



Mayor Depreo  
Councilmember Maher At-Large  
Councilmember Finley Ward 1  
Councilmember Moran Ward 2  
Councilmember Sheppard Ward 3  
Councilmember Clark Ward 4

**AGENDA**  
**REGULAR MEETING OF THE CITY COUNCIL**  
**Tuesday, September 21, 2021**  
**6:00 PM CST**  
Council Chambers, City Hall  
and via teleconference, if necessary

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**Call to Order.**

Invocation  
Pledge of Allegiance  
Roll Call  
Confirm or Adjust Agenda Order

**Presentation Agenda.**

Council Comments.

- a. Key to the City Presentation -Krewe of Diamondhead - Ali' i honua XLVI, Kevin Parrington,
- b. Project Update - Pickering Firm, Cara Wagner
- c. Hilo Street Culvert Replacement Project Update - Pickering Firm, Cara Wagner
- d. Turnberry Drainage Update - Covnington Civil & Environment, Ben Benvenuti
- e. FY20 Comprehensive Annual Financial Report - Ty Necaise & Company

City Manager's Report.

Public Comments on Agenda Items.

**Policy Agenda.**

**Minutes:**

1. Motion to approve the September 7, 2021 Regular Meeting Minutes.

**Ordinances:**

**Resolutions:**

2. **2021-067:** Motion to adopt Resolution 2021-067 thereby appointing Louis Ertel to service as Commissioner on the Diamondhead Water & Sewer Board of Commissioners for a five (5) year term commencing September 28, 2021 and expiring September 30, 2026.
3. **2021-306:** Motion to adopt Resolution 2021-068 thereby authorizing and approving execution of an equipment lease purchase agreement with BancorpSouth Equipment Finance, a division of BancorpSouth Bank for the purposes of lease purchasing copiers and for other related matters.
4. **2021-311:** Motion to adopt Resolution 2021-069 thereby establishing FY22 Compensation for all employees.

**Consent Agenda:**

5. **2021-278:** Motion to enter in to agreement with NG Consulting, LLC in the amount of \$1,275 monthly effectively immediately for Marketing and Small Business Liaison Services effective immediately.
6. **2021-284:** Motion to authorize application o Coast Electric Power Association for Operation Round up funding the dog park.
7. **2021-301:** Motion to approve payment to Orion Planning & Design for Diamondhead Short-term Rental Review in the amount of \$247.50, Gateway Project in the amount of \$2,475.00 and Commercial District Code/Design Standards \$3,465.00.
8. **2021-302:** Motion to approve payments to Machado Patano in the amount of \$1,667.50 for professional services related to Beehive Homes Plan Review and \$464.00 for professional services relating to Preserve Phase 2 Sketch Plat.
9. **2021-303:** Motion to approve payments to Digital Engineering in the amount of \$1,045 for GIS Maintenance, \$9,995 Roadway Improvements Phase 3, \$735 Deer Crossing Plan Review.
10. **2021-304:** Motion to approve Pay Request No. 1 in the amount of \$130,072.37 to Warren Paving, Inc. for the Roadway Improvement Project Phase 3.
11. **2021-305:** Motion to to authorize the city manager to submit the “Network Community Application” to the Mississippi Main Street Association with annual dues of \$1000 and \$295 annually, if accepted.
12. **2021-309:** Motion to amend the purchase/agreement with Tyler Technologies to include the Mobile Code Enforcement Staff App Component at additional one-time charge of \$1,500 and a revision to recurring fees from \$1,200 to \$1,500 annually for total Building Department annual licensing/maintenance fee of \$4,900.
13. **2021-310:** Motion to authorize the request to Mississippi Development Authority for project extension for the Small Municipalities and Limited Population Counties Grant SM-19-880 (East Aloha Improvements).
14. **2021-312:** Motion to authorize Master Service Agreement Work Assignment with Pickering Firm in the amount of \$10,000 for Lily Pond and Diamondhead Drive East Pond Wetland Delineation.
15. **2021-313:** Motion to authorize Master Service Agreement Work Assignment with Pickering Firm in the amount of \$48,100 for Kolo Court Ditch Improvements and Culvert Replacement.
16. **2021-314:** Motion to authorize transfer of General Funds in the amount of \$22,000 to the National Resource Conservation Grant Fund (Channel Stabilization Diamondhead Drive at Alkii Way) for Change Order No. 1.

#### **Action Agenda.**

17. **2021-276:** Motion to ratify contracts with the exception of Nexsite and Unifirst and futher to authorize the City Manager to provide such notices as required.
18. **2021-307:** Motion to accept the FY20 Comprehensive Annual Financial Report.
19. **2021-308:** Motion to authorize the offer and purchase of 25-acre tract of land located between Turnberry Drive and Crooked Stick from Purcell Corp in the amount of \$30,000 and authorize the City Manager to execute any and all documents necessary to facilitate the acquisition.

**Routine Agenda.**

**Claims Payable**

- [20.](#) Motion to approve PRCLAIM095 in the amount of \$29,529.20, PRCLAIM096 in the amount of \$30,430.63, PRCLAIM097 in the amount of \$2,696.22, PRCLAIM098 in the amount of \$30,638.30, and APPKT01576 (DKT158756-DKT158767) in the amount of \$47,309.93.
- [21.](#) Motion to approve Docket of Claims (DKT158821- DKT158857) in the amount of \$272,419.37.

**Department Reports**

- [a.](#) August 2021 Financials
- [b.](#) Police Department  
Code Enforcement  
Building Department  
Privilege License

**Public Comments on Non-Agenda Items.**

**Executive Session - If Necessary**

**Adjourn/Recess.**

*NOTE: THE CITY OF DIAMONDHEAD WILL FURNISH APPROPRIATE AUXILIARY AIDS AND SERVICES WHERE NECESSARY TO AFFORD INDIVIDUALS WITH DISABILITIES AN EQUAL OPPORTUNITY TO SERVICES AND ACTIVITIES OF THE CITY. A WRITTEN REQUEST BY OR ON BEHALF OF QUALIFYING INDIVIDUALS SHALL BE SUBMITTED IN A TIMELY MANNER TO THE CITY CLERK.*



Mayor Depreo	
Councilmember Maher	At-
Councilmember Finley	Ward 1
Councilmember Moran	Ward 2
Councilmember Sheppard	Ward 3
Councilmember Clark	Ward 4

Item No. 1.

**MINUTES**  
**REGULAR MEETING OF THE CITY COUNCIL**  
**Tuesday, September 07, 2021**  
**6:00 PM CST**  
Council Chambers, City Hall

**Call to Order.**

At 6:00 p.m. Mayor Depreo called the meeting to order.

Invocation - Councilmember Sheppard.

Pledge of Allegiance

Roll Call

PRESENT

Mayor Nancy Depreo

Councilmember-At-Large Gerard Maher

Ward 1 Shane Finley

Ward 2 Alan Moran

Ward 3 Ricky Sheppard

Ward 4 Charles Clark

Confirm or Adjust Agenda Order

Motion made by Ward 2 Moran, Seconded by Ward 3 Sheppard to confirm and approve the agenda order.

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

**Presentation Agenda.**

Council Comments.

1. The next Regular Meeting City Council Meeting will be held at 6:00 p.m. on September 21, 2021 in Council Chambers at City Hall located at 5000 Diamondhead Circle.
2. The 2nd Annual Paddle Paradise Event is scheduled for Saturday, September 25, 2021 at the kayak launch at the marina.
3. Recognition of Diamondhead Boy Scout Troop 210 and Life Scout Thomas Konkel for his Eagle Scout Project that included park benches built and donated to the City and placed in the temporary dog park. Konkel addressed the Council regarding his project and expressed his appreciation for the project opportunity.
4. Recognition of Captain AJ Gambino and Diamondhead Police for efforts to direct traffic due to influx of visitors at businesses after Hurricane Ida.
5. Donations made by our residents have been delivered to Slidell, LA in the wake of Hurricane Ida.



City Manager's Report.

1. Paddle Paradise – This event is scheduled for Saturday, September 25 at the Diamondhead Marina. Early registration is available online on the City’s website under this event page, and sponsorship opportunities are available for businesses wishing to put their logo on the back of the t-shirt. The Deadline for sponsorships is Friday. All are invited to participate in this free event.
2. Hurricane Ida Police and Traffic Control – I want to thank our police officers who were all working double shifts from last Saturday until Friday on traffic control at our exit and gas stations. Our neighbors to the west were coming to MS to get gas and food in their time of need. This resulted in major traffic congestion at our exit. The police did a great job to control this while working many hours on their feet in the extreme heat. I would also like to thank the many residents and businesses who provided meals to the officers during this time.
3. Hurricane Ida Debris – The city has started working to develop a plan to pick up hurricane debris. Residents are asked to put their debris on the side of the road in the city right of way. It is required to separate the debris into two piles. One is only for vegetation, and the other is C&D or everything else. There is a drastic cost difference in bringing these types of debris to the dump. In order to save money, it is required to separate this debris. We will be working as quickly as possible to remove the debris from the sides of the road.
4. Budget and Millage Rate – The final step in approving the budget and millage rate for the city is on the agenda tonight. The council had several workshop meetings and a public hearing on the budget. There is no increase in millage rate for FY22.
5. Mayor’s Salary – The mayor has requested to reduce her salary by \$4,800 and re-allocate those funds to several non-profit organizations. This was done last year, and it is part of the FY22 budget.
6. Temporary campers on Private Property – There is a motion on the agenda to allow the placement of campers on the driveways of homes from now until October 24. This is done as a way for our residents to be able to help their family members who are impacted in Louisiana by the hurricane. The property owner must apply for a permit with the building department, and the camper can only be placed on the driveway. All regulations of the DWSD must be followed. We have contacted the POA to inform them of this action by the council.
7. GOMESA MOU – MS DMR has sent the City of Diamondhead a Memorandum of Understanding for the GOMESA grant awarded to the city in the last legislation session for \$495K. This project includes the retention pond south of Diamondhead Drive East and a living shoreline along the north side of Bay St. Louis to improve water quality. This MOU is the next step to get this project activated with DMR.
8. Physical Expense Reimbursement for Employee – I am asking the council to authorize the reimbursement of \$100 to Leo Marino for the cost of his annual physical for his CDL. The city handbook does provide for this reimbursement, but it requires the employee contact HR to have us schedule the appointment. Since that was not done, I am seeking council approval to reimburse the employee.
9. Donation of Park Benches – There is a motion to accept the donation of 10 park benches from the local Boy Scout troop as part of their Eagle Scout Project. These benches have been placed at the dog park.
10. Copier Contract – our current contract for leasing copiers is expiring. The finance office staff received several quotes, and we are recommending a new 48-month lease with Gulf Copy Systems to provide all copiers to the city for \$475 per month under state contract pricing.
11. Donation of Pest Control Services – Philip’s Pest control would like to continue to donate their services for pest control services to the city. 

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 been done for several years.

12. Text Amendment for Subdivision Regulations – As part of the new comprehensive plan, it was recommended that we celebrate the Hawaiian theme in our city. With that, it is recommended that we amend the subdivision regulations to require developers to use Hawaiian names for streets. The motion on the agenda tonight will instruct the administration to begin that process of a text amendment to the subdivision regulations.
13. Kolo Drainage Project – I have received the report and recommendation from our engineer on the Kolo Ct drainage project. This is the area that the sewerage line is exposed. I have received the new work assignment for this project to have the engineer design and bid the project. However, we need to wait until the new fiscal year to be able to sign this agreement since we do not have it budgeted this year. It is ready to be on the first meeting in October. We have received an emergency quote from DNA for about \$85K, which is in line with the recommendation of the engineer. We do have that available in this year’s budget and could complete this portion of the project now to protect the pipe if the council wants to move faster on this project.
14. Drainage Ditch on Kaluaopalea Place – As an update to the council, the city engineers have been given all of the additional information that has been provided to me by the residents on this street. I was advised that the residents’ engineer, Duke Levy, met with the builder and was given additional information. I was informed that Duke was gathering more information on his own before finalizing his report. He said, “his initial recommendation may change”, and he indicated that he would take about 2 weeks to complete this work. With the hurricane, our engineers and I have been focused on other matters related to the storm. Once I have a copy of Duke’s final report, I will get this to our city engineers to get a consensus on a final solution to everyone’s concerns. Rest assured we are working it. I have been in close contact with the city attorney throughout this process. He agrees with this course of action.

Public Comments on Agenda Items - None.

**Policy Agenda.**

**Minutes:**

1. Motion to approve the August 17, 2021 Regular Meeting Minutes.  
 Motion made by Ward 4 Clark, Seconded by Ward 1 Finley to approve the August 17, 2021 Regular Meeting Minutes.  
  
 Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark  
  
**MOTION CARRIED UNANIMOUSLY**
2. Motion to approve the August 28, 2021 Special Emergency Meeting Minutes  
 Motion made by Ward 2 Moran, Seconded by Councilmember-At-Large Maher to approve the August 28, 2021 Special Emergency Meeting Minutes.  
  
 Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark  
  
**MOTION CARRIED UNANIMOUSLY**

**Resolutions:**

- 3. **2021-271:** Motion to adopt Resolution 2021-058 thereby temporarily reducing the Mayor's salary from \$15,000 to \$10,200 for FY22 and reallocating remaining balance of \$4,800 to Diamondhead S. P. C .A., Hancock Human Resource Agency, Magdelene House and Hancock Resource in lump sum payments of \$1,200 each.

Motion made by Mayor Depreo, Seconded by Ward 1 Finley o adopt Resolution 2021-058 thereby temporarily reducing the Mayor's salary from \$15,000 to \$10,200 for FY22 and reallocating remaining balance of \$4,800 to Diamondhead S. P. C .A., Hancock Human Resource Agency, Magdelene House and Hancock Resource in lump sum payments of \$1,200 each.

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

- 4. **2021-272:** Motion to adopt Resolution 2021-059 thereby approving and adopting the FY2022 Budget as finally determined by the Mayor and City Council.

Motion made by Ward 3 Sheppard, Seconded by Councilmember-At-Large Maher to adopt Resolution 2021-059 thereby approving and adopting the FY2022 Budget as finally determined by the Mayor and City Council.

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

- 5. **2021-273:** Motion to adopt Resolution 2021-060 thereby setting the Tax Levy for FY2022 for the City of Diamondhead at the millage rate of 29.5 mills.

Motion made by Ward 3 Sheppard, Seconded by Councilmember-At-Large Maher to adopt Resolution 2021-060 thereby setting the Tax Levy for FY2022 for the City of Diamondhead at the millage rate of 29.5 mills.

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

- 6. **2021-286:** Motion to adopt Resolution 2021-061 thereby ratifying and allowing the temporary placement of camper trailers within the City of Diamondhead at private residences, establishing the rules and guidelines for administration of same effective September 1, 2021 and expiring 5:00 p.m. October 24, 2021.

Motion made by Councilmember-At-Large Maher, Seconded by Ward 3 Sheppard to adopt Resolution 2021-061 thereby ratifying and allowing the temporary placement of camper trailers within the City of Diamondhead at private residences, establishing the rules and guidelines for administration of same effective September 1, 2021 and expiring 5:00 p.m. October 24, 2021.

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

- 7. **2021-291:** Motion to adopt Resolution 2021-061 to approve a text amendment in accordance with the Zoning Ordinance Article 2.8 (Amendment Rezoning Procedure). The proposed text amendment is to

increase the side yard setback from 8 feet to 10 feet in an R-2 zoning district. The proposed changes will be in Article 4.6.E.ii, which states, "Side yards: 8 feet, except that on a corner lot the side yard abutting a street right-of-way shall be the same as the required front yard." to "Side yards: 10 feet, except that on a corner lot the side yard abutting a street right-of-way shall be the same as the required front yard." The Case File Number is 202100263.

Motion made by Ward 1 Finley, Seconded by Ward 3 Sheppard to approve a text amendment in accordance with the Zoning Ordinance Article 2.8 (Amendment Rezoning Procedure). The proposed text amendment is to increase the side yard setback from 8 feet to 10 feet in an R-2 zoning district. The proposed changes will be in Article 4.6.E.ii, which states, "Side yards: 8 feet, except that on a corner lot the side yard abutting a street right-of-way shall be the same as the required front yard." to "Side yards: 10 feet, except that on a corner lot the side yard abutting a street right-of-way shall be the same as the required front yard." This amendment does not apply to lots which a building permit or to subdivisions which have already received Sketch Plat approval from the City Council prior to the effective date of the amendment. The Case File Number is 202100263.

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

- 8. **2021-292:** Motion to adopt Resolution 2021-063 thereby abandoning a 5' drainage/utility easement on each side of the common property line between lots 11 and 12, Diamondhead Phase 2, Unit 6, Block 9. The street address is 9418 Kamehameha Place and parcel numbers are 167E-1-26-157.000 and 167E-1-26-158.000. (Munster)

Motion made by Ward 4 Clark, Seconded by Councilmember-At-Large Maher to adopt Resolution 2021-063 thereby abandoning a 5' drainage/utility easement on each side of the common property line between lots 11 and 12, Diamondhead Phase 2, Unit 6, Block 9. The street address is 9418 Kamehameha Place and parcel numbers are 167E-1-26-157.000 and 167E-1-26-158.000. (Munster)

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

- 9. **2021-293:** Motion to adopt Resolution 2021-064 thereby abandoning a 5' drainage/utility easement on each side of the common property line between lots 78 and 79, Glen Eagle Phase 1. The street address is 7509 Crooked Stick Drive and the parcel numbers are 067P-0-35-038.000 and 067P-0-35-039.000. (Landmark Contractors, LLC)

Motion made by Ward 3 Sheppard, Seconded by Ward 1 Finley to adopt Resolution 2021-064 thereby abandoning a 5' drainage/utility easement on each side of the common property line between lots 78 and 79, Glen Eagle Phase 1. The street address is 7509 Crooked Stick Drive and the parcel numbers are 067P-0-35-038.000 and 067P-0-35-039.000. (Landmark Contractors, LLC)

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

- 10. **2021-294:** Motion to adopt Resolution 2021-065 thereby abandoning a 5' drainage/utility easement on each side of the common property line between [redacted] and 118, Diamondhead Phase 2, Unit 5, Block

9. The street address 691 Apona Street and the parcel numbers are 131A-0-01-037.000 and 131A-0-01-038.000. (Marks)

Motion made by Ward 3 Sheppard, Seconded by Councilmember-At-Large Maher to adopt Resolution 2021-065 thereby abandoning a 5' drainage/utility easement on each side of the common property line between lots 117 and 118, Diamondhead Phase 2, Unit 5, Block 9. The street address 691 Apona Street and the parcel numbers are 131A-0-01-037.000 and 131A-0-01-038.000. (Marks)

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

- 11. **2021-295:** Motion to adopt Resolution 2021-066 thereby abandoning a 5' utility/drainage easement on each side of the common property line between lots 29 and 30, Diamondhead Phase 2, Unit 11, block 5. The street address is 84141 Lola Drive and the parcel number is 067J-1-41-181.000. (Elliot Homes)

Motion made by Ward 1 Finley, Seconded by Ward 4 Clark to adopt Resolution 2021-066 thereby abandoning a 5' utility/drainage easement on each side of the common property line between lots 29 and 30, Diamondhead Phase 2, Unit 11, block 5. The street address is 84141 Lola Drive and the parcel number is 067J-1-41-181.000. (Elliot Homes)

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

**Consent Agenda:**

Motion made by Ward 4 Clark, Seconded by Ward 3 Sheppard to approve the following agenda items by consent:

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

- 12. **2021-274:** Motion to approve the Memorandum of Understanding with Mississippi Department of Marine Resources for GOMESA funding allocation in the amount of \$495,000 for the Restoration of March Erosion Prevention (Basin "C" Watershed Hydrologic/Hydraulic Analysis) and authorize the City Manager to execute same.
- 13. **2021-275:** Motion to approve and authorize the interfund transfer of \$10,719.03 annually for FY21 and FY22 from General Fund to American Rescue & Recovery Act Fund (ARRA) for drainage improvements.
- 14. **2021-277:** Motion to amend the agreement for lobbying services with Point One Strategies, LLC (Trey Bobinger) to increase the annual compensation to \$48,000 effective October 1, 2021 to paid in equal monthly installments.
- 15. **2021-285:** Motion to approve payments to Chiniche Engineering & Surveying in the amount of \$1,995.29 for Montjoy Creek Improvements - Tidelands Project, in the amount of \$2,807.24 for Noma Drive-MDOT Project, and in the amount of \$10,655.35 for East Aloha Redesign.
- 16. **2021-287:** Motion to approve Payment No. 3 in the amount of \$79,052.21 to ERS, Inc. for the Channel Stabilization Project at Diamondhead Drive and Highway.

- 17. **2021-288:** Motion to approve payments to Pickering Firm in the amount of \$9,978.50 for Makiki Dr. Culvert Replacement, in the amount of \$6,887.80 for Diamondhead Dr. East Retention Pond Dredging, in the amount of \$11,260.74 for Iona St. Culvert and 13,490.76 for Kolo Ct. Drainage.
- 18. **2021-289:** Motion to approve payment in the amount of \$25,865.49 to Eley Guild Hardy Architect for professional services relating to the City Hall renovation project for the Building Department.
- 19. **2021-290:** Motion to authorize reimbursement \$100 to Leo Marino, public works employee, for physical expenses related to Commercial Driver License renewal.
- 20. **2021-296:** Motion to approve payment to Covington Civil & Environmental, LLC in the amount of \$3,445 for Turnberry Drainage Study Phase II, in the amount of \$18,500 West Aloha Drive, Kalani Drive and Indian Hill Boulevard Boundary and Topographic Survey, and \$37,100 for Commercial District Transformation Project.
- 21. **2021-298:** Motion to accept the donation of 10 park benches for the dog park valued at \$125 for a total value of \$1,250 from Diamondhead Boy Scout Troop 210 as part of Life Scout Thomas Konkell's Eagle Scout Project.
- 22. **2021-299:** Motion to authorize the City Manager to enter in to a 48 month lease agreement with Gulf Copy Systems for four (4) copiers (City Hall, Police Department, Court Department and Public Works) for a total monthly fee of \$475.00 with maintenance agreements per the agreement all through State Contract Pricing No. 8200056253.

**Action Agenda.**

- 23. **2021-270:** Motion to accept the donation of pest and termite control services for City Hall for four (4) years terminating on June 30, 2025 from Philip's Pest Control at annual value of \$893.60.

At 6:44 p.m., Councilmember Moran was recused from the meeting proceedings and exited council chambers.

Motion made by Ward 4 Clark, Seconded by Councilmember-At-Large Maher to accept the donation of pest and termite control services for City Hall for four (4) years terminating on June 30, 2025 from Philip's Pest Control at annual value of \$893.60.

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 3 Sheppard, Ward 4 Clark

Recused: Ward 2 Moran

**MOTION CARRIED UNANIMOUSLY**

At 6:45 p.m., Councilmember Moran returned to council chambers and resumed in the meeting proceedings.

- 24. **2021-279:** Motion for discussion regarding text amendment to the Subdivision Regulations to require all new streets to be named consistent with the city's Hawaiian theme.

Motion made by Mayor Depreo, Seconded by Ward 3 Sheppard to direct the administration to proceed with the process to amend the subdivision regulations to include language that would require all new streets to be named consistent with the city's Hawaiian theme.

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

- 25. **2021-297:** Motion to accept and award quote for Hurricane Ida debris collection and disposal.

Motion made by Ward 4 Clark, Seconded by Ward 3 Sheppard to reject all quotes received for Hurricane Ida debris removal. Quotes received were as follows:

Custom Tree Care, Inc.	\$132,000	AAA General Contractors Inc.	\$137,000
DNA Underground, LLC	\$181,000	Holliday Construction	\$260,000

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

**Routine Agenda.**

**Claims Payable**

26. Motion to approve the Docket of Claims DKT158771 - DKT158820 in the amount of \$353,730.14.

Motion made by Ward 1 Finley, Seconded by Ward 2 Moran to approve the Docket of Claims DKT158771 - DKT158820 in the amount of \$353,730.14.

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

**Public Comments on Non-Agenda Items.**

C. J. Longenecker addressed the Council regarding a vehicle parked behind the fence at the end Fairway Drive and the unsafe walking conditions.

City Manager Reso congratulated Mayor Depreo on her recent appointment to the Mississippi Municipal League Executive Board.

**Adjourn/Recess.**

At 7:00 p.m. and with no further business to come before the Council, motion made by Councilmember Clark, seconded by Councilmember Sheppard to adjourn.

Voting Yea: Mayor Depreo, Councilmember-At-Large Maher, Ward 1 Finley, Ward 2 Moran, Ward 3 Sheppard, Ward 4 Clark

**MOTION CARRIED UNANIMOUSLY**

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Nancy Depreo  
Mayor

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Jeannie Klein  
City Clerk

**RESOLUTION OF THE COUNCIL OF THE CITY OF DIAMONDHEAD APPOINTING LOUIS ERTEL TO SERVE AS A COMMISSIONER FOR THE DIAMONDHEAD WATER & SEWER DISTRICT BOARD OF COMMISSIONERS**

**WHEREAS**, the Mayor and Council (the governing body) for the City of Diamondhead have been vested the authority as of July 1, 2015 with the passage of House Bill No. 896 amending MS Code §19-5-167 to appoint the five commissioners to serve on the Diamondhead Water and Sewer District Board of Commissioners, that one (1) Commissioner from each Ward within the City of Diamondhead be appointed and further that such appointment shall be for a term of five (5) years, and

**WHEREAS**, the term of Commissioner David Boan (Ward 2) will expire on September 28, 2021 thereby creating a vacancy and necessity for an appointment to the Diamondhead Water & Sewer Board of Commissioners.

**NOW, THEREFORE, BE IT RESOLVED**, the Council of the City of Diamondhead do hereby appoint Louis Ertel (Ward 2), to serve as Commissioner to be seated on the Board of Commissioners for the Diamondhead Water & Sewer District for a five (5) year term commencing September 28, 2021 and expiring on September 30, 2026.

**SO BE IT RESOLVED**, this the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

The above and foregoing Resolution of the Council of the City of Diamondhead, after having been first reduced to writing, was introduced by Councilmember \_\_\_\_\_, seconded by Councilmember \_\_\_\_\_ and the matter being put to a vote, the result was as follows:

	Aye	Nay	Other
Mayor Depreo	_____	_____	_____
Councilmember Finley	_____	_____	_____
Councilmember Moran	_____	_____	_____
Councilmember Sheppard	_____	_____	_____
Councilmember Clark	_____	_____	_____
Councilmember Maher	_____	_____	_____

APPROVED \_\_\_\_\_  
Mayor Nancy Depreo

ATTEST: \_\_\_\_\_  
Jeannie Klein, City Clerk

seal



City of Diamondhead, MS  
Request for Council Action

TO: Honorable Mayor and Members of Council  
FROM: Alan Moran – Ward 2

Ordinance  Resolution  Agreement  Info Only  Work Session  Other

AGENDA LOCATION:  Consent Agenda  Regular Agenda

AGENDA DATE REQUESTED

<b><u>ORDINANCE/RESOLUTION CAPTIONS or ISSUE:</u></b> Resolution appointing Louis Ertel as Commissioner for the Diamondhead Water & Sewer District to fill unexpired term (Boan) effective September 28, 2021 and expiring September 30, 2026.
<b><u>SUMMARY BACKGROUND:</u></b> A Vacancy will occur as the result of term expiration.
<b><u>IMPACT IF DENIED:</u></b>
<b><u>IMPACT IF APPROVED:</u></b>
<b><u>FINANCIAL IMPACT:</u></b>

REQUIRED SIGNATURES

REQUESTED BY:	<input type="text"/>
City Manager:	<input type="text"/>
City Attorney:	<input type="text"/>

COUNCIL ACTION:  
 Approved  Denied  Tabled/Deferred  Info Only      Completed:

110122 71006-001

**RESOLUTION AUTHORIZING AND APPROVING EXECUTION  
OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT WITH  
BANCORPSOUTH EQUIPMENT FINANCE, A DIVISION OF BANCORPSOUTH BANK  
FOR THE PURPOSE OF LEASE-PURCHASING CERTAIN EQUIPMENT**

WHEREAS, the Mayor and City Council, the Governing Body (the "Governing Body") of City of Diamondhead, Mississippi (the "Lessee"), acting for and on the behalf of the Lessee hereby finds, determines and adjudicates as follows:

1. The Lessee desires to enter into an Equipment Lease-Purchase Agreement with the Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" (the "Agreement") with BancorpSouth Equipment Finance, a division of BancorpSouth Bank (the "Lessor") for the purpose of presently purchasing the equipment as described therein for the total cost specified therein (collectively the "Equipment") and to purchase such other equipment from time to time in the future upon appropriate approval;
2. The Lessee is authorized pursuant to Section 31-7-13(e) of the Mississippi Code of 1972, as amended, to acquire equipment and furniture by Lease-Purchase agreement and pay interest thereon by contract for a term not to exceed 5 years;
3. It is in the best interest of the residents served by Lessee that the Lessee acquire the Equipment pursuant to and in accordance with the terms of the Agreement; and
4. It is necessary for the Lessee to approve and authorize the Agreement.
5. The Lessee desires to designate the Agreement as a qualified tax-exempt obligation of Lessee for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code").

NOW, THEREFORE, BE IT RESOLVED by this Governing Body for and on behalf of the Lessee as follows:

Section 1. The Agreement and Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" by and between the Lessor and the Lessee is hereby approved and Michael Reso (the "Authorized Officer") is hereby authorized and directed to execute said Agreement on behalf of the Lessee.

Section 2. The Agreement is being issued in calendar year 2021.

Section 3. Neither any portion of the gross proceeds of the Agreement nor the Equipment identified to the Agreement shall be used (directly or indirectly) in a trade or business carried on by any person other than a governmental unit, except for such use as a member of the general public.

Section 4. No portion of the rental payments identified in the Agreement (a) is secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property; or (b) is to be derived from payments (whether or not to Lessee) in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

Section 5. No portion of the gross proceeds of the Agreement are used (directly or indirectly) to make or finance loans to persons other than governmental units.

Section 6. Lessee hereby designates the Agreement as a qualified tax-exempt obligation for purposes of Section 265(b) of the Code.

Section 7. In calendar year 2021, Lessee has designated \$ \$21,477<sup>00</sup> of tax-exempt obligations (including the Agreement) as qualified tax-exempt obligations. Including the Agreement herein so designated, Lessee will not designate more than \$10,000,000 of obligations issued during calendar year 2021 as qualified tax-exempt obligations.

Section 8. Lessee reasonably anticipates that the total amount of tax-exempt obligations (other than private activity bonds) to be issued by Lessee during calendar year 2021 will not exceed \$10,000,000.

Section 9. For purposes of this resolution, the amount of Tax-exempt obligations stated as either issued or designated as qualified tax-exempt obligations includes tax-exempt obligations issued by all entities deriving their issuing authority from Lessee or by an entity subject to substantial control by Lessee, as provided in Section 265(b)(3)(E) of the Code.

Section 10. The Authorized Officer is further authorized for and on behalf of the Governing Body and the Lessee to do all things necessary in furtherance of the obligations of the Lessee pursuant to the Agreement, including execution and delivery of all other documents necessary or appropriate to carry out the transactions contemplated thereby in accordance with the terms and provisions thereof.

Following the reading of the foregoing resolution, \_\_\_\_\_ moved that the foregoing resolution be adopted, \_\_\_\_\_ seconded the motion for its adoption. The \_\_\_\_\_ put the question to a roll call vote and the result was as follows:

_____	Voted: _____
_____	Voted: _____
_____	Voted: _____
_____	Voted: _____
_____	Voted: _____
_____	Voted: _____
_____	Voted: _____

The motion having received the affirmative vote of all members present, the \_\_\_\_\_ declared the motion carried and the resolution adopted this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(presiding officer), Title  
Nancy Depreo, Mayor

**ATTEST:**

\_\_\_\_\_

(SEAL)

110122

## EQUIPMENT LEASE-PURCHASE AGREEMENT

This Equipment Lease-Purchase Agreement (the "Agreement") dated as of \_\_\_\_\_ is entered into between BancorpSouth Equipment Finance, a division of BancorpSouth Bank (the "Lessor"), whose Principal Office (herein so called) is located at Hattiesburg, Mississippi and City of Diamondhead, Mississippi, (the "Lessee"), acting by and through Mayor and City Council, the Governing Body of the Lessee.

1. Agreement to Lease. In consideration of the rental provided herein, and the other covenants contained herein, Lessor hereby agrees to lease and rent to Lessee, and Lessee hereby agrees to lease and rent from Lessor, all the machinery, equipment and other personal property ("Equipment") described in Equipment Lease Schedule(s) ("Equipment Schedules") now or hereafter executed by Lessor and Lessee and attached hereto and incorporated herein by reference as Exhibit B upon the terms and conditions set forth in this Agreement, as supplemented by the terms and conditions set forth in the appropriate Equipment Schedule identifying such item of Equipment and such other Equipment Schedules as may be executed by Lessor and Lessee and attached hereto and incorporated herein by reference.

2. Lease Term. The obligations of Lessor and Lessee under this Agreement will commence upon the execution hereof by Lessor and Lessee and will end upon the full performance and observance of each and every term, condition, and covenant contained herein, each Schedule hereto and any extensions thereof. The rental term of the Equipment listed in each Equipment Schedule shall commence on the date that the rental payment is due as provided in the Equipment Schedule and shall terminate on the last day of the term stated in such Equipment Schedule. This Agreement shall be automatically renewed on a year-to-year basis except as provided for in Paragraph 4.

3. Rental Payments. The rent for the Equipment described in each Equipment Schedule shall be the total sum stated on such Equipment Schedule, in installments, and shall be due and payable on the dates set forth therein. A portion of each such rental payment is paid as, and represents a payment of interest and each Equipment Schedule sets forth the applicable interest rate and interest component of each rental payment; /provided however such interest component is subject to change as provided in Paragraph 12 hereof. Such rent shall be payable from legally available funds of the Lessee in lawful money of the United States, without notice or demand, at the Principal Office of the Lessor or its assigns (or at such other place as Lessor may from time to time designate in writing). The receipt of any check or other item on account of any rental payment will not be considered as payment thereof until such check or other item is honored when presented for payment. All rental payments shall be made by the Lessee without abatement, setoff, or deduction of any amounts whatsoever. The obligations of Lessee to pay rent hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirements concerning the creation of an indebtedness by Lessee.

4. Continuation of Lease by Lessee. (a) Lessee intends to comply with each term, condition and covenant of this Agreement during the term hereof and to pay the rent due hereunder. Lessee reasonably believes that legally available funds of an amount sufficient to make all rent payments due hereunder shall be obtained. Lessee agrees to include in its budget

for each fiscal year during the term of this Agreement all rent payments due hereunder and to do all other things necessary and lawfully within its power to have such portion of the budget approved to obtain and provide for funds to pay its obligations due hereunder. In the event that such portion of the budget that provides for rent payments due under this Agreement is not approved, the Lessee agrees, at its expense, to exhaust all available reviews and appeals to have the rent payments reinstated and approved in the budget. It is Lessee's intent to make rental payments for the full term of this Agreement if funds are legally available therefor and in that regard Lessee represents that the use of the Equipment is essential to its proper efficient and economic operation.

(b) In the event no funds or insufficient funds are appropriated or otherwise available by any means whatsoever in any fiscal year for rental payments due under this Agreement, then the Lessee shall immediately notify Lessor or its assignee of such occurrence and this Agreement shall create no further obligation of Lessee as to such fiscal year and shall be null and void, except as to the portions of rental payments for which funds shall have been appropriated and budgeted. In such event, this Agreement shall terminate on the last day of the fiscal year for which appropriations were received without penalty or expense to Lessee of any kind whatsoever. Subsequent to such termination of this Agreement, Lessee shall have no continuing obligation to make rental payments under this Agreement. No right of action or damages shall accrue to the benefit of Lessor, or its assignee, as to that portion of this Agreement which may so terminate except as specifically provided in the last paragraph of this Paragraph. In the event of such termination, Lessee agrees to peaceably surrender possession of the Equipment to Lessor or its assignee on the date of such termination, packed for shipment in accordance with manufacturer specifications and freight prepaid and insured to any location in the continental United States designated by Lessor. Lessor shall have all legal and equitable rights and remedies to take possession of the Equipment, and

(c) Notwithstanding the foregoing, Lessee agrees

(i) that it will not cancel this Agreement under the provisions of subparagraph (b) above if any funds are appropriated to it, or by it, for the acquisition, retention or operation of the Equipment.

(ii) that it will not during the term of this Agreement give priority in the application of funds to any other functionally similar equipment or services.

5. Purchase and Installation. Lessee will select the type, quantity and supplier of each item of Equipment and in reliance thereon Lessor will either order such Equipment from such supplier or accept an assignment of any existing purchase order (the "Purchase Order") therefor. The Equipment so ordered shall be delivered to Lessee by the supplier thereof. Lessee shall accept such Equipment when and if delivered and placed in good repair and working order and hereby authorizes Lessor to add to this Agreement the serial number of each item of Equipment so delivered. Any delay in such delivery shall not affect the validity of this Agreement. Lessee shall have 30 days from the date of delivery to accept such Equipment and deliver an executed Equipment Acceptance Notice in the form attached hereto as Exhibit C. Notice of any defects must be given to Lessor within 30 days of delivery. In the event the Equipment is not accepted by the Lessee within 30 days from the date of delivery and such acceptance is unreasonably withheld by Lessee, Lessor, at Lessor's option, shall have the right to cancel this Agreement.

Subject to the conditions set forth in this paragraph, upon delivery of the Equipment to Lessee, payment will be made by Lessor for the balance due and owing for the Equipment, and, notwithstanding any defect in or failure of the Equipment, Lessee will, upon payment of any amount by Lessor at the request of Lessee (whether down payment, deposit, or full purchase price), become fully and completely liable under this Agreement with respect to the Equipment until such time as this Agreement expires by its terms. Lessor shall have no liability for any delay in delivery or failure by the supplier to fill the Purchase Order or meet the conditions thereof. Lessee, at its expense, will pay all taxes, duties and expenses of packing, transportation, installation, testing and other charges in connection with the delivery, installation, and use of the Equipment.

Lessor's obligation to purchase and lease-purchase Equipment under this Agreement is subject to the fulfillment, to Lessor's reasonable satisfaction, of the following conditions precedent:

(a) Lessor shall have received a full warranty bill of sale satisfactory to Lessor, executed by the supplier in favor of Lessor, covering such item of Equipment.

(b) Lessor shall have received an invoice describing such item of Equipment, all material components thereof and the purchase price payable to supplier in respect thereof.

(c) Lessor shall have received an opinion of counsel to Lessee in form and substance satisfactory to Lessor, to the effect that such counsel has examined this Agreement and such other documents and matters as he deemed necessary to reach the conclusions stated in such opinion, which conclusions shall include the following:

(i) the representations and warranties of Lessee contained in this Agreement are true and correct on the date thereof;

(ii) this Agreement has been duly authorized, executed and delivered by Lessee, and constitutes a valid and binding obligation of Lessee enforceable in accordance with its terms;

(iii) there are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal or body against Lessee which may materially affect Lessee's financial condition or operations, or which could have any effect whatsoever upon the validity, performance, or enforceability of this Agreement;

(iv) the interest portion of the rental payments due hereunder is exempt from federal income taxation pursuant to Paragraph 103(a) of the Internal Revenue Code of 1986, as amended, and the Treasury regulations and rulings thereunder (the "Code");

(v) The Lessee is a fully constituted political subdivision or agency of the State where the Equipment is located as set forth herein and is authorized by the Constitution and laws of the State of Mississippi (the "State") and its own internal or administrative procedure to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder; and

(vi) such other matters as Lessor may reasonably request.

(d) On the date thereof, no default (as defined in Paragraph 23 hereof), and no event which with notice or lapse of time, or both, would become a default, shall have occurred and be continuing hereunder.

(e) All representations and warranties of Lessee made herein shall be true and correct in all material respects on the date thereof.

(f) A financing statement, in form and substance satisfactory to Lessor, in respect of such Equipment shall have been executed and filed in the appropriate offices.

(g) Lessor shall have received from Lessee written notice of acceptance of the Equipment.

(h) Lessor shall have received all other documents, instruments, certificates, opinions, and evidences as Lessor may reasonably request.

6. Representations and Warranties of Lessee. Lessee represents, warrants and covenants to Lessor that:

(a) Lessee has been duly authorized by all necessary action on the part of the Lessee, its governing body or other appropriate governing bodies and officials to execute, deliver, and perform the terms of this Agreement and further represents that all requirements and procedures have occurred that are necessary to ensure the enforceability of this Agreement, including Lessee's compliance with any applicable public bidding requirements.

(b) This Agreement constitutes a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms and does not contravene any lease, indenture, credit agreement or other agreement to which Lessee is a party or by which it is bound.

(c) There are no pending or threatened actions or proceedings before any court, administrative agency or other body which may materially affect Lessee's financial condition or operations or which could have any effect whatsoever upon the validity, performance, or enforceability of the terms of this Agreement.

(d) No consent, approval, or authorization of, registration with, or declaration to any agency or authority is required in connection with the execution and delivery of this Agreement.

(e) Lessee is not in default (nor has any event occurred which, with notice or lapse of time, or both, would constitute a default) under any agreement or instrument to which Lessee is a party or under which Lessee or any of its assets is bound which could have any effect whatsoever upon the validity, performance, or enforceability of the terms of this Agreement.

(f) There are no outstanding or unpaid judgments against Lessee.



(g) Lessee has furnished to Lessor a copy of current financial statements and except for transactions directly related to, or specifically contemplated by, this Agreement and transactions heretofore disclosed in writing to Lessor, since the dates of such financial statements, there have been no changes in the financial condition and operations of Lessee from that shown in such financial statements through the date hereof which would have any effect whatsoever upon the validity, performance, or enforceability of the terms of this Agreement and there is no significant material fact or condition relating to the financial condition or business operations of Lessee which has not been related, in writing, to Lessor. Lessee shall furnish to Lessor within 90 days of the close of its fiscal year during the term of this Agreement audited financial statements and such other financial statements as the Lessor may request from time to time during the terms of this Agreement. Any financial statements furnished or to be furnished to Lessor by Lessee (whether audited or unaudited) shall be prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial condition and results of operations of Lessee at the dates and for the periods indicated therein.

(h) Lessee is not leasing the Equipment for the purpose of putting, and does not intend to put, the Equipment to any consumer use within the meaning of any applicable truth-in-lending or similar laws.

(i) Lessee acknowledges and agrees that the rental payments have been calculated by Lessor assuming that the interest portion of each rental payment is exempt from federal income taxation. Lessee will do or refrain from doing all things necessary or appropriate to insure that the interest portion of the rental payment is exempt from federal income taxation, including, but not limited to, executing and filing all information statements required by Paragraph 149(e) of the Code and timely paying, to the extent of available funds, amounts, if any, required to be rebated to the United States pursuant to Paragraph 148(f) of the Code.

Lessee acknowledges that the representations, covenants and warranties set forth in Paragraph 6(i) and 7 shall survive the expiration of this Agreement and that Lessor may pursue any applicable remedies for the breach of such representations, covenants and warranties at any time.

7. Tax Exemption. Lessee acknowledges that Lessor has agreed to enter into this Agreement on the condition that a certain exemption from non-deductibility of interest expense under Section 265(b) of the Code is available. Said exception is subject to certain conditions relating to Lessee's use of the Equipment and to Lessee's issuance of tax-exempt obligations. In that regard, Lessee represents, covenants and warrants that:

(a) The Equipment will not be used, directly or indirectly in a trade or business carried on by any person other than a governmental unit, except for such use as a member of the general public.

(b) No portion of the rental payments payable hereunder: (i) will be secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property; or (ii) will be derived from payments, whether or not to Lessee, in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

(c) No portion of the gross proceeds of the Agreement will be used (directly or indirectly) to make or finance loans to persons other than governmental units.

(d) The Agreement is hereby designated as a qualified tax-exempt obligation for the purposes of Section 265(b) of the Code.

(e) Lessee reasonably anticipates that the amount of qualified tax-exempt obligations to be issued by Lessee (together with qualified tax-exempt obligations issued by any entity from which Lessee derives its issuing authority or any entity which has substantial control over Lessee or any subordinate entity deriving its issuing authority from Lessee or any subordinate entity subject to substantial control by Lessee) during the current calendar year shall not exceed \$10,000,000.

8. Title; Personal Property; Encumbrances. Upon acceptance of the Equipment covered by an Equipment Schedule hereto by Lessee hereunder and satisfaction of all conditions precedent for purchase and lease-purchase of such Equipment by Lessor as provided in Paragraph 5 hereof, title to such Equipment and any and all additions, repairs, replacements or modifications will vest in Lessee and for purposes of laws governing taxation and conditional sales, title to the Equipment shall be deemed to be in Lessee; provided, however, that (i) in the event of termination of this Agreement or of an Equipment Schedule which covers such Equipment in accordance with Paragraph 4 hereof, or (ii) upon the occurrence of an Event of Default hereunder, and as long as such event of Default is continuing, title will, upon written notice from Lessor to Lessee, immediately vest in Lessor or its assignee.

Each item of the Equipment subject to this Agreement is and shall remain personal property and shall not be deemed to be affixed to or a part of the real estate on which it is situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real property or any building thereon. Lessor may at any time and from time to time require Lessee to obtain, and Lessee shall obtain and deliver to Lessor, a waiver of any interest in the Equipment by any present or future landlord, owner, or mortgagee of such real estate.

Lessee agrees to keep each item of Equipment at all times free and clear from all claims, levies, liens, and process other than those in favor of Lessor pursuant to this Agreement. Lessee will not attempt to sell, assign, transfer, sublease, loan, part with possession of, conceal, mortgage, encumber, or otherwise dispose of any of the Equipment or the interest therein, or permit any lien, attachment, levy or execution of any of its creditors to become effective thereon (if any such lien, charge, claim or encumbrance should arise at any time, Lessee shall promptly, at its own expense, take such action as may be necessary to duly discharge same) ; provided, however, Lessee may deliver possession of any item of Equipment to the manufacturer or supplier thereof for testing or other similar purposes or to any person or company for service, repair, maintenance, or overhaul work on such item of Equipment or for alterations or modifications or additions to such item of Equipment to the extent required or permitted by any provision of this Agreement. Lessee, at its expense, will protect and defend title to the Equipment.

9. Location. The Equipment shall be delivered to the location specified in the applicable Equipment Schedule and shall not be removed from such location without the prior

written consent of Lessor.

10. Use; Repairs. Lessee shall use the Equipment in a careful manner and shall comply with all laws, ordinances and regulations relating to, and shall pay all costs, claims, damages, fees and charges arising out of its possession, use or maintenance. Lessee, at its expense, shall keep the Equipment in good repair and furnish all parts, mechanisms and devices required therefor.

11. Taxes. Lessee agrees to pay, promptly when due, all assessments, license and registration fees, taxes (including sales, use, excise, personal property, ad valorem, stamp, documentary and other taxes) and all other governmental charges, fees, fines or penalties whatsoever, whether payable by Lessor or Lessee, on or relating to the Equipment, or the purchase, ownership, possession, leasing, operation, use or disposition thereof, and on or relating to this Agreement for the rent or other payments hereunder (excluding taxes on or measured by the net income of Lessor and excluding any sales or use tax payable to the supplier or manufacturer or the State of Mississippi by the Lessor on the acquisition of the Equipment and for which a credit is allowable under Section 27-65-23 of the Mississippi Code of 1972, as amended, against sales taxes collected by the Lessor from the Lessee on the periodic rental payments) and to prepare and file promptly with the appropriate office any and all returns required to be filed with respect thereto (sending copies thereof to Lessor) or, if requested by Lessor, to notify Lessor of such requirement and furnish Lessor with all information required by Lessor so that it may effect such filing. If Lessee fails to pay said charges and taxes when due, Lessor shall have the right, but shall not be obligated, to pay said charges and taxes. If Lessor pays any taxes, assessments, fees, or other governmental charges for which Lessee is responsible or liable pursuant to the foregoing, Lessee shall reimburse Lessor therefor within 5 days after demand by Lessor. All amounts under this paragraph (other than interest) payable to Lessor shall be computed on an "after tax" basis so that such payments shall be in an amount which, when reduced by the increase in the income tax liability or liabilities of Lessor, if any, as a result of such payment by Lessee, shall equal the after-tax cost of the tax, assessment, fee or other governmental charge paid by the Lessor.

12. Exemption from Federal Taxation. The Lessor has entered into this Agreement contemplating that the interest portion of rental payments will be exempt from income taxation. In the event any governmental taxing authority successfully imposes tax treatment, under this Agreement or any other lease of the Lessor which, in the opinion of Lessor's counsel, will be determinative of the tax treatment under this Agreement, which differs from the tax treatment contemplated to be taken by the Lessor hereto at the inception of this Agreement or which effectively denies to the Lessor the use or benefit of such tax treatment as contemplated, (including, but not limited to, the taxability of the interest portion of the rental payments caused by the non-applicability of Code Section 103(a) or the denial under Code Section 265(b), of a deduction for a portion of interest expense of Lessor, the affiliated group (as defined in Code Section 1504(a) of which Lessor is a member, or any separate member of the affiliated group of which Lessor is a member) then Lessee agrees to pay rents with an interest factor equal to the maximum rate of interest which, under applicable law, Lessor is permitted to charge, retroactively from the effective date of imposition of the change of tax treatment through the term of this Agreement during which the change of tax treatment is imposed, with credit being given for rental payments having already been made by Lessee during the period for which the change is imposed, and subsequently thereto, as rental payments would otherwise become due,

until the end of the lease term. Any retroactive payments of rent under this paragraph shall be due and payable at the date that Lessor gives notice to Lessee of imposition of the change of tax treatment.

Lessee agrees to pay its pro-rata share of attorney's fees that may reasonably be incurred by Lessor in the event legal action or administrative action is taken by the Lessor to secure the tax treatment intended to be taken by Lessor under this Agreement or any other lease which in the opinion of Lessor's counsel will be determinative of the tax treatment under this Agreement whether such action is successful or not. Lessee's pro-rata share shall be determined by the percentage that the Lessor's original cost of the Equipment bears to the total original cost of leased equipment for all other similar leases of the Lessor involving similar issues of fact or law. In the event the Lessor is successful in securing the tax treatment intended to be taken by Lessor, Lessor shall refund to Lessee the total amount of increased interest (as hereinabove provided) which has been paid by Lessee and rental payments for the remainder of the lease term shall be the original rentals as specified in the Equipment Schedules.

13. Use of Equipment; Inspections. Lessee may possess and use the Equipment in accordance with this Agreement, provided that any such use is in conformity with all applicable laws, regulations, ordinances, any insurance policies and any warranties of the manufacturer or supplier with respect to the Equipment. Lessee will not use or operate any item of Equipment other than in a manner and for the use contemplated by the manufacturer or supplier thereof, or permit any person other than the Lessee's authorized agents or employees to operate the Equipment.

Lessor or Lessor's agent shall have the right upon reasonable prior notice to the Lessee and during the Lessee's regular business hours to inspect the Equipment at the premises of the Lessee or wherever the Equipment may be located. Lessee shall promptly notify Lessor of all details arising out of any change in location of the Equipment, any alleged encumbrances thereon, any accident allegedly resulting from the use or operation thereof, or any materially defective, improper or malfunctioning item of Equipment and any claim or demand involving or relating thereto.

14. Acceptance. Lessee acknowledges and agrees that:

(a) each item of the Equipment is of a size, design, capacity and manufacture selected by Lessee;

(b) Lessee is satisfied that the Equipment, and each component thereof, is suitable for its purpose;

(c) Lessor is not the manufacturer of the Equipment nor a dealer in property of such kind;

(d) Lessor shall have no obligation to accept any item of the Equipment from any seller thereof until that item of Equipment is accepted by Lessee; and

(e) the foregoing notwithstanding, Lessee shall indemnify Lessor and hold Lessor

harmless from and against any and all losses and liabilities which may arise from Lessee's failure for any reason to accept any item of the Equipment.

15. Maintenance. Lessee will pay for and provide all utilities consumed by or required for the Equipment or use thereof, including, but not limited to, water, gas, electrical power, oil, gasoline, and lubricants. Lessee, at its sole expense, at all times during the term of this Agreement, shall maintain the Equipment and all additions, attachments and accessions thereto in good operating order, repair, condition, and appearance, and keep the same protected from the elements, ordinary wear and tear resulting from authorized use thereof alone excepted and shall make all necessary repairs and replacements to the Equipment. If the manufacturer of the Equipment has provided Lessee with a standard maintenance schedule, such schedule will constitute minimum maintenance compliance and Lessee upon request, will furnish Lessor with satisfactory evidence of such compliance. In furtherance of the maintenance of the Equipment, Lessee agrees, if requested by Lessor, to enter into and maintain in force a Maintenance Agreement with the manufacturer or a person (who may be a supplier) approved by the manufacturer providing for the maintenance of the Equipment (or specified items of Equipment). In the event Lessee is requested to enter into such a Maintenance Agreement, Lessee agrees to do all things within its power to cause such Maintenance Agreement to be complied with in all respects by Lessee, and the other party thereto; and Lessor hereby authorizes such other party thereto to accept the direction of Lessee in respect to such Maintenance Agreement. All maintenance and service charges, whether pursuant to such Maintenance Agreement or otherwise, shall be borne by Lessee.

16. Alterations and Repairs. Lessee shall not, without the prior written consent of Lessor (which may be withheld with or without cause), make any repair or alteration to or install any accessory, equipment, or device on the Equipment or any component thereof which interferes with the normal and satisfactory operation or maintenance thereof, or creates a safety hazard, or which might result in the creation of mechanic's or materialman's lien with respect thereto. All parts and attachments (whether new or replaced) at any time installed in or affixed to the Equipment shall constitute accessions thereto and shall be the property of Lessor (except items which are furnished or affixed by Lessee and may be removed without in any way affecting or impairing the original intended function or use of the Equipment or any component thereof and are readily removable by Lessee without causing material damage to the Equipment).

17. Disclaimer of Warranties; Exclusion of Liability. LESSOR, NOT BEING THE MANUFACTURER OF THE EQUIPMENT NOR THE MANUFACTURER'S AGENT, MAKES NO EXPRESS OR IMPLIED WARRANTY OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT, INCLUDING BUT NOT LIMITED TO; THE MERCHANTABILITY OF THE EQUIPMENT OR ITS FITNESS FOR ANY PARTICULAR PURPOSE; THE DESIGN OR CONDITION OF THE EQUIPMENT; THE QUALITY OR CAPACITY OF THE EQUIPMENT; THE PERFORMANCE OF THE EQUIPMENT; THE WORKMANSHIP OR MATERIAL IN THE EQUIPMENT; COMPLIANCE OF THE EQUIPMENT WITH THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO; PATENT INFRINGEMENT; OR LATENT DEFECTS. AS TO LESSEE, LESSOR LEASES THE EQUIPMENT "AS IS." Lessor shall have no obligation to accept any item of Equipment from any supplier thereof until that item of Equipment is accepted by Lessee. Lessor hereby assigns to Lessee, for and during the term of this Lease, applicable factory warranties, if any, express or implied, issued with respect to the

Equipment and each component thereof, and Lessee will be subrogated to Lessor's claims, if any, against the manufacturer or supplier of the Equipment for breach of any warranty or representation with respect thereto. Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties and guarantees at Lessee's expense. Lessor authorizes Lessee to enforce in its own name any warranty, representation or other claim enforceable against the manufacturer. Lessor assumes no responsibility for shipment, delivery, installation or maintenance and all claims of Lessee with respect thereto, whether for delay, damage or otherwise, shall be made against supplier. Lessor, at its option, may provide in its Purchase Order that supplier agrees that any of such claims may be made by Lessee directly against suppliers. The obligation of Lessee to pay the rental payments shall not be abated, impaired or reduced by reason of any claims of the Lessee with respect to Equipment condition, quality, workmanship, delivery, shipment, installation, defects or otherwise. Notwithstanding the foregoing, Lessee's obligations to pay the rentals or otherwise under this Lease shall be and are absolute and unconditional. All proceeds of any such warranty recovery from the manufacturer or supplier of the Equipment shall be first used to repair the affected Equipment. In no event shall Lessor be liable to Lessee for loss of anticipatory profits or any other direct, indirect, special or consequential damages.

18. Risk of Loss. All risk of loss, theft, damage or destruction to each item of Equipment shall be borne by Lessee. No such loss, theft, damage or destruction of the Equipment, in whole or in part, shall impair the obligations of Lessee under this Agreement, all of which shall continue in full force and effect, and Lessee, at Lessor's option, shall either:

(a) place the affected Equipment in good repair, condition and working order;

(b) replace the same with like Equipment in good repair, condition and working order (with documentation establishing clear title therein in Lessor); or

(c) pay to Lessor an amount equal to the purchase option price as prescribed in Paragraph 21 hereof, less the net amount of the recovery, if any, actually received by Lessor from insurance or otherwise for such loss, theft, damage or destruction.

19. Insurance. Lessee shall keep the Equipment insured against loss, theft, damage or destruction from every cause whatsoever for not less than full replacement value thereof, and shall carry public liability and property damage insurance covering the Equipment and its use with companies approved by the Lessor. All such insurance shall be in the joint names of Lessor and Lessee, with Lessor and Lessee named as loss payees, as their interests may appear, shall provide that Lessor shall receive not less than 30 days' notice of any termination, cancellation or alteration of the terms thereof and that the coverage afforded Lessor shall not be rescinded, impaired or invalidated by any act or neglect of Lessee, and otherwise shall be in form and amount and with companies approved by Lessor. Lessee shall pay the premiums therefor and delivery said policies, or duplicates thereof or certificates of coverage thereunder, to Lessor. The proceeds of hazard insurance shall, at the option of Lessor, be applied toward the repair or replacement of the Equipment or the payment of the obligations of Lessee hereunder, as set forth in Paragraph 18. The proceeds of any public liability or property damage insurance shall be payable first to Lessor to the extent of its liability, if any, and the balance to Lessee. Lessee hereby appoints Lessor as Lessee's attorney-in-fact to make claim for, receive payment of, and execute or endorse all documents, checks or drafts for loss or damage under any such policy.

20. License and Taxes. In addition to other payments to be made pursuant to this Agreement, Lessee shall pay Lessor, as additional payment, on demand, an amount equal to, all license, assessments, sales, use, real or personal property, gross receipts or other assessments, taxes, levies, imposts, duties and charges, if any together with any penalties, fines or interest thereon imposed against or on Lessor, Lessee or the Equipment by any governmental authority upon or with respect to the Equipment or the purchase, ownership, possession, operation, return or sale of, or receipt of payments for, the Equipment, except any Federal or state income taxes, if any, payable by Lessor. Lessee may contest any such taxes prior to payment provided such contest does not involve any risk of sale, forfeiture or loss of the Equipment or any interest therein.

21. Prepayment Purchase. At the end of the lease term for Equipment covered by an Equipment Schedule, provided all rental payments have been made under such Equipment Schedule and there is no default or event which with the giving of notice or lapse of time, or both, could become a default under the Agreement, any interest of Lessor to the Equipment subject to such Equipment Schedule shall be transferred to the Lessee or released. Provided all rental payments under this Agreement are paid to date, Lessee may prepay for Equipment under an Equipment Schedule and purchase the interest of Lessor in the Equipment at the end of any month during the lease term by payment of:

(a) the outstanding principal balance due under the Amortization Schedule attached to the applicable Equipment Schedule (or any substitute amortization schedule in effect in accordance with Paragraph 12) plus accrued interest to date;

(b) the cost of any required inspections, examinations, or certifications of the Equipment; and

(c) the cost of any repairs, modifications, or adjustments required as a result of the inspections, examinations, or certifications referred to in (b) above.

Such option shall be exercisable by written notice to Lessor not less than 30 days prior to the prepayment purchase date. The closing shall be held on the specified prepayment purchase date, or on the next following business day if such day is a Saturday, Sunday or legal holiday, at the Principal Offices of Lessor, at which time Lessor shall deliver to Lessee a release of any interest of the Lessor in the Equipment subject to such Equipment Schedule to Lessee. Upon payment in full of all amounts due with respect to all Equipment identified in a particular Equipment Schedule and release of any interest by the Lessor of its interest in such Equipment to the Lessee, this Agreement shall terminate with respect to such Equipment for which payment has been made in full (but shall remain in force with respect to any other Equipment identified in another Equipment Schedule for which payment in full has not been made.)

22. Security Interest. To secure all of its obligations hereunder Lessee grants to Lessor a first and prior security interest in any and all right and interest of Lessee in the Equipment, the Agreement and payments due under this Agreement, agrees that this Agreement may be filed as a financing statement evidencing such security interest, and agrees to execute and deliver all financing statements and other instruments necessary or appropriate to evidence such security interest. Lessee further agrees that the Uniform Commercial Code of the State of Mississippi shall apply as between the parties hereto and assignees of Lessor.

23. Default. The Lessee shall be in default under this Agreement upon the occurrence of any of the following events:

(a) nonpayment when due or within 6 days thereafter of any installment of rent or other sum owing hereunder;

(b) breach of any other covenant or agreement in this Agreement and the continuance of such breach for a period of 10 consecutive days following Lessee's receipt of written notice thereof from Lessor;

(c) if any representation or warranty made by Lessee or by any agent or representative of Lessee herein or in any document or certificate furnished Lessor in connection herewith or pursuant hereto proves to be incorrect at any time in any material respect;

(d) if Lessee shall dissolve or become insolvent or bankrupt, commit any act of bankruptcy, make any assignment for the benefit of, or enter into an arrangement or composition with creditors, suspend or terminate the transaction of its usual business or consent to the appointment of a trustee or receiver or if a trustee or receiver shall be appointed for Lessee or for a substantial part of its property, or if bankruptcy, reorganization arrangements or similar proceedings shall be instituted by or against Lessee;

(e) if any order, judgment or decree shall be entered against Lessee by a court of competent jurisdiction and such order, judgment or decree shall continue unpaid or unsatisfied for any period in excess of 60 consecutive days without a stay of execution, or if a writ or order of attachment, execution or other legal process shall be issued in connection with any action or proceeding against Lessee or its property whereby any of the Equipment or any substantial part of Lessee's property may be taken or restrained;

(f) if Lessee shall default in the performance of any obligation or in the payment of any sum due to the Lessor under any other lease, contract, agreement, arrangement or understanding;

(g) if any indebtedness of Lessee for borrowed money shall become due and payable by acceleration of the maturity date thereof; or

(h) if Lessor, in the exercise of reasonable judgment, shall determine that Lessee is generally not paying its debts as such debts become due. In addition, Lessee shall give Lessor 5 days' written notice prior to the filing of any voluntary petition of bankruptcy, written notice upon commencement of an involuntary bankruptcy proceeding, or written notice prior to taking any action with respect to the Equipment in bankruptcy proceedings, and shall include in said written notice the venue of the anticipated proceedings and a copy of any relevant pleadings with respect thereto. Failure to give said written notice within the time as specified shall constitute an event of default hereunder and shall cause an immediate termination of this Agreement as to all items of Equipment. Said default and termination, however, shall not constitute an election of remedies and Lessor shall retain its rights to such other remedies as may be set forth in this Agreement.



24. Remedies. Upon the occurrence of any event of default and at any time thereafter, Lessor, acting alone and/or through its agents, may, without any further notice, exercise one or more of the following remedies as Lessor in its sole discretion shall elect:

(a) declare the unpaid principal balance plus accrued interest to date under this Agreement to be immediately due and payable without notice or demand;

(b) terminate this Agreement as to any or all items of Equipment;

(c) without notice, demand, liability or legal process, enter into any premises of or under control or jurisdiction of Lessee or any agent of Lessee where the leased Equipment may be, or is believed to be by Lessor, and repossess all or any item thereof, disconnecting and separating all or so much thereof as may be required to disconnect or separate same from any other property, Lessee hereby expressly waiving all further rights to possession of the Equipment and all claims for injuries suffered through or loss caused by such repossession;

(d) cause Lessee, at its expense, promptly to return the Equipment to Lessor, at such place as Lessor may designate, in the condition set forth above;

(e) use, hold, sell, lease or otherwise dispose of the Equipment or any item thereof on the premises of Lessee or at any other location without affecting the obligations of Lessee as provided in this Agreement;

(f) sell or lease the Equipment or any part thereof, at public auction or by private sale or lease at such time or times and upon such terms as Lessor may determine, free and clear of any rights of Lessee, and, if notice thereof is required by law, any notice in writing of any such sale or lease by Lessor to Lessee not less than 10 days prior to the date thereof shall constitute reasonable notice thereof;

(g) proceed by appropriate action either at law or in equity to enforce performance by Lessee of the applicable covenants of this Agreement or to recover damages for the breach thereof; or

(h) exercise any and all rights accruing to Lessor under any applicable law upon a default by Lessee. In addition, Lessor shall be entitled to recover immediately as liquidated damages for the loss of a bargain and not as a penalty, a sum equal to the aggregate of the following:

(i) all unpaid rent or other sums which are due and payable up to the date the Equipment is returned to or repossessed by Lessor,

(ii) any expense paid or incurred by Lessor in connection with the repossession, holding, repair and subsequent sale, lease or other disposition of the Equipment, including attorneys' fees and legal expenses, and

(iii) the purchase option price as prescribed in Paragraph 21 hereof, less the net amount of the recovery, if any, actually received by Lessor from insurance or otherwise.

Additionally, the measure of liquidated damages as set forth hereinabove shall be applicable to fix the damages accruing for the unexpired portion of the lease term if this Agreement is not assumed by the Lessee in a bankruptcy proceeding. Should Lessor, however, estimate its actual damages to exceed the foregoing, Lessor may, at its option, recover its actual damages in lieu of or in addition thereto.

None of the remedies of Lessor under this Agreement are intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to herein or otherwise available to Lessor at law or in equity. Lessee agrees to pay Lessor all attorneys' fees and all costs and expenses incurred by Lessor in connection with the enforcement of the terms of the Agreement or any right or remedy hereunder. Any repossession or subsequent sale or lease by the Lessor of any item of Equipment shall not bar an action for a deficiency as herein provided and the bringing of an action or the entry of a judgment against the Lessee shall not bar the Lessor's right to repossess any or all items of Equipment. Lessee waives any and all rights to notice and to a judicial hearing with respect to the repossession of the Equipment by Lessor in the event of a default hereunder by Lessee.

25. Reports. Lessee shall:

(a) immediately notify Lessor of any materially defective, improper, or malfunctioning item of Equipment, the nature of the defect or malfunction, the name and address of the manufacturer of the item of Equipment, and such other information as may be known;

(b) promptly advise Lessor of all correspondence, papers, notices, and documents whatsoever received by Lessee in connection with any claim or demand involving or relating to materially improper manufacturing, operation, use, or functioning of any item of Equipment or charging Lessor or Lessee with liability, and aid in the investigation and defense of all such claims and in the recovery of damages from third persons liable therefore;

(c) notify Lessor in writing within 10 days after any day on which any tax lien shall attach to any item of Equipment; and

(d) reimburse Lessor, upon demand, for all attorneys' fees, court costs, and other fees, costs, and expenses incurred by Lessor in connection with the foregoing.

26. Further Assurances. Lessee will promptly execute and deliver to Lessor such further documents and take such further action as Lessor may reasonably request in order to more effectively carry out the intent and purposes hereof.

27. Lessee's Obligations Unconditional. Lessee hereby agrees that Lessee's obligation to pay all rent and other amounts owing hereunder shall be absolute and unconditional under all circumstances. This Agreement may not be cancelled or terminated except as expressly provided herein.

28. Relationship of Parties. The relationship of Lessor and Lessee is that of Lessor and Lessee only, and nothing contained herein shall be deemed or construed by Lessor and Lessee, or by any third party, or by any court, as creating the relationships of employer and employee,

principal and agent, partnership, or joint venture.

29. Notices. All notices, demands and requests which may or are required to be given to another party hereunder shall be in writing, and each shall be deemed to have been properly given when served personally on an executive officer of the party to whom such notice is to be given, or when sent postage prepaid by first class mail, registered or certified, return receipt requested, by deposit thereof in a duly constituted United States Post Office or branch thereof located in one of the states of the United States of America in a sealed envelope addressed as follows:

If to the Lessor:

BancorpSouth Equipment Finance  
division of BancorpSouth Bank  
12 Thompson Park  
Hattiesburg, MS 39401

If to the Lessee:

City of Diamondhead, Mississippi  
500 Diamondhead Circle  
Diamondhead, MS 39525

A duplicate copy of each notice, certificate or other communication given under this Agreement to any party thereunder shall also be given to any other parties indicated in this Paragraph. The Lessor and Lessee, by notice given hereunder, designate any further or different addresses and to which subsequent notices, certificates or other communications shall be sent.

30. Consents. The consent or approval by any party to or of any act by the other party requiring such consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act. No custom or practice of the parties shall constitute a waiver of any party's rights to insist upon strict compliance with the terms hereof.

31. Entirety of Agreement. This Agreement contains the entire agreement between Lessor and Lessee, and supersedes all prior agreements and understandings relating to the subject matter hereof. No other agreement shall be effective to change, modify, or terminate this Agreement in whole or in part unless such agreement is in writing and duly signed by the party against whom enforcement of such change, modification, or termination is sought. No representations, inducements, promises, or agreements, oral or otherwise, which are not embodied herein shall be of any force or effect.

32. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original for all purposes, and all of which shall constitute, collectively, one agreement, but, in making proof hereof, it shall never be necessary to exhibit more than one such counterpart.

33. Amendments and Addendums. This Agreement may be amended or any of its terms modified only by written consent of Lessee and Lessor or its assignee.

In the event Lessee desires to buy other equipment, the parties may execute an addendum to this Agreement with respect to such other equipment by (i) executing a Purchase Order for such equipment; (ii) executing an acceptance certificate of the equipment; and (iii) obtaining new opinions and other supporting documentation as required or permitted by this Agreement. For purposes of construing subsequent transactions concerning other equipment as an integrated contract, the following shall be considered a single transaction or legal and binding agreement:

(a) This Agreement, which provides basic terms and conditions;

(b) An executed Purchase Order and acceptance certificate; and

(c) Schedules, exhibits, and other attachments to such documents that pertain to the equipment described in the delivery order, and supporting documentation such as, e.g., opinions of counsel and insurance certificates.

34. Severability Provisions. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of each such illegal, invalid, or unenforceable provision there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

35. Persons Bound by Agreement. The conditions, terms, provisions, and covenants contained in this Agreement shall apply to, inure to the benefit of, and be binding upon Lessee, and its successors, assigns, agents, and servants. The Lessee has no interest in the Equipment other than the possession and use thereof during the lease term and cannot pledge, mortgage, or grant a security interest in the Equipment or any item of Equipment. The conditions, terms, provisions, and covenants contained in this Agreement shall apply to, inure to the benefit of, and be binding upon Lessor, and its successors, assigns, agents, and servants, and, where the context so requires, any person accepting an assignment of the rights of Lessor hereunder, and their respective successors, assigns, agents, and servants, and with respect to any indemnification provisions hereof, Lessor and any holder of obligations of Lessor issued in connection with this Agreement, and their respective successors, assigns, agents, and servants, shall each be entitled to indemnification hereunder without regard to the actions of any other person hereunder.

36. Assignment. (a) Without Lessor's prior consent, Lessee shall not either (i) assign, transfer, pledge, hypothecate, grant any security interest in or otherwise dispose of this Agreement or the Equipment or any interest in this Agreement or said Equipment, or (ii) lease or lend the Equipment or permit it to be used by anyone other than Lessee or Lessee's employees. Lessor may, without the consent of Lessee, assign its rights, title and interest in and to this

Agreement, and all attachments hereto including the Purchase Order(s), to various assignee/investors or their agents or trustees, and/or grant or assign a security interest in this Agreement or the Equipment, in whole or in part and its assignee may reassign this Agreement. Lessee agrees that this Agreement may become a part of a pool of contract obligations at Lessor's option, and Lessor or its assignees may assign or further assign either the entire pool or a fractionalized interest therein. Each such assignee shall have all of the rights of Lessor under this Agreement. Lessee shall recognize and acknowledge each such assignment and/or security interest. Subject to the foregoing, this Agreement inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assignees of the parties hereto.

(b) This Agreement and any interest herein may be transferred only through a book entry system as prescribed by Section 149(a) of the Code, as the same may be amended from time to time. During the term of this Agreement, Lessee shall keep a complete and accurate record of all assignments and other transfers in form and substance necessary to comply with Section 149(a) of the Code. Upon assignment of Lessor's interest herein, Lessor will cause written notice of such assignment to be sent to Lessee and, upon receipt of such notice of assignment, Lessee shall: (i) acknowledge the same in writing to Lessor; and (ii) record the assignment in Lessee's "book entry system" as that term is defined in Section 149(a) of the Code. No further action will be required by Lessor or by Lessee to evidence the assignment. No such assignment shall become effective without recordation of the assignment in said "book entry system."

37. Waivers; Cumulative Rights. No waiver by Lessor of any default shall be deemed to be a waiver of any other then existing or subsequent default, nor shall any such waiver by Lessor be deemed to be a continuing waiver. No delay or omission by Lessor in exercising any right, power, privilege, or remedy hereunder, or at law or in equity, or otherwise shall impair any such right, or be construed as a waiver thereof or any acquiescence therein, nor shall any single or partial exercise of any right preclude other or further exercise thereof, or the exercise of any other right. All rights shall be cumulative of and in addition to all other rights, and may be exercised from time to time, and as often as may be deemed expedient by Lessor.

38. Governing Law. The substantive laws of the State of Mississippi shall govern the validity, construction, enforcement, and interpretation of this Agreement, the rights and remedies of the parties hereunder, and the ownership rights in and to the Equipment.

39. Right to Perform Covenants. If Lessee shall fail to make any payment or perform any act required to be made or performed by Lessee hereunder, Lessor, without waiving or releasing any obligation or default on the part of Lessee, may (but will be under no obligation to) at any time thereafter make such payment or perform such act for the account and at the expense of Lessee, and may take all such action as may be necessary therefore. All sums so paid by Lessor and all expenses (including, without limitation, reasonable attorneys' fees) so incurred, together with interest thereon from the date of payment or incurring at the highest rate permitted by applicable law, will be paid by Lessee to Lessor on demand.

40. Survival. Lessee's obligations contained in this Agreement shall survive the termination or cancellation of this Agreement or the expiration of the term of any schedule.

41. Special Stipulations. Any amendment to standard language will be set forth in

Exhibit A attached hereto ("Special Stipulations").

42. Maximum Interest Rate. Nothing contained in this Agreement shall require the Lessee to pay interest at a rate exceeding the Maximum Permissible Rate. If the amount of interest payable to the Lessor for any period would otherwise exceed the Maximum Permissible Amount for such period, such amount shall be automatically reduced to the Maximum Permissible Amount for such period, and the amount of interest payable to the Lessor for any subsequent period, to the extent less than the Maximum Permissible Amount for such subsequent period, shall, to the extent, be increased by the amount of such reduction. The Lessee shall give the Lessor notice of any law or change in law that may result in such reduction or increase promptly after becoming aware of such law or change. "Maximum Permissible Amount" means, with respect to interest on any amount for any period, the maximum amount of interest that can be payable with respect to such amount for such period without causing the rate of interest on such amount for such period to exceed the Maximum Permissible Rate. "Maximum Permissible Rate" means the rate of interest on an amount that if exceeded could, under law, result in civil or criminal penalty being imposed on the Lessor or result in the Lessor's being unable to enforce payment or repayment of all or part of the rental payments due under this Agreement, including portions allocable to interest due or to become due on such amount.

43. Effective Date. This Agreement shall become effective upon execution by all of the parties hereto.

The parties have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

LESSOR:

LESSEE:

BancorpSouth Equipment Finance, a division  
of BancorpSouth Bank

City of Diamondhead, Mississippi

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

110122 71006-001

**SPECIAL STIPULATIONS**

**LESSOR:** BancorpSouth Equipment Finance,  
a division of BancorpSouth Bank  
12 Thompson Park  
Hattiesburg, MS 39401

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**LESSEE:** City of Diamondhead, Mississippi  
500 Diamondhead Circle  
Diamondhead, MS 39525

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

--NONE--

110122 71006-001

### EQUIPMENT LEASE SCHEDULE

Lease Schedule Number 001

This Lease Schedule No. 001 to the Equipment Lease-Purchase Agreement dated as of \_\_\_\_\_ (the "Agreement") between BancorpSouth Equipment Finance, a division of BancorpSouth Bank, a Mississippi Corporation (the "Lessor") and City of Diamondhead, Mississippi (the "Lessee"), acting by and through the Mayor and City Council, the Governing Body of the Lessee, is made as of this date.

1. Description of the Equipment. The quantity, item, manufacturer, and model and serial number of the Equipment subject to the Agreement are as appear on Exhibit "B-1" attached hereto and made a part hereof.

2. Location of the Equipment. The Equipment is to be located and delivered to Lessee's premises at 500 Diamondhead Circle, DIAMONDHEAD, MS 39525.

3. Original Rental Term. The term of the Agreement shall be 4 years .

4. Rental Payments. The Lessee agrees to pay the Lessor the original cost of \$21,477.00 for the Equipment hereof described in Exhibit "B-1" attached hereto, upon the terms, and at the times as provided in the Payment Amortization Schedule, attached hereto as Exhibit "B-2" and made a part hereof, with an interest rate of 2.96 percent per annum as provided thereby.

5. This Schedule and its terms and conditions are hereby incorporated by reference in the Agreement.

DATED, this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

LESSOR:

LESSEE:

BancorpSouth Equipment Finance, a division  
of BancorpSouth Bank

City of Diamondhead, Mississippi

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_



**EXHIBIT B-1**

City of Diamondhead, Mississippi

Master Lease Number: 110122

Schedule Number: 01

One (1) Kyocera TASKalfa 308ci Multi-Functional Color Copier (s/n: RNH1501617)

One (1) Kyocera TASKalfa 308ci Multi-Functional Color Copier (s/n: RNH1501615)

One (1) Kyocera TASKalfa 308ci Multi-Functional Color Copier (s/n: RNH1501588)

One (1) Kyocera TASKalfa 6053ci Multi-Functional Color Copier (s/n: TBD)

City of Diamondhead, Mississippi  
 110122 002-0071006-001

DRAFT COPY - PAYMENT DUE DATE WILL BE AMENDED AT CLOSING

Nominal Annual Rate: 2.960%

**Cash Flow Data - Leases and Lease Payments**

Event	Date	Amount	Number	Period	End Date
1 Lease	09/15/2021	21,477.00	1		
2 Lease Payment	10/15/2021	475.00	48	Monthly	09/15/2025

**TValue Amortization Schedule - Normal, 30E3/360**

	Date	Lease Payment	Interest	Principal	Balance
Lease	09/15/2021				21,477.00
1	10/15/2021	475.00	52.98	422.02	21,054.98
2	11/15/2021	475.00	51.94	423.06	20,631.92
3	12/15/2021	475.00	50.89	424.11	20,207.81
<b>2021 Totals</b>		<b>1,425.00</b>	<b>155.81</b>	<b>1,269.19</b>	
4	01/15/2022	475.00	49.85	425.15	19,782.66
5	02/15/2022	475.00	48.80	426.20	19,356.46
6	03/15/2022	475.00	47.75	427.25	18,929.21
7	04/15/2022	475.00	46.69	428.31	18,500.90
8	05/15/2022	475.00	45.64	429.36	18,071.54
9	06/15/2022	475.00	44.58	430.42	17,641.12
10	07/15/2022	475.00	43.51	431.49	17,209.63
11	08/15/2022	475.00	42.45	432.55	16,777.08
12	09/15/2022	475.00	41.38	433.62	16,343.46
13	10/15/2022	475.00	40.31	434.69	15,908.77
14	11/15/2022	475.00	39.24	435.76	15,473.01
15	12/15/2022	475.00	38.17	436.83	15,036.18
<b>2022 Totals</b>		<b>5,700.00</b>	<b>528.37</b>	<b>5,171.63</b>	
16	01/15/2023	475.00	37.09	437.91	14,598.27
17	02/15/2023	475.00	36.01	438.99	14,159.28
18	03/15/2023	475.00	34.93	440.07	13,719.21
19	04/15/2023	475.00	33.84	441.16	13,278.05
20	05/15/2023	475.00	32.75	442.25	12,835.80
21	06/15/2023	475.00	31.66	443.34	12,392.46
22	07/15/2023	475.00	30.57	444.43	11,948.03
23	08/15/2023	475.00	29.47	445.53	11,502.50
24	09/15/2023	475.00	28.37	446.63	11,055.87
25	10/15/2023	475.00	27.27	447.73	10,608.14

	Date	Lease Payment	Interest	Principal	Balance
	26 11/15/2023	475.00	26.17	448.83	10,159.31
	27 12/15/2023	475.00	25.06	449.94	9,709.37
	<b>2023 Totals</b>	<b>5,700.00</b>	<b>373.19</b>	<b>5,326.81</b>	
	28 01/15/2024	475.00	23.95	451.05	9,258.32
	29 02/15/2024	475.00	22.84	452.16	8,806.16
	30 03/15/2024	475.00	21.72	453.28	8,352.88
	31 04/15/2024	475.00	20.60	454.40	7,898.48
	32 05/15/2024	475.00	19.48	455.52	7,442.96
	33 06/15/2024	475.00	18.36	456.64	6,986.32
	34 07/15/2024	475.00	17.23	457.77	6,528.55
	35 08/15/2024	475.00	16.10	458.90	6,069.65
	36 09/15/2024	475.00	14.97	460.03	5,609.62
	37 10/15/2024	475.00	13.84	461.16	5,148.46
	38 11/15/2024	475.00	12.70	462.30	4,686.16
	39 12/15/2024	475.00	11.56	463.44	4,222.72
	<b>2024 Totals</b>	<b>5,700.00</b>	<b>213.35</b>	<b>5,486.65</b>	
	40 01/15/2025	475.00	10.42	464.58	3,758.14
	41 02/15/2025	475.00	9.27	465.73	3,292.41
	42 03/15/2025	475.00	8.12	466.88	2,825.53
	43 04/15/2025	475.00	6.97	468.03	2,357.50
	44 05/15/2025	475.00	5.82	469.18	1,888.32
	45 06/15/2025	475.00	4.66	470.34	1,417.98
	46 07/15/2025	475.00	3.50	471.50	946.48
	47 08/15/2025	475.00	2.33	472.67	473.81
	48 09/15/2025	475.00	1.19	473.81	0.00
	<b>2025 Totals</b>	<b>4,275.00</b>	<b>52.28</b>	<b>4,222.72</b>	
	<b>Grand Totals</b>	<b>22,800.00</b>	<b>1,323.00</b>	<b>21,477.00</b>	

110122 71006-001

**EQUIPMENT ACCEPTANCE NOTICE**

**TO:** BancorpSouth Equipment Finance, a division of BancorpSouth Bank

**RE:** Equipment Lease-Purchase Agreement dated as of \_\_\_\_\_ .

City of Diamondhead, Mississippi (the "Lessee"), acting by and through the Mayor and City Council, the Governing Body of the Lessee, hereby acknowledge receipt in good condition and working order of the equipment (the "Equipment") as listed on Exhibit "C-1" attached hereto and made a part hereof and further described in the invoices attached hereto and made a part hereof. The Equipment is subject to the Equipment Lease-Purchase Agreement dated as of \_\_\_\_\_ between Lessor and Lessee. Lessee certifies to Lessor that the Lessee has inspected the Equipment and that the Equipment is acceptable and approves supplier's(s') invoices for the Equipment and requests that Lessor make payment of such invoices.

Lessee further acknowledges that it selected the Equipment so received. LESSEE AGREES THAT LESSOR MADE NO REPRESENTATIONS AND WARRANTIES WHATEVER, DIRECTLY OR INDIRECTLY, EXPRESS OR IMPLIED, AS TO THE SUITABILITY, DURABILITY, FITNESS FOR USE, MERCHANTABILITY, CONDITION, QUALITY, OR OTHERWISE OF SUCH EQUIPMENT. LESSEE SPECIFICALLY WAIVES ALL RIGHT TO MAKE ANY CLAIM AGAINST LESSOR ITS ASSIGNS FOR BREACH OF ANY WARRANTY, OR TO INTERPOSE OR ASSERT ANY SUCH DEFENSE, COUNTERCLAIM OR SETOFF.

LESSEE:

City of Diamondhead, Mississippi

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT C-1**

City of Diamondhead, Mississippi

Master Lease Number: 110122

Schedule Number: 01

One (1) Kyocera TASKalfa 308ci Multi-Functional Color Copier (s/n: RNH1501617)

One (1) Kyocera TASKalfa 308ci Multi-Functional Color Copier (s/n: RNH1501615)

One (1) Kyocera TASKalfa 308ci Multi-Functional Color Copier (s/n: RNH1501588)

One (1) Kyocera TASKalfa 6053ci Multi-Functional Color Copier (s/n: TBD)

}

DISBURSEMENT REQUEST

Pursuant to that certain Municipal Lease Contract No. 002-0071006-001 dated effective \_\_\_\_\_ between City of Diamondhead, Mississippi and BANCORPSOUTH EQUIPMENT FINANCE, A DIVISION OF BANCORPSOUTH BANK, the parties hereto hereby request disbursement of funds in the amount and manner described below.

Please disburse to: Gulf Copy Systems, LLC

Amount to disburse: \$21,477.00

Form of disbursement: Wire

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

IN WITNESS WHEREOF: the parties hereto have executed this Agreement in multiple counterparts, each of which is and shall be considered an original for all intents and purposes, effective as of the date first written above.

By: City of Diamondhead, Mississippi

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

110122 71006-001

**THIS IS A FORM FOR THE COUNSEL'S OPINION FOR LEASE-PURCHASE. THIS LETTER SHOULD BE TYPED ON THE COUNSEL'S LETTERHEAD:**

BancorpSouth Equipment Finance,  
a division of BancorpSouth Bank  
12 Thompson Park  
Hattiesburg, MS 39401

Re: Lease-Purchase of Equipment by  
City of Diamondhead, Mississippi  
Schedule No. 001 to Master Lease No. 110122

Ladies and Gentlemen:

Pursuant to your request, we hereby render the following opinion regarding the Equipment Lease-Purchase Agreement (the "Agreement") between City of Diamondhead, Mississippi (the "Lessee") and the Mayor and City Council (the "Governing Body") and BancorpSouth Equipment Finance, a division of BancorpSouth Bank (the "Lessor") dated \_\_\_\_\_.

We have acted as counsel to the Lessee and the Governing Body with respect to certain legal matters pertaining to the Agreement, and to the transactions contemplated thereby. We are familiar with the Agreement and we have examined such agreements, schedules, statements, certificates, records, including minutes of the Governing Body of the Lessee and other instruments of public officials, Lessee, and other persons as we have considered necessary or proper as a basis for the opinions hereinafter stated.

Based on such examination, we are of the opinion that:

1. Lessee and the Governing Body have full power, authority and legal right to execute, deliver and perform the terms of the Agreement. The Agreement has been duly authorized by all necessary action on the part of Lessee and the Governing Body and any other governing authority and does not require the approval of, or the giving of notice to any other federal, state, local, or foreign governmental authority and does not contravene any law binding on Lessee or the Governing Body or contravene any indenture, credit agreement or other agreement to which Lessee or the Governing Body is a party or by which it is bound.
2. The Agreement has been duly authorized, executed and delivered and constitutes a valid and binding obligation of Lessee and the Governing Body enforceable in accordance with its terms.
3. All required procedures for execution of the Agreement, including competitive bidding, if applicable, have been complied with, and all rentals will be paid out of funds which are legally available for such purposes.
4. With respect to the tax-exempt status of the interest portion of rental payments under the Agreement, under present law:

(a) The Agreement is a conditional sales agreement which qualifies as an obligation for purposes of Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and Treasury Regulations and rulings hereunder.

(b) The interest portion of the rental payments under the terms of the Agreement is exempt from federal income taxation pursuant to Section 103(a) of the Code and the Treasury Regulations and rulings thereunder.

5. There are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal or body against Lessee or the Governing Body which may materially affect Lessee's or the Governing Body's financial condition or operations, or which could have any effect whatsoever upon the validity, performance or enforceability of the terms of the Agreement.

This opinion is being furnished to you in connection with the above-referenced transaction and the opinions expressed herein are for the sole benefit of, and may be relied upon by the Lessor and its assigns and are not to be delivered to or relied upon by any other party without our prior written consent.

Sincerely,



110122  
002-0071006-001

**TO BE COMPLETED BY INSURANCE AGENT**

**CERTIFICATION OF INSURANCE PROTECTION ON FINANCED EQUIPMENT**

This is to certify that the policies enumerated below have been issued to the Named Insured (Lessee).

City of Diamondhead, Mississippi  
500 Diamondhead Circle  
Diamondhead, MS 39525

Description of Property Financed to above Named Insured by Lessor named below (Lessor) includes the following:

One (1) Kyocera TASKalfa 308ci Multi-Functional Color Copier (s/n: RNH1501617) . One (1) Kyocera TASKalfa 308ci Multi-Functional Color Copier (s/n: RNH1501615) . One (1) Kyocera TASKalfa 308ci Multi-Functional Color Copier (s/n: RNH1501588) . One (1) Kyocera TASKalfa 6053ci Multi-Functional Color Copier (s/n: TBD)

Lessee shall maintain:  
ALL RISK PROPERTY INSURANCE covering all risk of physical loss to each item of equipment described above for the actual value of such item(s). Including BancorpSouth Equipment Finance, a division of BancorpSouth Bank (Lessor) as LOSS PAYEE, and an endorsement or certificate issued to Lessor stating that payment of any loss will be made to BancorpSouth Equipment Finance and the Lessee.

Policy Number \_\_\_\_\_  
Insurance Company \_\_\_\_\_  
Policy Period Effective Date \_\_\_\_\_ Expiration Date \_\_\_\_\_  
Amount of Insurance \_\_\_\_\_ Deductible (if any) 5,000 (MAX) \_\_\_\_\_

The above policy(s) will not be altered or cancelled by the insurer without ten (10) days prior written notice to: BancorpSouth Equipment Finance, a division of BancorpSouth Bank  
1222 Rogers Ave  
Fort Smith, AR 72901

This Certificate of Insurance Protection will serve as evidence of required coverage by the Lessee until certificates and/or endorsements are issued directly to BancorpSouth Equipment Finance, a division of BancorpSouth Bank. Please forward to BXSEF via email: [bxsefinfo@bxs.com](mailto:bxsefinfo@bxs.com) or fax: 800-322-1611

Name and address of AUTHORIZED REPRESENTATIVE

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(SIGNATURE OF INSURANCE REPRESENTATIVE) DATE PHONE

*BancorpSouth Equipment Finance, division of BancorpSouth Bank*

Authorization Agreement for Direct Payment (ACH Debits)

I (We) hereby authorize BancorpSouth Equipment Finance to initiate debit entries to my (our) checking account indicated below at Depository named below to debit the same to such account.

Customer Name City of Diamondhead, Mississippi

Depository Name \_\_\_\_\_ Branch \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Routing Number \_\_\_\_\_ Account Number \_\_\_\_\_

Please provide the contract number\*\*\* to which this payment will be applied:

Contract Number 002-0071006-001 Payment Amount \$ 475.00

This authorization is to remain in full force and effect until the Bank listed above or BancorpSouth Equipment Finance has received written notification from me (or either of us) of its termination in such time and in such manner as to afford the Bank and Depository a reasonable opportunity to act on it.

Name(s) \_\_\_\_\_ Signature \_\_\_\_\_  
(Please Print)

\_\_\_\_\_ Signature \_\_\_\_\_  
(Please Print)

Date \_\_\_\_\_

**\*\*\*Please note that for each contract individually, a form must be filled out and signed\*\*\***

**RESOLUTION OF THE DIAMONDHEAD CITY COUNCIL ESTABLISHING FISCAL YEAR  
 2022 COMPENSATION FOR ALL EMPLOYEES OF THE CITY OF DIAMONDHEAD,  
 MISSISSIPPI**

**WHEREAS**, the City Council is entrusted with the authority to budget annually for the salaries and hourly rates of City employees where in its official record of action shall such salaries be recorded; and

**WHEREAS**, the City Council hereby establishes FY22 salaries and hourly rates for specified positions as defined and authorizes same to be expended accordingly; and

**WHEREAS THE GOVERNING BODY OF THE CITY**, does hereby establish and resolve to incorporate into its official record of action FY22 salaries and hourly rates for specified positions and those employees of the City as follows:

<b>Admin/ Non Admin</b>	<b>Depart</b>	<b>Position</b>	<b>2022 Pay</b>
Administrative	Judicial	Court Clerk	\$48,674.00
Administrative	Judicial	Deputy Court Clerk	\$34,591.00
Non Admin	Judicial	Judge-PT	\$19,900.00
Administrative	Admin	Receptionist	\$29,722.00
Administrative	Admin	Ex Asst/Dep City Clerk	\$43,015.00
Administrative	Admin	City Clerk	\$57,369.00
Administrative	Admin	Comptroller	\$68,052.00
Administrative	Admin	Finance Clerk	\$45,000.00
Administrative	Admin	City Manager	\$89,068.00
Administrative	Bldg Dept	Building Official	\$57,820.00
Administrative	Bldg Dept	Building Clerk	\$30,822.00
Administrative	Bldg Dept	Building Inspector	\$37,490.00
Administrative	Bldg Dept	Building Inspector	\$37,500.00
Administrative	Bldg Dept	Planning & Zoning	\$45,000.00
Administrative	Bldg Dept	Compliance Officer-PT	\$11,990.00
Administrative	PW	PW Director	\$58,000.00
Administrative	PW	Public Works Clerk	\$31,000.00
Non Admin	PW	Supervisor	\$40,976.00
Non Admin	PW	Supervisor	\$39,132.00
Non Admin	PW	Mechanic	\$34,314.00
Non Admin	PW	GEI	\$31,207.00
Non Admin	PW	GEII	\$31,207.00
Non Admin	PW	HEQII	\$33,279.00
Non Admin	PW		\$25,992.00

Non Admin	PW	HEQII	\$30,167.00
Non Admin	PW	GEII	\$27,036.00
Non Admin	PW	GEI	\$24,960.00
Non Admin	PW	HEQII	\$45,766.00
Non Admin	PW	GEI	\$25,482.00
Non Admin	PW	GEI	\$24,962.00
Non Admin	PW	GEI	\$24,960.00
Non Admin	PW	HEQII	\$31,200.00
Non Admin	PW	GEI	\$23,920.00

WHEREAS THE GOVERNING BODY OF THE CITY, does hereby establish and resolve to incorporate into its official record of action FY22 salaries and hourly rates for specified positions and those employees of the City effective October 1, 2021.

I hereby certify that the above and forgoing Resolution was adopted in the affirmative by the following vote of the Council of the City of Diamondhead on the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

	Aye	Nay	Absent
Mayor Depreo	_____	_____	_____
Councilmember Maher	_____	_____	_____
Councilmember Finley	_____	_____	_____
Councilmember Moran	_____	_____	_____
Councilmember Sheppard	_____	_____	_____
Councilmember Clark	_____	_____	_____

ATTEST: \_\_\_\_\_  
 JEANNIE KLEIN, CITY CLERK

APPROVED: \_\_\_\_\_  
 NANCY DEPREGO, MAYOR

seal



**City of Diamondhead**

Marketing & Small Business Liaison

**Proposal  
NG Consulting, LLC**

Prepared For:

City of Diamondhead  
Attn: Michael Reso  
5000 Diamondhead Circle  
Diamondhead, Mississippi 39525  
Main# 228-222-4390

Prepared By:

NG Consulting, LLC  
Natalie Guess  
3400 Dogpatch Rd  
Kiln, MS 39556  
Main: 985-445-7270  
EIN# 86-3860847

September 14, 2021

## 1.1. Project Scope

The project contains three components:

### 1. Social Media Planning and Execution

The planning phase starts with project kickoff.

Posts ideas:

- Weekly Small Business Highlights (promotion, showcase, or “Like” and “Share” giveaway)
- Business Development
- Farmers Market (flyer creation and promotion)

### 2. Press Releases and Quarterly Newsletters

- Creation and dissemination of a quarterly newsletter
- Post newsletter and news on website

### 3. Small Business Liaison

Meet with the small businesses of Diamondhead monthly to see how the city can help support them. Conduct a needs analysis and provide a monthly report on the feedback from the businesses.

- Advise the Diamondhead community on all matters related to small business
- Promote the development and management of city programs that assists all categories of small business
- Develop small businesses in areas of growth and expansion
- Email dissemination:
  - Small Business List for Diamondhead – communication of opportunities and updates (SBA, USDA, SCORE, SBDC, etc.)

**Price**

The Hours and Scope of work is to be reviewed quarterly as business in Diamondhead expands.

The hourly Rate is \$75 for as needed services such as grant finding and writing.

Category	Monthly Hours	Rate	Total
Small Business Highlights & Farmers Market Promotion	4	\$75	\$300
Quarterly Newsletters	2	\$75	\$150
Small Business Liaison	11	\$75	\$825
<b>TOTAL</b>	<b>17</b>	<b>\$75</b>	<b>\$1275.00</b>

---

Michael Reso  
City Manager  
City of Diamondhead

---

Natalie Guess  
President  
NG Consulting, LLC



2021-301

Item No.7.

5000 Diamondhead Circle ·  
Diamondhead, MS 39525-3260

September 15, 2021

Mayor and Council  
City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, MS 39525

Dear Councilmembers:

Re: Payments to Orion Planning

Attached for your review and consideration are payments as follows to Orion Planning & Design:

Diamondhead Short-term Rental Review	\$ 247.50
Gateway Project	\$2,475.00
Commercial District Code/Design Standards	\$3,465.00

If you find this invoice to be in order, please proceed with payment.

Sincerely,

Michael Reso  
City Manager

MR:jk



2021-301

Item No.7.

Orion Planning + Design  
919 Getwell Road South  
Hernando, MS 38632 US  
(901) 268-7566  
bob@orionplanningdesign.com



**BILL TO**  
5000 Diamondhead Cir  
Diamondhead, MS 39525  
United States

**INVOICE 3325**

**DATE 09/07/2021 TERMS Net 30**

**DUE DATE 10/07/2021**

**PROJECT NAME**  
Short Term Rental

**PROJECT MANAGER**  
Robert Barber

DATE	NEW CHARGES DETAIL	AMOUNT
08/31/2021	Project Name - Diamondhead Short Term Rental Work Description - Drafted proposed amendments for planning commission.	247.50

Thank you for allowing Orion Planning + Design to serve you!

Remit payment to:  
Orion Planning + Design  
919 Getwell Road South  
Hernando, MS 38632

**TOTAL DUE \$247.50**

Orion Planning + Design  
919 Getwell Road South  
Hernando, MS 38632 US  
(901) 268-7566  
bob@orionplanningdesign.com



**BILL TO**  
5000 Diamondhead Cir  
Diamondhead, MS 39525  
United States

**INVOICE 3326**

**DATE 09/07/2021 TERMS Net 30**

**DUE DATE 10/07/2021**

**PROJECT NAME**  
Project 1 Gateway

**PROJECT MANAGER**  
Robert Barber

DATE	NEW CHARGES DETAIL	AMOUNT
08/31/2021	Consulting - August 2021  Project Name: Diamondhead Project 1 - Gateway to Diamondhead  DESCRIPTION: Gateway to Diamondhead Survey Basemap and Site Design	2,475.00

Thank you for allowing Orion Planning + Design to serve you!

Remit payment to:  
Orion Planning + Design  
919 Getwell Road South  
Hernando, MS 38632

**TOTAL DUE \$2,475.00**



Orion Planning + Design  
919 Getwell Road South  
Hernando, MS 38632 US  
(901) 268-7566  
bob@orionplanningdesign.com



**INVOICE 3327**

**DATE 09/07/2021 TERMS Net 30**

**DUE DATE 10/07/2021**

**BILL TO**  
5000 Diamondhead Cir  
Diamondhead, MS 39525  
United States

**PROJECT NAME**  
Diamondhead #3 Aloha Cmml Dist

**PROJECT MANAGER**  
Robert Barber

DATE	NEW CHARGES DETAIL	AMOUNT
08/31/2021	Consulting - August 2021  Project Name: Diamondhead #3 Aloha Commercial District Code and Design Standards.  Work Description: Completed Regulation Plan	3,465.00

Thank you for allowing Orion Planning + Design to serve you!

Remit payment to:  
Orion Planning + Design  
919 Getwell Road South  
Hernando, MS 38632

**TOTAL DUE \$3,465.00**



2021-3-2  
Item No.8.

5000 Diamondhead Circle -  
Diamondhead, MS 39525-3260

September 15, 2021

Mayor and Council  
City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, MS 39525

Dear Councilmembers:

Attached for your review and consideration are Invoice 1315 for \$1,667.50 for professional services related to Beehive Homes Plan Review and Invoice #13136 for \$464.00 for professional services relating to Preserve Phase 2 Sketch Plat for a total payment of \$2,131.50 from Machada-Patano.

If you find these to documents to be in order, please proceed with approval for payment.

Sincerely,

Michael Reso  
City Manager

MR:jk



918 Howard Ave. Suite F  
 Biloxi, MS 39530  
 (228)388-1950

City of Diamondhead  
 5000 Diamondhead Circle  
 Diamondhead, MS 39525  
 Ronald Jones

Invoice number 13135  
 Date 09/07/2021

Project **0275.20.002 Diamondhead Master Services Plan Review**

Professional Services through September 07, 2021

**Invoice Summary**

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Current Billed
BEEHIVE HOMES CIVIL/STRUCTURAL REVIEW	0.00	0.00	1,093.75	2,761.25	-2,761.25	1,667.50
<b>Total</b>	0.00	0.00	1,093.75	2,761.25	-2,761.25	1,667.50

**Fees**

**Beehive Homes Civil/Structural Review**

	Hours	Rate	Billed Amount
<b>Sr. Professional Engineer</b>			
John M. van Duijvendijk			
Project Time	1.00	97.00	97.00
Review w/Tyler			
<b>Kenneth D. Beverin</b>			
Project Time	1.00	75.00	75.00
Drawing Review			
<b>Nicholas W. Moody</b>			
Project Time	1.50	97.00	145.50
Coordinated review of revised plans. Reviewed civil plans.			
<b>Subtotal</b>	3.50		317.50
<b>Sr. Professional Architect</b>			
Theresa H. Jones			
Project Time	10.00	135.00	1,350.00
Plan Review			
Plan Review			
Plan Review			
<b>Phase subtotal</b>	13.50		1,667.50
<b>Fees subtotal</b>	13.50		1,667.50

Invoice total **1,667.50**



Item No.8.

City of Diamondhead  
Project 0275.20.002 Diamondhead Master Services Plan Review

Invoice number 13135  
Date 09/07/2021

**Aging Summary**

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
13135	09/07/2021	1,667.50	1,667.50				
	Total	1,667.50	1,667.50	0.00	0.00	0.00	0.00

Approved by:

Gerrod W. Kilpatrick  
Principal

Remit Payment to:  
Machado | Patano  
918 Howard Ave., Suite F  
Biloxi, MS 39530

All payment terms are NET 30, unless otherwise noted



918 Howard Ave. Suite F  
 Biloxi, MS 39530  
 (228)388-1950

City of Diamondhead  
 5000 Diamondhead Circle  
 Diamondhead, MS 39525  
 Ronald Jones

Invoice number 13136  
 Date 09/07/2021

Project **0275.20.002 Diamondhead Master Services Plan Review**

Professional Services through September 07, 2021

PO # 2020-0487

**Invoice Summary**

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Current Billed
PRESERVE PH2 SKETCH PLAT	0.00	0.00	396.50	860.50	-860.50	464.00
Total	0.00	0.00	396.50	860.50	-860.50	464.00

**Fees**

**Preserve PH2 Sketch Plat**

	Hours	Rate	Billed Amount
Principal Engineer			
Gerrod W. Kilpatrick			
Project Time	2.00	135.00	270.00
<i>Pre-Design Mtg with Duke Levy</i>			
Sr. Professional Engineer			
Nicholas W. Moody			
Project Time	2.00	97.00	194.00
<i>Attended meeting at the city with Gerrod.</i>			
Phase subtotal	4.00		464.00
Fees subtotal	4.00		464.00

Invoice total **464.00**

**Aging Summary**

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
13070	08/06/2021	194.00		194.00			
13136	09/07/2021	464.00	464.00				
Total		658.00	464.00	194.00	0.00	0.00	0.00



Item No.8.

City of Diamondhead  
Project 0275.20.002 Diamondhead Master Services Plan Review

Invoice number 13136  
Date 09/07/2021

Approved by:

A handwritten signature in blue ink, appearing to read 'Gerrod W. Kilpatrick'.

Gerrod W. Kilpatrick  
Principal

*Remit Payment to:*  
Machado | Patano  
918 Howard Ave., Suite F  
Biloxi, MS 39530

*All payment terms are NET 30, unless otherwise noted*



2021-303

Item No.9.



5000 Diamondhead Circle ·  
Diamondhead, MS 39525-3260

September 16, 2021

Mayor and Council  
City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, MS 39525

Dear Councilmembers:

Re: Payments to Digital Engineering

Presented for your approval for payment are the following invoices from Digital Engineering:

No. 104	\$1,045.00	GIS Maintenance
No. 105	\$9,995.00	Roadway Improvements Phase 3
No.106	\$ 735.00	Developer Plan/Spec Review

Thank you in advance for your consideration and approval in this matter.

Sincerely,

Michael Reso  
City Manager

MR:jk



DIGITAL ENGINEERING & IMAGING, INC.

2021-303

Item No.9.

September 7, 2021

Mr. Michael Reso  
City of Diamondhead  
5300 Diamondhead Circle  
Diamondhead, MS 39525

Re: Engineering Master Services Agreement (2018)  
Work Order No. 15 GIS Maintenance FY21  
DE Invoice No.: 730-1000-104

Dear Mr. Reso:

Attached please find Invoice No. 104 for professional services on the above referenced project in the amount of **\$1,045.00** in accordance with our agreement.

**Due to Hurricane Ida please remit payment to our Waveland office:**

**314 Coleman Ave.  
Waveland, MS 39576**

Should you have questions or need additional information, please contact our office.

Sincerely,

DIGITAL ENGINEERING

A handwritten signature in blue ink that reads 'L. Bruce Newton'.

L. Bruce Newton, P.E.  
Executive Vice-President

LBN/chc

cc: Mr. Thomas P. Hickey

Enclosures

September 7, 2021  
Project No: B7301000.00  
Invoice No: 104

Michael Reso  
City of Diamondhead  
5300 Diamondhead Circle  
Diamondhead, MS 39525

Project B7301000.00 Master Services Agreement

**Professional Services from August 1, 2021 to August 28, 2021**

Phase 015 GIS System Maintenance FY21

**Professional Personnel**

	Hours	Rate	Amount	
Prine, Michael	2.00	50.00	100.00	
Shurley, Christina	9.00	105.00	945.00	
Totals	11.00		1,045.00	
<b>Total Labor</b>				<b>1,045.00</b>
				<b>Total this Phase \$1,045.00</b>
				<b>Total this Invoice \$1,045.00</b>

**BILLING LIMITS**

<b>Total Amount of Work Order</b>	<b>Previous Fee Billed</b>	<b>Total this Invoice</b>	<b>Remaining Balance</b>
\$14,000.00	\$11,690.50	\$1,045.00	\$1,264.50

# Billing Backup

Tuesday, September 7, 2021

Digital Engineering & Imaging, Inc.

Invoice 104 Dated 9/7/2021

Project	B7301000.00	Master Services Agreement		
Phase	015	GIS System Maintenance FY21		

**Professional Personnel**

			Hours	Rate	Amount	
0052	50 - Prine, Michael	8/24/2021	1.00	50.00	50.00	
0052	50 - Prine, Michael	8/25/2021	1.00	50.00	50.00	
0121	35 - Shurley, Christina	8/11/2021	2.00	105.00	210.00	
0121	35 - Shurley, Christina	8/12/2021	2.00	105.00	210.00	
0121	35 - Shurley, Christina	8/18/2021	1.00	105.00	105.00	
0121	35 - Shurley, Christina	8/23/2021	2.00	105.00	210.00	
0121	35 - Shurley, Christina	8/25/2021	2.00	105.00	210.00	
<b>Totals</b>			<b>11.00</b>		<b>1,045.00</b>	
<b>Total Labor</b>						<b>1,045.00</b>

	<b>Total this Phase</b>	<b>\$1,045.00</b>
	<b>Total this Project</b>	<b>\$1,045.00</b>
	<b>Total this Report</b>	<b>\$1,045.00</b>

September 7, 2021

Mr. Michael Reso  
City of Diamondhead  
5300 Diamondhead Circle  
Diamondhead, MS 39525

Re: Engineering Master Services Agreement (2018)  
Work Order No. 16 Roadway Improvements Project Ph. 3  
DE Invoice No.: 730-1000-105

Dear Mr. Reso:

Attached please find Invoice No. 105 for professional services on the above referenced project in the amount of **\$9,995.00** in accordance with our agreement.

**Due to Hurricane Ida please remit payment to our Waveland office:**

**314 Coleman Ave.  
Waveland, MS 39576**

Should you have questions or need additional information, please contact our office.

Sincerely,

DIGITAL ENGINEERING



L. Bruce Newton, P.E.  
Executive Vice-President

LBN/chc

cc: Mr. Thomas P. Hickey

Enclosures

Michael Reso  
 City of Diamondhead  
 5300 Diamondhead Circle  
 Diamondhead, MS 39525

September 7, 2021  
 Project No: B7301000.00  
 Invoice No: 105

Project B7301000.00 Master Services Agreement  
Professional Services from August 1, 2021 to August 28, 2021

-----  
 Phase 016 Roadway Improvements Ph. 3  
 -----  
 Task 20 Design  
**Fee**

Billing Phase	Fee	Percent Complete	Earned	Previous Fee Billing	Current Fee Billing
Design	19,440.00	100.00	19,440.00	19,440.00	0.00
Bidding	3,000.00	100.00	3,000.00	3,000.00	0.00
Construction Administration	7,800.00	87.1795	6,800.00	3,000.00	3,800.00
Record Drawings	2,000.00	0.00	0.00	0.00	0.00
<b>Total Fee</b>	<b>32,240.00</b>		<b>29,240.00</b>	<b>25,440.00</b>	<b>3,800.00</b>
<b>Total Fee</b>					<b>3,800.00</b>
<b>Total this Task</b>					<b>\$3,800.00</b>

-----  
 Task 45 Resident Inspection

**Professional Personnel**

	Hours	Rate	Amount	
Vanney, Ronald	88.50	70.00	6,195.00	
Totals	88.50		6,195.00	
<b>Total Labor</b>				<b>6,195.00</b>
<b>Total this Task</b>				<b>\$6,195.00</b>
<b>Total this Phase</b>				<b>\$9,995.00</b>
<b>Total this Invoice</b>				<b>\$9,995.00</b>

# Billing Backup

Tuesday, September 7, 2021

Digital Engineering & Imaging, Inc.

Invoice 105 Dated 9/7/2021

12:30:00 PM

Project	B7301000.00	Master Services Agreement			
Phase	016	Roadway Improvements Ph. 3			
Task	45	Resident Inspection			

**Professional Personnel**

			Hours	Rate	Amount	
0099	70 - Vanney, Ronald	8/4/2021	4.50	70.00	315.00	
0099	70 - Vanney, Ronald	8/6/2021	1.50	70.00	105.00	
0099	70 - Vanney, Ronald	8/9/2021	8.00	70.00	560.00	
0099	70 - Vanney, Ronald	8/10/2021	9.00	70.00	630.00	
0099	70 - Vanney, Ronald	8/11/2021	2.00	70.00	140.00	
0099	70 - Vanney, Ronald	8/16/2021	8.00	70.00	560.00	
0099	70 - Vanney, Ronald	8/17/2021	6.50	70.00	455.00	
0099	70 - Vanney, Ronald	8/18/2021	6.00	70.00	420.00	
0099	70 - Vanney, Ronald	8/19/2021	6.00	70.00	420.00	
0099	70 - Vanney, Ronald	8/20/2021	6.00	70.00	420.00	
0099	70 - Vanney, Ronald	8/23/2021	9.00	70.00	630.00	
0099	70 - Vanney, Ronald	8/24/2021	9.00	70.00	630.00	
0099	70 - Vanney, Ronald	8/25/2021	9.00	70.00	630.00	
0099	70 - Vanney, Ronald	8/26/2021	4.00	70.00	280.00	
	Totals		88.50		6,195.00	
	<b>Total Labor</b>					<b>6,195.00</b>
				<b>Total this Task</b>		<b>\$6,195.00</b>
				<b>Total this Phase</b>		<b>\$6,195.00</b>
				<b>Total this Project</b>		<b>\$6,195.00</b>
				<b>Total this Report</b>		<b>\$6,195.00</b>



DIGITAL ENGINEERING & IMAGING, INC.

September 7, 2021

Mr. Michael Reso  
City of Diamondhead  
5300 Diamondhead Circle  
Diamondhead, MS 39525

Re: Engineering Master Services Agreement (2018)  
Work Order No. 17 Developer Plan and Spec Review (FY21)  
DE Invoice No.: 730-1000-106

Dear Mr. Reso:

Attached please find Invoice No. 106 for professional services on the above referenced project in the amount of **\$735.00** in accordance with our agreement.

**Due to Hurricane Ida please remit payment to our Waveland office:**

**314 Coleman Ave.  
Waveland, MS 39576**

Should you have questions or need additional information, please contact our office.

Sincerely,

DIGITAL ENGINEERING

A handwritten signature in blue ink, appearing to read 'L. Bruce Newton'.

L. Bruce Newton, P.E.  
Executive Vice-President

LBN/chc

cc: Mr. Thomas P. Hickey

Enclosures



Michael Reso  
City of Diamondhead  
5300 Diamondhead Circle  
Diamondhead, MS 39525

September 7, 2021  
Project No: B7301000.00  
Invoice No: 106

Project B7301000.00 Master Services Agreement

**Professional Services from August 1, 2021 to August 28, 2021**

Phase	017	Review Developer Plans and Spec FY21
Task	03	Deer Crossing Subdivision

**Professional Personnel**

	Hours	Rate	Amount
Stein, John	7.00	105.00	735.00
Totals	7.00		735.00
<b>Total Labor</b>			<b>735.00</b>
		<b>Total this Task</b>	<b>\$735.00</b>
		<b>Total this Phase</b>	<b>\$735.00</b>
		<b>Total this Invoice</b>	<b>\$735.00</b>

# Billing Backup

Tuesday, September 7, 2021

Digital Engineering & Imaging, Inc.

Invoice 106 Dated 9/7/2021

12:32:58 PM

Project B7301000.00 Master Services Agreement

Phase 017 Review Developer Plans and Spec FY21

Task 03 Deer Crossing Subdivision

**Professional Personnel**

			<b>Hours</b>	<b>Rate</b>	<b>Amount</b>	
0111	35 - Stein, John	8/9/2021	.50	105.00	52.50	
0111	35 - Stein, John	8/10/2021	2.00	105.00	210.00	
0111	35 - Stein, John	8/11/2021	.50	105.00	52.50	
0111	35 - Stein, John	8/12/2021	2.00	105.00	210.00	
0111	35 - Stein, John	8/16/2021	2.00	105.00	210.00	
	Totals		7.00		735.00	
	<b>Total Labor</b>					<b>735.00</b>

**Total this Task \$735.00**

**Total this Phase \$735.00**

**Total this Project \$735.00**

**Total this Report \$735.00**

2021-304

Item No. 10.



5000 Diamondhead Circle ·  
Diamondhead, MS 39525-3260

September 16, 2021

Mayor and Council  
City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, MS 39525

Dear Councilmembers:

Re: Roadway Improvements Phase 3

Presented for your approval for is Pay Request No. 1 in the amount of \$130,072.37 from Warren Paving for the Roadway Improvement Project Phase 3.

Thank you in advance for your consideration and approval in this matter.

Sincerely,

Michael Reso  
City Manager

MR:jk



DIGITAL ENGINEERING & IMAGING, INC.

September 9, 2021

Mr. Michael Reso  
City Manager  
City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, MS 39525

Re: Diamondhead Roadway Improvements – Phase 3  
Pay Application No.1  
DE Project No. 730-1000-016

Dear Mr. Reso,

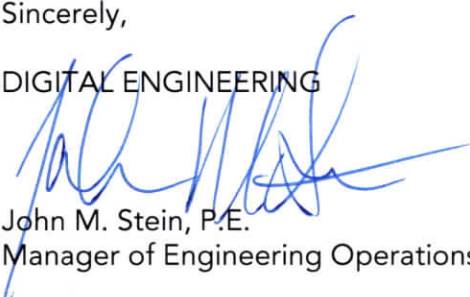
Please find attached Payment Request No. 1 from Warren Paving Inc. for construction on the above referenced project in the amount of \$130,072.37.

We have verified all quantities and work completed and we recommend approval for payment. The retainage to date of 5% in the amount of \$6,845.93 has been deducted from the earned amount to date of \$136,918.30 as shown on the Contractor's Application for Payment.

Should you have questions or need additional information, please contact our office.

Sincerely,

DIGITAL ENGINEERING



John M. Stein, P.E.  
Manager of Engineering Operations

cc: Carlos Morales, WP  
Joel Moody, WP  
Jeannie Klein, COD

Enclosures

# APPLICATION AND CERTIFICATE FOR PAYMENT

Invoice #: 221030.0

To CITY OF DIAMONDHEAD  
 Owner: 5000 DIAMONDHEAD CIRCLE

Project 221030- Diamondhead Phase 3

Application No. : 1

Distribution to :

Owner

Architect

Contractor

DIAMONDHEAD, MS 39525

Period To: 8/31/2021

From Contract: Warren Paving Inc  
 PO Box 572  
 Hattiesburg, MS 39403

Via Architect: Digital Engineering

Project Nos:

Contract For:

Contract

## CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.  
 Continuation Sheet is attached.

1. Original Contract Sum .....	\$439,578.20
2. Net Change By Change Order .....	\$11,037.50
3. Contract Sum To Date .....	\$450,615.70
4. Total Completed and Stored To Date .....	\$136,918.30
5. Retainage:	
a. 5.00% of Completed Work	\$6,845.93
b. 0.00% of Stored Material	\$0.00
Total Retainage .....	\$6,845.93
6. Total Earned Less Retainage .....	\$130,072.37
7. Less Previous Certificates For Payments .....	\$0.00
8. Current Payment Due .....	\$130,072.37
9. Balance To Finish, Plus Retainage .....	\$320,543.33

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information, and belief, the work covered by this Application for Payment has been completed in accordance with the Contract Documents. That all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: Warren Paving Inc

By:  Date: 9/3/21

State of: \_\_\_\_\_ County of: \_\_\_\_\_  
 Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_  
 Notary Public:  
 My Commission expires: \_\_\_\_\_

## ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information, and belief, the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$130,072.37

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on th Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT:  Date: 9/9/21

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment, and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CHANGE ORDER SUMMARY	Additions	Deductions
Total changes approved in previous months by Owner	\$0.00	\$0.00
Total Approved this Month	\$11,037.50	\$0.00
TOTALS	\$11,037.50	\$0.00
Net Changes By Change Order	\$11,037.50	

# CONTINUATION SHEET

Application and Certification for Payment, containing Contractor's signed certification is attached. In tabulations below, amounts are stated to the nearest dollar. Use Column I on Contracts where variable retainage for line items may apply.

Application No. : 1  
 Application Date : 08/31/21  
 To: 08/31/21  
 Architect's Project No.:

Invoice #: 221030.0 Contract : 221030- Diamondhead Phase 3

A Item No.	B Description of Work	C Scheduled Value		D Work Completed		F Materials Presently Stored  (Not In D or E)	G Total Completed and Stored To Date  (D+E+F)	H % (G / C)	I Balance To Finish (C-G)	J Retainage
		QTY	\$AMT	From Previous Application (D+E)	This Period In Place					
1000	PRE-CONSTRUCTION VIDEO	0.00	500.00	0.00	0.00	0.00	0.00	0.00%	500.00	
2000	CONSTRUCTION LAYOUT	0.00	300.00	0.00	300.00	0.00	300.00	100.00%	0.00	
3000	CLEAN-UP DRESSING & SODDING	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00%	2,000.00	
4000	FULL DEPTH PATCH	0.00	18,275.00	0.00	1,742.50	0.00	1,742.50	9.53%	16,532.50	
308100	REMOVE UNSUITABLE MATERIAL & REPLACE WITH SELECT GRANULAR BA	50.00	2,750.00	0.00	0.00	0.00	0.00	0.00%	2,750.00	
403101	ASPHALTIC CONCRETE PAVEMENT 1-1/2IN OVERLAY	41,662.00	337,462.20	0.00	81,287.30	0.00	81,267.30	24.08%	256,194.90	
403201	APSHALTIC CONCRETE LEVELING COURSE 0IN - 1 1/2IN	762.00	9,144.00	0.00	798.00	0.00	798.00	8.73%	8,346.00	
406101	COLD PLANING/DISPOSAL OF ASPHALTIC CONCRETE PAVEMENT	9,017.00	40,576.50	0.00	34,060.50	0.00	34,060.50	83.94%	6,516.00	
618400	MAINTENANCE OF TRAFFIC	0.00	15,000.00	0.00	3,750.00	0.00	3,750.00	25.00%	11,250.00	
620100	MOBILIZATION	0.00	15,000.00	0.00	15,000.00	0.00	15,000.00	100.00%	0.00	
626100	PLASTIC PVM'T STRIPING (24IN WIDTH) (THERMOPLASTIC 125 MIL)	384.00	4,608.00	0.00	0.00	0.00	0.00	0.00%	4,608.00	
5000CO1	Stripe Roadway, Bike Lane, and Centerline	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	
<b>Grand Totals</b>			<b>450,615.70</b>	<b>0.00</b>	<b>30</b>	<b>0.00</b>	<b>136,918.30</b>	<b>30.38%</b>	<b>313,697.40</b>	<b>6,845.93</b>



2021-306

Item No. 11.

5000 Diamondhead Circle ·  
Diamondhead, MS 39525-3260

September 16, 2021

Mayor and Council  
City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, MS 39525

Dear Councilmembers:

Re: Mississippi Main Street – Network Community Application

Approval is hereby requested to authorize the City Manager to submit the “Network Community Application” to the Mississippi Main Street Association. The budget include \$3,000 for Main Street.

This is an application that will be considered and is not automatically approved; once the City is accepted by the board of directors dues would be payable. The annual dues for Mississippi Main Street Association Network Community is \$1,000 per year and the annual Main Street American General Membership Dues is \$295.

Thank you in advance for your consideration and approval in this matter.

Sincerely,

Michael Reso  
City Manager

MR:jk

2021-309

Item No. 12.



Quoted By: Lori Dudley  
 Quote Expiration: 8/10/2021  
 Quote Name: City of Diamondhead - LGD - Mobile Code Staff App  
 Quote Number: 2021-129646  
 Quote Description:

**Sales Quotation For**  
 Jeannie Klein  
 City of Diamondhead  
 5300 Diamondhead Cir  
 Diamondhead, MS 39525-3238  
 Phone: +1 (228) 222-4626 ext. 1800  
 Email: jklein@diamondhead.ms.gov

Tyler Software and Related Services - Annual		One Time Fees		
Description	Impl. Hours	Impl. Cost	Net Annual Fee	
<b>Community Development</b>				
Mobile Code Enforcement Staff App	0	\$0		\$1,500
	<i>Sub-Total:</i>	<i>\$0</i>		<i>\$1,500</i>
	<b>TOTAL:</b>	<b>\$0</b>		<b>\$1,500</b>

Other Services				
Description	Quantity	Unit Price	Extended Price	Maintenance
Mobile Code Enforcement - Implementation Fee	1	\$1,500	\$1,500	\$0
	<b>TOTAL:</b>		<b>\$1,500</b>	<b>\$0</b>

Summary	One Time Fees	Recurring Fees
Total Tyler Annual	\$0	\$1,500
Total Tyler Services	\$1,500	\$0
Total Third Party Hardware, Software and Services	\$0	\$0
<b>Summary Total</b>	<b>\$1,500</b>	<b>\$1,500</b>
<b>Contract Total</b>	<b>\$3,000</b>	

Unless otherwise indicated in the contract or amendment thereto, pricing for optional items will be held for six (6) months from the Quote date or the Effective Date of the contract, whichever is later.

Client Approval: \_\_\_\_\_ Date: \_\_\_\_\_  
 Print Name: \_\_\_\_\_ P.O.#: \_\_\_\_\_





Quoted By: Lori Dudley  
 Quote Expiration: 11/8/2020  
 Quote Name: City of Diamondhead - LGD - Migration to ICD & Online Components  
 Quote Number: 2020-109597  
 Quote Description:

**Sales Quotation For**  
 Jeannie Klein  
 City of Diamondhead  
 5300 Diamondhead Cir  
 Diamondhead , MS 39525-3238  
 Phone: +1 (228) 222-4626 ext. 1800  
 Email: jklein@diamondhead.ms.gov

Tyler Software and Related Services - Annual Description	One Time Fees			Annual Fee
	Impl. Hours	Impl. Cost	Data Conversion	
<b>Community Development</b>				
Permitting Online Component	0	\$0	\$0	\$1,200
Licensing Online Component	0	\$0	\$0	\$1,200
<del>Code Enforcement Online Component</del> <i>delete</i>	0	\$0	\$0	<del>\$1,200</del> <i>delete</i>
Permitting	40	\$5,200	\$0	\$0
Code Enforcement	24	\$3,120	\$0	\$0
License	32	\$4,160	\$0	\$0
Mobile Permits Inspection App	4	\$520	\$0	\$1,000
<i>Sub-Total:</i>		<i>\$13,000</i>	<i>\$0</i>	<i>\$4,600</i>
<b>TOTAL:</b>	<b>100</b>	<b>\$13,000</b>	<b>\$0</b>	<b>\$4,600</b>

Other Services Description	Quantity	Unit Price	Extended Price	Maintenance
Online Application -Set up fee	1	\$800	\$800	\$0
<b>TOTAL:</b>			<b>\$800</b>	<b>\$0</b>

Summary	One Time Fees	Recurring Fees
Total Tyler Annual	\$0	\$4,600
Total Tyler Services	\$13,800	\$0
Total Third Party Hardware, Software and Services	\$0	\$0
<b>Summary Total</b>	<b>\$13,800</b>	<b>\$4,600</b>
<b>Contract Total</b>	<b>\$18,400</b>	

Unless otherwise indicated in the contract or amendment thereto, pricing for optional items will be held

**WORK ASSIGNMENT**

**WORK ASSIGNMENT NO.** \_\_\_\_\_

**PROJECT NUMBER: 26072.00; Lily Pond and Miller Pond Wetland Delineation**

This Work Assignment is executed in accordance with the Master Services Agreement entered into by the City of Diamondhead, Mississippi and Pickering Firm, Inc. on the 19<sup>th</sup> day of August, 2016.

**WHEREAS**, each of said parties represents that it continues to have authority to execute this Work Assignment and that all certifications previously made in said Agreement remain in effect;

**NOW THEREFORE**, the parties hereto do further contract and agree to add the following items of work to the above Agreement under the additional terms and conditions as are hereinafter stated:

*SPECIFIC SCOPE OF WORK FOR THIS WORK ASSIGNMENT OR PHASE*

See 'Attachment A – Scope of Services'

**WORK ASSIGNMENT TERM**

No new Work Assignments shall be executed after October 31, 2021 at 11:59 P.M. CDT.

This WORK ASSIGNMENT shall be effective upon the latest date of execution hereof and continue until October 31, 2021 at 11:59 P.M. CDT. However, the Engineer may not begin work prior to receiving a Notice to Proceed.

**DBE GOAL**

*The DBE goal established for this Work Assignment shall be zero percent (0%).*

**KEY PERSONNEL**

**CITY PROJECT MANAGER:**

Mike Reso \_\_\_\_\_

**CONSULTANT PROJECT MANAGER:  
(Certified as a Professional Engineer to do  
business in the State of Mississippi)**

Cara Wagner, PE (MS #26030)

**PROGRESS SCHEDULE**

Applications, meetings, and other items requested by the client will be prepared and submitted in a timely fashion following client request.

**MAXIMUM ALLOWABLE COST**

**Contract Maximums:**

Under no circumstances shall the amount payable by the City for this assignment exceed **\$10,000** (Total of all Charges) without the prior written consent of both parties. The Labor Rates have been identified in Table 2: Rate Schedule for Labor Hours.

**Table 1: Compensation for Services Breakdown**

Basic Services		
Phase #	Phase Title	Fee (labor hour/unit cost)
I	Lily Pond Wetland Delineation	\$ 5,000 (LUMP SUM)
II	Miller Pond Wetland Delineation	\$ 5,000 (LUMP SUM)

**Table 2: Rate Schedule for Labor Hours**

NAMES	LABOR CLASSIFICATION	RATE
	Principal Engineer	\$ 135
	Professional Engineer	\$ 97
	Senior Project Manager	\$ 105
	Project Engineer	\$ 75
	Professional Land Surveyor	\$ 80
	Survey Crew Chief	\$ 47
	Instrument Person	\$ 35
	CAD Technician	\$ 50
	Clerical	\$ 43
	Resident Project Representative	\$ 70
	Engineering Technician	\$ 50

Both parties hereto represent that they have authority to enter into this Work Assignment as “Exhibit C” of the Agreement executed by and between the City and Engineer to which is now made a part of said Agreement.


SO EXECUTED AND AGREED THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_.

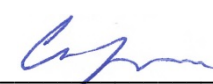
**City of Diamondhead, Mississippi**

By: \_\_\_\_\_

WITNESS this, my signature, in execution hereof, this the 10<sup>th</sup> day of September 2021.

**Pickering Firm, Inc.**

ATTEST:   
Payton Billingsley, EI

  
By: Cara Wagner, PE

**General Project Description**

We understand the project to consist of a Wetland Delineation for the Mississippi Department of Marine Resources (DMR) and the United States Army Corps of Engineers (USACE), in accordance with Section 10 of the Rivers and Harbors Act and Section 404 of the Clean Water Act, for the proposed Lily Pond Dredging project and Miller Pond Dredging project.

For this proposal, it is assumed the City will self-perform the WORK; bid phase services, construction engineering, and Resident Project Representation (inspection) are NOT included in this proposal. Subsequent services, including but not limited to environmental permitting, cultural resource assessment, bid phase services, construction phase services, etc., may be added, as mutually agreed upon by both parties, as either an amendment to this contract or as a separate contract.

**Task 1 – Lily Pond Wetland Delineation (\$5,000; Lump Sum)**

**SCOPE OF WORK**

- Mobilization to the site;
- Traversal of the project area and immediately surrounding areas;
- Establishment of representative sampling locations;
- Observation and identification of vegetation, soils, and hydrologic conditions at each sampling location;
- Record field data including photographs of site conditions and sampling locations;
- Identification of portions of the site qualifying as potential “waters of the U.S.”, if present;
- Locating, flagging, and mapping of wetland boundaries, if present; and
- Mapping of the sampling locations and potential wetland boundaries using mobile GPS unit capable of sub-meter accuracy.

Upon completion of the field activities, we will submit a Wetland Delineation Report to the USACE, Mobile District, as requested in USACE email correspondence dated July 20, 2021.

**ADDITIONAL SERVICES**

The following is specifically excluded from the aforementioned Scope of Work for this task order. However, these items can be provided, if necessary, with a revision to the Scope of Work and fees. If the Client requests that any of these services be performed by the Consultant, then the Client will pay the Consultant for these authorized additional services on the basis of a negotiated lump sum fee or on the basis of the hourly rates plus reimbursable expenses.

1. Mitigation Plan

- Wetland mitigation assessment and planning for “other waters of the U.S.” are not included in this proposal
- Wetland Acreage/Stream mitigation credits to be purchased are unknown at this time

**SCHEDULE**

The Consultant will start the services promptly after receipt of written acceptance of this proposal and submit the Wetland Delineation Report within 30 days. Receipt of the permit from the US Army Corps of Engineer could take up to 120 days from the date of submittal.

**Task 2 – Miller Pond Wetland Delineation (\$5,000; Lump Sum)**

**SCOPE OF WORK**

- Mobilization to the site;
- Traversal of the project area and immediately surrounding areas;
- Establishment of representative sampling locations;
- Observation and identification of vegetation, soils, and hydrologic conditions at each sampling location;
- Record field data including photographs of site conditions and sampling locations;
- Identification of portions of the site qualifying as potential “waters of the U.S.”, if present;
- Locating, flagging, and mapping of wetland boundaries, if present; and
- Mapping of the sampling locations and potential wetland boundaries using mobile GPS unit capable of sub-meter accuracy.

Upon completion of the field activities, we will submit a Wetland Delineation Report to the USACE, Mobile District, as requested in USACE email correspondence dated July 20, 2021.

**ADDITIONAL SERVICES**

The following is specifically excluded from the aforementioned Scope of Work for this task order. However, these items can be provided, if necessary, with a revision to the Scope of Work and fees. If the Client requests that any of these services be performed by the Consultant, then the Client will pay the Consultant for these authorized additional services on the basis of a negotiated lump sum fee or on the basis of the hourly rates plus reimbursable expenses.

2. Mitigation Plan

- Wetland mitigation assessment and planning for “other waters of the U.S.” are not included in this proposal
- Wetland Acreage/Stream mitigation credits to be purchased are unknown at this time

**SCHEDULE**

The Consultant will start the services promptly after receipt of written acceptance of this proposal and submit the Wetland Delineation Report within 30 days. Receipt of the permit from the US Army Corps of Engineer could take up to 120 days from the date of submittal.

**WORK ASSIGNMENT**

**WORK ASSIGNMENT NO.** \_\_\_\_\_

**PROJECT NUMBER: 26071.00; Kolo Ct Ditch Improvements and Culvert Replacement**

This Work Assignment is executed in accordance with the Master Services Agreement entered into by the City of Diamondhead, Mississippi and Pickering Firm, Inc. on the 19<sup>th</sup> day of August, 2016.

**WHEREAS**, each of said parties represents that it continues to have authority to execute this Work Assignment and that all certifications previously made in said Agreement remain in effect;

**NOW THEREFORE**, the parties hereto do further contract and agree to add the following items of work to the above Agreement under the additional terms and conditions as are hereinafter stated:

**SPECIFIC SCOPE OF WORK FOR THIS WORK ASSIGNMENT OR PHASE**

See 'Attachment A – Scope of Services'

**WORK ASSIGNMENT TERM**

No new Work Assignments shall be executed after October 31, 2021 at 11:59 P.M. CDT.

This WORK ASSIGNMENT shall be effective upon the latest date of execution hereof and continue until October 31, 2021 at 11:59 P.M. CDT. However, the Engineer may not begin work prior to receiving a Notice to Proceed.

**DBE GOAL**

*The DBE goal established for this Work Assignment shall be zero percent (0%).*

**KEY PERSONNEL**

**CITY PROJECT MANAGER:**

Mike Reso

**CONSULTANT PROJECT MANAGER:**

**(Certified as a Professional Engineer to do business in the State of Mississippi)**

Cara Wagner, PE (MS #26030)

**PROGRESS SCHEDULE**

Applications, meetings, and other items requested by the client will be prepared and submitted in a timely fashion following client request.

**MAXIMUM ALLOWABLE COST**

**Contract Maximums:**

Under no circumstances shall the amount payable by the City for this assignment exceed **\$48,100** (Total of all Charges exclusive of easement plats to be paid on a per each basis) plus the cumulative fee for Easement Plats as referenced below, without the prior written consent of both parties. The Labor Rates have been identified in Table 2: Rate Schedule for Labor Hours.

**Table 1: Compensation for Services Breakdown**

Basic Services		
Phase #	Phase Title	Fee (labor hour/unit cost)
I	Wetland Delineation	\$ 5,000
II	Wetland Permitting Assistance	\$ 6,500
III	Engineering Design	\$15,600
IV	Project Bidding	\$4,000
V	Construction Engineering and Inspection	\$17,000

**Table 2: Compensation for Easement Plats**

Basic Services		
Phase #	Phase Title	Fee (labor hour/unit cost)
VI	Easement Plats*	\$ 2,000

\*Easement Plat Fee shown is a “per each” fee. Based on GIS data, approximately 7 of these may be required for a total fee of \$14,000. Actual number of easements will be determined during design. Easement work will not begin without prior consent from the City.

**Table 3: Rate Schedule for Labor Hours**

NAMES	LABOR CLASSIFICATION	RATE
	Principal Engineer	\$ 135
	Professional Engineer	\$ 97
	Senior Project Manager	\$ 105
	Project Engineer	\$ 75
	Professional Land Surveyor	\$ 80
	Survey Crew Chief	\$ 47
	Instrument Person	\$ 35
	CAD Technician	\$ 50
	Clerical	\$ 43
	Resident Project Representative	\$ 70
	Engineering Technician	\$ 50

Both parties hereto represent that they have authority to enter into this Work Assignment as "Exhibit C" of the Agreement executed by and between the City and Engineer to which is now made a part of said Agreement.

SO EXECUTED AND AGREED THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_  
**City of Diamondhead, Mississippi**

\_\_\_\_\_  
By:

WITNESS this, my signature, in execution hereof, this the 2nd day of September, 2021.  
**Pickering Firm, Inc.**

ATTEST: Payton A. Billingsley  
Payton Billingsley, EI

Cara Wagner  
By: Cara Wagner, PE



## ATTACHMENT A – SCOPE OF SERVICES

### General Project Description

In general, the Engineer will perform wetland delineation, environmental permitting, preparation of easement plats, engineering design (including production of construction documents), bid phase, and construction engineering and inspection services relative to the replacement or rehabilitation of the culvert that crosses Bayou Drive just north of its intersection with Op La Way. Additionally, the incoming channels (through lot) and outflowing channel will be improved for appropriate capacity in the 25-year design storm event.

Items not specifically outlined below are excluded from this proposal; subsequent services may be added, as mutually agreed upon by both parties, as either an amendment to this contract or as a separate contract.

### Phase I – Wetland Delineation (\$5,000)

We understand the project to consist of a Wetland Delineation and a submittal of a Joint Permit Application and Notification to the Mississippi Department of Marine Resources (DMR) and the United States Army Corps of Engineers (USACE), in accordance with Section 10 of the Rivers and Harbors Act and Section 404 of the Clean Water Act, for the proposed Kolo Ct Ditch Improvements and Culvert Replacement project.

**For the delineation, the Engineer will perform the following:**

- Mobilization to the site;
- Traversal of the project area and immediately surrounding areas;
- Establishment of representative sampling locations;
- Observation and identification of vegetation, soils, and hydrologic conditions at each sampling location;
- Record field data including photographs of site conditions and sampling locations;
- Identification of portions of the site qualifying as potential “waters of the U.S.”, if present;
- Locating, flagging, and mapping of wetland boundaries, if present; and
- Mapping of the sampling locations and potential wetland boundaries using mobile GPS unit capable of sub-meter accuracy.

Upon completion of the field activities, we will submit our request for a jurisdictional determination (JD) from the USACE, Mobile District. This scope of work will be guided by Section 404 of the Clean Water Act.

### Phase II – Wetland Permitting Assistance (\$6,500)

**For the permitting phase, the Engineer will perform the following:**

- Obtain and review any Environmental Assessments or other environmental studies that have been conducted in the project area.

## ATTACHMENT A – SCOPE OF SERVICES

- Provide a written report documenting potential impacts to wetlands and “other waters of the U.S.”
- Solicit written correspondence from Federal, State, and Local resource agencies, as necessary, regarding proposed Project.
- Consult with the US Army Corps of Engineers, Department of Marine Resources, the Mississippi Department of Environmental Quality, and the US Fish and Wildlife Service.
- Consult with the Mississippi Secretary of State.
- Submit a Section 10/Section 404 Joint Permit Application and Notification to the Department of Marine Resources and the US Army Corps of Engineers.
- Provide permitting assistance, as required, to obtain the necessary permits for the construction phase of the project.

The following is specifically excluded from the aforementioned Scope of Work for this task order. However, these items can be provided if necessary, with a revision to the Scope of Work and fees. If the Client requests that any of these services be performed by the Consultant, then the Client will pay the Consultant for these authorized additional services on the basis of a negotiated lump sum fee or on the basis of the hourly rates plus reimbursable expenses.

### 1. Mitigation Plan

- Wetland mitigation assessment and planning for “other waters of the U.S.” are not included in this proposal
  - Wetland Acreage/Stream mitigation credits to be purchased are unknown at this time
2. A cultural resources survey and threatened and endangered species survey could be required by the US Army Corps of Engineers prior to Section 404 permit authorization.

### **Phase III – Engineering Design (\$15,600)**

Utilizing information acquired in previous phases and per any other deliverable subject to any CLIENT-directed modifications or changes in the scope, extent, character, or design requirements of or for the Project, and upon written authorization from CLIENT, for the general scope of work described above, the Engineer shall:

1. Prepare engineering drawings and specifications indicating the scope, extent, and character of the work to be performed and furnished by the contractor. 1 set of the engineering documents and any other deliverables will be provided to the CLIENT for review. Following their review, CLIENT shall submit to the Engineer any comments regarding the Design Phase documents and any other deliverables.
2. Provide an updated engineer’s Opinion of Probable Construction Cost with final construction documents.
3. Prepare and furnish bidding documents for review by CLIENT, its legal counsel, and other advisors, and assist CLIENT in the preparation of other related documents. CLIENT shall submit

## ATTACHMENT A – SCOPE OF SERVICES

to Engineer any comments and instructions for revisions and Engineer will revise the bidding documents accordingly. 1 Final copy of the bidding documents, including a final Opinion of Probable Construction Cost, will be provided to the CLIENT.

### **Phase IV – Bidding Phase (\$4,000)**

After acceptance by CLIENT of the final bidding documents prepared in Phase II and the final Opinion of Probable Construction Cost, and upon written authorization by the CLIENT to proceed, Engineer shall:

1. Assist CLIENT in advertising for and obtaining bids or proposals for the Work and, where applicable, maintain a record of prospective bidders to whom Bidding Documents have been issued, and receive and process contractor deposits or charges for the bidding documents.
2. Issue addenda as appropriate to clarify, correct, or change the bidding documents.
3. Provide information or assistance needed by CLIENT in the course of any negotiations with prospective contractors.
4. Consult with CLIENT as to the acceptability of subcontractors, suppliers, and other individuals and entities proposed by prospective contractors for those portions of the Work as to which such acceptability is required by the bidding documents.
5. If bidding documents require, the Engineer shall evaluate and determine the acceptability of "or equals" and substitute materials and equipment proposed by bidders.
6. Attend the Bid opening, prepare Bid tabulation sheets, and assist CLIENT in evaluating Bids or proposals and in assembling and awarding contracts for the Work.
7. The Bidding Phase will be considered complete upon commencement of the Construction Phase or upon cessation of negotiations with prospective contractors.

### **Phase V – Construction Phase (including RPR) (\$17,000)**

- A. Upon successful completion of the Bidding Phase, and upon written authorization from CLIENT, Engineer shall:
  1. *General Administration of Construction Contract:* Consult with CLIENT and act as CLIENT's representative as provided in the Construction Contract. The extent and limitations of the duties, responsibilities, and authority of Engineer as assigned in the Construction Contract shall not be modified, except as Engineer may otherwise agree in writing. All of CLIENT's instructions to Contractor will be issued through Engineer, which shall have authority to act on behalf of CLIENT in dealings with Contractor to the extent provided in this Agreement and the Construction Contract except as otherwise provided in writing.
  2. *Resident Project Representative (RPR):* Provide the services of an RPR, as needed, at the Site to assist the Engineer and to provide more extensive observation of Contractor's work.

**ATTACHMENT A – SCOPE OF SERVICES**

3. *Selecting Independent Testing Laboratory:* Assist CLIENT in the selection of an independent testing laboratory, where necessary
4. *Pre-Construction Conference:* Participate in a Pre-Construction Conference prior to commencement of Work at the Site.
5. *Schedules:* Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.
6. *Visits to Site and Observation of Construction:* In connection with observations of Contractor's Work while it is in progress:
  - a. Engineer will make visits to the Site at intervals appropriate to the various stages of construction, as Engineer deems necessary, to observe as an experienced and qualified design professional the progress of Contractor's executed Work. Such visits and observations by Engineer, and the Resident Project Representative, are not intended to be exhaustive or to extend to every aspect of Contractor's Work in progress or to involve detailed inspections of Contractor's Work in progress beyond the responsibilities specifically assigned to Engineer in this Agreement and the Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Engineer's exercise of professional judgment, as assisted by the Resident Project Representative. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Contract Documents, and Engineer shall keep CLIENT informed of the progress of the Work.
  - b. The purpose of Engineer's visits to, and representation by the Resident Project Representative, at the Site, will be to enable Engineer to better carry out the duties and responsibilities assigned to and undertaken by Engineer during the Construction Phase, and, in addition, by the exercise of Engineer's efforts as an experienced and qualified design professional, to provide for CLIENT a greater degree of confidence that the completed Work will conform in general to the Contract Documents and that Contractor has implemented and maintained the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents. Engineer shall not, during such visits or as a result of such observations of Contractor's Work in progress, supervise, direct, or have control over Contractor's Work, nor shall Engineer have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by Contractor, for security or safety at the Site, for safety precautions and programs incident to Contractor's Work, nor for any failure of Contractor to comply with Laws and Regulations applicable to Contractor's furnishing and performing the Work. Accordingly, Engineer neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish or perform the Work in accordance with the Contract Documents.
7. *Defective Work:* Reject Work if, on the basis of Engineer's observations, Engineer believes that such Work (a) is defective under the standards set forth in the Contract Documents,

**ATTACHMENT A – SCOPE OF SERVICES**

- (b) will not produce a completed Project that conforms to the Contract Documents, or (c) will imperil the integrity of the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.
8. *Clarifications and Interpretations; Field Orders:* Issue necessary clarifications and interpretations of the Contract Documents as appropriate to the orderly completion of Contractor's work. Such clarifications and interpretations will be consistent with the intent of and reasonably inferable from the Contract Documents. Subject to any limitations in the Contract Documents, Engineer may issue field orders authorizing minor variations in the Work from the requirements of the Contract Documents.
  9. *Change Orders and Work Change Directives:* Recommend change orders and work change directives to CLIENT, as appropriate, and prepare change orders and work change directives as required.
  10. *Shop Drawings and Samples:* Review and approve or take other appropriate action in respect to Shop Drawings and Samples and other data which Contractor is required to submit, but only for conformance with the information given in the Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such reviews and approvals or other action will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions and programs incident thereto. Engineer shall meet any Contractor's submittal schedule that Engineer has accepted.
  11. *Substitutes and "or-equal":* Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor.
  12. *Inspections and Tests:* Require such special inspections or tests of Contractor's work as deemed reasonably necessary, and receive and review all certificates of inspections, tests, and approvals required by Laws and Regulations or the Contract Documents. Engineer's review of such certificates will be for the purpose of determining that the results certified indicate compliance with the Contract Documents and will not constitute an independent evaluation that the content or procedures of such inspections, tests, or approvals comply with the requirements of the Contract Documents. Engineer shall be entitled to rely on the results of such tests.
  13. *Disagreements between CLIENT and Contractor:* Render formal written decisions on all duly submitted issues relating to the acceptability of Contractor's work or the interpretation of the requirements of the Contract Documents pertaining to the execution, performance, or progress of Contractor's Work; review each duly submitted Claim by CLIENT or Contractor, and in writing either deny such Claim in whole or in part, approve such Claim, or decline to resolve such Claim if Engineer in its discretion concludes that to do so would be inappropriate. In rendering such decisions, Engineer shall be fair and not show partiality to CLIENT or Contractor and shall not be liable in connection with any decision rendered in good faith in such capacity.
  14. *Applications for Payment:* Based on Engineer's observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:

**ATTACHMENT A – SCOPE OF SERVICES**

- a. Determine the amounts that Engineer recommends Contractor be paid. Such recommendations of payment will be in writing and will constitute Engineer's representation to CLIENT, based on such observations and review, that, to the best of Engineer's knowledge, information and belief, Contractor's Work has progressed to the point indicated, the Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe Contractor's Work. In the case of unit price work, Engineer's recommendations of payment will include final determinations of quantities and classifications of Contractor's Work (subject to any subsequent adjustments allowed by the Contract Documents).
  - b. By recommending any payment, Engineer shall not thereby be deemed to have represented that observations made by Engineer to check the quality or quantity of Contractor's Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor's Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in this Agreement and the Contract Documents. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment including final payment will impose on Engineer responsibility to supervise, direct, or control Contractor's Work in progress or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor's compliance with Laws and Regulations applicable to Contractor's furnishing and performing the Work. It will also not impose responsibility on Engineer to make any examination to ascertain how or for what purposes Contractor has used the moneys paid on account of the Contract Price, or to determine that title to any portion of the Work in progress, materials, or equipment has passed to CLIENT free and clear of any liens, claims, security interests, or encumbrances, or that there may not be other matters at issue between CLIENT and Contractor that might affect the amount that should be paid.
15. *Contractor's Completion Documents:* Receive, review, and transmit to CLIENT maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Contract Documents, certificates of inspection, tests and approvals, Shop Drawings, Samples and other data approved as provided under Paragraph 10 above, and transmit the annotated record documents which are to be assembled by Contractor in accordance with the Contract Documents to obtain final payment. The extent of such review by Engineer will be limited as provided in Paragraph 11 above.
16. *Substantial Completion:* Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with CLIENT and Contractor, visit the Project to determine if the Work is substantially complete. If after considering any objections of CLIENT, Engineer considers the Work substantially complete; Engineer shall deliver a certificate of Substantial Completion to CLIENT and Contractor.

## ATTACHMENT A – SCOPE OF SERVICES

17. *Final Notice of Acceptability of the Work:* Conduct a final visit to the Project to determine if the completed Work of Contractor is acceptable so that Engineer may recommend, in writing, final payment to Contractor.
- B. *Duration of Construction Phase:* The Construction Phase will commence with the execution of the first Construction Contract for the Project or any part thereof and will terminate upon written recommendation by Engineer for final payment to Contractors. Engineer shall be entitled to an equitable increase in compensation if Construction Phase services (including Resident Project Representative services) are required after the original date for completion and readiness for final payment of Contractor as set forth in the Construction Contract. For purposes of this proposal, a construction phase of not more than 30 days was assumed.
- C. *Limitation of Responsibilities:* Engineer shall not be responsible for the acts or omissions of any Contractor, Subcontractor or Supplier, or other individuals or entities performing or furnishing any of the Work, for safety or security at the Site, or for safety precautions and programs incident to Contractor's Work, during the Construction Phase or otherwise. Engineer shall not be responsible for the failure of any Contractor to perform or furnish the Work in accordance with the Contract Documents.

### **Phase VI – Easement Plats (\$2,000 per each)**

At the City's discretion, legal description and plat for easements needed will be provided. This will include setting rods at the easement corner.

### **Additional Services**

Any service not specifically outlined above is excluded from Pickering Firm, Inc.'s scope of work. In the event you request additional services over and above the subject scope of work, we will perform said additional services under a new work assignment or an amendment to this work assignment. Additional Services may include, but are not limited to: preparation of right-of-way or easement acquisition documents, environmental assessments, project permitting, engineering design of proposed improvements not outlined above.



2021-314

Item No. 16.

5000 Diamondhead Circle ·  
Diamondhead, MS 39525-3260

September 17, 2021

Mayor and Council  
City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, MS 39525

Dear Councilmembers:

Re: Transfer of General Funds to NRCS – Channel Stabilization Diamondhead Fund  
Diamondhead East at Alkii Way

Approval is hereby requested to transfer \$22,000 from the General Fund to NRCS Fund for the Channel Stabilization at Diamondhead Drive East and Alkii Way. Change Order No. 1 was recently approved for rip rap and materials to stabilize the west slope demonstrating instability due to the unsuitable dirt.

Thank you in advance for your consideration and approval in this matter.

Sincerely,

A handwritten signature in cursive script that reads 'Jeannie Klein'.

Jeannie Klein  
City Clerk



2021-276

Item No. 17.

CONTRACT	EXPIRATION		AMOUNT	Per	DESCRIPTION	c
	INCEPTION	DATE				
AGJ Systems	April-21	April-25	\$2,082	month	IT Services (Complete Care)	5/18/2021
Ashbritt	August-21	August-24	per scheduled rates	as needed	Disaster Debris Removal/Hauling	3 year - 2yr optional 8/28/2021
AT&T	April-14	December-24	varies	revenue	Video Services Franchise Agreement - 1/1/14-12/31/24; 5%; quarterly pmts.	
Cable One	August-12	December-33	varies	revenue	Franchise Agreement 8/1/12; quarterly pmts.; Free Business Services included in this agreement	
Cable One	February-15	n/a	N/A	N/A	Resolution 2015-006 amended franchise agreement - Company merger	
Chamber Marketing Agreement	May-16	Ongoing	\$1,000.00	Month	marketing/advertising phases - one time fees	
Comcepts	January-14	Ongoing	\$100.00	month	Billing Changes 1/2014 After hours answering service	9/6/2016
Conexis	August-15	Ongoing		EE	COBRA Continuation Mgt. Services	
Constant Contact	October-14	Ongoing	varies	useage	E-Blast pricing agreement; charged to Hancock Bank CC monthly	
Cruisin the Coast	October-17		\$10,000 est	event	Annual City-hosted event	
Cruisin the Coast	October-83	October-19	\$ 4,000.00		2019 Blessing of the Classics	3/6/2019
Cspire	September-20	ongoing	\$ 410.58	mo	VOIP Phone service	9/17/2019
Cspire Fiber Optic	August-19	ongoing	\$ 199.00	monthly	Fiber Optic Internet City Hall	5/21/2019
C-Spire Supplemental Cellular Service	January-15	June-16	varies	useage	State Contract Pricing 12/31/14	
Cuevas Auction, LLC	September-13	Ongoing	varies	useage	auction services 9/17/13	
De l'Eppee' Deaf Center	May-19	onging	fee based	as needed	hearing interpreter services	5/21/2019
Derek Cusick	July-21	July-22	3000 + \$125. p/hr	services	Legal Services (Res 2021-043 Attorney/Prosecutor)	auto renews annually for 3 years 7/6/2021
First Point (formerly Correct Chec	June-19	Ongoing	varies	services	Employment Background check services	
Focus Group	April-15	Ongoing	\$300.00	annually	hosting City web site	5/17/2016
FP Mailing Systems	March-15	March-18	\$ 27.00	month	postage machine	
Fuelman	April-12	Ongoing	varies	useage	fuel card for all vehicles	
George S. Blair	August-21	July-22	\$ 1,000.00	monthly	Public Defender	7/20/2021

CONTRACT	INCEPTION	EXPIRATION DATE	AMOUNT	Per	DESCRIPTION	approved
Gex Drive Adoption Agreement	April-17		\$ -	agreement	Adopt a Right-of-way - Gex Drive	4/4/2017
Hancock Bank	January-12	Ongoing	N/A	N/A	Merchant Card Agreement 2012	
Hancock Chamber	May-16	ongoing	\$1,000	Month	Marketing Agreement	May-16
Hancock county	July-16	January-20	\$ -		shared services road work /fire protection	8/2/2016
Hancock County - Chancery Clerk	October-13	Ongoing	\$ 10.00	parcel	Collection of Delinquent Taxes 10/2013	9/17/2019
Hancock County - Interlocal (generator)	January-16	until city obtains their own generator	\$ -	contract	Interlocal Agreement Hancock County generator installed at City Hall	
Hancock County Solid Waste	May-16	April-16	\$ 33,061.50	mo.	HCSWA and Waste Mgt. - option to extend for 4, one-year increments	City is included in agreement w/ Solid Waste Authority
Hancock County -Tax Assessor	October-13	Ongoing	3% fee	parcel	Tax billing/collections	9/17/2019
Hancock County -Tax Assessor	October-13	Ongoing	3% fee	parcel	Solid Waste Billing/Collection	9/17/2019
Harbor House POS	August-20	on-going	\$1	annually	commercial lease	7/21/2020
	January-18	September-23	actual cost	contract	Police Protection Services	12/17/2019
HCSO	April-14	Ongoing	\$ 25.00	hour	Bailiff Agreement 4/2014; minimum 4 hours per court session	COD officers are part of the interlocal
Hub International	July-13	on-going	\$0		employee benefit broker	Jul-13
Jani King	September-18	Ongoing	\$2,100.00	month	city hall	9/6/2018
Jani King	November-37	Ongoing	\$ 2,100.00	month	amendment to contract to add Police Department	3/6/2019
Lexipol	August-20	September-21	\$ 968.00	annually	online training - PD	8/18/2020
Memorial Hospital Gulfport	March-21	on-going	per scheduled rates	as needed	occupational medication	3/16/2021
MS Municipal Service Co.	April-12	Ongoing	varies	contract	WC Insurance 4/2012 (1)	
Municode	October-15	auto renewal	\$ 12,000.00	contract	publication for code of ordinances; must provide 60 day notice for termination of contract	
Municode	October-15	Ongoing	varies	contract	Codification - 3 years; automatic renewal after 3 years	
Municode	October-19	Ongoing	3800 + 2200		agenda/minutes and website	9/17/2019
Ncourt	August-12	ongoing			Online Court Fine Payments/Collections	
Necaise & Company	December-19	December-19	fee based	ent	FY18,19 & 20 Audits	

CONTRACT	INCEPTION	EXPIRATION DATE	AMOUNT	Per	DESCRIPTION	approved
NextSite	December-18	November-21	\$ 11,000.00	annually	3-year marketing research 50/50 split with P&H	11/20/2018
North Bay Automotive	October-12	Ongoing	varies	services	10/1/2012	
Office Depot	September-12	Ongoing	varies	usage	Adjustable SPC application/Office Depot Purchasing Card	
Orion Planning	June-21	on-going	\$660	month	On-call Commercial Design Review	6/15/2021
Penn Credit	October-15	Ongoing	varies	contract	Court fine collection services; commission: 16.5% on in-state and 30% on out-of-state collections; 60 written notice required to term contract	10/6/2015
Plan House Printing	January-19	June-21	\$0.00		Bid RFP electronic bidding services	1/15/2019
Plan House Printing	May-19	ongoing	fee based	agreement	Reverse Auction Services	5/7/2019
POA	March-13	January-17	\$ 1,000.00	mo.	Public Works Barn Lease (currently on month to month)	expired- need new agreement 12/20/2016
POA	December-12	Ongoing	N/A	N/A	POA Adoption of certain ROW's FINAL2 12/28/12	
Point One Strategies LLC	September-20	Ongoing	\$ 36,000.00	services	Lobbying Services + routine expenses	8/18/2020
Purcell Corp	September-20	on-going	\$1	annually	commercial lease	7/21/2020
Rebel Sound Systems	August-15	Ongoing	\$ 480.00	year	Fire alarm annual monitoring services	
Rostan	March-21		per scheule rates		Disaster Consulting	4/6/2021
Silver Slipper Casino	September-20	on-going	\$1	annually	commercial lease	7/21/2020
SMBM	February-17	February-22	\$ 187.21	mo.	City Hall Copier Maint Agreement MX6070n(1) 5/2013	6/6/2017
SMBM	July-14	August-21	\$ 84.14	mo.	Police Copier Lease 7/14 thru 7/19	12/6/2016
SMBM	August-14	August-21	\$ 84.14	mo.	Finance Copier lease 8/2014 thru 8/2019	12/6/2016
SMBM	April-17	April-22	\$ 81.97	mo.	Public Works Copier 60 mth-lease (April 2022)	6/6/2017
SMBM	November-18	November-23	281.28	month	large format printer	11/6/2018
SMPDD	November-18	November-20	NTE 11,250	75 hourly	economic development/grant services	11/6/2018
South Side Property Lease	September-19		\$1.00	annually	Properties	9/7/2019
SPCA Diamondhead	October-16	September-17	\$ 800.00		to provide animal control services in the city	reviewed annually

CONTRACT	INCEPTION	EXPIRATION		AMOUNT	Per	DESCRIPTION	approved	
		DATE						
Tetra Tech	August-21	August-24		per scheule rates		Debris Monitoring	3 year - 2yr optional	8/17/2021
The First	March-21	March-23		N/A	N/A	Depositry Services		2/17/2021
The First	December-21	December-21		\$66,752.03	year (5 years)	purchase (2020 series		9/20/2016
Thyssenkrupp Elevator Corp	January-17	January-22		\$ 254.39	p/month paid qtrly	warranty/maintenance		12/20/216
TransUnion	February-20	ongoing		\$50.00	monthly	due/collections		2/4/2020
Tyler Technolgies	July-12	12/31/2023		\$36,567	annually	Software Package		2/16/2018
Tyler Technolgies	June-20	December-23		\$ 4,800.00	annually	Bulding Dept ICD Software		6/20/2020
Unifirst	July-20	July-25			monthly	price based on usage		3/17/2020

**City of Diamondhead, Mississippi**  
**Audited Financial Statements and Special Reports**  
**For the Year Ended September 30, 2020**

**City of Diamondhead, Mississippi**  
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**INTRODUCTORY SECTION**

**City of Diamondhead, Mississippi  
City Officials  
September 30, 2020**

ELECTED OFFICIALS

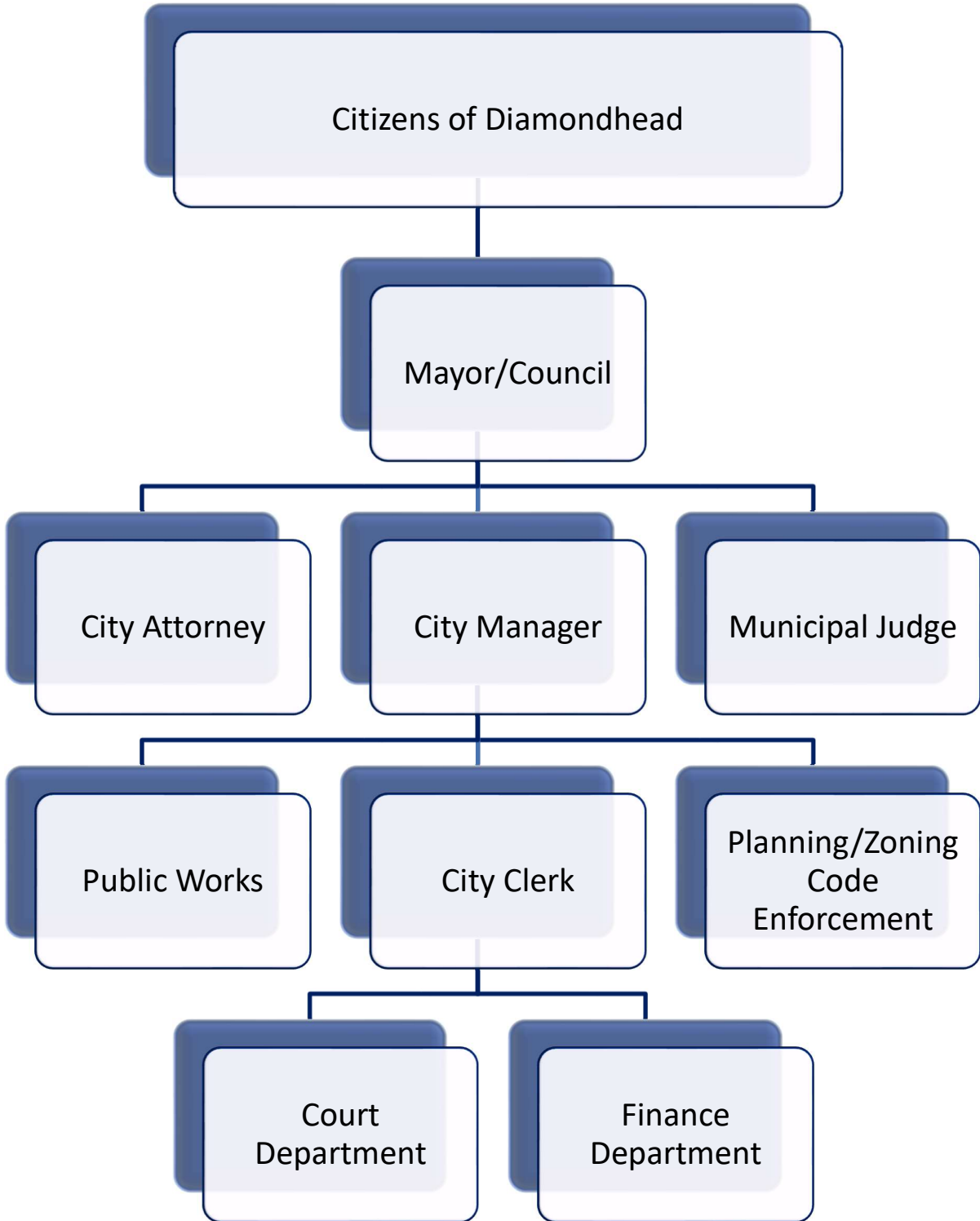
Mayor Pro Tem	Nancy Depreo
Councilman-At-Large	Lindsay "Tink" L'Ecuyer
Ward 1	Nancy Depreo
Ward 2	Alan Moran
Ward 3	Jamie Wetzel Morgan
Ward 4	Charles S. Clark

APPOINTED OFFICIALS

City Manager	Michael Reso
City Clerk	Jeannie Klein
Municipal Court Judge	Hayes Johnson
City Attorney	Derek Cusick
Police Department	A.J. Gambino
Building Official	Ronald Jones
Public Works	Stanley Bychurch



City of Diamondhead, Mississippi  
Organization Chart  
September 30, 2020



**FINANCIAL SECTION**

### Independent Auditor's Report

Honorable Mayor and City Council  
City of Diamondhead, Mississippi

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Diamondhead, Mississippi, (City) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Diamondhead, Mississippi, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

5

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ty@necaiseco.com

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(228) 255-6451

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 8 and 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Diamondhead, Mississippi's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and Schedule of Surety Bonds for City Officials are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and Schedule of Surety Bonds for City Officials have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2021, on our consideration of the City of Diamondhead, Mississippi's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Diamondhead, Mississippi's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Diamondhead, Mississippi's internal control over financial reporting and compliance.



Necaise & Company PLLC  
Gulfport, Mississippi  
August 31, 2021

**MANAGEMENT'S DISCUSSION AND ANALYSIS**



This section of the City of Diamondhead, Mississippi's Annual Financial Report presents a narrative overview and comparative analysis of the financial activities of the City for the fiscal year ended September 30, 2020 and 2019. Readers are encouraged to consider the information presented here in conjunction with the basic financial statements that immediately follow.

Within this section of the report, the City of Diamondhead, Mississippi's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

The components of this annual financial report include:

- Management's Discussion and Analysis (MD&A)
- Financial Statements
- Required Supplementary Information (RSI)
- Supplementary and Other Information

#### **Government-Wide Financial Highlights**

- The total assets of the City exceeded total liabilities for the fiscal year ended September 30, 2020 by \$64,242,831 (net position). Of this amount \$5,378,343 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- Property tax receivable decreased by \$329,440 compared to the previous year.
- General revenues amounted to \$5,058,966 or 79% of total revenues. This amount decreased \$98,905 from 2019. Program revenues amounted to \$1,377,966 or 21% of total revenues, which increased \$236,038 from 2019.
- Capital assets, net of accumulated depreciation, decreased by \$405,945 during 2020. The decrease is primarily due to annual depreciation.
- Total outstanding debt decreased by \$270,475.
- Accounts payable increased by \$495,871. The increase is mostly due to roadway improvements incurred in fiscal year 2020 but paid in fiscal year 2021.

#### **Fund Statement Financial Highlights**

- *General Fund* – This fund is used for the general operations of the City. The General Fund had \$5,267,228 in revenues and \$5,820,637 in expenditures in the current year. The General Fund's fund balance decreased \$683,757 for fiscal year 2020.

#### **Overview of the Financial Statements**

*Management's Discussion and Analysis* is considered *Required Supplementary Information* but is presented as part of the financial section of this report. The MD&A introduces the City's financial statements and any additional information to supplement them.

## Overview of the Financial Statements (continued)

*Basic Financial Statements* for the City consist of Government-Wide Statements (Statement of Net Position and the Statement of Activities), Governmental Fund Statements (Balance Sheet, Statement of Revenues, Expenditures, and Changes in Fund Balances), Fiduciary Fund Statements (Statement of Fiduciary Assets and Liabilities), and the accompanying Notes to the Financial Statements.

Government-Wide Statements provide information about the City's assets and liabilities and its revenues and expenses using the accrual basis of accounting similar to the accounting used by private sector companies. The Government-Wide Financial Statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City include capital projects, general government, public safety, public works, solid waste, and culture and recreation.

Fund Statements are prepared on the modified accrual basis of accounting and are designed to report information on near-term inflows, outflows, and balances of spendable and non-spendable resources. Such information may be useful in assessing the City's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use at the end of the fiscal year. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, and Capital Project Funds.

Fund financial reports provide detailed information about the City's major funds. Based on restrictions on the use of monies, the City has established several funds, which account for the multitude of services provided to residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Diamondhead, the General Fund is the only major fund for fiscal year ending 2020.

- *Governmental Funds* - The City's governmental funds focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future on services provided to the City's residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.
- *Fiduciary Funds* – Fiduciary Funds show amounts held by the City for the benefit of others and clearing accounts used to track payroll and related liabilities.

The accompanying *Notes to the Financial Statements* provide information essential to a full understanding of the financial statements. The Notes begin immediately following the Statement of Fiduciary Assets and Liabilities.

## RSI and Other Information

*Required Supplementary Information* consists of information that is considered to be an essential part of financial reporting and should be reported with, but not as a part of, the basic financial statements. Although the MD&A is considered RSI, it is presented in the financial section of this report.

*Other Information* is presented for informational purposes only and is not considered essential to the financial report.

## Financial Analysis

### Statement of Net Position and the Statement of Activities

These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid but rather when they are incurred.

These two statements report the City's net position and the changes in those assets. This change in assets is important because it tells the reader whether the financial position of the City has improved or diminished.

In the Statement of Activities, the City's activities are reported as governmental activities, which include all of the City's services including general government, public safety, public works, building/planning and zoning, community services, and solid waste. As of September 30, 2020, the City has no component units.

The following table (Table 1) presents the condensed statement of net position as of September 30, 2020 and 2019, derived from the City's Statement of Net Position (Exhibit 1).

*Table 1: Condensed Statement of Net Position  
As of September 30,*

	2020	2019	Change
Current and other assets	\$ 9,504,850	\$ 9,876,979	\$ (372,129)
Capital assets, net	<u>59,533,654</u>	<u>59,939,599</u>	<u>(405,945)</u>
Total assets	<u>69,038,504</u>	<u>69,816,578</u>	<u>(778,074)</u>
Current and other liabilities	1,032,485	497,810	534,675
Long-term debt	<u>839,488</u>	<u>1,109,963</u>	<u>(270,475)</u>
Total liabilities	<u>1,871,973</u>	<u>1,607,773</u>	<u>264,200</u>
Total deferred inflows	<u>2,923,700</u>	<u>3,253,140</u>	<u>(329,440)</u>
Net position:			
Net investment in capital assets	58,694,166	58,829,636	(135,470)
Restricted	170,322	213,131	(42,809)
Unrestricted	<u>5,378,343</u>	<u>5,912,898</u>	<u>(534,555)</u>
Total net position	<u>\$ 64,242,831</u>	<u>\$ 64,955,665</u>	<u>\$ (712,834)</u>

The City's net position at fiscal year-end is \$64,242,831. This is a \$712,834 decrease from last year's net position of \$64,955,665. The decrease is primarily due to annual depreciation on capital assets and increase in current and other liabilities.

The City reported a positive balance in net position for both 2020 and 2019. The following is a summary of the more significant changes:

- Cash, receivables, and other assets decreased by \$372,129.
- Long-term debt decreased by \$270,475.
- Capital assets decreased by \$405,945. This decrease was primarily due to current year depreciation.



**Financial Analysis (continued)***Statement of Net Position and the Statement of Activities (continued)*

The following table (Table 2) presents the City's condensed statement of activities for the fiscal years ended September 30, 2020 and 2019. For more detailed information see the Statement of Activities (Exhibit 2).

*Table 2: Condensed Statement of Activities  
For the Years Ended September 30,*

	2020	2019	Change
<i>Revenues</i>			
Program revenues	\$ 1,377,966	\$ 1,141,928	\$ 236,038
General revenues	<u>5,058,966</u>	<u>5,157,871</u>	<u>(98,905)</u>
Total revenues	<u>6,436,932</u>	<u>6,299,799</u>	<u>137,133</u>
<i>Expenses</i>			
General government	1,702,388	1,059,880	642,508
Public safety	930,543	1,255,175	(324,632)
Public works	3,997,270	4,085,262	(87,992)
Culture & recreation	14,924	48,989	(34,065)
Conservation of natural resources	283,601	15,185	268,416
Economic development & assistance	190,803	89,477	101,326
Interest on long-term debt	<u>30,237</u>	<u>34,598</u>	<u>(4,361)</u>
Total expenses	<u>7,149,766</u>	<u>6,588,566</u>	<u>561,200</u>
Increase (decrease) in net position	<u>(712,834)</u>	<u>(288,767)</u>	<u>(424,067)</u>
Net Position, beginning	<u>64,955,665</u>	<u>65,244,432</u>	<u>(288,767)</u>
Net Position, ending	<u>\$ 64,242,831</u>	<u>\$ 64,955,665</u>	<u>\$ (712,834)</u>

The following is a summary of the significant changes from the Statement of Activities:

- Total revenues increased by \$137,133.
- Total expenses increased by \$561,200.
- Net position decreased by \$712,834 in 2020 and decreased by \$288,767 in 2019. The change in decrease in net position is \$424,067.

**Budgetary Highlights**

The City's budget is prepared according to Mississippi law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. Governmental auditing standards require that cities present budgetary comparison schedules as required supplementary information to the financial statements. The most significant budgeted fund is the General Fund.

During the course of 2020, the City amended its budget. All recommendations for a budget change come from the City Clerk to the Council for approval. State law does not allow budget changes that modify functional levels of budget amounts within a department without council approval. With the General Fund supporting many of our major activities, such as our public safety expenditures, public works, as well as most legislative and executive activities, the General Fund is monitored closely looking for possible revenue shortfalls or overspending by individual departments.

**Budgetary Highlights (continued)***Budget Variances in the General Fund*

All significant differences in the original budget and the final amended budget are summarized as follows:

- \$60,100 (9%) increase in general sales tax revenue
- \$29,026 (26%) increase in interest income
- \$325,791 (10%) increase in public works expenditures
- \$12,902 (21%) increase in economic development expenditures
- \$128,322 (90%) increase in capital lease expenditures

The City ended the year with an overall unfavorable variance between the original and final budget of \$419,164 primarily due to increased public works and capital lease expenditures.

**Capital Assets**

Net capital assets at year-end are \$59,533,654, which reflects a \$405,945 decrease from the prior year. The significant decrease is primarily due to current year depreciation expense.

**Debt Administration**

At year-end, the City had \$839,488 in outstanding debt. The debt consists of a capital lease used for the City Hall building and grounds. For more information, see the accompanying notes to the financial statements.

**Economic Factors**

The Coronavirus pandemic had a major impact on most industries in 2020. The City as a whole has fared well. Sales tax revenue increased, which is likely due to the spending encouraged by federal stimulus funds received by city residents. In addition, new grant opportunities are available that allows the City to recoup pandemic related costs.

**Contacting the City's Management**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

City of Diamondhead, MS  
Attention: Michael J. Reso, City Manager  
5000 Diamondhead Circle  
Diamondhead, MS 39525

**FINANCIAL STATEMENTS**

**City of Diamondhead, Mississippi**  
**Statement of Net Position**  
**September 30, 2020**

**Exhibit 1**

**ASSETS**

Cash	\$ 5,810,659
Cash, restricted	89,675
Property tax receivable	2,923,700
Franchise tax receivable	75,423
Fines receivable (net of allowance for uncollectibles of \$348,478)	4,589
Prepaid expenses	64,767
Intergovernmental receivables	498,725
Other assets	37,312
Capital assets:	
Nondepreciable capital assets	8,744,605
Depreciable capital assets, net	50,789,049
Total Assets	<u>69,038,504</u>

**LIABILITIES**

Accounts payable and accrued liabilities	810,813
Due to other governmental agencies	104,705
Accrued interest payable	6,467
Other payables	72,001
Long-term liabilities:	
Compensated absences	38,499
Due within one year	
Capital debt	82,332
Due in more than one year	
Capital debt	757,156
Total Liabilities	<u>1,871,973</u>

**DEFERRED INFLOWS OF RESOURCES**

Property tax for future reporting period	<u>2,923,700</u>
Total Deferred Inflows of Resources	<u>2,923,700</u>

**NET POSITION**

Net investment in capital assets	58,694,166
Restricted for:	
Public safety	87,552
Public works	82,719
Economic development	51
Unrestricted	<u>5,378,343</u>
Total Net Position	<u>\$ 64,242,831</u>

*The notes to the financial statements are an integral part of this statement.*

**City of Diamondhead, Mississippi**  
**Statement of Activities**  
**For the Year Ended September 30, 2020**

<u>Functions/Programs</u>	<u>Program Revenues</u>				<i>Net (Expense)</i>
	<i>Expenses</i>	<i>Charges for Services</i>	<i>Operating Grants and Contributions</i>	<i>Capital Grants and Contributions</i>	<i>Revenue and Changes in Net Position</i>
Governmental activities					
General government	\$ 1,702,388	\$ -	\$ 197,330	\$ -	\$ (1,505,058)
Public safety	930,543	-	-	-	(930,543)
Public works	3,997,270	581,676	-	506,551	(2,909,043)
Culture and recreation	14,924	-	-	-	(14,924)
Conservation of natural resources	283,601	-	-	5,959	(277,642)
Economic development and assistance	190,803	-	-	86,450	(104,353)
Interest on long-term debt	30,237	-	-	-	(30,237)
Total governmental activities	<u>\$ 7,149,766</u>	<u>\$ 581,676</u>	<u>\$ 197,330</u>	<u>\$ 598,960</u>	<u>\$ (5,771,800)</u>
		General revenues:			
		Property taxes		\$ 3,439,842	
		General sales taxes		764,152	
		Road and bridge privilege taxes		207,030	
		Franchise taxes		280,606	
		Unrestricted interest income		146,077	
		Miscellaneous		221,259	
		Total general revenues		<u>5,058,966</u>	
		Change in Net Position		<u>(712,834)</u>	
		Net position, October 1, 2019		<u>64,955,665</u>	
		Net position, September 30, 2020		<u>\$ 64,242,831</u>	

The notes to the financial statements are an integral part of this statement.

City of Diamondhead, Mississippi  
Balance Sheet – Governmental Funds  
September 30, 2020

## Exhibit 3

	<i>General Fund</i>	<i>Other Governmental Funds</i>	<i>Totals</i>
<b>ASSETS</b>			
Cash	\$ 5,130,210	\$ 680,449	\$ 5,810,659
Cash, restricted	-	89,675	89,675
Receivables:			
Property tax	2,923,700	-	2,923,700
Fines, net	4,589	-	4,589
Franchise tax	75,423	-	75,423
Due from other funds	490,000	-	490,000
Intergovernmental receivables	343,724	50,677	394,401
Prepaid expenses	64,767	-	64,767
Other assets	37,312	-	37,312
Total Assets	<u>\$ 9,069,725</u>	<u>\$ 820,801</u>	<u>\$ 9,890,526</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 712,926	\$ 97,887	\$ 810,813
Intergovernmental payables	65,086	39,619	104,705
Due to other funds	-	490,000	490,000
Other payables	78,468	-	78,468
Total Liabilities	<u>856,480</u>	<u>627,506</u>	<u>1,483,986</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	2,923,700	-	2,923,700
Unavailable revenue - fines	4,589	-	4,589
Total Deferred Inflows of Resources	<u>2,928,289</u>	<u>-</u>	<u>2,928,289</u>
<b>FUND BALANCES</b>			
Restricted:			
Public safety	-	22,829	22,829
Public works	-	361	361
Committed:			
Public safety	-	61,250	61,250
Public works	-	108,804	108,804
Economic development	-	51	51
Unassigned	5,284,956	-	5,284,956
Total Fund Balances	<u>5,284,956</u>	<u>193,295</u>	<u>5,478,251</u>
Total Liabilities and Fund Balances	<u>\$ 9,069,725</u>	<u>\$ 820,801</u>	<u>\$ 9,890,526</u>

The notes to the financial statements are an integral part of this statement.

**City of Diamondhead, Mississippi**  
**Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position**  
**September 30, 2020**

Total Fund Balance - Governmental Funds	\$ 5,478,251
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets are used in governmental activities and are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation of \$ 18,183,541.	59,533,654
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	
Fine receivable	4,589
Intergovernmental receivable	104,324
Long-term liabilities are not due and payable in the current period and accordingly are not reported in the funds.	
Compensated absences	(38,499)
Capital debt	<u>(839,488)</u>
Total Net Position - Governmental Activities	<u>\$ 64,242,831</u>

*The notes to the financial statements are an integral part of this statement.*

*City of Diamondhead, Mississippi*  
**Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds**  
**For the Year Ended September 30, 2020**

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Totals</u>
<b>REVENUES</b>			
Property taxes	\$ 3,439,842	\$ -	\$ 3,439,842
General sales taxes	764,152	-	764,152
Franchise taxes	280,606	-	280,606
Road and bridge privilege taxes	203,551	-	203,551
Licenses, commissions and other revenue	126,715	-	126,715
Fines and forfeitures	62,283	-	62,283
Intergovernmental revenues	214,018	598,960	812,978
Charges for services	3,298	581,676	584,974
Interest	142,522	3,555	146,077
Other revenues	30,241	-	30,241
Total revenues	<u>5,267,228</u>	<u>1,184,191</u>	<u>6,451,419</u>
<b>EXPENDITURES</b>			
Current:			
General government	1,686,788	-	1,686,788
Public safety	906,811	-	906,811
Public works	2,849,658	785,588	3,635,246
Conservation of natural resources	-	283,601	283,601
Economic development and assistance	67,606	123,197	190,803
Debt service:			
Capital lease	270,475	-	270,475
Interest	39,299	-	39,299
Total expenditures	<u>5,820,637</u>	<u>1,192,386</u>	<u>7,013,023</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(553,409)</u>	<u>(8,195)</u>	<u>(561,604)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	4,580	134,928	139,508
Transfers out	<u>(134,928)</u>	<u>(4,580)</u>	<u>(139,508)</u>
Total other financing sources (uses)	<u>(130,348)</u>	<u>130,348</u>	<u>-</u>
Net change in fund balances	(683,757)	122,153	(561,604)
Fund balances, October 1, 2019	<u>5,968,713</u>	<u>71,142</u>	<u>6,039,855</u>
Fund balances, September 30, 2020	<u>\$ 5,284,956</u>	<u>\$ 193,295</u>	<u>\$ 5,478,251</u>

The notes to the financial statements are an integral part of this statement.



**City of Diamondhead, Mississippi**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in**  
**Fund Balance of Governmental Funds to the Statement of Activities**  
**For the Year Ended September 30, 2020**

Net Changes in Fund Balances - Governmental Funds	\$ (561,604)
<p>The change in net position reported for governmental activities in the statement of activities is different because:  Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlays	2,112,016
Depreciation expense	(2,489,269)
<p>In the Statement of Activities, only gain and losses from the sale of capital assets are reported, whereas in the Governmental Funds, proceeds from the sale of capital assets increase financial resources. Thus, the change in net position differs from the change in fund balances by the amount of the loss.</p>	
	(28,692)
<p>Fine revenue recognized on the modified cash basis in the funds during the current year is decreased because prior year recognition would have been required on the Statement of Activities using the full-accrual basis of accounting.</p>	
	(17,966)
<p>Road &amp; bridge privilege tax recognized on the modified accrual basis in the funds during the current year is decreased because prior year recognition would have been required on the Statement of Activities using the full-accrual basis of accounting.</p>	
Current year accrual	104,324
Recognized on Statement of Net Position in the prior year	(100,845)
<p>Debt proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Thus, the change in net position differs from the change in fund balances by the amount of debt repayments.</p>	
Principal payments	270,475
<p>Under the modified accrual basis of accounting used in the Governmental Funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. However, in the Statement of Activities, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is recognized under the modified accrual basis of accounting when due, rather than as it accrues. Thus, the change in net position differs from the change in fund balances by a combination of the following items:</p>	
Compensated absences	(10,335)
Accrued interest	9,062
Changes in Net Position of Governmental Activities	<u>\$ (712,834)</u>

The notes to the financial statements are an integral part of this statement.

**City of Diamondhead, Mississippi**  
**Statement of Fiduciary Assets and Liabilities**  
**September 30, 2020**

*Assets*

Current assets:

Cash	\$	11,834
Other receivables		<u>3,575</u>
Total assets		<u><u>15,409</u></u>

*Liabilities*

Current liabilities:

Amounts held in custody of others		11,834
Due to other governments		<u>3,575</u>
Total liabilities	\$	<u><u>15,409</u></u>

*The notes to the financial statements are an integral part of this statement.*

**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 1: Summary of Significant Accounting Policies

These financial statements of the City of Diamondhead, Mississippi were prepared in accordance with accounting principles generally accepted in the United States of America for governmental entities (GAAP). The following summary of the more significant accounting policies of the City is presented to assist the reader in interpreting these financial statements, and should be viewed as an integral part of this report.

*Reporting Entity*

The City of Diamondhead was incorporated January 20, 2012 under the laws of the State of Mississippi. The City is a municipal corporation governed by a five-member council and mayor. Diamondhead operated under a council-manager form of government as provided by its Charter. The Mayor and five City Council members are elected and serve four-year terms. The City Council directly appoints officers (City Attorney, City Clerk, City Manager, and Presiding Judge) who have full responsibility for carrying out City Council policies and administering day-to-day city operations. Since the City is newly established, many municipal services including police and fire protection are contracted with Hancock County, Mississippi.

The accounting and reporting policies of the City relating to the funds and accounts groups included in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units*, and by the Financial Accounting Standards Board (when applicable). The more significant accounting policies of the City are described below.

For financial reporting purposes, the reporting entity includes all funds that are covered by the oversight responsibility of the City's governing council. As defined by accounting principles generally accepted in the United States of America, the City is considered a "primary government."

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity was made by applying the criteria set forth in Accounting Principles Generally Accepted in the United States of America. The basic, but not the only, criterion 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 governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the City is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity. The following are excluded from the reporting entity:

Diamondhead Fire Protection District  
Diamondhead Water and Sewer District

These potential component units have separate elected and/or appointed boards. These are excluded from the reporting entity because the City does not have the ability to exercise influence or control over their daily operations, approve budgets or provide funding.

**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 1: Summary of Significant Accounting Policies (continued)

*Basis of Presentation*

The City's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, fund financial statements and accompanying note disclosures, which provide a detailed level of financial information.

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information concerning the City as a whole. The statements include all nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are generally financed through taxes, intergovernmental revenues and other nonexchange revenues.

The Statement of Net Position presents the financial condition of the governmental activities of the City at year-end. The Government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each function or program of the City's governmental activities. Direct Expenses are those that are specifically associated with a service, program or department and therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, and/or grants and contributions that are restricted to meeting the operational or capital requirements of a program. Taxes and other revenues not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or if it draws from the general revenues of the City.

Fund Financial Statements:

Fund financial statements of the City are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows, liabilities, deferred inflows, fund balances, revenues and expenditures/expenses. Funds are organized into governmental and fiduciary. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column as Other Governmental Funds.

*Measurement Focus and Basis of Accounting*

The Government-wide and Fiduciary Funds (excluding agency funds) financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied. Shared revenues are recognized when the provider government recognizes the liability to the City. Grants are recognized as revenues as soon as all eligibility requirements have been satisfied. Agency funds have no measurement focus, but use the accrual basis of accounting.

Governmental fund financial statements are presented using a current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period when they are both measurable and available to finance operations during the year or to liquidate liabilities existing at the end of the year. Available means collected in the current period or within 60 days after year end to liquidate liabilities existing at the end of the year. Measurable means knowing or being able to reasonably estimate the amount. Expenditures are recognized in the accounting period when the related fund liabilities are incurred.

Debt service expenditures and expenditures related to compensated absences and claims and judgments, are recognized only when payment is due. Property taxes, state appropriations and federal awards are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period.

**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 1: Summary of Significant Accounting Policies (continued)

*Measurement Focus and Basis of Accounting (continued)*

The City reports only one major Governmental Fund for 2020:

General Fund – This fund is used to account for all activities of the general government for which a separate fund has not been established.

Additionally, the City reports the following fund types:

GOVERNMENTAL FUND TYPES

Special Revenue Funds – These funds are used to account for and report the proceeds of specific revenue resources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Funds – These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

FIDUCIARY FUND TYPE

Agency Funds – These funds account for various taxes, deposits and other monies collected or held by the City, acting in the capacity of an agent, for distribution to other governmental units or designated beneficiaries.

*Account Classifications*

The account classifications used in the financial statements conform to the broad classifications recommended in *Governmental Accounting, Auditing and Financial Reporting* as issued in 2012 by the Government Finance Officers Association.

*Deposits and Investments*

State law authorizes the City to invest in interest bearing time certificates of deposit for periods of fourteen days to one year with depositories, and in obligations of the U.S. Treasury, State of Mississippi, or any City, municipality or school district of this state. Further, the City may invest in certain repurchase agreements.

Cash includes cash on hand, demand deposits, and all certificates of deposit and cash equivalents, which are short-term highly liquid investments that are readily convertible to cash (generally three months or less). Investments in governmental securities are stated at fair value. However, the City did not invest in any governmental securities during the fiscal year.

*Receivables*

Receivables are reported net of allowances for uncollectible accounts, where applicable. The estimated uncollectible allowance amount is based on the aging of receivables, historical collection experience, and other relevant circumstances.

*Interfund Transactions and Balances*

Transactions between funds that are representative of short-term lending/borrowing arrangements and transactions that have not resulted in the actual transfer of cash at the end of the fiscal year are referred to as “due to/from other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 1: Summary of Significant Accounting Policies (continued)

*Prepays*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items, such as prepaid insurance, are not reported for Fiduciary Fund Types since the costs of such items are accounted for as expenditures in the period of acquisition.

*Capital Assets*

Capital acquisition and construction are reflected as expenditures in Governmental Fund statements and the related assets are reported as capital assets in the governmental activities column in the government-wide financial statements. All purchased capital assets are stated at historical cost where records are available and at an estimated historical cost where no records exist. Capital assets include significant amounts of infrastructure which have been valued at estimated historical cost. The estimated historical cost was based on replacement cost multiplied by the consumer price index implicit price deflator for the year of acquisition. The extent to which capital assets, other than infrastructure, costs have been estimated and the methods of estimation are not readily available.

Donated capital assets are recorded at estimated fair market value at the time of donation. The costs of normal maintenance and repairs that do not add to the value of assets or materially extend their respective lives are not capitalized; however, improvements are capitalized. Interest expenditures are not capitalized on capital assets.

Governmental accounting and financial reporting standards require governments meeting certain criteria to retroactively report major general infrastructure assets by September 30, 2007. Current year general infrastructure assets are required to be reported. General infrastructure assets acquired after September 30, 1980, are reported on the government-wide financial statements. General infrastructure assets include all roads and bridges and other infrastructure assets.

Capitalization thresholds (dollar value above which asset acquisitions are added to the capital asset accounts) and estimated useful lives are used to report capital assets in the government-wide statements. Depreciation is calculated on the straight-line basis for all assets, except land. A full year's depreciation expense is taken for all purchases and sales of capital assets during the year.

The following schedule details those thresholds and estimated useful lives:

	Capitalization Thresholds	Estimated Useful Life (years)
Land	\$ -	N/A
Infrastructure	-	20-50
Buildings	10,000	40
Improvements other than buildings	5,000	20
Mobile equipment	1,000	5-10
Furniture and equipment	1,000	5-10
Leased property under capital leases	*	*

\* Leased property capitalization policy and estimated useful life will correspond with the amounts for the asset classification, as listed above.

**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 1: Summary of Significant Accounting Policies (continued)

*Deferred Outflows/Inflows of Resources*

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Unavailable revenue – property tax (Property taxes for future reporting period): Deferred inflows of resources should be reported when resources associated with imposed nonexchange revenue transactions are received or reported as a receivable before the period for which property taxes are levied.

Unavailable revenue – fines: When an asset is recorded in the governmental fund financial statements, but the revenue is not available, the government should report a deferred inflow of resources until such time as the revenue becomes available.

*Long-term Liabilities*

Long-term liabilities are the unmatured principal of bonds, loans, notes or other forms of noncurrent or long-term general obligation indebtedness. Long-term liabilities are not limited to liabilities from debt insurances, but may also include liabilities on lease-purchase agreements and other commitments.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities of the Statement of Net Position.

*Equity Classifications*

Government-wide Financial Statements:

Equity is classified as net position and displayed in three components:

Net Investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings attributable to the acquisition, construction or improvement of those assets.

Restricted net position – Consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or law through constitutional provisions or enabling legislation.

Unrestricted net position – All other net position not meeting the definition of “restricted” or “net investment in capital assets.”

Net Position Flow Assumption – When an expense is incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) resources are available, it is the City’s general policy to use restricted resources first. When expenses are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the City’s general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 1: Summary of Significant Accounting Policies (continued)

*Equity Classifications (continued)*

Fund Financial Statements:

Fund Balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balance is classified as non-spendable, restricted, committed, assigned, or unassigned. The following are descriptions of fund classifications used by the City:

*Non-spendable fund balance* includes amounts that cannot be spent. This includes amounts that are either not in a spendable form (inventories, prepaid amounts, long-term portion of loans/notes receivable, or property held for resale unless the proceeds from the collection of those receivables or from the sale of those properties are restricted, committed or assigned) or amounts that are legally or contractually required to be maintained intact, such as a principal balance of a permanent fund. Currently, there are no non-spendable fund balances.

*Restricted fund balance* includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

*Committed fund balance* includes amounts that can be used only for specific purposes pursuant to constraints imposed by a formal action of the City Council. The City Council is the highest level of decision-making authority of the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the City Council.

*Unassigned fund balance* is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

Hancock County bills and collects the real, personal, and auto ad valorem taxes for the City for a commission of 2% of gross collections not to exceed \$40,000 per year.

Numerous statutes exist under which the City Council may levy property taxes. The selection of authorities is made based on the objectives and responsibilities of the City. Restrictions associated with property tax levies vary with the statutory authority. The amount of increase in certain property taxes is limited by state law. Generally, this restriction provides that these tax levies shall produce no more than 110% of the amount which resulted from the assessments of the previous year.

The City Council, each year at a meeting in September, levies property taxes for the ensuing fiscal year which begins on October 1. Real property taxes become a lien on January 1 of the current year, and personal property taxes become a lien on March 1 of the current year. Taxes on both real and personal property, however are due on or before February 1 of the next succeeding year. Taxes on motor vehicles and mobile homes become a lien and are due in the month that coincides with the month of original purchase.

Accounting principles generally accepted in the United States of America require property taxes to be recognized at the levy date if measurable and available. All property taxes are recognized as revenue in the year for which they are levied. Motor vehicle and mobile home taxes do not meet the measurability and collectability criteria for property tax recognition because the lien and due date cannot be established until the date of original purchase occurs.



**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 1: Summary of Significant Accounting Policies (continued)

*Intergovernmental Revenues in Governmental Funds*

Intergovernmental revenues, consisting of grants, entitlements and shared revenues, are usually recorded in Governmental Funds when measurable and available. However, the “available” criterion applies for certain federal grants and shared revenues when the expenditure is made because expenditure is the prime factor for determining eligibility. Similarly, if cost sharing or matching requirements exist, revenue recognition depends on compliance with these requirements.

*Compensated Absences*

The City has adopted a policy of compensation for accumulated unpaid employee personal leave. No payment is authorized for accrued major medical leave. Accounting principles generally accepted in the United States of America require accrual of accumulated unpaid employee benefits as long-term liabilities in the government-wide financial statements.

The City’s policy on vacation leave allows employees to accrue vacation time based on a certain accrual rate per pay period once that employee has had one year of continuous service for the City. There are no restrictions on when the employees are allowed to take their vacation time. Retiring and voluntarily terminating employees can be paid for up to 15 days of unused vacation. It is the City’s policy that all unused sick leave is forfeited upon termination, retirement, or layoff. There is no liability for unpaid accumulated sick leave since sick pay is not paid upon termination of employment. In fund financial statements, governmental funds report the compensated absences liability payable only if the payable has matured, for example, as a result of employee resignations and retirements or use of vacation time.

The compensated absences liability was computed using the specific identification method whereby the actual number of vacation hours is multiplied by the employee’s hourly rate at September 30, 2020. The resulting liability is then increased to include payroll taxes that the City is required to pay upon liquidation of the liability.

*Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Note 2: Cash

*Primary Government*

The carrying amount of the City’s total deposits with financial institutions at September 30, 2020, was \$5,912,168, and the bank balance was \$6,001,739. The collateral for public entities’ deposits in financial institutions are held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity’s funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC).

*Custodial Credit Risk*

Custodial credit risk is the risk that in the event of failure of a financial institution, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City does not have a formal policy for custodial credit risk. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC). Deposits above FDIC coverage are collateralized by the pledging financial institution’s trust department or agent in the name of the Mississippi State Treasurer on behalf of the City.

**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 3: Interfund Transactions and Balances

The following is a summary of interfund balances at September 30, 2020:

*Due From/To Other Funds:*

Receivable Fund	Payable Fund	Amount
General Fund	Other Governmental Funds	\$ 490,000
		\$ 490,000

*Transfers In/Out*

Transfer In	Transfer Out	Amount
General Fund	Other Governmental Funds	\$ 4,580
Other Governmental Funds	General Fund	134,928
		\$ 139,508

The principal purpose of interfund transfers was to provide funds for to pay for capital outlay. Other transfers were made to reimburse for expenditures made on behalf of other fund purposes. All interfund transfers were routine and consistent with the activities of the fund making the transfer.

Note 4: Intergovernmental Receivables

Intergovernmental receivables at September 30, 2020, consisted of the following:

<i>Description</i>	<i>Amount *</i>
Due from state	\$ 382,710
Various federal and local sources	11,691
Intergovernmental receivables, Exhibit 3	394,401
Long-term other intergovernmental receivable	104,324
Intergovernmental receivables, Exhibit 1	\$ 498,725

\* The City has a long-term receivable for Road and Bridge Privilege taxes from Hancock County which is not expected to be collected until fiscal year 2022, therefore, a long-term receivable was recognized on the government-wide statements.

**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

## Note 5: Capital Assets

	<i>Balance</i> <u>10/1/2019</u>	<i>Additions</i>	<i>Reductions</i>	<i>Adjustments/ Transfers</i>	<i>Balance</i> <u>9/30/2020</u>
Capital assets, not being depreciated					
Land	\$ 8,151,901	\$ 113,762	\$ -	\$ -	\$ 8,265,663
Construction in progress	<u>195,443</u>	<u>1,692,852</u>	<u>-</u>	<u>(1,409,353)</u>	<u>478,942</u>
Total capital assets, not being depreciated	<u>8,347,344</u>	<u>1,806,614</u>	<u>-</u>	<u>(1,409,353)</u>	<u>8,744,605</u>
Capital assets, being depreciated					
Infrastructure	63,453,798	1,409,353	-	-	64,863,151
Building and improvements	1,929,841	-	-	-	1,929,841
Improvement other than buildings	1,030	-	-	-	1,030
Mobile equipment	1,828,970	269,164	(102,803)	-	1,995,331
Furniture and equipment	<u>146,999</u>	<u>36,238</u>	<u>-</u>	<u>-</u>	<u>183,237</u>
Total capital assets, being depreciated	<u>67,360,638</u>	<u>1,714,755</u>	<u>(102,803)</u>	<u>-</u>	<u>68,972,590</u>
Less accumulated depreciation for:					
Infrastructure	14,398,430	2,270,683	-	-	16,669,113
Building and improvements	183,017	46,723	-	-	229,740
Improvement other than buildings	150	-	-	-	150
Mobile equipment	1,082,900	146,794	(74,111)	-	1,155,583
Furniture and equipment	<u>103,886</u>	<u>25,069</u>	<u>-</u>	<u>-</u>	<u>128,955</u>
Total accumulated depreciation	<u>15,768,383</u>	<u>2,489,269</u>	<u>(74,111)</u>	<u>-</u>	<u>18,183,541</u>
Total capital assets, being depreciated, net	<u>51,592,255</u>	<u>(774,514)</u>	<u>(28,692)</u>	<u>-</u>	<u>50,789,049</u>
Capital assets, net	<u>\$ 59,939,599</u>	<u>\$ 1,032,100</u>	<u>\$ (28,692)</u>	<u>\$ (1,409,353)</u>	<u>\$ 59,533,654</u>

Depreciation expense was charged to the following functions:

General government	\$ 79,748
Public safety	56,965
Public works	2,337,632
Culture and recreation	<u>14,924</u>
	<u>\$ 2,489,269</u>

Commitments with respect to unfinished capital projects at September 30, 2020, consisted of the following:

<i>Description</i>	<i>Remaining Financial Commitment</i>	<i>Expected Completion Date</i>
Montjoy Creek Public Access	250,000	September 2022
Emergency Watershed	400,600	September 2022
Multi Modal Path	100,000	September 2022
East Aloha Improvements	<u>163,000</u>	September 2021
	<u>\$ 913,600</u>	

**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 6: Claims and Judgments

*Risk Financing*

The City finances its exposure to risk of loss related to workers' compensation for injuries to its employees through the Mississippi Public Entity Workers' Compensation Trust, a public entity risk pool. The City pays premiums to the pool for its workers' compensation insurance coverage, and the participation agreement provides that the pool will be self-sustaining through member premiums. The retention for the pool is \$1,000,000 for each accident and completely covers statutory limits set by the Workers' Compensation Commission. Risk of loss is remote for claims exceeding the pool's retention liability. However, the pool also has catastrophic reinsurance coverage for statutory limits above the pool's retention, provided by Safety National Casualty Corporation, effective from January 1, 2020 to January 1, 2021. The pool may make an overall supplemental assessment or declare a refund depending on the loss experience of all the entities it insures.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 7: Capital Leases

As Lessee:

The City is obligated for the following capital assets acquired through capital leases as of September 30, 2020:

Class of Property	Governmental Activities
Building and grounds	2,234,408
Less: accumulated depreciation	(246,175)
Leased property under capital lease	1,988,233

Note 8: Long-term Debt

Debt outstanding as of September 30, 2020, consisted of the following:

	<i>Original Amount</i>	<i>Balance 9/30/2020</i>	<i>Maturity</i>	<i>Interest Rate</i>
<i>Capital Lease:</i>				
City Hall	\$ 1,286,415	\$ 839,488	2029	3.09%
<i>Total Outstanding Debt</i>	\$ 1,286,415	\$ 839,488		

Annual debt service requirements to maturity for the following debt reported in the Statement of Net Position are as follows:

Year Ending September 30,	<i>Capital Lease</i>	
	<i>Principal</i>	<i>Interest</i>
2021	82,332	25,940
2022	84,876	23,396
2023	87,498	20,773
2024	90,202	18,070
thereafter	494,580	46,777
Total	\$ 839,488	\$ 134,956

**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 8: Long-term Debt (continued)

*Capital Leases*

On July 22, 2014, the City acquired its City Hall buildings and grounds through a capital lease agreement between Southern Mississippi Investment Co., Inc. and Hancock Bank. Under this agreement, Southern Mississippi Investment Co., Inc.'s purchase of the buildings and grounds was financed by a loan agreement with Hancock Bank. The Hancock Bank loan amount included funds to purchase and renovate the buildings and grounds. An assignment between the parties includes stipulations that Southern Mississippi Investment Co., Inc. assign all its rights, title, and interest in the lease agreement, including receiving rental payment, to Hancock Bank.

Under the terms of these agreements, rental and additional rental payments made by the City are paid directly to Hancock Bank as repayment of Southern Mississippi Investment Co, Inc.'s loan.

*Legal Debt Margin*

The amount of debt, excluding specific exempted debt that can be incurred by the City is limited by state statute. Total outstanding debt during a year can be no greater than 15% of assessed value of the taxable property within the City, according to the last completed assessment for taxation. However, the limitation is increased to 20% whenever a City issues bonds to repair or replace washed out or collapsed bridges on the public roads of the City.

*Interest Expense*

For year ended September 30, 2020, \$30,237 in interest was expensed and is included in the Statement of Activities under interest expense.

The following is a summary of change in long-term liabilities and obligations for the year ended September 30, 2020:

	<i>Balance</i> <u>10/1/2019</u>	<i>Additions</i>	<i>Payments</i>	<i>Balance</i> <u>9/30/2020</u>	<i>Due Within</i> <u>One Year</u>
Capital leases	1,109,963	-	(270,475)	839,488	82,332
Compensated absences	<u>36,197</u>	<u>16,062</u>	<u>(8,594)</u>	<u>43,665</u>	<u>5,166</u>
Total	<u>\$ 1,146,160</u>	<u>\$ 16,062</u>	<u>\$ (279,069)</u>	<u>\$ 883,153</u>	<u>\$ 87,498</u>

Compensated absences will be paid from the funds from which the employee's salaries were paid; which are generally the General Fund and Road Maintenance Fund.

Note 9: Commitments and Contingencies

*Federal Grants*

The City has received federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a grantor audit may become a liability of the City. No provision for any liability that may result has been recognized in the City's financial statements due to the fact that such estimates cannot be made.

**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 9: Commitments and Contingencies (continued)

*Litigation*

The City is party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at this time to estimate the ultimate outcome or liability, if any, of the City; with respect to the various proceedings. However, the City's legal counsel believes that ultimate liability resulting from these lawsuits will not have a material adverse effect on the financial condition of the City.

The City has been named defendant in various lawsuits seeking unspecified damages for incidents. The City maintains a liability insurance coverage that it believes would cover any judgement against the City up to a limit of \$1,000,000 with a deductible of \$5,000 for each wrongful act. No provision has been made in the accompanying financial statements for this contingent liability since the amount of the potential loss, if any, cannot be reasonably estimated.

*Operating Lease Commitments*

Non-cancellable operating leases at September 30, 2020 are as follows:

- In July 2014, the City entered into a lease agreement for a copier located at the Police Department. The lease agreement was for sixty (60) months with payments of \$84 per month. A twenty-four (24) month extension was granted in May 2019 with payments of \$42 per month.
- In August 2014, the City entered into a lease agreement for a copier located at the Purchasing Department Office. The lease agreement is for sixty (60) months with payments of \$84 per month. A twenty-four (24) month extension was granted in May 2019 with payments of \$42 per month.
- In February 2017, the City entered into a lease agreement for a copier located at the City Hall. The lease agreement is for sixty (60) months with payments of \$187 per month.
- In April 2017, the City entered into a lease agreement for a copier located at the Public Works office. The lease agreement is for sixty (60) months with payments of \$82 per month.
- In October 2018, the City entered into a lease agreement for a copier located at the Building Department Office. The lease agreement is for sixty (60) months with payments of \$281 per month.
- In May 2019, the City entered into a lease agreement for license plate readers. The lease agreement is for sixty (60) months with payments of \$1,265 per month.

Total operating lease payments made during the year ended September 30, 2020 totaled \$22,877.

The future non-cancellable lease obligation of these leases at September 30, 2020 is as follows:

<u>Year Ended September 30,</u>	<u>Total</u>
2021	22,452
2022	19,710
2023	18,552
2024	9,136
Total	<u>\$ 69,850</u>

**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 9: Commitments and Contingencies (continued)

*Interlocal Agreements and Service Contracts*

Police Protection Services

In September 2012, as approved by the Mississippi State Attorney General and as provided by Miss. Code Ann. (1972), §17-13-1 and §17-13-5. *et seq.*, the City entered into an interlocal cooperation agreement with Hancock County, Mississippi (County), whereby the County will provide all police protection, animal control, investigative services, and other purposes, including 911 services to the City. This agreement was renewed in December 2013, 2015, and 2019 and expires on December 31, 2020. This agreement is cancellable upon 60 days written notice by mutual agreement between parties.

Tax Collection Services

In February 2012, the City entered into an interlocal agreement with Hancock County, Mississippi (County), whereby the County Tax Collector will provide real, personal, and auto ad valorem property taxes collection services for the City. The terms of the agreement include automatic annual renewal. The agreement can be terminated by either party by written notification. Under the terms of the agreement, the County Tax Collector will retain 2% of gross collections as commission, not to exceed \$40,000 per year.

Delinquent Taxes Collection Services

In February 2012, the City entered into an interlocal agreement with Hancock County, Mississippi (County), whereby the County Chancery Clerk will provide delinquent tax redemption payment services for the City. The terms of the agreement include automatic annual renewal. The agreement can be terminated by either party by written notification not less than nine months in advance of annual renewal date. Under the terms of agreement, the County Chancery Clerk will be paid \$10 per parcel for cost incurred.

Solid Waste Fees Collections Services

In November 2013, the City entered into an interlocal agreement with Hancock County, Mississippi (County), whereby the County Tax Collector will provide solid waste fees collections for the City. Under the terms of the agreement, services commenced on January 1, 2014 and automatically renews annually. The agreement can be terminated by either party.

Solid Waste Collections

Currently, the City's solid waste collections are provided through a contract between Hancock County Regional Solid Waste Authority (Authority) and Waste Management of Mississippi, Inc. (Contractor). Under the terms of the contract, the Contractor will collect, haul, and dispose of solid waste generated by the City's residents. The Contractor submits monthly invoices to the Authority for these services. The Authority bills the City for its respective portion of the Contractor's invoices.

Note 10: No Commitment Debt (Not Included in Financial Statements)

No commitment debt is repaid only by the entities for whom debt was issued and includes debt that either bears the City's name or for which a moral responsibility may exist that is not an enforceable promise to pay. No commitment debt explicitly states the absence of obligation by the City other than possibly an agreement to assist creditors in exercising their rights in the event of default. As of the date of this report, the City has not identified any such debt.

**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 11: Jointly Governed Organizations

The Hancock County Regional Solid Waste Management Authority (the Authority) is a governmental entity originally formed by an agreement between the City of Bay St. Louis, Mississippi, the City of Waveland, Mississippi, and Hancock County, Mississippi pursuant to the Interlocal Cooperation Act of 1974. The Authority was officially incorporated in March 1998 pursuant to incorporation agreement entered into in December 1997. The Authority is to function for purposes of solid waste management for the participating units of local government, the Cities of Bay St. Louis, Waveland, Diamondhead, and Hancock County, Mississippi, in fulfilling their obligations to establish, operate, and maintain a garbage collections and disposal system.

The Authority is governed by a Board of Commissioners composed of eight commissioners: two appointed by Hancock County Board of Supervisors and the remaining appointed by the member units of local government pursuant to the Act.

Note 12: Deferred Compensation Plan

*Plan Description*

The City, as administered through the MS Deferred Compensation Plan, offers its employees a voluntary deferred compensation plan created in accordance with Internal Revenue Service Code Section 457 and enacted by the Mississippi State Legislature. The Mississippi Deferred Compensation Plan is a supplementary retirement savings plan. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The assets of the plan are held in trust for the exclusive benefit of participants and their beneficiaries. The requirements of Internal Revenue Code Section 457(g) prescribe that the City does not own the amounts deferred by employees, including related income on those amounts. Additionally, the City does not have fiduciary accountability for the plan. Accordingly, the assets and the liability for compensation deferred by plan participants, including earnings on plan assets, are not included in the City's financial statements.

*Funding Policy*

The plan is voluntary, and contributions are matched up to a certain percent designated by Council. The City matches an employee's contributions on a dollar for dollar basis up to a maximum of 8% of the employee's salary or \$5,000 per fiscal year, whichever is less. The City contributed \$34,192 to the deferred compensation plan for the fiscal year ended September 30, 2020.

Note 13: Changes in Accounting Standards

The City implemented the following standards issued by the Governmental Accounting Standards Board (GASB) in the fiscal year:

- Statement No. 83, *Certain Asset Retirement Obligations*. Effective for reporting periods beginning after June 15, 2019.
- Statement No. 84, *Fiduciary Activities*. Effective for reporting periods beginning after December 15, 2019.
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. Effective for reporting periods beginning after June 15, 2019.
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. Effective for reporting periods beginning after December 15, 2020.

The effective dates of the following pronouncements were postponed by 18 months:

- Statement No. 87, *Leases*. Effective for fiscal years beginning after June 15, 2021, and all reporting periods thereafter.



**City of Diamondhead, Mississippi**  
**Notes to the Financial Statements**  
**For the Year Ended September 30, 2020**

Note 14: Subsequent Events

Events that occur after the Statement of Net Position date, but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying notes.

Management of The City of Diamondhead evaluated the activity of the City through August 31, 2021 and determined that the following subsequent events have occurred requiring disclosure in the notes to the financial statements:

*Subsequent to September 30, 2020, the City obtained financing from the following capital lease:*

<u>Issue Date</u>	<u>Interest Rate</u>	<u>Lease Amount</u>	<u>Type of Financing</u>	<u>Source of Financing</u>
12/23/2020	1.42%	320,000.00	Capital lease	The First Bank

**REQUIRED SUPPLEMENTARY INFORMATION**

**City of Diamondhead, Mississippi**  
**Budgetary Comparison Schedule – Budget and Actual (Non-GAAP Basis)**  
**For the Year Ended September 30, 2020**  
 UNAUDITED

**General Fund**

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with</u>
	<u>Budget</u>	<u>Budget</u>	<u>(Budgetary</u>	<u>Final Budget</u>
			<u>Basis)</u>	<u>Positive</u>
				<u>(Negative)</u>
<i>Revenues</i>				
Property taxes	\$ 3,552,200	\$ 3,552,840	\$ 3,510,818	\$ (42,022)
General sales taxes	653,000	713,100	746,696	33,596
Franchise taxes	277,000	280,800	281,617	817
Road and bridge privilege taxes	202,000	202,000	205,163	3,163
Licenses, commission and other revenue	120,400	120,400	129,895	9,495
Fines and forfeitures	47,100	47,100	47,252	152
Intergovernmental revenues	18,148	18,148	15,678	(2,470)
Interest income	112,320	141,346	142,522	1,176
Miscellaneous	5,500	25,750	22,328	(3,422)
Total revenues	<u>4,987,668</u>	<u>5,101,484</u>	<u>5,101,969</u>	<u>485</u>
<i>Expenses</i>				
<i>Current:</i>				
General government	1,643,321	1,690,414	1,439,178	251,236
Public safety	1,351,558	1,369,154	1,186,898	182,256
Public works	3,139,869	3,465,660	2,849,339	616,321
Economic development and assistance	62,412	75,314	67,606	7,708
<i>Debt service:</i>				
Capital lease	142,153	270,475	270,475	-
Interest	32,201	33,477	32,832	645
Total expenditures	<u>6,371,514</u>	<u>6,904,494</u>	<u>5,846,328</u>	<u>1,058,166</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,383,846)</u>	<u>(1,803,010)</u>	<u>(744,359)</u>	<u>1,058,651</u>
<i>Other Financing Sources</i>				
Proceeds from capital lease	-	320,000	-	(320,000)
Transfers out	-	(91,650)	(121,650)	(30,000)
Total other financing sources (uses)	<u>-</u>	<u>228,350</u>	<u>(121,650)</u>	<u>(350,000)</u>
Net change in fund balance	(1,383,846)	(1,574,660)	(866,009)	708,651
Fund balance, October 1, 2019	<u>5,882,435</u>	<u>5,882,435</u>	<u>5,882,435</u>	<u>-</u>
Fund balance, September 30, 2020	<u>\$ 4,498,589</u>	<u>\$ 4,307,775</u>	<u>\$ 5,016,426</u>	<u>\$ 708,651</u>

**City of Diamondhead, Mississippi**  
**Notes to the Required Supplementary Information (Unaudited)**  
**For the Year Ended September 30, 2020**

Note 1: Budgetary Information

State statutes authorize the State Auditor to regulate the municipal budget process. Expenditures must be defined to the minimum level prescribed by the State Auditor. The State Auditor has set this level at the purpose level. Municipalities are prohibited from spending in excess of the lowest level adopted in the budget except for capital outlay, election expense and emergency warrants.

The City's budget is prepared principally on the cash basis of accounting. All appropriations lapse at year end, and there are no encumbrances to budget because state law does not require that funds be available when goods or services are ordered, only when payment is made.

The procedures used by the City in establishing the budget are mandated by Mississippi State Law. A brief summary of the City's policies for recording budgetary data in the financial statements are as follows:

1. Prior to August 1, the City Manager submits to the Council a proposed operating budget for the fiscal year beginning October 1. The operating budget includes proposed expenditures and the means for financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. No later than September 15, the budget is legally enacted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year for all governmental and proprietary funds.
5. Budgets for the governmental and proprietary funds are adopted on a cash basis except for expenditures which include those paid within 30 days of the fiscal year end as required by state statute.

Note 2: Basis of Presentation

The Budgetary Comparison Schedule-Budget and Actual (Non-GAAP Basis) presents the original legally adopted budget, the final legally adopted budget, actual amounts on a budgetary (Non-GAAP) basis and variances between the final budget and the actual amounts. The schedule is presented for the General Fund and each major fund. The Budgetary Comparison Schedule-Budget and Actual (Non-GAAP Basis) is part of required supplementary information.

Note 3: Budget/GAAP Reconciliation

The major differences between the budgetary basis and the GAAP basis are:

- Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
- Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

The following schedule reconciles the budgetary basis schedules to the GAAP basis financial statements for the General Fund:

	<i>General Fund</i>
Budget (cash basis)	\$ (866,009)
Increase (decrease)	
Net adjustments for revenue accruals	165,259
Net adjustments for expenditure accruals	25,691
Net adjustments for other financing sources and accruals	<u>(8,698)</u>
GAAP Basis	<u>\$ (683,757)</u>

**OTHER INFORMATION**

**City of Diamondhead, Mississippi**  
**Combining Balance Sheet Non-Major Governmental Funds**  
**September 30, 2020**

	<u>Special Revenue</u>		<u>Capital Projects</u>				
	<u>Solid Waste</u>	<u>Fire Department</u>	<u>FY 2018 Montjoy Creek</u>	<u>Commercial Area Improvement</u>	<u>FY 2019 Montjoy Creek</u>	<u>Multi Modal Path</u>	<u>Commercial Connectivity Study</u>
<b>ASSETS</b>							
Cash	\$ 98,423	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 36,554
Cash, restricted	-	22,829	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	1,118	-	32,669
Total Assets	<u>\$ 98,423</u>	<u>\$ 22,829</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,118</u>	<u>\$ 100,000</u>	<u>\$ 69,223</u>
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 1,118	\$ -	\$ 9,172
Intergovernmental payables	39,619	-	-	-	-	-	-
Due to other funds	-	-	-	-	100,000	80,000	60,000
Total Liabilities	<u>39,619</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>101,118</u>	<u>80,000</u>	<u>69,172</u>
<b>FUND BALANCES</b>							
Restricted:							
Public safety	-	22,829	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Committed:							
Public safety	-	-	-	-	-	-	-
Public works	58,804	-	-	-	-	20,000	-
Economic development	-	-	-	-	-	-	51
Total Fund Balances	<u>58,804</u>	<u>22,829</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>51</u>
Total Liabilities and Fund Balances	<u>\$ 98,423</u>	<u>\$ 22,829</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,118</u>	<u>\$ 100,000</u>	<u>\$ 69,223</u>

See independent auditor's report.

**City of Diamondhead, Mississippi**  
**Combining Balance Sheet Non-Major Governmental Funds (continued)**  
**September 30, 2020**

**Capital Projects**

	<i>Infrastructure</i>	<i>Rotten Bayou</i>	<i>Emergency</i>	<i>East Aloha</i>		<i>Exit Lighting</i>	<i>East Aloha</i>	
	<i>Modification</i>	<i>Public Access</i>	<i>Water Shed</i>	<i>Improvement</i>	<i>Other Grants</i>	<i>I-10</i>	<i>Widening</i>	<i>Totals</i>
			<i>Protection</i>					
<b>ASSETS</b>								
Cash	\$ -	\$ 100,000	\$ 111,250	\$ 130,000	\$ -	\$ -	\$ 4,222	\$ 680,449
Cash, restricted	66,846	-	-	-	-	-	-	89,675
Intergovernmental receivables	-	-	-	-	-	-	16,890	50,677
Total Assets	<u>\$ 66,846</u>	<u>\$ 100,000</u>	<u>\$ 111,250</u>	<u>\$ 130,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,112</u>	<u>\$ 820,801</u>
<b>LIABILITIES</b>								
Accounts payable	\$ 66,485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,112	\$ 97,887
Intergovernmental payables	-	-	-	-	-	-	-	39,619
Due to other funds	-	100,000	50,000	100,000	-	-	-	490,000
Total Liabilities	<u>66,485</u>	<u>100,000</u>	<u>50,000</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>21,112</u>	<u>627,506</u>
<b>FUND BALANCES</b>								
Restricted:								
Public safety	-	-	-	-	-	-	-	22,829
Public works	361	-	-	-	-	-	-	361
Committed:								
Public safety	-	-	61,250	-	-	-	-	61,250
Public works	-	-	-	30,000	-	-	-	108,804
Economic development	-	-	-	-	-	-	-	51
Total Fund Balances	<u>361</u>	<u>-</u>	<u>61,250</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>193,295</u>
Total Liabilities and Fund Balances	<u>\$ 66,846</u>	<u>\$ 100,000</u>	<u>\$ 111,250</u>	<u>\$ 130,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,112</u>	<u>\$ 820,801</u>

See independent auditor's report.

**City of Diamondhead, Mississippi**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Non-Major Governmental Funds**  
**For the Year Ended September 30, 2020**

	<u>Special Revenue</u>		<u>Capital Projects</u>				
	<u>Solid Waste</u>	<u>Fire Department</u>	<u>FY 2018 Montjoy Creek</u>	<u>Commercial Area Improvement</u>	<u>FY 2019 Montjoy Creek</u>	<u>Multi Modal Path</u>	<u>Commercial Connectivity Study</u>
<b>REVENUES</b>							
Intergovernmental revenues	\$ -	\$ -	\$ 279,112	\$ 1,652	\$ 5,959	\$ -	\$ 59,798
Charges for services	581,676	-	-	-	-	-	-
Interest	2,402	528	-	-	-	-	-
Total revenues	<u>584,078</u>	<u>528</u>	<u>279,112</u>	<u>1,652</u>	<u>5,959</u>	<u>-</u>	<u>59,798</u>
<b>EXPENDITURES</b>							
Current:							
Public works	522,419	-	-	-	-	-	-
Conservation of natural resources	-	-	277,642	-	5,959	-	-
Economic development and assistance	-	-	-	-	-	-	74,747
Total expenditures	<u>522,419</u>	<u>-</u>	<u>277,642</u>	<u>-</u>	<u>5,959</u>	<u>-</u>	<u>74,747</u>
Excess (deficiency) of revenues over (under) expenditures	<u>61,659</u>	<u>528</u>	<u>1,470</u>	<u>1,652</u>	<u>-</u>	<u>-</u>	<u>(14,949)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	(320)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(320)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	61,659	528	1,470	1,332	-	-	(14,949)
Fund balances, October 1, 2019	<u>(2,855)</u>	<u>22,301</u>	<u>(1,470)</u>	<u>(1,332)</u>	<u>-</u>	<u>20,000</u>	<u>15,000</u>
Fund balances, September 30, 2020	<u>\$ 58,804</u>	<u>\$ 22,829</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 51</u>

See independent auditor's report.



**City of Diamondhead, Mississippi**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Non-Major Governmental Funds (continued)**  
**For the Year Ended September 30, 2020**

**Capital Projects**

	<i>Infrastructure Modification</i>	<i>Rotten Bayou Public Access</i>	<i>Emergency Water Shed Protection</i>	<i>East Aloha Improvement</i>	<i>Other Grants</i>	<i>Exit Lighting I-10</i>	<i>East Aloha Widening</i>	<i>Totals</i>
<b>REVENUES</b>								
Intergovernmental revenues	\$ 66,221	\$ -	\$ -	\$ -	\$ 25,000	\$ 4,260	\$ 156,958	\$ 598,960
Charges for services	-	-	-	-	-	-	-	581,676
Interest	625	-	-	-	-	-	-	3,555
Total revenues	<u>66,846</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>4,260</u>	<u>156,958</u>	<u>1,184,191</u>
<b>EXPENDITURES</b>								
Current:								
Public works	66,485	-	-	-	-	-	196,684	785,588
Conservation of natural resources	-	-	-	-	-	-	-	283,601
Economic development and assistance	-	-	-	-	48,450	-	-	123,197
Total expenditures	<u>66,485</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,450</u>	<u>-</u>	<u>196,684</u>	<u>1,192,386</u>
Excess (deficiency) of revenues over (under) expenditures	<u>361</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(23,450)</u>	<u>4,260</u>	<u>(39,726)</u>	<u>(8,195)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	61,250	30,000	23,450	-	20,228	134,928
Transfers out	-	-	-	-	-	(4,260)	-	(4,580)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>61,250</u>	<u>30,000</u>	<u>23,450</u>	<u>(4,260)</u>	<u>20,228</u>	<u>130,348</u>
Net change in fund balances	361	-	61,250	30,000	-	-	(19,498)	122,153
Fund balances, October 1, 2019	-	-	-	-	-	-	19,498	71,142
Fund balances, September 30, 2020	<u>\$ 361</u>	<u>\$ -</u>	<u>\$ 61,250</u>	<u>\$ 30,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 193,295</u>

See independent auditor's report.

**City of Diamondhead, Mississippi**  
**Schedule of Surety Bonds**  
**For the Year Ended September 30, 2020**  
 UNAUDITED

<u>Name</u>	<u>Title</u>	<u>Company</u>	<u>Coverage</u>
Nancy Depreo	Mayor Pro Tem, Ward 1	Western Surety	100,000
Lindsay C L'Ecuyer	Councilman At-Large	Travelers	100,000
Alan Moran	Councilman, Ward 2	Travelers	100,000
Jamie Wetzel Morgan	Councilman, Ward 3	Travelers	100,000
Charles S. Clark	Councilman, Ward 4	Travelers	100,000
Michael J. Reso	City Manager	Travelers	50,000
Jeannie Klein	City Clerk	Travelers	50,000
Tammy Garber	Deputy City Clerk	Travelers	50,000
Catherine Konkel	Treasurer	Travelers	50,000
Jon McCraw	Accounts Payable Clerk	Travelers	50,000
Ronald Jones	Building Official	Travelers	50,000
Beau King	Deputy Building Official	Travelers	50,000
Tammy Braud	Building Clerk	Travelers	50,000
John Rich	Code Enforcement Officer	Travelers	50,000
Lolita McSwain	Court Clerk	Travelers	50,000
Lauren Prater	Deputy Court Clerk	Travelers	50,000
Ann Marie Comeaux	Receptionist	Travelers	50,000

*See independent auditor's report.*

**SPECIAL REPORTS**

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters  
Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards***

Honorable Mayor and City Council  
City of Diamondhead, Mississippi

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of Diamondhead, Mississippi, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 31, 2021.

***Internal Control over Financial Reporting***

In planning and performing our audit, we considered the City of Diamondhead, Mississippi's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as 2020-001.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City of Diamondhead, Mississippi's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

*Necaise & Company PLLC*

Necaise & Company, PLLC  
Gulfport, Mississippi  
August 31, 2021

### Limited Internal Control and Compliance Review Management Report

Honorable Mayor and City Council  
City of Diamondhead, Mississippi

In planning and performing our audit of the financial statements of the City of Diamondhead, Mississippi for the year ended September 30, 2020, we considered the City of Diamondhead, Mississippi's internal control to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on internal control.

In addition, for areas not considered material to the City of Diamondhead, Mississippi's financial reporting, we have performed some additional limited internal control and state legal compliance review procedures as identified in the state legal compliance audit program issued by the Office of the State Auditor. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City's compliance with these requirements. Accordingly, we do not express such an opinion. This report does not affect our report dated August 31, 2021, on the financial statements of the City of Diamondhead, Mississippi.

Due to the reduced scope, these review procedures and compliance tests cannot and do not provide absolute assurance that all state legal requirements have been complied with. Also, our consideration of internal control would not necessarily disclose all matters within the internal control that might be weaknesses. In accordance with Section 7-7-211, Miss. Code Ann. (1972), the Office of the State Auditor, when deemed necessary, may conduct additional procedures and tests of transactions for this or other fiscal years to ensure compliance with legal requirements.

The results of procedures performed to test compliance with certain state laws and regulations disclosed the following immaterial instance of non-compliance as follows:

1. Fund Transfers after Fiscal Year End

Repeat Finding: No

Criteria: Fund transfers should be authorized during the year and not more than 30 days after year end.

Condition: The Council approved a resolution for governmental fund transfers for fiscal year 2020 in January 2021.

Cause: Governmental fund transfers were not approved and performed within 30 days of fiscal year end.

Effect: Noncompliance with State guidelines.

Recommendation: We recommend the City approve and perform all fund transfers during the fiscal year. Transfers should not be performed more than 30 days after fiscal year end.

*Views of Responsible Officials: The fund transfer approved by Council and made in the subsequent fiscal year was to close out an inactive fund. The administration will ensure that all future fund transfers are approved and made by fiscal year end or within 30 days after.*

This report is intended solely for the information and use of management, the City Council, and others within the entity and is not intended to be and should not be used by anyone other than these parties. However, this report is a matter of public record and its distribution is not limited.

*Necaise & Company PLLC*

Necaise & Company PLLC  
Gulfport, Mississippi  
August 31, 2021



**Independent Auditor’s Report on  
Compliance with State Laws and Regulations**

Honorable Mayor and City Council  
City of Diamondhead, Mississippi

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Diamondhead, Mississippi, as of and for the fiscal year ended September 30, 2020, which collectively comprise the City of Diamondhead’s basic financial statements and have issued our report thereon dated August 31, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion. The results of procedures performed to test compliance with state legal compliance program our audit of the financial statements disclosed no instances of noncompliance.

This report is intended solely for the information and use of management, City Council, State Auditor’s Office and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

*Necaise & Company PLLC*

Necaise & Company PLLC  
Gulfport, Mississippi  
August 31, 2021



**City of Diamondhead, Mississippi**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended September 30, 2020**

**Section 1: Summary of Auditor’s Results**

Financial Statements:

1.	Type of auditor’s report issued on the financial statements:	
	Governmental activities	Unmodified
	General and other major funds	Unmodified
	Aggregate remaining fund information	Unmodified
2.	Material noncompliance relating to the financial statements?	No
3.	Internal control over financial reporting:	
	a. Material weakness(es) identified?	No
	b. Significant deficiency(ies) identified that are not considered to be material weaknesses?	Yes

**Section 2: Financial Statement Findings**

Administration  
*Significant Deficiency*

<i>2020-001</i>	<u>The Inventory Control System should be Accurate and Up-to-Date.</u>
Repeat Finding:	Yes
Criteria:	Capital assets should be properly accounted for to safeguard City property and report accurate values.
Condition:	We discovered several capital assets that were not tagged or entered in the inventory control system.
Cause:	Internal controls are not sufficient to ensure asset additions are recorded correctly in the inventory System.
Effect:	Capital assets were misstated.
Recommendation:	This is a repeat issue from prior years, we noted during the audit that the City has taken action in FY2021 to remediate this issue and auction the items.

*Management’s Response: The City conducted an auction in November 2020 and properly disposed of all surplus assets.*



2021-308

Item No. 19.

5000 Diamondhead Circle ·  
Diamondhead, MS 39525-3260

September 16, 2021

Mayor and Council  
City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, MS 39525

Dear Councilmembers:

Re: Purchase of 25 acres parcel – Turnberry Drainage

It is my recommendation to purchase a 25 acre parcel from Purcell Corp. This tract located between Turnberry Drive and Crooked Stick, is part of the Turnberry Drainage Project. Ben Benvenuti with Covington Civil & Environmental has recommended the purchase for drainage maintenance. The city has received two (2) appraisals on the 25 acre site; \$25,700 and \$30,000.

It is my recommendation to make offer and purchase the subject property for \$30,000 from Purcell Corp and further to authorize the City Manager to execute any and all documents necessary to facilitate acquisition of the property.

Thank you in advance for your consideration and approval in this matter.

Sincerely,

Michael Reso  
City Manager

MR:jk

APPRAISAL REPORT  
OF A PARCEL OF LAND  
IN DIAMONDHEAD, MISSISSIPPI  
OWNED BY  
PURCELL COMPANY, INC.

PREPARED FOR  
CITY OF DIAMONDHEAD  
5000 DIAMONDHEAD CIRCLE  
DIAMONDHEAD, MS 39525

PREPARED BY  
ALLEN PURVIS  
LICENSED CERTIFIED GENERAL  
REAL ESTATE APPRAISER  
LICENSE #GA-198 (MISSISSIPPI)  
14349 BRETTONWOOD COVE  
GULFPORT, MISSISSIPPI 39503

DATE OF VIEWING	JUNE 15, 2021
DATE OF VALUATION	JUNE 15, 2021
DATE OF REPORT	JUNE 28, 2021
APPRAISER'S FILE NUMBER:	21-601-2

# ALLEN PURVIS & ASSOCIATES, Inc.

Professional Appraisal Services Since 1973

Allen Purvis/President & Principal Appraiser: MS Certified General Appraiser #GA-198  
Commercial & Industrial Properties                      Rural Land & Subdivisions  
Litigation and Condemnation Appraisals and Consultations

June 28, 2021

Mr. Michael Reso  
City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, MS 39525

Dear Mr. Reso:

In accordance with your request, I have viewed and made an appraisal of a 25.71 acre parcel of land on the north side of Turnberry Drive in the city of Diamondhead, MS. At the time of the appraisal the land was owned by Purcell Company, Inc. The property is more completely described in the attached report. The purpose of the appraisal, as I understand, was to estimate market value of the subject property. The intended use of the appraisal was to determine a fair market value estimate for potential purchase of the subject property. The intended user of the report is the City of Diamondhead, MS.

I have inspected the property and surrounding neighborhood in Diamondhead. In the course of the appraisal I reviewed maps, surveys, and legal descriptions of the property. Since the property is vacant land, only the Sales Comparison Approach to value was applied. Despite being at the center of a popular and successful residential area, the property is a natural collection area for rainwater runoff and displays characteristics of wetlands in many ways. Comparable land sales were gathered and compared to the subject property. It is my opinion that the market value of the subject land, as of June 15, 2021, was:

**TWENTY-FIVE THOUSAND SEVEN HUNDRED DOLLARS  
(\$25,700)**

Attached is my narrative appraisal, which has been made in compliance with the Uniform Standard of Professional Appraisal Practice (USPAP).

Respectfully submitted,



Allen Purvis  
Certified General Real Estate Appraiser  
#GA-198 (Mississippi)

14349 Brettonwood Cove, Gulfport, MS 39503  
Phone: (228) 539-0549 Fax: (888) 249-1878

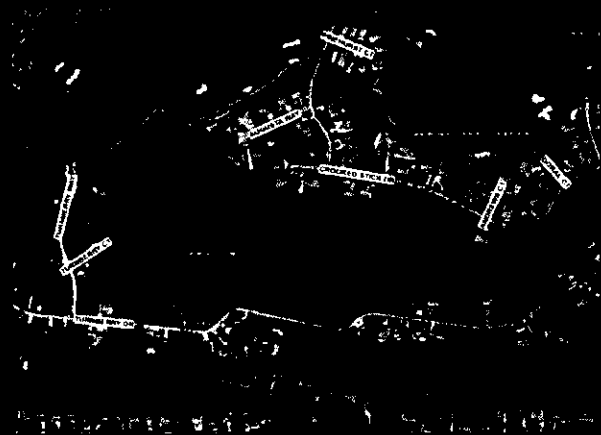


**Valbridge**  
PROPERTY ADVISORS

## Appraisal Report

25.71 Acres Preservation Land  
North Side of Turnberry Drive  
Diamondhead, Hancock County, Mississippi 39525

Report Date: 06/10/2021



FOR:

City of Diamondhead  
Ms. Tammy Garber  
Deputy City Clerk  
5000 Diamondhead Circle  
Diamondhead, Mississippi 39525

PO Number: 2021-0352

**Valbridge Property Advisors |  
South-Central Mississippi**

1010 Ford Street  
Gulfport, Mississippi 39507  
228.604.1900 phone  
228.604.1920 fax  
[valbridge.com](http://valbridge.com)

Valbridge File Number:  
MS01-21-1568



1010 Ford Street  
Gulfport, Mississippi 39507  
228.604.1900 phone  
228.604.1920 fax  
valbridge.com

06/10/2021

Everette E. Ladner III, MAI, SRA  
228.604.1900  
eladner@valbridge.com

Ms. Tammy Garber  
Deputy City Clerk  
City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, Mississippi 39525

RE: Appraisal Report  
25.71 Acres Preservation Land  
N/S of Turnberry Drive  
Diamondhead, Hancock County, Mississippi 39525

Dear Ms. Garber:

In accordance with your request, we have performed an appraisal of the above referenced property. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions. This letter of transmittal does not constitute an appraisal report and the rationale behind the value opinion(s) reported cannot be adequately understood without the accompanying appraisal report.

The subject property, as referenced above, is located along the north side of Turnberry Drive within Diamondhead, Hancock County, Mississippi and is further identified as tax parcel numbers 067N-1-35-105.000. The subject site comprises 25.71 acres of vacant (unimproved) wooded land that is zoned "PR," Preservation District. According to the National Wetlands Inventory Map, the tract contains nearly 100 percent of wetlands.

We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA); and the requirements of our client as we understand them.



The client in this assignment is the City of Diamondhead and the intended user of this report is the City of Diamondhead and no others. The sole intended use is to establish market value for possible acquisition. The value opinions reported herein are subject to the definitions, assumptions, limiting conditions, and certifications contained in this report.

The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results:

**Extraordinary Assumptions:**

- Coronavirus disease (COVID-19) is a unique event, and a reliable estimate of the impact on commercial real estate values is not possible at this time. The analyses and value conclusions in this report do not reflect the potential impact of the COVID-19 virus on real estate markets. Therefore, we have employed an Extraordinary Assumption that the impacts are short-term and do not negatively impact the asset value of the subject on a long-term basis. The use of this extraordinary assumption may affect assignment results.

**Hypothetical Conditions:**

- None pertaining to this assignment

Based on the analysis contained in the following report, our value conclusions are summarized as follows:

**Value Conclusion**

<b>Component</b>	<b>As Is</b>
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	June 8, 2021
<b>Value Conclusion</b>	<b>\$30,000</b>
	<b>\$1,167 per acre</b>

We appreciate the opportunity to provide real estate appraisal services to you and the City of Diamondhead. After your review, should you have questions, please contact us.

Respectfully submitted,  
Valbridge Property Advisors | South-Central Mississippi

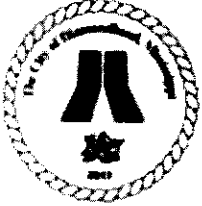
Everette E. Ladner III, MAI, SRA  
State-Licensed Cert. Gen. R. E. Appraiser  
State License Cert. # GA 567  
License Cert Expires 09/30/2022

PRCLAIM 095

Item No.20.

# My Payroll Check Register Report Summary

Pay Period: 7/19/2021-8/1/2021



City of Diamondhead, MS

Packet: PYPKT01147 - 08.11.2021 Regular Payroll  
Payroll Set: DiamondHead - DH

Type	Count	Amount
Regular Checks	0	0.00
Manual Checks	0	0.00
Reversals	0	0.00
Voided Checks	0	0.00
Direct Deposits	31	29,589.20
<b>Total</b>	<b>31</b>	<b>29,589.20</b>



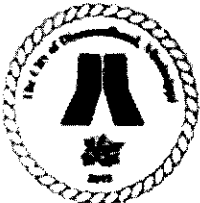
PRCLAIM 096

Item No.20.

# My Payroll Check Register

## Report Summary

Pay Period: 8/2/2021-8/15/2021



City of Diamondhead, MS

Packet: PYPKT01151 - 08.25.2021 Regular Payroll  
Payroll Set: DiamondHead - DH

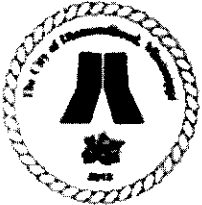
Type	Count	Amount
Regular Checks	0	0.00
Manual Checks	0	0.00
Reversals	0	0.00
Voided Checks	0	0.00
Direct Deposits	32	30,430.63
<b>Total</b>	<b>32</b>	<b>30,430.63</b>

PRCLAIM 097

Item No.20.

# My Payroll Check Register Report Summary

Pay Period: 8/1/2021-8/31/2021



City of Diamondhead, MS

Packet: PYPKT01152 - 09.01.2021 Monthly Payroll  
Payroll Set: DiamondHead - DH

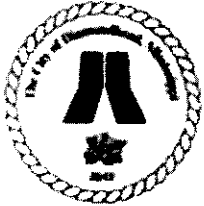
Type	Count	Amount
Regular Checks	0	0.00
Manual Checks	0	0.00
Reversals	0	0.00
Voided Checks	0	0.00
Direct Deposits	6	2,696.22
<b>Total</b>	<b>6</b>	<b>2,696.22</b>

PRCLAIM 098

Item No.20.

# My Payroll Check Register Report Summary

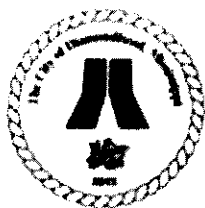
Pay Period: 8/16/2021-8/29/2021



City of Diamondhead, MS

Packet: PYPKT01153 - 09.08.2021 Regular Payroll  
Payroll Set: DiamondHead - DH

Type	Count	Amount
Regular Checks	0	0.00
Manual Checks	0	0.00
Reversals	0	0.00
Voided Checks	0	0.00
Direct Deposits	32	30,638.30
<b>Total</b>	<b>32</b>	<b>30,638.30</b>



City of Diamondhead, MS

# Docket of Claims Register - Item No.20.

APPKT01576 - August 2021 Payroll Payables

By Docket/Claim Number

Docket/Claim #	Vendor Name		Payable Description	Account Number	Account Name	Payment Amount		
	Payable Date	Payable Number				Line	Amount	
DKT158755	Blue Cross Blue Shield of MS		MONTHLY PREMIUM	650-140-112.00	BCBS Withheld/Payable		14,302.33	
	08/11/2021	INV0004168					7,151.17	
	08/25/2021	INV0004192					7,151.16	
DKT158756	Colonial Life		EE PREMIUM	650-140-113.00	Colonial Withheld		1,405.04	
	08/11/2021	INV0004151					72.76	
		INV0004155					160.96	
		INV0004156				Critical Illness	40.99	
		INV0004157				Colonial Individual Medical Bridge	20.38	
		INV0004158				EE Premium	18.17	
		INV0004159				EE PREMIUM	124.91	
		INV0004160				EE PREMIUM	92.01	
		INV0004161				EE PREMIUM	172.34	
		08/25/2021				INV0004178	EE PREMIUM	12.76
						INV0004179	EE PREMIUM	160.96
	INV0004180					Critical Illness	40.99	
	INV0004181					Colonial Individual Medical Bridge	20.38	
	INV0004182					EE Premium	18.17	
	INV0004183					EE PREMIUM	124.91	
	INV0004184					EE PREMIUM	92.01	
	INV0004185					EE PREMIUM	172.34	
	DKT158757	Guardian				ER Life Ins Over 65	650-140-113.01	Guardian Withheld/Payable
08/11/2021		INV0004163	ER Life Ins Over 65	10.64				
		INV0004164	ER Guardian Life Over 70	2.05				
		INV0004165	EE PREMIUM	304.18				
		INV0004166	ER BENEFIT LIFE INS MONTHLY PREMIUM	85.89				
08/25/2021		INV0004167	EE PREMIUM	70.62				
		INV0004187	ER Life Ins Over 65	10.60				
		INV0004188	ER Guardian Life Over 70	2.04				
		INV0004189	EE PREMIUM	304.09				
		INV0004190	ER BENEFIT LIFE INS MONTHLY PREMIUM	85.89				
	INV0004191	EE PREMIUM	70.61					

Docket of Claims Register - Council

APPKT01576 - August 2021 P

Item No.20.

Docket/Claim #	Vendor Name	Payable Number	Payable Description	Account Number	Account Name	Line Amount	Payment Amount
DKT158758	Internal Revenue Service						9,101.40
	08/11/2021	INV0004174	Federal Payroll Taxes	650-140-122.00	Social Security Withheld/Payable	5,095.36	
		INV0004175		650-140-122.01	Medicare Withheld/Payable	1,191.64	
		INV0004176		650-140-123.00	Federal Withholding Tax	2,814.40	
DKT158759	Internal Revenue Service						9,280.37
	08/25/2021	INV0004198	Federal Payroll Taxes	650-140-122.00	Social Security Withheld/Payable	5,217.24	
		INV0004199		650-140-122.01	Medicare Withheld/Payable	1,220.16	
		INV0004200		650-140-123.00	Federal Withholding Tax	2,842.97	
DKT158760	Internal Revenue Service						457.51
	09/01/2021	INV0004203	Federal Payroll Taxes	650-140-122.00	Social Security Withheld/Payable	363.70	
		INV0004204		650-140-122.01	Medicare Withheld/Payable	85.06	
		INV0004205		650-140-123.00	Federal Withholding Tax	8.75	
DKT158761	Morgan White Group						1,424.88
	08/11/2021	INV0004170	Morgan White	650-140-112.01	Morgan White Payable	712.55	
	08/25/2021	INV0004194		650-140-112.01	Morgan White Payable	712.33	
DKT158762	MS Department of Human Services						223.86
	08/11/2021	INV0004172	M Ladner	650-140-106.00	Garnishment Withheld	223.86	
DKT158763	MS Department of Human Services						223.86
	08/25/2021	INV0004196	M Ladner	650-140-106.00	Garnishment Withheld	223.86	
DKT158764	MS Department of Revenue Payroll						2,324.00
	08/11/2021	INV0004173	Payroll State Withholding Taxes	650-140-134.00	State Withholding Tax	1,141.00	
	08/25/2021	INV0004197		650-140-134.00	State Withholding Tax	1,179.00	
	09/01/2021	INV0004202		650-140-134.00	State Withholding Tax	4.00	
DKT158765	Symantec Corporation						41.96
	08/11/2021	INV0004169	LifeLock	650-140-113.03	Identity Theft-Life Lock Payable	20.99	
	08/25/2021	INV0004193		650-140-113.03	Identity Theft-Life Lock Payable	20.97	
DKT158766	Systematized Benefits and Administrators Inc						7,485.80
	08/11/2021	INV0004162	Deferred Compensation	650-140-110.00	Deferred Compensation Withheld/Payable	3,742.90	
	08/25/2021	INV0004186		650-140-110.00	Deferred Compensation Withheld/Payable	3,742.90	
DKT158767	Teladoc						92.31
	08/11/2021	INV0004171	Teladoc	650-140-112.02	Teledoc Payable	46.28	
	08/25/2021	INV0004195		650-140-112.02	Teledoc Payable	46.03	
<b>Total Claims: 13</b>						<b>Total Payment Amount:</b>	<b>47,309.93</b>



City of Diamondhead, MS

# Docket of Claims Register - Council

Item No.21.

APPKT01600 - 09.21.2021 DOCKET

By Docket/Claim Number

Docket/Claim #	Vendor Name	Payable Date	Payable Number	Payable Description	Account Number	Account Name	Payment Amount	
							Line	Amount
DKT158821	AGJ	09/21/2021	MSP-87958	BACKUP	001-140-605.00	Professional Fees - IT		2,082.00
								250.00
								1,832.00
DKT158822	ASSUMED RISK BAND LLC	09/21/2021	09252021	BAND FOR PADDLE PARADISE (09/25/2021)	001-653-650.00	Promotions	750.00	750.00
DKT158823	Balbina A Caldwell	09/21/2021	08132021	INTERPRETATION SERVICES	001-110-681.00	Other Services & Charges	111.00	111.00
DKT158824	CASA of Hancock County	09/21/2021	FY2021--B	ADDITIONAL MAYOR SALARY ALLOCATION	001-140-704.00	Appropriations - General	1,200.00	1,200.00
DKT158825	Cash	09/21/2021	SEPT, 2021	REPLENISH PETTY CASH	001-301-571.00	Repairs & Maintenance - Equipment		216.59
								33.99
								42.75
								76.40
								10.00
								38.69
DKT158826	Coast Electric Power Association	09/21/2021	SEPT, 2021 -- 001	MONTHLY ELECTRIC BILL	001-301-630.00	Utilities - Streetlights & Other		18,458.19
			SEPT, 2021 -- 002					8,300.42
			SEPT, 2021 -- 003					1,275.18
								2,623.61
			SEPT, 2021 -- 005					4,804.40
			SEPT, 2021 -- 007					64.21
			SEPT, 2021 -- 010					39.24
			SEPT, 2021 -- 012					57.11
			SEPT, 2021 -- 015					39.14
			SEPT, 2021 -- 016					50.04
			SEPT, 2021 -- 017					38.13
			SEPT, 2021 -- 018					402.73
			SEPT, 2021 -- 019					45.41
			SEPT, 2021 -- 020					40.35
								678.22

Docket of Claims Register - Council

Docket/Claim #	Vendor Name	Payable Date	Payable Number	Payable Description	Account Number	Account Name	Line Amount	Payment Amount
DKT158827	Cspire Internet Service	09/21/2021	0000690858-25	INTERNET & PHONE RENTAL FOR THE MONTH OF SEPTEMBER	001-140-612.00	Internet	208.99	652.76
					001-140-643.00	Rent - Phone System	443.77	
DKT158828	Custom Products Corporation	09/21/2021	357190	ROAD SIGNS	001-301-586.00	Street Signs	236.46	236.46
DKT158829	Delta World Tire	09/21/2021	140110511	NEW TIRES	001-301-635.00	Professional Fees - R&M Outside Services	4.00	173.90
					001-301-635.00	Professional Fees - R&M Outside Services	159.90	
					001-301-635.00	Professional Fees - R&M Outside Services	10.00	
DKT158830	Digital Engineering and Imaging Inc	09/21/2021	730-1000-104	MONTHLY MAINTENANCE TO GIS SYSTEM	001-301-601.00	Professional Fees - Consulting	612.50	11,775.00
					001-301-681.00	Other Services & Charges	432.50	
			730-1000-105	ENGINEERING SERVICE/ROADWAY IMPROVEMENTS PHASE 3	001-301-602.00	Professional Fees - Engineering	9,995.00	
			730-1000-106	WORK ASSIGNMENT #017	001-280-602.00	Professional Fees - Engineering	735.00	
DKT158831	Dixie Decorations	09/21/2021	23586	CITY AND US FLAG	001-140-501.00	Supplies	500.00	1,600.00
					001-140-501.00	Supplies	1,100.00	
DKT158832	Eagle Energy	09/21/2021	31832	FUEL FOR PUBLIC WORKS	001-301-525.00	Fuel	6.77	2,319.94
					001-301-525.00	Fuel	1,018.82	
			31833		001-301-525.00	Fuel	1,294.35	
DKT158833	Enmon Enterprises	09/21/2021	MGC09210088	MONTHLY CONTRACT FOR SEPTEMBER	001-140-681.00	Other Services & Charges	2,100.00	2,100.00
DKT158834	ERIC ROSS	09/21/2021	30406	PORTABLE SOUND EQUIPMENT	001-140-907.00	Capital Outlay - Other	4,238.00	4,238.00
DKT158835	Fuelman	09/21/2021	NP60697796	FOR THE WEEK ENDING 09.05.2021	001-200-525.00	Fuel	1,289.93	2,135.97
			NP60737559	FOR THE WEEK ENDING 09.12.2021	001-200-525.00	Fuel	846.04	
DKT158836	Galls LLC	09/21/2021	019185023	JACKETS FOR NEW EMPLOYEES	001-200-535.00	Uniforms	106.99	106.99

Docket of Claims Register - Council

Docket/Claim #	Vendor Name	Payable Date	Payable Number	Payable Description	Account Number	Account Name	Payment Amount
							Line Amount
DKT158837	Hancock County Sheriffs Office	09/21/2021	2021-DH-008H 2021-DHLE-017	INMATE HOUSING FOR AUGUST INTERLOCAL AGREEMENT FOR WEEK ENDING 08.14.2021	001-200-689.00 001-200-690.00 001-200-690.00 001-200-612.00	Prisoner's Expense Interlocal Agreement Interlocal Agreement Internet	33,445.65
							520.00
							961.54
							31,718.11
							246.00
DKT158838	Hancock County Solid Waste	09/21/2021	1012	AUGUST RESIDENTIAL SOLID WASTE COLLECTION	401-322-680.00	Other Services & Charges	40,527.00
DKT158839	James Embry	09/21/2021	146443	EMPLOYEE INJURY	001-301-698.00	Misc. Services - Drug Testing & Other	390.00
DKT158840	LEO MARINO	09/21/2021	2021-290	REIMBURSEMENT OF CDL PHYSICAL	001-301-698.00	Misc. Services - Drug Testing & Other	100.00
DKT158841	Lowes Home Improvement	09/21/2021	976464-61815 982386	SUPPLIES	001-301-501.00 001-301-501.00 001-301-501.00 001-301-501.00	Supplies Supplies Supplies Supplies	112.27
							0.20
							28.50
							41.79
							41.78
DKT158842	Machado Patano PLLC	09/21/2021	13135 13136	Work Assignment 00-14-2020 Plan/Spec Review	001-280-602.00 001-280-602.00	Professional Fees - Engineering Professional Fees - Engineering	2,131.50
							1,667.50
							464.00
DKT158843	Napa of Bay St Louis	09/21/2021	296019	BOOM TRUCK OPERATOR	001-301-501.00	Supplies	108.50
DKT158844	Orion Planning and Design	09/21/2021	3325 3326 3327	DEVELOP STANDARDS FOR SHORT AND LONG TERM RENTALS PROJECT 1 -- GATEWAY TO DIAMONDHEAD PROJECT #3 - ALOHA COMMERCIAL DISTRICT REGULATING	001-280-602.00 001-301-602.00 001-280-602.00	Professional Fees - Engineering Professional Fees - Engineering Professional Fees - Engineering	6,187.50
							247.50
							2,475.00
							3,465.00
DKT158845	Petes Services	09/21/2021	1811	SAND FOR SANDBAG PILE	001-301-583.00	Gravel, Sand, Rip Rap	520.00



Docket of Claims Register - Council

Docket/Claim #	Vendor Name		Payable Description	Account Number	Account Name	Payment Amount	
	Payable Date	Payable Number				Line	Amount
DKT158846	Rebel Sound Systems Inc 09/21/2021	13649	ANNUAL MONITORING FOR FIRE ALARM (10/2021-09/2022)	001-140-681.00	Other Services & Charges	580.00	580.00
DKT158847	ROSTAN SOLUTIONS LLC 09/21/2021	5936	DISASTER ASSISTANCE	001-140-601.00	Professional Fees - Consulting	3,025.00	3,025.00
DKT158848	Sea Coast Echo 09/21/2021	ENGINEERING RFQ	ENGINEERING RFQ ADVERTISEMENT	001-140-620.00	Advertising	158.98	158.98
DKT158849	South MS Business Machines Gulfport 09/21/2021	399763	LEASE PAYOFF OF SHARP MX-6070N AND SHARP MX-3050N	001-140-642.00 001-301-642.00	Rent - Copier Rent - Copier	1,533.00 767.00	2,300.00
DKT158850	THE UNIVERSITY OF SOUTHERN MISSISSIPPI 09/21/2021	171	POLICE TRAINING	001-200-615.00 001-200-615.00	Travel & Training Travel & Training	375.00 375.00	750.00
DKT158851	Timothy A Kellar Chancery Clerk 09/21/2021	AUGUST, 2021	TAX SALE REDEMPTIONS FOR	001-140-694.00	Collection Fees	680.00	680.00
DKT158852	TransUnion Risk and Alternative Data Solutions Inc 09/21/2021	5859551-202107-1 5859551-202108-1	TLOxp FOR JULY TLOxp FOR AUGUST	001-110-681.00 001-110-681.00	Other Services & Charges Other Services & Charges	75.00 75.00	150.00
DKT158853	Tyler Technologies 09/21/2021	025-346086	ANNUAL FEES	001-140-605.00 001-280-605.00	Professional Fees - IT Professional Fees - IT	175.92 653.87	829.79
DKT158854	UMB Card Services 09/21/2021	2KF83659LU351625N 328111 365296 391823 63189040678  R2063516524 SEPT, 2021	CONFERENCE REGISTRATION HURRICANE IDA SUPPLIES HURRICANE IDA PURCHASES HURRICANE IDA SUPPLIES POSTAGE FOR METER  HOTEL RESERVATION MONTHLY CHARGES FOR CONSTANT CONTACT & ZOOM	001-140-615.00 001-140-501.00 001-140-501.00 001-140-501.00 001-140-611.00 001-140-611.00 001-140-611.00 001-140-615.00 001-140-623.00 001-140-623.00	Travel & Training Supplies Supplies Supplies Postage Postage Postage Travel & Training Membership Dues/Fees Membership Dues/Fees	150.00 216.55 31.34 16.05 1,000.00 6.81 35.00 275.05 45.00 14.99	1,790.79

Docket of Claims Register - Council

APPKT01600 - 09. Item No.21.

Docket/Claim #	Vendor Name	Payable Date	Payable Number	Payable Description	Account Number	Account Name	Line Amount	Payment Amount
DKT158855	UniFirst Corporation	09/21/2021	105 0956158	UNIFORM RENTAL FOR THE WEEK ENDING 09.06.2021	001-301-535.00	Uniforms	181.72	363.22
			105 0957248	UNIFORM RENTAL FOR THE WEEK ENDING 09.13.2021	001-301-535.00	Uniforms	181.50	
DKT158856	WageWorks	09/21/2021	0821-dr42799	COBRA PAYMENT FOR AUGUST	001-140-625.00	Insurance	40.00	40.00
DKT158857	Warren Paving	09/21/2021	730-1000-016	PHASE THREE PAVING	104-301-912.00	Capital Outlay - Streets/Drainage	11,037.50	130,072.37
					104-301-912.00	Capital Outlay - Streets/Drainage	63,921.67	
					104-301-912.00	Capital Outlay - Streets/Drainage	55,113.20	
<b>Total Claims: 37</b>							<b>Total Payment Amount:</b>	<b>272,419.37</b>

**CITY OF DIAMONDHEAD, MISSISSIPPI**  
**Financial Statements**  
**Coversheet to Monthly Budget Report**  
**For the Month Ended August 31, 2021**

**ALL FUNDS HIGHLIGHTS**

<b>*Revenue:</b>		<b>Current Year</b>	<b>Prior Year</b>
	Total YTD Revenue	\$ 7,009,859	\$ 5,802,671
	Total Budget	\$ 11,694,165	\$ 7,899,604
	% Actual to Budget	59.9%	73.5%
	Current Month % to Fiscal Year	91.7%	91.7%
<b>*Expenses YTD Activity:</b>		<b>Current Year</b>	<b>Last Year</b>
	Total YTD Expenses Actual Activity	\$ 7,446,288	\$ 5,727,926
	Total YTD Expenses Activity w/ Encumbrances	\$ 8,531,252	
	Total Budget	\$ 12,410,404	\$ 9,565,654
	% Actual to Budget	60.0%	59.9%
	% Actual w/ Encumbrances to Budget	68.7%	
	Current Month % to Fiscal Year	91.7%	91.7%

\* Excludes Other Financing Sources and Uses

**Hancock Bank Account Balances as of: August 31, 2021**

General Bank Acct:	\$ 4,826,484	Unrestricted	\$ 2,292,990
Accounts Payable Clearing:	12,413	Fiduciary Fund	14,046
Payroll Clearing:	23,183	Solid Waste	166,324
Contingency Operating Fund:	27,528	Fire Fund	
Fire Department Fund:		Grant Funds	1,231,173
		MS Infrastructure	195,794
		Amer Rescue & Re	989,282
<b>TOTAL</b>	<b>\$ 4,889,609</b>		<b>\$ 4,889,609</b>

<b>Fund Activity</b>	<b>YTD Actual</b>	<b>YTD Actual w/ Encumbrances</b>	<b>Total Current Budget</b>
001 - General Fund	\$ (1,854,773)	\$ (2,410,774)	\$ (1,617,370)
104 - MS Infrastructure Modification Fur	\$ 195,433	\$ (36)	\$ (36)
108 - Grant - TIP - East Aloha Widening	\$ 16,890	\$ 16,890	\$ (2,824)
112 - Grant - Tidelands FY19 MontJoy C	\$ 1,118	\$ 1,118	\$ -
113 - Grant - GRPC Multi Modal Path	\$ -	\$ -	\$ (20,000)
114 - Grant - GRPC Commercial Conne	\$ 32,669	\$ 32,669	\$ -
115 - Grant- Tidelands FY20 Rotten Ba	\$ (12,553)	\$ (99,836)	\$ -
116 - Grant- NRCS-Emergency Waters	\$ (126,547)	\$ (364,325)	\$ (61,250)
117 - Grant- MDA-SMLP East Aloha Im	\$ (25,537)	\$ (33,970)	\$ (30,000)
156 - Grant- GCRF-MDA Commercial C	\$ 262,900	\$ 262,900	\$ -
190 - American Rescue & Recovery Act	\$ 989,282	\$ 989,282	\$ 1,000,000
401 - Solid Waste Fund	\$ 107,520	\$ 107,520	\$ 38,070
701 - Fire Department Fund	\$ (22,829)	\$ (22,829)	\$ (22,829)
<b>TOTAL Surplus (Deficit)</b>	<b>\$ (436,429)</b>	<b>\$ (1,521,393)</b>	<b>\$ (716,239)</b>

**CITY OF DIAMONDHEAD, MISSISSIPPI**  
**Financial Statement**  
**Grants Fund Breakdown**  
**For the Month Ended August 31, 2021**

<b>Fund Balances</b>						
<u>Expense</u>	<u>Prior Year</u>	<u>YTD Actual</u>	<u>YTD Actual w/ Encumbrances</u>	<u>Total Budget</u>	<u>YTD % Used</u>	
	<u>Project Totals</u>					
108 - East Aloha Widening FY18	\$ 221,584	-	-	19,714	0%	
112 - Tidelands Grant FY19	\$ 5,959	2,838	2,838	2,838	100%	
113 - GRPC Multi Modal Path Grant		-	-	100,000	0%	
114 - GRPC Commercial Connectivity Stur	\$ 74,747	-	-	-	0%	
115 - Grant- Tidelands FY20 Rotten Bayou Public Acces		14,303	101,586	579,713	18%	
116 - NRCS-Emergency Watershed Protection Grant		177,147	414,925	422,600	98%	
117 - Grant- MDA-SMLP East Aloha Improvement		25,537	33,970	180,000	19%	
156 - Grant- GCRF-MDA Commercial District Transforma		37,100	37,100	1,500,000	2%	
<b>TOTAL EXPENSES YTD</b>	<b>\$ 302,290</b>	<b>\$ 256,925</b>	<b>\$ 590,419</b>	<b>\$ 2,804,864</b>	<b>21%</b>	
<b>Revenue</b>						
108 - East Aloha Widening FY18	\$ 191,416	16,890	16,890	16,890	100%	
112 - Tidelands Grant FY19	\$ 4,841	3,955	3,955	2,838	139%	
113 - GRPC Multi Modal Path Grant	\$ 20,000	-	-	80,000	0%	
114 - GRPC Commercial Connectivity Stur	\$ 42,129	32,669	32,669	-	0%	
115 - Grant- Tidelands FY20 Rotten Bayou Public Acces		1,750	1,750	579,713	0%	
116 - NRCS-Emergency Watershed Protec	\$ 61,250	50,600	50,600	361,350	14%	
117 - Grant- MDA-SMLP East Aloha Imprc	\$ 30,000	-	-	150,000	0%	
156 - Grant- GCRF-MDA Commercial District Transforma		300,000	300,000	1,500,000	20%	
<b>TOTAL REVENUE YTD</b>	<b>\$ 349,637</b>	<b>\$ 405,863</b>	<b>\$ 405,863</b>	<b>\$ 2,690,790</b>	<b>15%</b>	
<b>Department Total Surplus (Deficit)</b>	<b>\$ 47,347</b>	<b>\$ 148,939</b>	<b>\$ (184,555)</b>	<b>\$ (114,074)</b>		



# Income Statement Group Summary

For Fiscal: 2020-2021 Period Ending: 08/31/2021

Category	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
<b>Fund: 001 - GENERAL FUND</b>						
<b>Revenue</b>						
<b>Department: 000 - NON DEPARTMENTAL</b>						
20 - TAXES	2,923,700.00	2,951,700.00	62,268.58	2,739,723.54	2,739,723.54	211,976.46
22 - LICENSES AND PERMITS	415,000.00	458,150.00	32,458.54	444,274.54	444,274.54	13,875.46
23 - INTERGOVERNMENTAL REVENUES	1,210,248.00	3,365,808.00	80,943.93	1,007,120.54	1,007,120.54	2,358,687.46
28 - CHARGES FOR GOVERNMENTAL SERVICES	0.00	0.00	53.20	165.60	165.60	-165.60
33 - FINES & FORFEITS	48,600.00	37,600.00	10,137.33	42,119.89	42,119.89	-4,519.89
34 - MISCELLANEOUS REVENUE	120,650.00	416,951.54	329.66	302,095.29	302,095.29	114,856.25
39 - NON REVENUE RECEIPTS	0.00	41,645.00	0.00	361,645.00	361,645.00	-320,000.00
<b>Department: 000 - NON DEPARTMENTAL Total:</b>	<b>4,718,198.00</b>	<b>7,271,854.54</b>	<b>186,191.24</b>	<b>4,897,144.40</b>	<b>4,897,144.40</b>	<b>2,374,710.14</b>
<b>Revenue Total:</b>	<b>4,718,198.00</b>	<b>7,271,854.54</b>	<b>186,191.24</b>	<b>4,897,144.40</b>	<b>4,897,144.40</b>	<b>2,374,710.14</b>
<b>Expense</b>						
<b>Department: 100 - LEGISLATIVE - COUNCIL</b>						
40 - PERSONNEL SERVICES	43,000.00	37,800.00	3,157.73	31,146.65	31,146.65	6,653.35
50 - SUPPLIES	600.00	774.70	0.00	756.94	756.94	17.76
60 - CONTRACTUAL SERVICES	16,512.80	9,512.80	19.04	5,993.79	5,993.79	3,519.01
90 - CAPITAL OUTLAY	3,750.00	0.00	0.00	0.00	0.00	0.00
<b>Department: 100 - LEGISLATIVE - COUNCIL Total:</b>	<b>63,862.80</b>	<b>48,087.50</b>	<b>3,176.77</b>	<b>37,897.38</b>	<b>37,897.38</b>	<b>10,190.12</b>
<b>Department: 110 - COURT</b>						
40 - PERSONNEL SERVICES	129,533.12	128,881.54	9,979.32	117,153.62	117,153.62	11,727.92
50 - SUPPLIES	1,905.00	1,962.23	0.00	923.05	923.05	1,039.18
60 - CONTRACTUAL SERVICES	59,524.90	59,524.90	3,000.00	46,273.19	46,273.19	13,251.71
<b>Department: 110 - COURT Total:</b>	<b>190,963.02</b>	<b>190,368.67</b>	<b>12,979.32</b>	<b>164,349.86</b>	<b>164,349.86</b>	<b>26,018.81</b>
<b>Department: 140 - GENERAL ADMINISTRATION</b>						
40 - PERSONNEL SERVICES	427,339.17	413,537.88	31,533.88	380,769.09	380,769.09	32,768.79
50 - SUPPLIES	22,085.00	38,971.97	2,507.95	31,615.41	31,843.53	7,128.44
60 - CONTRACTUAL SERVICES	621,317.52	835,837.65	43,307.17	604,638.08	660,725.14	175,112.51
70 - GRANTS, SUBSIDIES AND ALLOCATIONS	40,196.00	45,396.00	0.00	43,696.00	43,696.00	1,700.00
90 - CAPITAL OUTLAY	61,200.00	296,642.87	1,920.00	33,357.21	37,595.21	259,047.66
<b>Department: 140 - GENERAL ADMINISTRATION Total:</b>	<b>1,172,137.69</b>	<b>1,630,386.37</b>	<b>79,269.00</b>	<b>1,094,075.79</b>	<b>1,154,628.97</b>	<b>475,757.40</b>
<b>Department: 200 - POLICE - PUBLIC SAFETY</b>						
50 - SUPPLIES	48,700.00	50,892.27	5,048.51	42,694.38	44,824.27	6,068.00
60 - CONTRACTUAL SERVICES	894,413.37	895,263.37	1,760.30	734,833.89	735,658.89	159,604.48
70 - GRANTS, SUBSIDIES AND ALLOCATIONS	9,600.00	9,600.00	0.00	9,600.00	9,600.00	0.00
90 - CAPITAL OUTLAY	82,200.00	113,207.50	2,464.00	105,951.13	110,664.63	2,542.87
<b>Department: 200 - POLICE - PUBLIC SAFETY Total:</b>	<b>1,034,913.37</b>	<b>1,068,963.14</b>	<b>9,272.81</b>	<b>893,079.40</b>	<b>900,747.79</b>	<b>168,215.35</b>
<b>Department: 280 - BUILDING AND ZONING</b>						
40 - PERSONNEL SERVICES	191,572.62	193,763.88	14,303.29	162,589.64	162,589.64	31,174.24
50 - SUPPLIES	5,000.00	13,120.47	4,998.40	8,840.76	12,828.88	291.59
60 - CONTRACTUAL SERVICES	91,892.79	208,860.19	5,360.11	63,370.71	101,396.36	107,463.83
90 - CAPITAL OUTLAY	0.00	22,925.00	0.00	905.00	13,925.00	9,000.00
<b>Department: 280 - BUILDING AND ZONING Total:</b>	<b>288,465.41</b>	<b>438,669.54</b>	<b>24,661.80</b>	<b>235,706.11</b>	<b>290,739.88</b>	<b>147,929.66</b>
<b>Department: 301 - PUBLIC WORKS</b>						
40 - PERSONNEL SERVICES	756,962.75	693,112.03	51,132.48	614,172.29	614,172.29	78,939.74
50 - SUPPLIES	145,962.00	143,716.15	10,710.28	93,384.44	98,968.59	44,747.56
60 - CONTRACTUAL SERVICES	382,151.76	3,089,888.06	23,710.38	2,792,239.47	2,956,139.02	133,749.04
70 - GRANTS, SUBSIDIES AND ALLOCATIONS	3,000.00	3,000.00	0.00	3,000.00	3,000.00	0.00
90 - CAPITAL OUTLAY	705,000.00	796,454.28	14,163.08	296,246.53	551,393.05	245,061.23
<b>Department: 301 - PUBLIC WORKS Total:</b>	<b>1,993,076.51</b>	<b>4,726,170.52</b>	<b>99,716.22</b>	<b>3,799,042.73</b>	<b>4,223,672.95</b>	<b>502,497.57</b>



## Income Statement

For Fiscal: 2020-2021 Period End

Category	(Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
<b>Department: 653 - ECONOMIC DEVELOPMENT</b>						
60 - CONTRACTUAL SERVICES	111,650.00	115,850.00	10,650.00	68,883.02	76,998.49	38,851.51
<b>Department: 653 - ECONOMIC DEVELOPMENT Total:</b>	<b>111,650.00</b>	<b>115,850.00</b>	<b>10,650.00</b>	<b>68,883.02</b>	<b>76,998.49</b>	<b>38,851.51</b>
<b>Department: 800 - DEBT</b>						
80 - DEBT SERVICE	178,129.20	178,129.20	0.00	108,272.18	108,272.18	69,857.02
<b>Department: 800 - DEBT Total:</b>	<b>178,129.20</b>	<b>178,129.20</b>	<b>0.00</b>	<b>108,272.18</b>	<b>108,272.18</b>	<b>69,857.02</b>
<b>Department: 900 - INTERFUND TRANSACTIONS</b>						
95 - INTERFUND TRANSFERS OUT	120,000.00	492,600.00	0.00	350,610.89	350,610.89	141,989.11
<b>Department: 900 - INTERFUND TRANSACTIONS Total:</b>	<b>120,000.00</b>	<b>492,600.00</b>	<b>0.00</b>	<b>350,610.89</b>	<b>350,610.89</b>	<b>141,989.11</b>
<b>Expense Total:</b>	<b>5,153,198.00</b>	<b>8,889,224.94</b>	<b>239,725.92</b>	<b>6,751,917.36</b>	<b>7,307,918.39</b>	<b>1,581,306.55</b>
<b>Fund: 001 - GENERAL FUND Surplus (Deficit):</b>	<b>-435,000.00</b>	<b>-1,617,370.40</b>	<b>-53,534.68</b>	<b>-1,854,772.96</b>	<b>-2,410,773.99</b>	<b>793,403.59</b>
<b>Fund: 104 - MS Infrastructure Modification Fund</b>						
<b>Revenue</b>						
<b>Department: 000 - NON DEPARTMENTAL</b>						
23 - INTERGOVERNMENTAL REVENUES	60,000.00	194,725.55	0.00	194,725.55	194,725.55	0.00
34 - MISCELLANEOUS REVENUE	510.00	743.63	0.16	743.79	743.79	-0.16
<b>Department: 000 - NON DEPARTMENTAL Total:</b>	<b>60,510.00</b>	<b>195,469.18</b>	<b>0.16</b>	<b>195,469.34</b>	<b>195,469.34</b>	<b>-0.16</b>
<b>Revenue Total:</b>	<b>60,510.00</b>	<b>195,469.18</b>	<b>0.16</b>	<b>195,469.34</b>	<b>195,469.34</b>	<b>-0.16</b>
<b>Expense</b>						
<b>Department: 301 - PUBLIC WORKS</b>						
90 - CAPITAL OUTLAY	60,510.00	195,505.38	0.00	36.20	195,505.38	0.00
<b>Department: 301 - PUBLIC WORKS Total:</b>	<b>60,510.00</b>	<b>195,505.38</b>	<b>0.00</b>	<b>36.20</b>	<b>195,505.38</b>	<b>0.00</b>
<b>Expense Total:</b>	<b>60,510.00</b>	<b>195,505.38</b>	<b>0.00</b>	<b>36.20</b>	<b>195,505.38</b>	<b>0.00</b>
<b>Fund: 104 - MS Infrastructure Modification Fund Surplus (Deficit):</b>	<b>0.00</b>	<b>-36.20</b>	<b>0.16</b>	<b>195,433.14</b>	<b>-36.04</b>	<b>-0.16</b>
<b>Fund: 108 - Grant - TIP - East Aloha Widening FY18</b>						
<b>Revenue</b>						
<b>Department: 301 - PUBLIC WORKS</b>						
23 - INTERGOVERNMENTAL REVENUES	0.00	16,890.04	0.00	16,878.75	16,878.75	11.29
38 - INTERFUND TRANSFERS IN	0.00	0.00	0.00	10.89	10.89	-10.89
<b>Department: 301 - PUBLIC WORKS Total:</b>	<b>0.00</b>	<b>16,890.04</b>	<b>0.00</b>	<b>16,889.64</b>	<b>16,889.64</b>	<b>0.40</b>
<b>Revenue Total:</b>	<b>0.00</b>	<b>16,890.04</b>	<b>0.00</b>	<b>16,889.64</b>	<b>16,889.64</b>	<b>0.40</b>
<b>Expense</b>						
<b>Department: 301 - PUBLIC WORKS</b>						
90 - CAPITAL OUTLAY	0.00	19,713.88	0.00	0.00	0.00	19,713.88
<b>Department: 301 - PUBLIC WORKS Total:</b>	<b>0.00</b>	<b>19,713.88</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>19,713.88</b>
<b>Expense Total:</b>	<b>0.00</b>	<b>19,713.88</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>19,713.88</b>
<b>Fund: 108 - Grant - TIP - East Aloha Widening FY18 Surplus (Deficit):</b>	<b>0.00</b>	<b>-2,823.84</b>	<b>0.00</b>	<b>16,889.64</b>	<b>16,889.64</b>	<b>-19,713.48</b>
<b>Fund: 112 - Grant - Tideland FY19 MontJoy Creek</b>						
<b>Revenue</b>						
<b>Department: 301 - PUBLIC WORKS</b>						
23 - INTERGOVERNMENTAL REVENUES	332,550.00	2,837.50	0.00	3,955.00	3,955.00	-1,117.50
<b>Department: 301 - PUBLIC WORKS Total:</b>	<b>332,550.00</b>	<b>2,837.50</b>	<b>0.00</b>	<b>3,955.00</b>	<b>3,955.00</b>	<b>-1,117.50</b>
<b>Revenue Total:</b>	<b>332,550.00</b>	<b>2,837.50</b>	<b>0.00</b>	<b>3,955.00</b>	<b>3,955.00</b>	<b>-1,117.50</b>
<b>Expense</b>						
<b>Department: 301 - PUBLIC WORKS</b>						
60 - CONTRACTUAL SERVICES	332,550.00	2,837.50	0.00	2,837.50	2,837.50	0.00
<b>Department: 301 - PUBLIC WORKS Total:</b>	<b>332,550.00</b>	<b>2,837.50</b>	<b>0.00</b>	<b>2,837.50</b>	<b>2,837.50</b>	<b>0.00</b>
<b>Expense Total:</b>	<b>332,550.00</b>	<b>2,837.50</b>	<b>0.00</b>	<b>2,837.50</b>	<b>2,837.50</b>	<b>0.00</b>
<b>Fund: 112 - Grant - Tideland FY19 MontJoy Creek Surplus (Deficit):</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,117.50</b>	<b>1,117.50</b>	<b>-1,117.50</b>

Income Statement

For Fiscal: 2020-2021 Period Ending 12/31/21

Category	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
<b>Fund: 113 - Grant - GRPC Multi Modal Path</b>						
<b>Revenue</b>						
<b>Department: 550 - RECREATION</b>						
23 - INTERGOVERNMENTAL REVENUES	80,000.00	80,000.00	0.00	0.00	0.00	80,000.00
<b>Department: 550 - RECREATION Total:</b>	<b>80,000.00</b>	<b>80,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>80,000.00</b>
<b>Revenue Total:</b>	<b>80,000.00</b>	<b>80,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>80,000.00</b>
<b>Expense</b>						
<b>Department: 550 - RECREATION</b>						
90 - CAPITAL OUTLAY	100,000.00	100,000.00	0.00	0.00	0.00	100,000.00
<b>Department: 550 - RECREATION Total:</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>100,000.00</b>
<b>Expense Total:</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>100,000.00</b>
<b>Fund: 113 - Grant - GRPC Multi Modal Path Surplus (Deficit):</b>	<b>-20,000.00</b>	<b>-20,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-20,000.00</b>
<b>Fund: 114 - Grant - GRPC Commercial Connectivity Study</b>						
<b>Revenue</b>						
<b>Department: 000 - NON DEPARTMENTAL</b>						
23 - INTERGOVERNMENTAL REVENUES	0.00	0.00	0.00	32,668.82	32,668.82	-32,668.82
<b>Department: 000 - NON DEPARTMENTAL Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>32,668.82</b>	<b>32,668.82</b>	<b>-32,668.82</b>
<b>Revenue Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>32,668.82</b>	<b>32,668.82</b>	<b>-32,668.82</b>
<b>Fund: 114 - Grant - GRPC Commercial Connectivity Study Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>32,668.82</b>	<b>32,668.82</b>	<b>-32,668.82</b>
<b>Fund: 115 - Grant- Tidelands FY20 Rotten Bayou Public Access</b>						
<b>Revenue</b>						
<b>Department: 000 - NON DEPARTMENTAL</b>						
23 - INTERGOVERNMENTAL REVENUES	250,000.00	579,712.50	0.00	1,750.00	1,750.00	577,962.50
<b>Department: 000 - NON DEPARTMENTAL Total:</b>	<b>250,000.00</b>	<b>579,712.50</b>	<b>0.00</b>	<b>1,750.00</b>	<b>1,750.00</b>	<b>577,962.50</b>
<b>Revenue Total:</b>	<b>250,000.00</b>	<b>579,712.50</b>	<b>0.00</b>	<b>1,750.00</b>	<b>1,750.00</b>	<b>577,962.50</b>
<b>Expense</b>						
<b>Department: 000 - NON DEPARTMENTAL</b>						
60 - CONTRACTUAL SERVICES	25,000.00	50,162.50	4,802.53	12,553.14	101,586.25	-51,423.75
90 - CAPITAL OUTLAY	225,000.00	529,550.00	0.00	1,750.00	0.00	529,550.00
<b>Department: 000 - NON DEPARTMENTAL Total:</b>	<b>250,000.00</b>	<b>579,712.50</b>	<b>4,802.53</b>	<b>14,303.14</b>	<b>101,586.25</b>	<b>478,126.25</b>
<b>Expense Total:</b>	<b>250,000.00</b>	<b>579,712.50</b>	<b>4,802.53</b>	<b>14,303.14</b>	<b>101,586.25</b>	<b>478,126.25</b>
<b>Fund: 115 - Grant- Tidelands FY20 Rotten Bayou Public Access Surp</b>	<b>0.00</b>	<b>0.00</b>	<b>-4,802.53</b>	<b>-12,553.14</b>	<b>-99,836.25</b>	<b>99,836.25</b>
<b>Fund: 116 - Grant- NRCS-Emergency Watershed Protection</b>						
<b>Revenue</b>						
<b>Department: 301 - PUBLIC WORKS</b>						
23 - INTERGOVERNMENTAL REVENUES	0.00	288,750.00	0.00	0.00	0.00	288,750.00
38 - INTERFUND TRANSFERS IN	0.00	72,600.00	0.00	50,600.00	50,600.00	22,000.00
<b>Department: 301 - PUBLIC WORKS Total:</b>	<b>0.00</b>	<b>361,350.00</b>	<b>0.00</b>	<b>50,600.00</b>	<b>50,600.00</b>	<b>310,750.00</b>
<b>Revenue Total:</b>	<b>0.00</b>	<b>361,350.00</b>	<b>0.00</b>	<b>50,600.00</b>	<b>50,600.00</b>	<b>310,750.00</b>
<b>Expense</b>						
<b>Department: 301 - PUBLIC WORKS</b>						
60 - CONTRACTUAL SERVICES	0.00	50,600.00	0.00	29,339.53	50,600.00	0.00
90 - CAPITAL OUTLAY	0.00	372,000.00	79,052.21	147,807.32	364,325.00	7,675.00
<b>Department: 301 - PUBLIC WORKS Total:</b>	<b>0.00</b>	<b>422,600.00</b>	<b>79,052.21</b>	<b>177,146.85</b>	<b>414,925.00</b>	<b>7,675.00</b>
<b>Expense Total:</b>	<b>0.00</b>	<b>422,600.00</b>	<b>79,052.21</b>	<b>177,146.85</b>	<b>414,925.00</b>	<b>7,675.00</b>
<b>Fund: 116 - Grant- NRCS-Emergency Watershed Protection Surplus</b>	<b>0.00</b>	<b>-61,250.00</b>	<b>-79,052.21</b>	<b>-126,546.85</b>	<b>-364,325.00</b>	<b>303,075.00</b>
<b>Fund: 117 - Grant- MDA-SMLP East Aloha Improvement</b>						
<b>Revenue</b>						
<b>Department: 000 - NON DEPARTMENTAL</b>						
23 - INTERGOVERNMENTAL REVENUES	0.00	150,000.00	0.00	0.00	0.00	150,000.00
<b>Department: 000 - NON DEPARTMENTAL Total:</b>	<b>0.00</b>	<b>150,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>150,000.00</b>
<b>Revenue Total:</b>	<b>0.00</b>	<b>150,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>150,000.00</b>

## Income Statement

For Fiscal: 2020-2021 Period End

Category	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
<b>Expense</b>						
<b>Department: 301 - PUBLIC WORKS</b>						
60 - CONTRACTUAL SERVICES	0.00	33,000.00	10,655.35	25,537.44	33,970.00	-970.00
90 - CAPITAL OUTLAY	0.00	147,000.00	0.00	0.00	0.00	147,000.00
<b>Department: 301 - PUBLIC WORKS Total:</b>	<b>0.00</b>	<b>180,000.00</b>	<b>10,655.35</b>	<b>25,537.44</b>	<b>33,970.00</b>	<b>146,030.00</b>
<b>Expense Total:</b>	<b>0.00</b>	<b>180,000.00</b>	<b>10,655.35</b>	<b>25,537.44</b>	<b>33,970.00</b>	<b>146,030.00</b>
<b>Fund: 117 - Grant- MDA-SMLP East Aloha Improvement Surplus (D</b>	<b>0.00</b>	<b>-30,000.00</b>	<b>-10,655.35</b>	<b>-25,537.44</b>	<b>-33,970.00</b>	<b>3,970.00</b>
<b>Fund: 156 - Grant- GCRF-MDA Commercial District Transformation</b>						
<b>Revenue</b>						
<b>Department: 000 - NON DEPARTMENTAL</b>						
23 - INTERGOVERNMENTAL REVENUES	0.00	1,200,000.00	0.00	0.00	0.00	1,200,000.00
38 - INTERFUND TRANSFERS IN	0.00	300,000.00	0.00	300,000.00	300,000.00	0.00
<b>Department: 000 - NON DEPARTMENTAL Total:</b>	<b>0.00</b>	<b>1,500,000.00</b>	<b>0.00</b>	<b>300,000.00</b>	<b>300,000.00</b>	<b>1,200,000.00</b>
<b>Revenue Total:</b>	<b>0.00</b>	<b>1,500,000.00</b>	<b>0.00</b>	<b>300,000.00</b>	<b>300,000.00</b>	<b>1,200,000.00</b>
<b>Expense</b>						
<b>Department: 653 - ECONOMIC DEVELOPMENT</b>						
60 - CONTRACTUAL SERVICES	0.00	300,000.00	0.00	37,100.00	37,100.00	262,900.00
90 - CAPITAL OUTLAY	0.00	1,200,000.00	0.00	0.00	0.00	1,200,000.00
<b>Department: 653 - ECONOMIC DEVELOPMENT Total:</b>	<b>0.00</b>	<b>1,500,000.00</b>	<b>0.00</b>	<b>37,100.00</b>	<b>37,100.00</b>	<b>1,462,900.00</b>
<b>Expense Total:</b>	<b>0.00</b>	<b>1,500,000.00</b>	<b>0.00</b>	<b>37,100.00</b>	<b>37,100.00</b>	<b>1,462,900.00</b>
<b>Fund: 156 - Grant- GCRF-MDA Commercial District Transformation:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>262,900.00</b>	<b>262,900.00</b>	<b>-262,900.00</b>
<b>Fund: 190 - American Rescue &amp; Recovery Act</b>						
<b>Revenue</b>						
<b>Department: 000 - NON DEPARTMENTAL</b>						
23 - INTERGOVERNMENTAL REVENUES	0.00	989,280.97	0.00	989,280.97	989,280.97	0.00
34 - MISCELLANEOUS REVENUE	0.00	0.00	0.82	0.82	0.82	-0.82
38 - INTERFUND TRANSFERS IN	0.00	10,719.03	0.00	0.00	0.00	10,719.03
<b>Department: 000 - NON DEPARTMENTAL Total:</b>	<b>0.00</b>	<b>1,000,000.00</b>	<b>0.82</b>	<b>989,281.79</b>	<b>989,281.79</b>	<b>10,718.21</b>
<b>Revenue Total:</b>	<b>0.00</b>	<b>1,000,000.00</b>	<b>0.82</b>	<b>989,281.79</b>	<b>989,281.79</b>	<b>10,718.21</b>
<b>Fund: 190 - American Rescue &amp; Recovery Act Total:</b>	<b>0.00</b>	<b>1,000,000.00</b>	<b>0.82</b>	<b>989,281.79</b>	<b>989,281.79</b>	<b>10,718.21</b>
<b>Fund: 401 - SOLID WASTE FUND</b>						
<b>Revenue</b>						
<b>Department: 322 - WASTE COLLECTION</b>						
28 - CHARGES FOR GOVERNMENTAL SERVICES	534,677.92	534,677.92	75,835.04	520,212.63	520,212.63	14,465.29
34 - MISCELLANEOUS REVENUE	1,140.00	1,140.00	0.11	1,654.01	1,654.01	-514.01
<b>Department: 322 - WASTE COLLECTION Total:</b>	<b>535,817.92</b>	<b>535,817.92</b>	<b>75,835.15</b>	<b>521,866.64</b>	<b>521,866.64</b>	<b>13,951.28</b>
<b>Revenue Total:</b>	<b>535,817.92</b>	<b>535,817.92</b>	<b>75,835.15</b>	<b>521,866.64</b>	<b>521,866.64</b>	<b>13,951.28</b>
<b>Expense</b>						
<b>Department: 322 - WASTE COLLECTION</b>						
60 - CONTRACTUAL SERVICES	497,747.67	497,747.67	2,275.05	414,346.55	414,346.55	83,401.12
<b>Department: 322 - WASTE COLLECTION Total:</b>	<b>497,747.67</b>	<b>497,747.67</b>	<b>2,275.05</b>	<b>414,346.55</b>	<b>414,346.55</b>	<b>83,401.12</b>
<b>Expense Total:</b>	<b>497,747.67</b>	<b>497,747.67</b>	<b>2,275.05</b>	<b>414,346.55</b>	<b>414,346.55</b>	<b>83,401.12</b>
<b>Fund: 401 - SOLID WASTE FUND Surplus (Deficit):</b>	<b>38,070.25</b>	<b>38,070.25</b>	<b>73,560.10</b>	<b>107,520.09</b>	<b>107,520.09</b>	<b>-69,449.84</b>
<b>Fund: 701 - FIRE DEPARTMENT FUND</b>						
<b>Revenue</b>						
<b>Department: 260 - FIRE ADMINISTRATION</b>						
34 - MISCELLANEOUS REVENUE	374.00	233.30	0.00	233.30	233.30	0.00
<b>Department: 260 - FIRE ADMINISTRATION Total:</b>	<b>374.00</b>	<b>233.30</b>	<b>0.00</b>	<b>233.30</b>	<b>233.30</b>	<b>0.00</b>
<b>Revenue Total:</b>	<b>374.00</b>	<b>233.30</b>	<b>0.00</b>	<b>233.30</b>	<b>233.30</b>	<b>0.00</b>



Income Statement

For Fiscal: 2020-2021 Period Ending 12/31/21

Category	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
<b>Expense</b>						
<b>Department: 260 - FIRE ADMINISTRATION</b>						
70 - GRANTS, SUBSIDIES AND ALLOCATIONS	0.00	23,062.48	0.00	23,062.48	23,062.48	0.00
<b>Department: 260 - FIRE ADMINISTRATION Total:</b>	<b>0.00</b>	<b>23,062.48</b>	<b>0.00</b>	<b>23,062.48</b>	<b>23,062.48</b>	<b>0.00</b>
<b>Expense Total:</b>	<b>0.00</b>	<b>23,062.48</b>	<b>0.00</b>	<b>23,062.48</b>	<b>23,062.48</b>	<b>0.00</b>
<b>Fund: 701 - FIRE DEPARTMENT FUND Surplus (Deficit):</b>	<b>374.00</b>	<b>-22,829.18</b>	<b>0.00</b>	<b>-22,829.18</b>	<b>-22,829.18</b>	<b>0.00</b>
<b>Total Surplus (Deficit):</b>	<b>-416,555.75</b>	<b>-716,239.37</b>	<b>-74,483.69</b>	<b>-436,428.59</b>	<b>-1,521,392.62</b>	

**Fund Summary**

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
001 - GENERAL FUND	-435,000.00	-1,617,370.40	-53,534.68	-1,854,772.96	-2,410,773.99	793,403.59
104 - MS Infrastructure Modi	0.00	-36.20	0.16	195,433.14	-36.04	-0.16
108 - Grant - TIP - East Aloha	0.00	-2,823.84	0.00	16,889.64	16,889.64	-19,713.48
112 - Grant - Tidelands FY19	0.00	0.00	0.00	1,117.50	1,117.50	-1,117.50
113 - Grant - GRPC Multi Mo	-20,000.00	-20,000.00	0.00	0.00	0.00	-20,000.00
114 - Grant - GRPC Commerc	0.00	0.00	0.00	32,668.82	32,668.82	-32,668.82
115 - Grant- Tidelands FY20	0.00	0.00	-4,802.53	-12,553.14	-99,836.25	99,836.25
116 - Grant- NRCS-Emergenc	0.00	-61,250.00	-79,052.21	-126,546.85	-364,325.00	303,075.00
117 - Grant- MDA-SMLP East	0.00	-30,000.00	-10,655.35	-25,537.44	-33,970.00	3,970.00
156 - Grant- GCRF-MDA Com	0.00	0.00	0.00	262,900.00	262,900.00	-262,900.00
190 - American Rescue & Rec	0.00	1,000,000.00	0.82	989,281.79	989,281.79	10,718.21
401 - SOLID WASTE FUND	38,070.25	38,070.25	73,560.10	107,520.09	107,520.09	-69,449.84
701 - FIRE DEPARTMENT FU	374.00	-22,829.18	0.00	-22,829.18	-22,829.18	0.00
<b>Total Surplus (Deficit):</b>	<b>-436,555.75</b>	<b>-716,239.37</b>	<b>-74,483.69</b>	<b>-436,428.59</b>	<b>-1,521,392.62</b>	

## Diamondhead Monthly Statistics August 2021

Item No.b.

*(Sections in italics not counted toward call total)*

False Alarms- Residential/ Business/ 911	26		
Civil Disputes / Escorts / Process	36		
Complaint / See An Officer	5	Stolen Vehicle	1
Death	6	Burglary – Residence	0
Disturbance	21	Burglary – Vehicle	18
Follow-Up Information	962	Attempted Burglary	0
Juvenile Problem	6	Counterfeit Money	0
Lost/Found Item	7	Damage – Property	8
Miscellaneous	14	Embezzlement	0
		Forgery / Bad Check/Fraud	3
<b>TOTAL MISCELLANEOUS</b>	<b>1083</b>	Malicious Mischief	1
		Recovered Stolen Vehicle	1
Drug Law Violation	0	Recovered Stolen Property	0
Prostitution	0	Shoplifting	0
		Theft (Grand)	5
<b>TOTAL CRIMES AGAINST PUBLIC SAFETY</b>	<b>0</b>	Theft (Petit)	4
		Trespassing	4
Animal Problem / Complaints	4	Unauthorized Use / Vehicle	0
Public Drunk	1		
Fire Structure / Vehicle	0	<b>TOTAL PROPERTY CRIME</b>	<b>45</b>
Fireworks	0		
Funeral Escort	0	Accident – Private Property	3
Littering/Dumping/Haz-Mat Spill	8	Accident – Public Roadway	14
Medical Emergency	19	Accident - Hit & Run	2
Missing/Runaway	2		
Parking Violation	18	<b>TOTAL ACCIDENTS/COLLISIONS</b>	<b>19</b>
Shots Fired	1		
Suicide / Threat / Attempt	0	Assist Motorist	14
Suicide	0	Reckless Driver	2
Suspicious / Person / Vehicle	69	Traffic Stop	203
Welfare Concern	17	<i>Traffic Citation (Adults)</i>	47
		<i>Traffic citation (minors)</i>	4
<b>TOTAL PUBLIC HEALTH &amp; SAFETY</b>	<b>139</b>	Traffic Fatality	0
Animal Bite	0	<b>TOTAL TRAFFIC</b>	<b>219</b>
Assault By Threat	0		
Assault	1		
Child Abuse / Neglect	0	<i>Warrant Arrests</i>	6
Domestic violence	2	<i>Drunk Driver (DUI) Arrests</i>	0
Harassment	1	<i>Traffic Arrests</i>	0
Harassing Phone Call	1	<i>Domestic Assault Arrests</i>	1
Robbery – Armed	0	<i>Other Arrests</i>	7
Sexual Abuse / Molestation	0	<b>TOTAL ARRESTS</b>	<b>14</b>
Stalking	0		
<b>TOTAL CRIMES AGAINST PERSON</b>	<b>5</b>	<b>TOTAL CALLS</b>	<b>1510</b>

CODE ENFORCEMENT

Item No.b.

Code Violations Through	8/31/2021	Total	Closed	Open
Abandoned Vehicles		15	11	4
Abandoned/Dilapidated/Deteriorated House (unoccupied)		3	2	1
Advertising/Solicitation		0	0	0
ATV		0	0	0
Boats		16	10	6
Camper		9	6	3
Cars in Yard		6	6	0
Construction Equipment		2	2	0
Dumpster (commercial)		0	0	0
Dumpster (residential)		0	0	0
Fence		24	12	12
Furniture in Yard		0	0	0
Golf Carts		0	0	0
Graffiti		0	0	0
High Grass (overgrown)/Shrubs		17	14	3
Jet Ski		0	0	0
Lack of Maintenance (structure)		6	5	1
Parking		3	3	0
Permit		39	27	12
POD		1	1	0
Pool		5	4	1
RV		14	12	2
Signs		13	9	4
Slab/Driveway Removal		0	0	0
Trailers		9	8	1
Trash & Rubbish		24	14	10
Trash Cans		0	0	0
Unapproved Structure		0	0	0
<b>Cumulative Totals</b>		<b>206</b>	<b>146</b>	<b>60</b>

9/14/2021 12:01 PM

THRU ZZZZZZZZZZZZ

PROJECT MASTER REPORT

CONTRACTOR CLASS: ALL

PAGE: REPORT SEQUENCE: Project - All Contractor Classe

PROJECTS: THRU TYPE: ALL  
CONTRACTORS: ALL  
ISSUE DATES: 0/00/0000 THRU 99/99/9999  
ST INCLUDES: ALL

*Permits by Typo Bug. 2021*

EXPIRE DATES: 0/00/0000 THRU 99/99/  
ISSUED DATES: 8/01/2021 THRU 8/31/

\*\*\* PROJECT TYPE RECAP \*\*\*

PROJECT TYPE	# OF PROJECTS	BALANCE
B01-SFR - SINGLE FAMILY RESIDENTI	11	5,032.50
B02-ADD - RESIDENTIAL ADDITION	2	0.00
B04-ACC - RESIDENTIAL ACCESSORY	2	77.00
B05-REP - RESIDENTIAL REPAIR	9	0.00
FENCE-RES - RESIDENTIAL FENCE	7	0.00
FLAT-RES - RESIDENTIAL FLATWORK	2	0.00
GAS-RES - RESIDENTIAL GAS	1	0.00
MECH-RES - RESIDENTIAL MECHANICAL	2	0.00
POOL-RES - RESIDENTIAL POOL	2	241.00
PZ-01 - DEVELOPMENT	5	0.00
PZ-06 - VARIANCE	1	0.00
SIGN - SIGN	1	0.00
TREE - TREE REMOVAL	4	0.00
*** TOTALS ***	49	5,350.50

9-14-2021 11:59 AM  
 TASK CODE

*Inspection Report  
 Aug. 2021*

INC CODE: \* - ALL  
 TASK CODE: \* - ALL  
 STATUS: Closed

T A S K S T A T U S R E P O R T

USER: \* - ALL  
 GROUP: \* - ALL  
 PRIORITY: \* - ALL  
 TYPE:

ORIGINATION: 0/00/0000 THRU 99/99/9  
 DUE: 8/01/2021 THRU 8/31/2  
 RESOLUTION: 0/00/0000 THRU 99/99/9

STATUS	PRIORITY									TOTAL
	1	2	3	4	5	6	7	8	9	
ACTIVE										
CLOSED										225
VOIDED										
SUSPENDED										
TOTALS										225

TASK CODE	SEQUENCES	COUNT
DOCUMENT		6
INSPECTION		165
REINSPECTION		36
REVIEW		18
TOTAL INCIDENTS		225

LICENSES: ALL  
LICENSSES: ALL  
LI E CODES: Include: PRIV-MFG, PRIV-SERV, PRIV-RET  
LI S: Include: PRIV  
LI ST : ACTIVE  
LI CI : ACTIVE  
LI MIITS: INSIDE, OUTSIDE

SORTED BY: LICENSE NUMBER

EFFECTIVE DATES: 8/01/2021 TO 8/31/  
EXPIRATION DATES: 0/00/0000 TO 99/99/  
COMMENT: NONE  
PAY STATUS: NONE

Item No.b

ID	CODE	NAME/ PROPERTY ADDRESS	STATUS	CLASS/ REPORT	ORIG/ RENEW	TERM/ PRINTED
01517	PRIV-SERV	SOUTHERN TIPS N TOES 4423 LEISURE TIME DR D, E	ACTIVE	PRIV HAIR	8/05/2021	8/10/2021
01518	PRIV-SERV	SKINNER'S A/C SERVICE AND 665 MAUNA LOA DR	ACTIVE	PRIV CONT-MECH	8/18/2021	8/18/2021
01519	PRIV-SERV	POWER STEAM SOFT WASH 665 MAUNA LOA DR	ACTIVE	PRIV CLEANING	8/18/2021	8/18/2021

REPORT TOTALS: 3 LICENSES

August - 2021  
Burdock Greene