$ 411,368	\$ (30,632)
Penalties and interest	2,500	2,931	431
Licenses and permits	27,000	30,187	3,187
Franchise fees	143,000	162,276	19,276
Homestead exemption	0	37,845	37,845
State shared revenue			
Sales tax	816,400	854,031	37,631
Alcoholic beverage tax	900	900	0
Intergovernmental			
Gas tax	10,500	9,869	(631)
Municipal aid	4,500	4,531	31
Culture and recreation	15,300	16,819	1,519
Fines and forfeits	46,000	45,119	(881)
Charges for services	1,500	1,104	(396)
Interest earned	8,500	7,750	(750)
Prior year taxes	200	19	(181)
Sale of equipment	0	2,930	2,930
Other income	7,500	5,053	(2,447)
Total revenues	<u>1,525,800</u>	<u>1,592,732</u>	<u>66,932</u>
EXPENDITURES:			
General government			
Personal services	216,732	212,543	4,189
Supplies	8,850	6,855	1,995
Other services	152,459	147,220	5,239
Capital outlay	11,020	6,604	4,416
Total	<u>389,061</u>	<u>373,222</u>	<u>15,839</u>
Public safety			
Police			
Personal services	408,414	397,791	10,623
Supplies	10,400	9,591	809
Other services	40,550	23,300	17,250
Capital outlay	18,200	15,652	2,548
Total	<u>477,564</u>	<u>446,334</u>	<u>31,230</u>

EXHIBIT C-1 (CONTINUED)
CITY OF PETAL, MISSISSIPPI
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP) AND ACTUAL ALL GOVERNMENTAL
AND PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 1994

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Fire			
Personal services	281,868	278,432	3,436
Supplies	3,400	1,825	1,575
Other services	24,820	22,205	2,615
Capital outlays	<u>1,250</u>	<u>1,190</u>	<u>60</u>
Total	<u>311,338</u>	<u>303,652</u>	<u>7,686</u>
Building inspection			
Personal services	29,758	29,567	191
Supplies	800	595	205
Other services	3,250	1,939	1,311
Capital outlay	<u>600</u>	<u>149</u>	<u>451</u>
Total	<u>34,408</u>	<u>32,250</u>	<u>2,158</u>
Public works			
Personal services	144,727	133,367	11,360
Supplies	41,000	32,213	8,787
Other services	87,769	77,879	9,890
Capital outlay	<u>30,044</u>	<u>29,160</u>	<u>884</u>
Total	<u>303,540</u>	<u>272,619</u>	<u>30,921</u>
Health and welfare			
Personal services	16,773	15,653	1,120
Supplies	775	725	50
Other services	<u>6,425</u>	<u>6,543</u>	<u>(118)</u>
Total	<u>23,973</u>	<u>22,921</u>	<u>1,052</u>
Cultural and recreational			
Recreation Department			
Personal services	31,583	28,566	3,017
Supplies	13,050	11,190	1,860
Other services	24,160	21,038	3,122
Capital outlay	<u>11,500</u>	<u>9,408</u>	<u>2,092</u>
Total	<u>80,293</u>	<u>70,202</u>	<u>10,091</u>

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EXHIBIT C-1 (CONTINUED)
CITY OF PETAL, MISSISSIPPI
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP) AND ACTUAL ALL GOVERNMENTAL
AND PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 1994

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Civic Center			
Personal services	1,603	1,092	511
Supplies	2,978	2,911	67
Other services	2,975	2,338	637
Capital outlay	<u>1,000</u>	<u>362</u>	<u>638</u>
Total	<u>8,556</u>	<u>6,703</u>	<u>1,853</u>
Debt service			
Debt service	<u>95,859</u>	<u>110,185</u>	<u>(14,326)</u>
Total Expenditures	<u>1,724,592</u>	<u>1,638,088</u>	<u>86,504</u>
Excess (deficiency) of revenues over expenditures	<u>(198,792)</u>	<u>(45,356)</u>	<u>153,436</u>
Other financing sources (uses):			
Transfers out	<u>(23,989)</u>	<u>(23,989)</u>	<u>0</u>
Total other	<u>(23,989)</u>	<u>(23,989)</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ (222,781)	(69,345)	\$ (153,436)
	*****		*****
Adjustments to GAAP basis:			
Increase (decrease) in accrued revenue		<u>905</u>	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses (GAAP basis)		(68,440)	
Fund balance 10/01/93		<u>443,583</u>	
Fund balance 09/30/94		\$ 375,143	

See Independent Auditors' Report.
The notes are an integral part of these statements.

EXHIBIT C-2
CITY OF PETAL, MISSISSIPPI
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP) AND ACTUAL ALL GOVERNMENTAL
AND PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 1994

<u>Special Revenue Fund</u>			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
State shared revenue	\$ 41,950	\$ 59,636	\$ 17,686
Intergovernmental	106,300	84,369	(21,931)
Interest earned	2,400	4,649	2,249
Program income	<u>15,256</u>	<u>12,973</u>	<u>(2,283)</u>
Total revenues	<u>165,906</u>	<u>161,627</u>	<u>(4,279)</u>
EXPENDITURES:			
Personal services	20,986	20,402	584
Supplies	500	503	(3)
Other services	94,043	86,472	7,571
Capital outlay	<u>165,903</u>	<u>32,989</u>	<u>132,914</u>
Total Expenditures	<u>281,432</u>	<u>140,366</u>	<u>141,066</u>
Excess (deficiency) of revenues over expenditures	<u>(115,526)</u>	<u>21,261</u>	<u>136,787</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ (115,526)	21,261	\$ 136,787
=====			
Adjustments to GAAP basis:			
Reclassification of program income to receivable reduction		(12,973)	
Discharge of debt per grant agreement		<u>(36,272)</u>	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses (GAAP basis)		(27,984)	
Fund balance 10/01/93		<u>402,336</u>	
Fund balance 09/30/94		\$ 374,352	
=====			

See Independent Auditors' Report
The notes are an integral part of these statements.

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EXHIBIT C-3
CITY OF PETAL, MISSISSIPPI
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP) AND ACTUAL ALL GOVERNMENTAL
AND PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 1994

<u>Debt Service Fund</u>			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:			
General property tax	\$ 552,000	\$ 548,396	\$ (3,604)
User fees	178,585		(178,585)
Penalties and interest		5,378	5,378
Interest earned	<u>7,938</u>	<u>5,707</u>	<u>(2,231)</u>
Total revenues	<u>738,523</u>	<u>559,481</u>	<u>(179,042)</u>
EXPENDITURES:			
Debt service			
Principal	410,000	350,000	60,000
Interest	299,868	203,145	96,723
Agent fees	<u>7,050</u>	<u>4,518</u>	<u>2,532</u>
Total	<u>716,918</u>	<u>557,663</u>	<u>159,255</u>
Total expenditures	<u>716,918</u>	<u>557,663</u>	<u>159,255</u>
Excess (deficiency) of revenues over expenditures	\$ 21,605	1,818	\$ (19,787)
=====			
Adjustments to GAAP basis:			
Increase (decrease) in accrued property taxes		<u>987</u>	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses (GAAP basis)		2,805	
Fund balance - 10/01/93		<u>355,885</u>	
Fund balance - 09/30/94		\$ 358,690	
=====			

See Independent Auditors' Report.
The notes to the financial statements are an integral part of these statements.

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EXHIBIT C-4
CITY OF PETAL, MISSISSIPPI
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP) AND ACTUAL ALL GOVERNMENTAL
AND PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 1994

	Capital Projects Fund		
	Budget	Actual	Variance
REVENUES:			
Interest earned	\$ 0	\$ 13,388	\$ 13,388
Miscellaneous	0	785	785
Total revenues	0	14,173	14,173
EXPENDITURES:			
Other services	5,000	39,163	(34,163)
Capital outlay	637,000	496,053	140,947
Total expenditures	642,000	535,216	106,784
Excess (deficiency) of revenues over expenditures	(642,000)	(521,043)	(92,611)
Other financing sources (uses):			
Debt proceeds	642,000	125,000	(517,000)
Total other financing sources (uses)	642,000	125,000	(517,000)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ 0	(396,043)	\$(396,043)
Adjustments to GAAP basis:			
Increase (decrease) in accrued expenses		(104,736)	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses (GAAP basis)		(500,779)	
Fund balance - 10/01/93		509,155	
Fund balance - 09/30/94		\$ 8,376	
See Independent Auditors' Report. The Notes are an integral part of these statements.			

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EXHIBIT C-5
CITY OF PETAL, MISSISSIPPI
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN RETAINED EARNINGS
BUDGET (NON-GAAP) AND ACTUAL ALL GOVERNMENTAL
AND PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 1994

	Enterprise Fund		
	Budget	Actual	Variance
REVENUES:			
Interest income	\$ 6,938	\$ 27,798	\$ 20,860
Charges for services	905,300	938,774	33,474
Miscellaneous	31,550	10,550	(21,000)
Total revenues	943,788	977,122	33,334
EXPENDITURES:			
Public works			
Personal services	283,269	244,560	38,709
Supplies	65,300	42,188	23,112
Other services	428,181	421,331	6,850
Capital outlay	951,400	709,802	241,598
Debt service	159,873	179,802	(19,929)
Total expenditures	1,888,023	1,597,683	290,340
Excess (deficiency) of revenues over (under) expenditures	(944,235)	(620,561)	323,674
Other financing sources (uses):			
Debt Proceeds	658,000	609,005	(48,995)
Transfers in	623,393	23,989	(599,404)
Transfers out	(642,900)	0	642,900
Total	638,493	632,994	(5,499)
Excess (deficiency) of revenues over expenditures	\$(305,742)	12,433	\$(318,175)
Adjustments to GAAP basis:			
Debt proceeds		(609,005)	
Debt reduction		80,891	
Capital expenditures		709,802	
Depreciation		(168,525)	
(Increase) decrease in accrued expenses		(18,754)	
Increase in accounts receivable		2,556	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses (GAAP basis)		9,398	
Decrease in reservation		542,282	
Net change unreserved		551,680	
Retained earnings unreserved at 10/01/93		2,426,303	
Retained earnings unreserved at 09/30/94		\$2,977,983	
See Independent Auditors' Report. The notes are an integral part of these financial statements.			

EXHIBIT D
CITY OF PETAL, MISSISSIPPI
COMBINED STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 1994

	September 30 <u>1994</u>
Operating revenues:	
Charges for services	\$ 872,281
Tap fees	5,110
Connect fees	5,440
Treatment charges	38,022
Other income	<u>37,394</u>
	<u>958,247</u>
Operating expenses:	
Personal services	269,680
Supplies and materials	47,940
Contractual services	229,388
Repairs and maintenance	6,492
Utilities	56,105
Depreciation and amortization	168,525
Sewer treatment	50,553
General and administrative	48,174
Bad debts	<u>1,153</u>
	<u>878,010</u>
Operating income	80,237
Nonoperating revenues (expenses):	
Interest expense	(94,828)
Transfers in	<u>23,989</u>
Net income	9,398
Retained earnings - October 1	2,426,303
Decrease in reserves	<u>542,282</u>
Retained earnings - September 30	\$ 2,977,983 =====

See Independent Auditors' Report.
The notes are an integral part of these statements.

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EXHIBIT E
CITY OF PETAL, MISSISSIPPI
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 1994

	September 30 <u>1994</u>
Cash flows from operating activities:	
Cash received from customers (excluding deposit)	\$ 949,324
Cash paid to suppliers	(438,651)
Cash paid to employees	<u>(244,560)</u>
Net cash provided by operating activities	<u>266,113</u>
Cash flows from noncapital financing activities:	
Operating transfers in	<u>23,989</u>
Net cash provided by noncapital financing activities	<u>23,989</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	(709,802)
Principal payments - bonds	(60,000)
Principal payments - notes	(20,891)
Debt proceeds	609,005
Interest paid	<u>(98,911)</u>
Net cash (used) by capital and related financing activities	<u>(280,592)</u>
Cash flows from investing activities:	
Interest received	<u>27,798</u>
Net cash provided by investing activities	<u>27,798</u>
Net cash increase (decrease) for the year	37,301
Cash at beginning of year	<u>846,637</u>
Cash at end of year (includes restricted cash)	\$ 883,938 =====

EXHIBIT "B"
EXHIBIT E (continued)
RECONCILIATION OF OPERATING INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES:

Operating income (loss)	\$ 80,237
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	168,525
Change in assets and liabilities:	
(Increase)decrease in accounts receivable	(1,403)
Increase(decrease) in accounts payable	30,620
(Decrease) in accrued expenses	<u>(11,866)</u>
Net cash provided by operating activities	\$ 266,113 -----
Other required disclosures:	
Interest expense	\$ 94,027
Interest paid	98,911
Interest capitalized	0

See Independent Auditors' Report.
The notes to the financial statements are an integral part of these statements.

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CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

(1) Summary of Significant Accounting Policies.

The City of Petal was incorporated in 1974 and operates under a Mayor-Alderman form of government and provides the following services:

Public Safety
Public Works
Health and Welfare
Culture and Recreation
General Administration

A. Reporting Entity

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic - but not the only - criteria for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of the governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the City's reporting entity.

Excluded from the reporting entity:

-Petal Police Auxiliary
-Petal Volunteer Fire Department
-Pine Belt Regional Waste Authority
-Area Development Partnership
-Petal Municipal Separate School District

The City of Petal donates to or has a financial commitment to these entities but does not appoint management or exert significant control over these organizations.

Blended with the reporting entity:

-Petal Public Improvement Corporation

The Petal Public Improvement Corporation is a not-for-profit entity for the purpose of issuing certificates of participation to finance the construction of a multi-purpose center to be

EXHIBIT "B"

CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

leased by the City upon completion. The Board of Directors of the Corporation is composed of the Mayor and Board of Aldermen of the City.

The financial statements of the Petal Public Improvement Corporation are reported as a Capital Project Fund, using the blended method of reporting, in the general purpose financial statements of the City.

B. Account Classifications

The account classifications used in the financial statements are in accordance with the classifications required by the Mississippi State Department of Audit.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheets. Fund equity is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases and decreases in net total assets.

The modified accrual basis of accounting is used by all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

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CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

Those revenues susceptible to accrual are property taxes, franchise taxes, special assessments, licenses, interest revenue and charges for services. Sales taxes collected and held by the state at year end on behalf of the City are recognized as revenue.

The accrual basis of accounting is utilized by proprietary funds types and nonexpendable trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

D. Fund Accounting

The accounts of the City of Petal are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses. City of Petal resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped into generic fund types and broad categories as follows:

GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the municipality. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted for specific expenditure purposes.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service.

EXHIBIT "B"

CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

PROPRIETARY FUNDS

Enterprise Funds - Enterprise Funds are used to account for operations which are intended to be self-supporting through user charges or where the board has determined that periodic determination of net income is appropriate for management control and accountability.

FIDUCIARY FUNDS

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations and/or other funds. Expendable Trust Funds are accounted for in essentially the same manner as governmental funds. Nonexpendable Trust Funds are used to account for the principal portion of trust funds, the part which cannot be expended. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

E. Fixed Assets and Long-term Liabilities.

The costs incurred for the purchase or construction of general fixed assets are recorded as capital outlay expenditures in the governmental funds. The fixed assets are accounted for in the General Fixed Assets Account Group, rather than in the governmental funds.

Fixed assets are valued at cost or estimates of amounts spent for these purposes. No depreciation has been provided on general fixed assets.

The City has elected not to capitalize infrastructure and did not attempt to value said improvements during the fixed asset inventory. The City also does not capitalize items under \$500 in cost; however, equipment lists are maintained for these items.

The long-term liabilities incurred by the City which are to be financed from the governmental funds are accounted for in the General Long-term Debt Account Group, not in the governmental funds.

The two account groups are not funds. They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

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CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

F. Deposits and Investments.

The City deposits funds in the financial institutions selected by the Board of Aldermen in accordance with state statutes. Furthermore, the City invests excess funds in various investment instruments that are allowed by statutes.

Various restrictions on deposits and investments are imposed by statutes. These restrictions are summarized below.

Deposits

All deposits with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC) must be collateralized in an amount equal to 105% of the uninsured deposit. All deposits with financial institutions insured by the Federal Savings and Loan Insurance Corporation (FSLIC) cannot exceed the amount insured by that agency (FSLIC).

Investments

The City is allowed, by statute, to invest excess funds in any bond or other direct obligations of the United States of America or the State of Mississippi, or in any financial institution approved for the deposit of state funds.

G. Fund Reserves.

Fund reserves are portions of fund equity that are legally segregated for a specific future use or are not available for current operations. Following is a description of all reserves approved by City policy:

Reserved for unemployment compensation - An account that represents the unemployment revolving fund balance which is legally restricted for the payment of unemployment benefits.

Reserved for debt service - An account used to segregate a portion of fund balance for debt service resources legally restricted to the payment of long-term debt principal and interest amount maturing in future years.

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CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

Reserved for inventory - An account used to segregate a portion of fund balance to indicate that inventory does not represent available, spendable resources even though it is a component of assets.

Reserved for facility replacement - An account used to separate a portion of the fund balance that is restricted by bond agreement to facility repair and replacement.

H. Inventories.

Inventories are valued at cost, which approximate market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

I. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by bond covenants.

J. Compensated Absences.

Employees accumulate sick leave at an amount provided by City policy. Accumulated sick leave or vacation is not paid upon termination of employment.

(2) Interfund Receivables and Payables.

A. The following is a summary of Due To and From other funds:

	<u>Due To</u>	<u>Due From</u>
General Fund	\$ 9,297	\$ 4,677
Special Revenue Fund:		
CDBG Fund	1	
Proprietary Fund:		
Water and Sewer	66,233	61,562
Solid Waste		9,297
Trust and Agency Fund:		
Tax Collector's Fund	5	
Total	<u>\$ 75,536</u>	<u>\$ 75,536</u>
	*****	*****

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CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

(3) Deposits

At year end, the carrying amount of the city's deposits was \$1,888,090 and the bank balance was \$1,983,368. The city's bank balance was covered by FDIC insurance of \$400,000 and collateral held by the Federal Reserve in the government's name as follows:

Total Bank Balance	\$ 1,983,368
FDIC Insurance	<u>(400,000)</u>
Uninsured Balance	1,583,368
Collateral Pledged	<u>1,583,368</u>
Uncollateralized Balance	\$ 0

(4) Accounts Receivable - Customers.

Customer accounts receivable in the Enterprise Fund are attributable to unpaid balances at year-end for charges for services. The Allowance for Doubtful Accounts balance at September 30, 1994 is \$2,400, which is computed at 5% of gross receivables at year-end. The 5% approximation is based on the City's history of collections.

Notes Receivable

The City of Petal participates in the Rental Rehabilitation Program of the Office of Housing and Urban Development. As a result, the City has \$235,955 in notes receivable from grant contracts. Repayment on these notes are available for use in the program. However, \$199,936 of the notes are being forgiven at 10% per year if grant conditions are met.

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CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

(5) Fixed Assets.

The fixed assets recorded in the General Fixed Asset Group of Accounts are summarized as follows:

	Balance 10/01/93	Additions	Deletions	Balance 9/30/94
Land and easements	\$ 311,287	\$	\$	\$ 311,287
Buildings	474,242	583,786		1,058,028
Improvements	222,652	7,830		230,482
Equipment:				
Furniture	66,974	17,822		84,796
Motor vehicles	481,032	13,657	32,588	462,101
Other	224,457	22,854	831	246,480
Sewer system	5,562,775			5,562,775
Assets under capital lease	71,204	13,656		84,860
Totals	\$ 7,414,623	\$ 659,605	\$ 33,419	\$ 8,040,809

Proprietary Fund Type fixed assets are recorded in the Enterprise Funds and are summarized as follows:

	Balance 10/01/93	Additions	Deletions	Balance 9/30/94
Land and easements	\$ 21,994	\$	\$	\$ 21,994
Buildings	64,088			64,088
Water/Sewer systems	4,554,373			4,554,373
Operating equipment	272,076	20,209		292,285
Under construction		689,592		689,592
Less: Accumulated depreciation	(1,398,142)	(163,862)		(1,562,018)
	<u>3,514,382</u>	<u>545,932</u>	<u>0</u>	<u>4,060,314</u>
Solid waste fund:				
Operating equipment	84,071			84,071
Less: accumulated depreciation	(82,810)	(1,261)		(84,071)
	<u>1,261</u>	<u>(1,261)</u>	<u>0</u>	<u>0</u>
Total	\$ 3,515,643	\$ 544,671	\$ 0	\$ 4,060,314

CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

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 based upon the estimated useful life of the property under the straight-line method in Proprietary Fund Types.

(6) Bonds Payable

Presented below is Section 21-33-303 Mississippi Code: No municipality shall hereafter issue bonds secured by a pledge of its full faith and credit for the purposes authorized by law in an amount which, when added to the then outstanding bonded indebtedness of such municipality, shall exceed either (a) fifteen percent (15%) until September 30, 1994, and ten percent (10%) thereafter of the assessed value of the taxable property within such municipality, according to the last completed assessment for taxation, or (b) ten percent (10%) of the assessment upon which taxes were levied for its fiscal year ending September 30, 1984, whichever is greater. In computing such indebtedness, there may be deducted all bonds or other evidences of indebtedness, hereafter issued, for school, water, sewerage systems, gas, and light and power purposes and for the construction of special improvements primarily chargeable to the property benefited, or for the purpose of paying the municipality's proportion of any betterment program, a portion of which is primarily chargeable to the property benefited. However, in no case shall any municipality contract any indebtedness which, when added to all of the outstanding general obligation indebtedness, both bonded and floating, shall exceed either (a) twenty percent (20%) until September 30, 1993, and fifteen percent (15%) thereafter of the assessed value of all taxable property within such municipality according to the last completed assessment for taxation or (b) fifteen percent (15%) of the assessment upon which taxes were levied for its fiscal year ending September 30, 1984, whichever is greater. Nothing herein contained shall be construed to apply to contract obligations in any form heretofore or hereafter incurred by any municipality which are subject to annual appropriations therefore, or to bonds heretofore issued by any municipality for school purposes, or to contract obligations in any form heretofore or hereafter incurred by any municipality which are payable exclusively from the revenues of any municipally-owned utility, or to bonds issued by any municipality under the provisions of Sections 57-1-1 through 57-1-51, or to any special assessment improvement bonds issued by any municipality under the provisions of Sections 21-41-1 through 21-41-53.

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CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994
EXHIBIT "B"

All bonds issued prior to July 1, 1990, pursuant to this chapter by any municipality for the purpose of the constructing, replacing, renovating or improving wastewater collection and treatment facilities in order to comply with an administrative order of the Mississippi Department of Natural Resources issued pursuant to the Federal Water Pollution Control act and amendments thereto, are hereby exempt from the limitation imposed by this section, if the governing body of the municipality adopts an order, resolution or ordinance to the effect that the rates paid by the users of such facilities shall be increased to the extent necessary to provide sufficient funds for the payment of the principal of and interest on such bonds as each respectively becomes due and payable as well as the necessary expenses in connection with the operation and maintenance of such facilities.

The following is a schedule of limitations on the indebtedness of the City at September 30, 1994:

Authorized Debt Limit:	15 Percent	20 Percent
Assessed valuation for fiscal year ended September 30, 1994 -		
\$22,015,384		
Present debt subject to 15% limitation	\$ 3,302,308	\$ 4,403,077
Present debt subject to 20% limitation including debt subject only 15% limitation	(579,000)	
Margin for further debt under respective debt limits	<u>\$ 2,723,308</u>	<u>(2,274,000)</u>
	*****	*****
(7) Changes in Long-Term Debt.		

A schedule of changes in long-term debt is presented in the Other Supplemental Information section of this report.

Bonds and installment notes payable are comprised of the following:

CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

GENERAL OBLIGATION BONDS:

\$3,750,000 Separate School District Bonds due in annual installments of \$80,000 in 1978 and 1979 increasing to \$85,000 in 1981, \$90,000 in 1982, \$95,000 in 1983, \$150,000 in 1984 through 1989, \$160,000 in 1990 through 1993, \$170,000 in 1994 through 1998, \$180,000 in 1990 through 2002, and \$200,000 in 2003, interest at 5.50% to 6.75%

1,600,000

TOTAL GENERAL OBLIGATION BONDS

1,600,000

Refunding note due in annual installments of 17,000 beginning April 18, 1992 and bearing an interest rate of 6.6%

34,000

SEWER ABATEMENT NOTE PAYABLE:

\$417,827 Sewer Abatement Loan due in monthly installments of \$1,667 for 240 months at 0%

233,881

CERTIFICATES OF PARTICIPATION:

\$550,000 in Certificates of Participation due in annual installments of \$20,000 in 1994; \$25,000 in 1995 through 1997; \$30,000 in 1998 and 1999; \$35,000 in 2000 and 2001; \$40,000 in 2002 and 2003; \$45,000 in 2004 and 2005; \$50,000 in 2008, interest at 5.60% to 8.00%.

530,000

REVENUE BONDS:

\$825,000 Water and Sewer Series 1990 due in annual installments of \$20,000 from 1991 to 1993, \$25,000 in 1994 to 1996, \$30,000 in 1997 and 1998, \$35,000 in 1999 and 2000, and \$40,000 in 2001, \$45,000 in 2002 and 2003, \$50,000 in 2004, \$55,000 in 2005 and 2006, \$60,000 in 2007, \$65,000 in 2008, \$70,000 in 2009 and \$75,000 in 2010, interest at 6.6% to 9.4%

740,000

TOTAL REVENUE BONDS

740,000

**CITY OF PETAL
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CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994
EXHIBIT "B"

GENERAL OBLIGATION ENTERPRISE BONDS:

\$2,500,000 Sewer Construction Bonds due in annual installments of \$95,000 in 1987, \$105,000 in 1988, \$110,000 in 1990, \$120,000 in 1990, \$135,000 in 1991, \$145,000 in 1992, \$155,000 in 1993, \$170,000 in 1994, \$185,000 in 1995, interest at 7.4% to 9.5% 355,000

\$1,370,000 Water and Sewer Refunding Bonds due in annual installments of \$5,000 in 1992, \$25,000 in 1993 to 1995, \$230,000 in 1996, \$250,000 in 1997, \$255,000 in 1998, \$270,000 in 1999 and \$285,000 in 2000, interest at 3.0% to 5.3% 1,340,000

\$700,000 Water and Sewer Refunding Bonds due in annual installments of \$25,000 in 1990, \$30,000 in 1991 and 1992, \$35,000 in 1993 and 1994, \$40,000 in 1995 and 1996, \$45,000 in 1997, \$50,000 in 1988 and 1999, \$55,000 in 2000, \$60,000 in 2001, \$65,000 in 2002, \$70,000 in 2003 and 2004, interest at 7.1% to 10.0% 545,000

TOTAL GENERAL OBLIGATION ENTERPRISE BONDS 2,240,000

OTHER LONG-TERM DEBT:

\$867,608 State Revolving Loan Fund loan due in monthly installments of \$5,532 for 237 months at 4.5% per annum. 609,005

\$125,000 5 year note due in five installments of \$25,000 plus interest accrued at 3.99% annually. 125,000

Total Other Long-term Debt 734,005

CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

The annual requirements to amortize all bonded debt as of September 30, 1994 follows:

\$3,750,000 SSD Bonds

<u>Year Ending 9/30</u>	<u>Principal</u>	<u>Interest</u>
1995	\$ 170,000	\$ 92,300
1996	170,000	82,100
1997	170,000	71,900
1998	170,000	61,700
1999	180,000	51,200
Thereafter	<u>740,000</u>	<u>114,150</u>
	<u>\$1,600,000</u>	<u>\$ 473,350</u>
	*****	*****

\$85,000 Refunding Notes

1995	17,000	2,244
1996	<u>17,000</u>	<u>1,122</u>
	<u>\$ 34,000</u>	<u>\$ 3,366</u>
	*****	*****

\$2.5 Million Sewer Construction

<u>Year Ending 9/30</u>	<u>Principal</u>	<u>Interest</u>
1995	170,000	119,195
1996	<u>185,000</u>	<u>105,165</u>
	<u>\$ 355,000</u>	<u>\$ 224,360</u>
	*****	*****

\$700,000 Water and Sewer Refunding Bond

<u>Year Ending 9/30</u>	<u>Principal</u>	<u>Interest</u>
1995	40,000	38,813
1996	40,000	35,493
1997	45,000	32,275
1998	50,000	28,896
1999	50,000	25,315
Thereafter	<u>320,000</u>	<u>59,356</u>
	<u>\$ 545,000</u>	<u>\$220,148</u>
	*****	*****

\$825,000 Series 1990 Revenue Bond

<u>Year Ending 9/30</u>	<u>Principal</u>	<u>Interest</u>
1995	25,000	52,288
1996	25,000	49,944
1997	30,000	47,366
1998	30,000	44,970
1999	35,000	42,825
Thereafter	<u>595,000</u>	<u>261,401</u>
	<u>\$ 740,000</u>	<u>\$ 498,794</u>
	*****	*****

EXHIBIT "B"
CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

\$1,370,000 Refunding Series

<u>Year Ending 9/30</u>	<u>Principal</u>	<u>Interest</u>
1995	25,000	70,358
1996	25,000	68,710
1997	230,000	58,243
1998	250,000	45,898
1999	255,000	34,091
Thereafter	555,000	28,553
	\$1,340,000	\$ 305,853
	=====	=====

\$550,000 Certificates of Participation

<u>Year Ending 9/30</u>	<u>Principal</u>	<u>Interest</u>
1995	25,000	33,603
1996	25,000	31,602
1997	25,000	29,603
1998	30,000	27,402
1999	30,000	25,198
Thereafter	395,000	120,858
	\$ 530,000	\$ 268,266
	=====	=====

\$125,000 Five Year Notes

<u>Year Ending 9/30</u>	<u>Principal</u>	<u>Interest</u>
1995	\$ 25,000	\$ 4,988
1996	25,000	3,990
1997	25,000	2,993
1998	25,000	1,995
1999	25,000	998
	\$ 125,000	\$ 14,964
	=====	=====

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CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

(8) Capital Leases

The City is obligated under certain leases accounted for as capital leases. The leased assets and related obligations are accounted for in the General Fixed Assets Account Group and the General Long-term Debt Account Group respectively. Assets under capital leases totaled \$84,860 at September 30, 1994. The following is a schedule of future minimum lease payments under capital leases, together with the net present value of the minimum lease payments as of September 30, 1994.

	<u>Year Ending 9/30</u>	<u>General Long-term Debt Account Group</u>
	1995	\$ 7,133
	1996	5,351
Minimum lease payments		12,484
Less: Amount representing interest at City's incremental borrowing rate		(472)
Present value of minimum lease payments		\$ 12,012
		=====

(9) Defined Benefit Pension Plan

All eligible employees of the City of Petal, Mississippi participate in the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing, multiple-employer defined benefit pension plan. The payroll for employees covered by PERS for the year ended September 30, 1994 was \$935,751; the City of Petal total payroll was \$1,065,680.

Membership in PERS is a condition of employment for all eligible employees of the State of Mississippi, public schools, institutions of higher learning, community and junior colleges, and eligible employees of municipalities, counties, and other political subdivisions and instrumentalities of municipal and county government that have entered into a Membership Agreement approved by PERS Board of Trustees (Board).

Participating employees who retire at or after age 60 with 4 years of credited service or those who retire regardless of age with at least 25 years of credited service are entitled to an annual retirement allowance payable monthly for life in an amount equal to 1-7/8% of their average compensation for each year of credited service up to and including 25 years and 2% for each year of credited service over 25 years. Average compensation is

CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

the average of the employee's earnings during the 4 highest compensated consecutive years of credited service. A member may elect an option for a reduced allowance payable for life with the provision that, after death, a beneficiary receives benefits for life or for a specified number of years. Benefits vest upon completion of 4 years of credited service. PERS also provides certain death and disability benefits.

All retirees and beneficiaries drawing an allowance from PERS as of December 1 of each year who have been retired for at least one full state fiscal year (July 1 through June 30) are eligible to receive a cost-of-living adjustment (COLA) payable on December 15. The amount of the payment is based upon the annualized benefit payment, the number of fiscal years retired, the percentage change in the Consumer Price Index, up to a maximum of 2-1/2%, plus any additional percentage the Board may grant up to a maximum of 1-1/2%. The base percentage used to compute this payment is cumulative. The Board may grant the additional percentage in increments of 1/4% if there are sufficient investment earnings in excess of the actuarial liabilities in reserves for retired members and beneficiaries. For the year ended June 30, 1994, PERS total cost-of-living payment to service, disability, and beneficiary retirees was \$54,903,029.

Covered employees as of June 30, 1994, of the City of Petal were required by statute to contribute 7.25% of their salary to PERS. If an employee leaves covered employment, accumulated employee contributions plus related investment earnings allocations may be refunded to the employee or designated beneficiary. Investment earnings allocations were 5% in 1994. Each participating employer is required by statute to contribute the remaining amounts necessary to finance the coverage of its own employees. Benefit and contribution provisions are established by State law and may be amended only by the State of Mississippi legislature. The contribution requirement for the year ended September 30, 1994, was \$159,080, which consisted of \$91,237 from the City of Petal and \$67,843 from employees. The employer and employee contributions represented 9.75% and 7.25% of covered payroll, respectively.

The pension benefit obligation is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the funding status of PERS on a going-concern basis, assess progress made in

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CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

accumulating sufficient assets to pay benefits when due, and make comparisons among PERS and employers. PERS does not make separate measurements of assets and pension benefit obligation for individual employers. The pension benefit obligation at June 30, 1994 for PERS as a whole, determined through an actuarial valuation performed as of that date, was \$8,697,371,000. PERS net assets available for benefits on that date (determined at book value) were \$6,084,020,000, leaving an unfunded pension benefit obligation of \$2,613,351,000. The City of Petal 1994 contribution represented less than 1.0 percent of total contributions required of all participating entities.

Ten-year historical trend information showing PERS progress in accumulating sufficient assets to pay benefits when due is presented in PERS June 30, 1994, Comprehensive Annual Financial Report.

(10) Ad Valorem Taxes Levied for Other Governmental Entities

As stated in Note 1, Summary of Significant Accounting Policies, this report has been prepared to include the funds and account groups of the City. Section 35-57-1 et seq., Mississippi Code 1972, requires that the City levy and collect all taxes for and on behalf of the municipal separate school district. Section 39-3-7, Mississippi Code 1972, authorizes the City to levy and collect a tax not in excess of three mills for the support of any public library system located within the municipality.

Ad valorem taxes collected and settled in accordance with the above-noted statutory authorities are not recognized as revenues and expenditures of the City with the exception of school bonded indebtedness issued prior to March 3, 1987. The accompanying supplemental information schedule "Reconciliation of Tax Assessments to Fund Collections" provides specific assessment and settlement information. For the reported fiscal year the following ad valorem tax levies were made in accordance with the applicable statutory requirements and authorizations:

EXHIBIT "B"
CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

<u>Entity/Purpose of Levy</u>	<u>Applicable State Law</u>	<u>Mills Levied</u>
School District:		
Minimum Education Program	37-57-1	2.65 mills
Operational Support	37-57-105	49.51 mills
School Bonded Indebtedness (for bonds issued subsequent to March 3, 1987)	37-59-23	2.8 mills

Taxes collected for School Bonded Indebtedness issued prior to March 3, 1987 and debt service expenditures attributable to such debt is reported in the City's School Bond and Interest Fund (accounted for as a debt service fund). In addition to recording these transactions in a separate debt service fund, the debt attributable to these issues is recorded in the City's Long-Term Debt Group of Accounts.

Due to certain statutory changes and interpretations issued by the State Attorney General's office, the City does not record debt service transactions attributable to school bonds issued subsequent to March 3, 1987. These bond issues are not reported in the City's Long-Term Debt Group of Accounts.

(11) Legal Compliance

A. Budget

The City of Petal has met all requirements set forth by law and prescribed by the State Department of Audit in preparation and monitoring of the budget for the governmental funds of the City of Petal.

B. Purchasing

The City of Petal has in place the procedures required by the State of Mississippi as set forth in Part III of the Municipal Compliance Questionnaire.

C. Property Tax

Property taxes are assessed by the City on a calendar year basis and are considered delinquent as of February 1.

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CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

State law provides for a 10 percent limitation on increased property tax revenue over the previous year and requires that any excess tax collections are to be placed in escrow and applied against the following years tax revenue.

The non-school tax levy set for the City was 35.75 mills for the fiscal year ended September 30, 1994.

D. Deposits

The city's bank balance at September 30, 1994 was \$1,983,368. All of this balance was covered by FDIC insurance and pledged securities held by the Federal Reserve in the City's name.

(12) Receivables

Receivables at September 30, 1994 consist of the following:

<u>Receivables</u>	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Enterprise</u>	<u>Totals</u>
Accounts	\$	\$	\$	\$ 75,053	\$ 75,053
Franchise fees	38,606				38,606
Sales tax	68,326				68,326
Auto ad valorem	12,555	924	5,780		19,259
Totals	\$ 119,487	\$ 924	\$ 5,780	\$ 75,053	\$201,244

Customer accounts receivable in the Enterprise Fund are attributable to unpaid balances for charges through September 30, 1994.

(13) Payables from Restricted Assets

Certain assets of the Water and Sewer Enterprise Fund have been restricted for debt service, customer deposits and construction. These assets consist of cash and certificates of deposit restricted as follows:

Customer deposits	\$ 91,470
Accrued interest	12,267
Bonds and notes payable (current)	85,890
	\$ 189,627

EXHIBIT "B"
CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

(14) Deferred Charges

During the year ended September 30, 1992, the City issued \$825,000 of Water and Sewer Revenue Bonds to finance the extension of the City's sewer system. In connection with the issuance of these bonds the City incurred \$26,771 in legal and other issuance costs. These fees have been capitalized and are being amortized on the straight-line method over the life of the bonds.

(15) Contributed Capital

Contributed capital as of September 30, 1994 consists of:

Contributions from Customers	\$ 50,068
Contributions from Federal Government	78,882
Contributions from City of Petal	<u>47,935</u>
Total	\$ 176,885

(16) Inventory

The enterprise and general fund inventories are stated at cost. Cost is determined primarily under the first-in, first-out method.

(17) Interest Expense

The total amount of interest expense incurred by the Water and Sewer Enterprise Fund for the year ended September 30, 1994 is as follows:

Charged to expense	\$ 94,828
Paid	\$ 98,911

(18) Construction Commitments

The City has a construction contract with C.J. Morgan, Inc. for repair and extension of the City's water and sewer systems. The total contract is for \$609,495, and as of September 30, 1994, \$548,691 had been completed.

CITY OF PETAL, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

(19) Solid Waste Disposal

Pursuant to Section 17-17-347 of the Mississippi Code Annotated (1972), the City of Petal, Mississippi began accounting for waste disposal and collection in a proprietary fund. Beginning October 1, 1993, the City contracted with Waste Management, Inc. to provide waste disposal and collection services for the City. Waste Management, Inc. was paid \$228,314 during the year ended September 30, 1994.

EXHIBIT "B"

SCHEDULE 1
CITY OF PETAL, MISSISSIPPI
GENERAL FUND
BALANCE SHEET
SEPTEMBER 30, 1994
(With Comparative Totals for September 30, 1993)

	<u>1994</u>	<u>1993</u>
ASSETS		
Cash	\$ 344,578	\$ 428,197
Receivables:		
Franchise fees	38,606	41,689
Due from:		
Other governments	80,881	77,279
Other funds	4,677	40,367
Other entity		305
Inventory at cost	<u>1,536</u>	<u>1,536</u>
Total assets	<u>\$ 470,278</u>	<u>\$ 589,373</u>
	=====	=====
LIABILITIES:		
Bills docketed	\$ 56,022	\$ 47,292
Cash bonds	19,902	9,542
Tax overbids	9,914	32,713
Due to other funds	<u>9,297</u>	<u>56,243</u>
	<u>95,135</u>	<u>145,790</u>
FUND BALANCE		
Reserved for inventory	1,536	1,536
Unreserved	<u>373,607</u>	<u>442,047</u>
Total fund balance	<u>375,143</u>	<u>443,583</u>
Total liabilities and fund balance	<u>\$ 470,278</u>	<u>\$ 589,373</u>
	=====	=====

The accompanying notes are an integral part of the financial statements.

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SCHEDULE 2
CITY OF PETAL, MISSISSIPPI
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 1994
(With Comparative Totals for the Year Ended September 30, 1993)

	<u>1994</u>	<u>1993</u>
REVENUES:		
Property tax	\$ 405,170	\$ 397,467
Penalties and interest		
on delinquent taxes	11,025	6,811
Licenses and permits	30,187	30,181
Franchise fees	159,192	160,737
Homestead exemption	37,845	35,905
State share revenue:		
Sales tax	855,738	776,087
Alcoholic beverage levy	900	900
Intergovernmental:		
Gasoline tax	9,869	9,873
Municipal aid	4,531	4,552
Cultural and recreational fees	16,819	24,318
Fines and forfeits	45,119	60,626
Charges for services	0	1,500
Interest earnings	7,750	9,043
Prior year taxes	19	659
Reimbursements	0	25,861
Sale of equipment	2,930	300
Miscellaneous	<u>6,542</u>	<u>5,669</u>
Total revenues	<u>1,593,636</u>	<u>1,550,489</u>
EXPENDITURES:		
General government	373,223	351,872
Public safety	782,236	730,695
Public works	272,618	342,822
Cultural and recreational	76,905	69,727
Health and welfare	22,920	22,572
Debt service	<u>110,185</u>	<u>21,607</u>
Total expenditures	<u>1,638,087</u>	<u>1,539,295</u>
Excess of revenues over		
(under) expenditures	<u>(44,451)</u>	<u>11,194</u>
Other financing sources (uses)		
Transfers out	<u>(23,989)</u>	<u>0</u>
Total other financing uses	<u>(23,989)</u>	<u>0</u>
Excess of revenue and other financing		
sources over expenditures and other		
financing uses	(68,440)	11,194
Fund balance - October 1	443,583	470,809
Residual equity transfer		<u>(38,420)</u>
Fund balance - September 30	<u>\$ 375,143</u>	<u>\$443,583</u>
	=====	=====

The notes are an integral part of the financial statements.

EXHIBIT "B"

SCHEDULE 3-A
CITY OF PETAL, MISSISSIPPI
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 1994

	Municipal Fire Protection Fund	Law Enforce- ment Fund	Road Maint- enance Fund
ASSETS			
Cash	\$ 66,780	\$ 6,275	\$ 31,995
Receivable			
Other			
Due from other gov'ts			924
Total assets	<u>\$ 66,780</u>	<u>\$ 6,275</u>	<u>\$ 32,919</u>
	-----	-----	-----
LIABILITIES			
Accounts payable	\$ 200	\$ 66	\$ 2,118
Due to other funds			
Total liabilities	<u>200</u>	<u>66</u>	<u>2,118</u>
	-----	-----	-----
FUND BALANCES			
Unreserved	66,580	6,209	30,801
Total liabilities and fund balance	<u>\$ 66,780</u>	<u>\$ 6,275</u>	<u>\$ 32,919</u>
	-----	-----	-----

The accompanying notes are an integral part of the financial statements.

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Rental Rehab Fund	CDBG Fund	SEECB Fund	Loan Repayment Fund	Rental Rehab Loan Fund	Totals (Memorandum Only)
\$	\$ 1	\$ 2,027	\$ 10,612	\$ 22,168	\$ 139,858
167,369			,841	67,745	235,955
<u>\$167,369</u>	<u>\$ 1</u>	<u>\$ 2,027</u>	<u>\$ 11,453</u>	<u>\$ 89,913</u>	<u>\$ 376,737</u>
-----	-----	-----	-----	-----	-----
\$	\$ 1	\$	\$	\$	\$ 2,384
-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----
<u>167,369</u>	<u>1</u>	<u>2,027</u>	<u>11,453</u>	<u>89,913</u>	<u>374,352</u>
-----	-----	-----	-----	-----	-----
<u>\$167,369</u>	<u>\$ 1</u>	<u>\$ 2,027</u>	<u>\$ 11,453</u>	<u>\$ 89,913</u>	<u>\$ 376,737</u>
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EXHIBIT "B"

SCHEDULE 3-B
CITY OF PETAL, MISSISSIPPI
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR YEAR ENDED SEPTEMBER 30, 1994

	Municipal Fire Protection	Law Enforcement Fund	Road Maintenance Fund
REVENUES:			
Road maint funds	\$	\$	\$ 54,717
Municipal fire funds	36,305		
Law enforcement		1,250	
Interest	897	223	1,263
Metro reimbursement		23,331	
Other income		27,473	918
Total revenues	<u>37,202</u>	<u>52,277</u>	<u>56,898</u>
EXPENDITURES:			
Public safety	15,911	46,697	
Public works			77,758
Total expenditures	<u>15,911</u>	<u>46,697</u>	<u>77,758</u>
Excess (deficiency) of revenues over (under) expenditures:	<u>21,291</u>	<u>5,580</u>	<u>(20,860)</u>
Other financing sources (uses):			
Debt discharge			
Total Other Financing			
Excess (deficiency) of revenues and other sources over (under) expenditures and other financing uses	21,291	5,580	(20,860)
Fund balances, October 1	<u>45,289</u>	<u>629</u>	<u>51,661</u>
Fund balances, September 30	\$ 66,580 =====	\$ 6,209 =====	\$ 30,801 =====

The accompanying notes are an integral part of the financial statements.

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Rental Rehab Fund	SEECB Fund	Loan Repayment Fund	Rehab Loan Repayment Fund	Totals (Memorandum Only)
\$	\$	\$	\$	\$ 54,717
				36,305
		295	1,971	1,250
				4,649
			12	23,331
				<u>28,403</u>
<u>0</u>	<u>0</u>	<u>295</u>	<u>1,983</u>	<u>148,655</u>
				62,608
				<u>77,758</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>140,366</u>
<u>0</u>	<u>0</u>	<u>295</u>	<u>1,983</u>	<u>8,289</u>
<u>(32,096)</u>			<u>(4,177)</u>	<u>(36,273)</u>
<u>(32,096)</u>	<u>0</u>	<u>0</u>	<u>(4,177)</u>	<u>(36,273)</u>
(32,096)	0	295	(2,194)	(27,984)
<u>199,465</u>	<u>2,027</u>	<u>11,158</u>	<u>92,107</u>	<u>402,336</u>
\$ 167,369 =====	\$ 2,027 =====	\$ 11,453 =====	\$ 89,913 =====	\$ 374,352 =====

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EXHIBIT "B"
SCHEDULE 4-A
CITY OF PETAL, MISSISSIPPI
DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 1994

	2.5 Million Sewer Bond & Interest Fund	SSD Bond and Interest Fund	Total (Memorandum Only)
ASSETS			
Cash	\$ 253,154	\$ 99,756	\$ 352,910
Due from other governments		5,780	5,780
Total assets	\$ 253,154	\$ 105,536	\$ 358,690
LIABILITIES	0	0	0
Fund balance - reserved	253,154	105,536	358,690
Total liabilities and fund balance	\$ 253,154	\$ 105,536	\$ 358,690

The accompanying notes are an integral part of the financial statements.

SCHEDULE 4-B
CITY OF PETAL, MISSISSIPPI
DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 1994

	2.5 Million Sewer Bond and Interest Fund	SSD Bond and Interest Fund	Total (Memorandum Only)
REVENUES			
General property tax	\$ 260,520	\$ 288,864	\$ 549,384
Penalty and interest	3,296	2,082	5,378
Interest earned	3,901	1,806	5,707
Total revenue	267,717	292,752	560,469
EXPENDITURES			
Debt Service			
Principal	180,000	170,000	350,000
Interest	100,986	102,160	203,146
Agent fees	4,185	333	4,518
Total expenditures	285,171	272,493	557,664
Excess (deficiency) of revenues over expenditures	(17,454)	20,259	2,805
Fund balance, October 1, 1993	270,608	85,277	355,885
Fund balance, September 30, 1994	\$ 253,154	\$ 105,536	\$ 358,690

The accompanying notes are an integral part of the financial statements.

EXHIBIT "B"

SCHEDULE 5-A
CITY OF PETAL, MISSISSIPPI
TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 1994

ASSETS	CLEANING FUND	BENEFIT FUND	INSURANCE REVOLVING FUND	TAX COLLECTOR'S FUND	DEFERRED COMPEN- SATION FUND	TOTALS (MEMORANDUM ONLY)
Cash in bank	\$ 200	\$40,207	\$ 13,444	\$ 202	\$	\$ 54,053
Cash held by agent						
	<u>\$ 200</u>	<u>\$40,207</u>	<u>\$ 13,444</u>	<u>\$ 202</u>	<u>\$ 24,341</u>	<u>\$ 78,394</u>
LIABILITIES						
Due to other governments	\$ 200	\$	\$	\$ 197	\$	\$ 397
Due to other funds				5		5
Deferred benefits payable		40,207			24,341	64,548
Total liabilities	<u>200</u>	<u>40,207</u>	<u>0</u>	<u>202</u>	<u>24,341</u>	<u>64,950</u>
Fund Balance	<u>0</u>	<u>0</u>	<u>13,444</u>	<u>0</u>	<u>0</u>	<u>13,444</u>
Total liabilities and fund balance	<u>\$ 200</u>	<u>\$40,207</u>	<u>\$ 13,444</u>	<u>\$ 202</u>	<u>\$ 24,341</u>	<u>\$ 78,394</u>

The accompanying notes are an integral part of the financial statements.

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SCHEDULE 5-B
CITY OF PETAL, MISSISSIPPI
TRUST AND AGENCY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 1994

REVENUES	BENEFIT FUND	INSURANCE REVOLVING FUND	TAX COLLECTOR'S FUND	DEFERRED COMPENSATION FUND	TOTALS (MEMORANDUM ONLY)
Interest earned	\$	\$ 304	\$	\$	\$ 304
EXPENDITURES		25			25
Excess of revenue over expenditures		279			279
Fund balance - October 1, 1993		13,165			13,165
Fund balance - September 30, 1994	<u>\$ 0</u>	<u>\$ 13,444</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 13,444</u>

The accompanying notes are an integral part of the financial statements.

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SCHEDULE "A" B"
CITY OF PETAL, MISSISSIPPI
ENTERPRISE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 1994

	Water & Sewer	Solid Waste Fund	Total (Memorandum Only)
Assets			
Cash	\$ 347,721	\$ 38,793	\$ 386,514
Accounts receivable	60,748	14,305	75,053
Inventory	29,949		29,949
Prepaid expense	2,289		2,289
Due from other funds	61,562	9,297	70,859
Restricted			
Debt service	67,672		67,672
Bond contingency	4,437		4,437
Bond depreciation	4,430		4,430
Bond cushion	70,579		70,579
Sewer escrow	179		179
Facility repair	350,128		350,128
Property, Plant & Equipment			
Land & easements	21,994		21,994
Improvements	226,110		226,110
Water & Sewer system	4,392,351		4,392,351
Machinery & equipment	292,284	84,073	376,357
Accumulated depreciation	(1,562,018)	(84,073)	(1,646,091)
Bond issuance cost	26,771		26,771
Construction in progress	689,593		689,593
Accumulated amortization	(6,135)		(6,135)
Capitalized interest	34,942		34,942
Total Assets	\$5,115,586	\$ 62,395	\$ 5,177,981
	-----	-----	-----
Liabilities			
Accounts payable	\$ 56,718	\$ 19,497	\$ 76,215
Due to other funds	66,234		66,234
Customer deposits	91,470		91,470
Accrued interest	12,267		12,267
Revenue bonds payable	1,285,000		1,285,000
Abatement note payable	842,885		842,885
Accrued payroll	1,767	116	1,883
Sales tax payable	7,510		7,510
Total Liabilities	2,363,851	19,613	2,383,464
Fund Equity			
Contributed capital	128,950	47,935	176,885
Reserve for repairs & replacement	(509,354)		(509,354)
Reserved for debt service	149,003		149,003
Unreserved	2,983,136	(5,153)	2,977,983
Total Fund Equity	2,751,735	42,782	2,794,517
Total Liabilities & Fund Equity	\$5,115,586	\$ 62,395	\$ 5,177,981
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The notes are an integral part of the financial statements.

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SCHEDULE 6-B
CITY OF PETAL, MISSISSIPPI
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
SEPTEMBER 30, 1994

	Water & Sewer	Solid Waste Fund	Total (Memorandum Only)
Operating Revenues:			
Charges for services	\$ 625,368	\$ 246,913	\$ 872,281
Tap fees	5,110		5,110
Connect fees	5,440		5,440
Sewer treatment charges	38,022		38,022
Other income	36,586	808	37,394
Total Revenue	710,526	247,721	958,247
Operating Expenses:			
Personal services	232,255	37,425	269,680
Supplies and materials	46,014	1,926	47,940
Contractual services	10,788	218,600	229,388
Repairs and maintenance	6,425	67	6,492
Utilities	56,105		56,105
Depreciation and amortization	167,263	1,262	168,525
General and administrative	47,737	437	48,174
Bad debts	1,153		1,153
Sewer treatment	50,553		50,553
Total expense	618,293	259,717	878,010
Operating income (loss)	92,233	(11,996)	80,237
Nonoperating Revenues (Expenses)			
Interest expense	(94,828)		(94,828)
Transfers in		23,989	23,989
Total other sources (uses)	(94,828)	23,989	(70,839)
Total excess of revenue	(2,595)	11,993	9,398
Retained earnings -			
October 1, 1993	2,443,449	(17,146)	2,426,303
Decreased in reserves	542,282		542,282
Retained earnings -			
September 30, 1994	\$2,983,136	\$ (5,153)	\$2,977,983
	-----	-----	-----

The notes are an integral part of the financial statement.

EXHIBIT "B"
SCHEDULE 6-A
CITY OF PETAL, MISSISSIPPI
ENTERPRISE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 1994

	Water & Sewer	Solid Waste Fund	Total (Memorandum Only)
Assets			
Cash	\$ 347,721	\$ 38,793	\$ 386,514
Accounts receivable	60,748	14,305	75,053
Inventory	29,949		29,949
Prepaid expense	2,289		2,289
Due from other funds	61,562	9,297	70,859
Restricted			
Debt service	67,672		67,672
Bond contingency	4,437		4,437
Bond depreciation	4,430		4,430
Bond cushion	70,579		70,579
Sewer escrow	179		179
Facility repair	350,128		350,128
Property, Plant & Equipment			
Land & easements	21,994		21,994
Improvements	226,110		226,110
Water & Sewer system	4,392,351		4,392,351
Machinery & equipment	292,284	84,073	376,357
Accumulated depreciation	(1,562,018)	(84,073)	(1,646,091)
Bond issuance cost	26,771		26,771
Construction in progress	689,593		689,593
Accumulated amortization	(6,135)		(6,135)
Capitalized interest	34,942		34,942
Total Assets	\$5,115,586	\$ 62,395	\$ 5,177,981
Liabilities			
Accounts payable	\$ 56,718	\$ 19,497	\$ 76,215
Due to other funds	66,234		66,234
Customer deposits	91,470		91,470
Accrued interest	12,267		12,267
Revenue bonds payable	1,285,000		1,285,000
Abatement note payable	842,885		842,885
Accrued payroll	1,767	116	1,883
Sales tax payable	7,510		7,510
Total Liabilities	2,363,851	19,613	2,383,464
Fund Equity			
Contributed capital	128,950	47,935	176,885
Reserve for repairs & replacement	(509,354)		(509,354)
Reserved for debt service	149,003		149,003
Unreserved	2,983,136	(5,153)	2,977,983
Total Fund Equity	2,751,735	42,782	2,794,517
Total Liabilities & Fund Equity	\$5,115,586	\$ 62,395	\$ 5,177,981

The notes are an integral part of the financial statements.

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SCHEDULE 6-B
CITY OF PETAL, MISSISSIPPI
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
SEPTEMBER 30, 1994

	Water & Sewer	Solid Waste Fund	Total (Memorandum Only)
Operating Revenues:			
Charges for services	\$ 625,368	\$ 246,913	\$ 872,281
Tap fees	5,110		5,110
Connect fees	5,440		5,440
Sewer treatment charges	38,022		38,022
Other income	36,586	808	37,394
Total Revenue	710,526	247,721	958,247
Operating Expenses:			
Personal services	232,255	37,425	269,680
Supplies and materials	46,014	1,926	47,940
Contractual services	10,788	218,600	229,388
Repairs and maintenance	6,425	67	6,492
Utilities	56,105		56,105
Depreciation and amortization	167,263	1,262	168,525
General and administrative	47,737	437	48,174
Bad debts	1,153		1,153
Sewer treatment	50,553		50,553
Total expense	618,293	259,717	878,010
Operating income (loss)	92,233	(11,996)	80,237
Nonoperating Revenues (Expenses)			
Interest expense	(94,828)		(94,828)
Transfers in		23,989	23,989
Total other sources (uses)	(94,828)	23,989	(70,839)
Total excess of revenue	(2,595)	11,993	9,398
Retained earnings - October 1, 1993	2,443,449	(17,146)	2,426,303
Decreased in reserves	542,282		542,282
Retained earnings - September 30, 1994	\$2,983,136	\$ (5,153)	\$2,977,983

The notes are an integral part of the financial statement.

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EXHIBIT "C"

To: Mayor and Board of Aldermen

From: Planning Committee

Re: Proposed changes for "Subdivision Regulations" of the city of Petal, adopted on March 19, 1991

- 1) Section 202 Scope
202.02 Change two (2) or more lots to three (3) or more lots
- 2) Section 203 Definitions
203.01-16 Change two (2) or more lots to three (3) or more lots
203.01-17 Change - An official sub-committee of the Petal Planning Commission to "an official sub-committee made up of three (3) members of the Petal Planning Commission"
- 3) Section 300 Preapplication Conference
300.01 Change - A preapplication conference should be held with an agent of the planning commission prior to preparation of the preliminary plat.

To "a preapplication conference should be held with the subdivision review committee, the City Engineer and the zoning administrator prior to the preparation of the preliminary plat.

- 4) Section 301 Preliminary plat
301.03 add "and the zoning administrator" after "the City Engineer"
- 5) Section 302 Final plat
302.02 Change one (1) year to ninety (90) days

- 6) Section 401 Streets
change open ditch streets minimum right-of-way widths from 60' to 50'
change width of paved surfaces for collector street from 35' to 34'
local street from 26' to 22'

This would include sub-division streets.
Cul-de-sac from 80' to 72'

Curb and gutter 27' (back to back of curb)

- 7) Section 402 Monuments

402.1 All monuments shall comply with the minimum standards for land surveying in the State of Mississippi as outlined by the Mississippi State Board of registration for professional engineers and land surveyors

delete 402.02

change 402.03 to 402.02

EXHIBIT "C"

8) Section 406 Lots

406.02 change to read: all lots shall comply with the official zoning ordinance of the City of Petal in regards to lot size and building set-back lines

9) Section 501 Variances

501.01 delete entire paragraph re-word as follows:
Where the Mayor and Board of Aldermen find that extraordinary hardships may result in strict compliance with these regulations it may grant appropriate variances as may be necessary, provided that such variances will not have the effect of nullifying the intent and purpose of these regulations.

501.02 delete: upon recommendation of the planning commission

10. Section 503. Amendments

503.01 change to read: The Mayor and Board of Aldermen may from time to time adopt amendments that will tend to increase the effectiveness of these subdivision regulations. The subdivision regulations may be revised or amended by the Mayor and Board of Aldermen, but no amendments shall become effective unless it shall have been submitted to the Planning Commission for review and recommendations. The Planning Commission shall have thirty (30) days in which to make their recommendation, after that it shall become law.

EXHIBIT "D"

18 Bolling Drive
Petal, MS 39465
January 20, 1995

Mrs. Priscilla C. Daniel
City of Petal
P. O. Box 564
Petal, MS 39465

Dear Priscilla,

Due to personal reasons, please accept this letter as my notice of resignation as Deputy City Clerk for the City of Petal, effective February 3, 1995.

I have thoroughly enjoyed working for the City of Petal. Words can never express how very much I appreciate you and the Mayor and Board of Aldermen and the City Employees for the wonderful years I have shared with each of you. Thank you very much. I'll miss you all!

Yours truly,



Lynda Sue Doggett

cc: Mayor Jack Gay

RESOLUTION
PROCLAIMING ARBOR DAY
FEBRUARY 10, 1995

WHEREAS, in 1872 Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees, and

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and

WHEREAS, trees are a valuable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products, and

WHEREAS, trees in our City increase property values, enhance the economic vitality of business areas and beautify our community, and

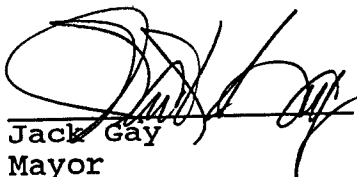
WHEREAS, trees, wherever they are planted are a source of joy and spiritual renewal, and

WHEREAS, Petal desires to continue its tree planting ways.

NOW, THEREFORE, the Board of Aldermen and I, Jack Gay, Mayor of the City of Petal, Mississippi, do hereby proclaim February 10, 1995, as

ARBOR DAY

in the City of Petal, and urge all citizens to support efforts to protect our trees and woodlands and to support our City's Urban Forestry Program.


Jack Gay
Mayor

ATTEST:



Priscilla C. Daniel
City Clerk

EXHIBIT "F"

Stewart Sneed Hewes Jones, Inc
P.O. Box 1976
Hattiesburg, MS 39403-1976

PROPERTY INSURANCE POLICY OUTLINE

CAUSE OF LOSS

SPECIAL FORM: Provides Coverage Against "ALL RISK" Of Direct Physical Loss or Damage, Except Those Perils That Are Specifically Excluded In The Policy

PREMISE #	BLDG #	SUB OF INS	AMOUNT	COINS%	DEDUCT	VALUATION	INFL%
		Per Statement of Values	\$2,223,077	90%	\$250	RCV	

EXTENSIONS OF COVERAGES:

- Debris Removal
- Fire Department Service Charges
- Preservation of Property
- Pollutant Cleanup and Removal
- Newly Acquired Buildings
- Newly Acquired Personal Property
- Personal Property of Others/Employees
- Valuable Papers - Cost of Research
- Property off Premises
- Outdoor Property - Trees, Shrubs and Plants
- Property In Transit (Special Form Only)

ENDORSEMENTS:

ANNUAL PREMIUM: \$5,980.00

QUOTE NO. CA-MP-009390-0/002

NAMED INSURED AND MAILING ADDRESS

AGENCY AND MAILING ADDRESS A11540

CITY OF PETAL
P.O. BOX 564
PETAL MS 39466

Ross-King-Walker
PO Box 15069
Hattiesburg, MS 39404-5069

POLICY PERIOD: From 02/12/95 to 02/12/96 12:01 A.M. AT THE INSURED'S MAILING ADDRESS

BLANKET SUMMARY - BUILDING AND PERSONAL PROPERTY				
COVERAGE	CAUSE OF LOSS	DED	COINSURANCE	LIMIT OF INSURANCE
BUILDING AND PERSONAL PROPERTY	SPECIAL-Incl theft	\$ 250	90%	\$ 2,223,077

COMMERCIAL PROPERTY TOTAL PREMIUM: \$ 7,002

EXHIBIT "G"

House Concurrent Resolution No. 53

WHEREAS, House Concurrent Resolution No. 53 if adopted, would drastically change presently existing laws regarding municipal annexation, and

WHEREAS, if adopted, House Concurrent Resolution No. 53 would seriously impair, if not actually prohibit future municipal annexation, and

WHEREAS, House Concurrent Resolution No. 53, if adopted would permit rule by a minority of voters over a majority of voters, and

WHEREAS, the laws of the State of Mississippi as presently in force and as interpreted by the Supreme Court of the State of Mississippi, provide sufficient legal and procedural safeguards for persons in areas proposed to be annexed by municipalities,

BE IT THEREFORE RESOLVED, that the Mayor and Board of Aldermen of the City of Petal are opposed to and urge the defeat of House Concurrent Resolution No. 53

SO RESOLVED on this, the 7th day of February, A.D., 1995.

The above and foregoing Resolution having been presented to the Mayor and Board of Aldermen, in writing, Alderman Clepper moved the adoption of said Resolution; Alderman Tims seconded the adoption of the foregoing Resolution, and the following vote was had:

Those present and voting "Aye" in favor and the approval, passage and adoption of the foregoing Resolution:

Alderman Raymond C. Brandle
Alderman William H. Campbell
Alderman Reuben Clepper
Alderman Leroy Scott
Alderman Shelby Tims

Raymond C. Brandle
William H. Campbell
Reuben Clepper
Leroy Scott
Shelby Tims

Those present and voting "Nay" or against the approval, passage and adoption of the foregoing Resolution:

None

The above and foregoing Resolution is therefore passed and adopted on this the 7th day of February, A.D., 1995

JACK GAY
MAYOR

ATTEST:

Priscilla C. Daniel
PRISCILLA C. DANIEL AP
CITY CLERK

RESOLUTION OPPOSING THE
CONDEMNATION OF MOORE FUNERAL HOME

CITY OF PETAL
MINUTE BOOK 14

PAGE 660

WHEREAS, Moore Funeral Home has been recently constructed on Mississippi Highway 42 within the limits of the City of Petal, Mississippi, which construction was done and performed at the request of city officials; and

WHEREAS, the said Moore Funeral Home has become and is an integral part of the business community of the City of Petal, providing needed and appropriate services; and

WHEREAS, the Mayor and Board of Aldermen have been advised that there is a possibility that as a result of the construction of the Mississippi Highway 42 connector, that the Moore Funeral Home and the lot upon which it is constructed may be condemned for said purposes,

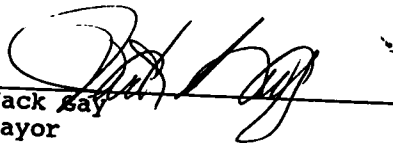
NOW, THEREFORE, BE IT RESOLVED by the Mayor and Board of Aldermen of the City of Petal, Mississippi that the City of Petal, a municipal corporation, opposes the taking and destruction of the Moore Funeral Home located on Mississippi Highway 42, within the limits of the City of Petal, Mississippi, for the purposes of constructing the Mississippi Highway 42 connector and hereby request that an alternate route be selected which would avoid the aforementioned funeral home.

SO RESOLVED on this, the 7th day of February, 1995.

The above and foregoing Resolution having been read and presented to the Mayor and Board of Aldermen, Alderman Clepper moved the adoption of said Resolution; Alderman Campbell seconded motion to adopt said Resolution.

Upon motion made and seconded the above and foregoing Resolution was adopted by the affirmative votes of Aldermen Campbell, Clepper, Scott and Tims; Alderman Brandle did not vote.

The above and foregoing Resolution was therefore passed, approved and adopted on this, the 7th day of February, A.D., 1995.


Jack Ray
Mayor

ATTEST:

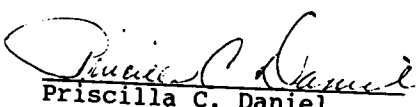

Priscilla C. Daniel
City Clerk

EXHIBIT "I"

SHOWS, DEARMAN & WAITS, INC.

CONSULTING ENGINEERS
P. O. BOX 1711 - 301 HARDY STREET
HATTIESBURG, MISSISSIPPI 39403-1711
PHONE 601-544-1821
FAX: 601-544-0501

RAYMOND M. DEARMAN, P.E.,R.L.S.
MICHAEL T. WAITS, P.E.,R.L.S.
WILLIAM F. WAITS, P.E.,R.L.S.

PAUL J. SHOWS, P.E.,R.L.S.
CONSULTANT

February 8, 1995

Mayor and Board of Aldermen
City of Petal
P. O. Box 564
Petal, Mississippi 39465


Gentlemen:

It has been called to my attention that the motor on Well No. 2 at Plant "C" has had to be taken to a motor repair shop to hopefully be repaired.

If, however, it cannot be repaired, the situation constitutes an emergency, and I hereby authorize the City of Petal to take whatever means necessary to replace the motor.

If I can be of further service, please advise. With kindest regards, I remain

Sincerely,



Raymond M. Dearman, P.E., R.L.S.
Petal City Engineer

RMD/ljs

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