

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 152-2014

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that Peoples Bank is hereby approved as a depository for FY 2014 - 2015 for the following accounts: Meter deposit, Unemployment and Travel.

IT IS FURTHER ORDERED that Hancock Bank will remain the lead depository for the City retaining of 52% of funds with Merchants and Marine Bank receiving 48%.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary.

Motion was made by **Councilwoman Martin** seconded by **Councilman Vaughan** and the following vote was recorded:

AYES: Gordon Gollott
 Mary Martin
 Johnny Jones
 Hurley Ray Guillotte
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: None

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of July 1, 2014.

**CITY OF GAUTIER
MEMORANDUM**

To: Samantha Abell, City Manager
From: Cindy Steen, Purchasing Agent
Through: Cindy Russell, City Clerk
Date: June 24, 2014
Subject: The Peoples Bank

REQUEST:

City Council authorization is requested for the City to retain The Peoples Bank for the City's meter deposit, unemployment fund and the travel account fund for bank depository FY 2014-2015. Hancock Bank will continue to be the lead depository for the City however, there will be a split between Hancock Bank and Merchants and Marine Bank. Hancock Bank will retain 52% and Merchants and Marine Bank will receive 48%.

BACKGROUND:

Every two years the City must approve bank depositories. Hancock Bank currently is the City's lead depository. Remaining funds are split between Hancock Bank and Merchants & Marine Bank. Hancock Bank retains 52% and Merchants and Marine Bank receives 48%. The Peoples Bank will retain its' current status. The request for proposal specified that the City desires a variable interest rate, not fixed, for the most competitive savings rate. The City has utilized same depositories with varying services for more than 10 years.

RECOMMENDATION:

The City Council Shall:

1. Authorize The Peoples Bank to retain its' current status and authorize the City Manager and City Clerk to execute and any all documents necessary.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 153-2014

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the nunc pro tunc FY 2013 Municipal Audit for June 30, 2014 is hereby approved.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary.

Motion was made by **Councilwoman Martin**, seconded by **Councilman Colledge** and the following vote was recorded:

AYES: Gordon Gollott
 Mary Martin
 Johnny Jones
 Hurley Ray Guillotte
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: None

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of July 1, 2014.

CITY OF GAUTIER, MISSISSIPPI
AUDITED FINANCIAL STATEMENTS
For the Year Ended September 30, 2013

CITY OF GAUTIER, MISSISSIPPI
MUNICIPAL OFFICIALS
For the Year Ended September 30, 2013

OFFICIALS

Mayor

Gordon Gollott

CITY COUNCIL

Councilwoman
Councilman
Councilman
Councilman
Councilman
Councilman

Mary Martin
Johnny Jones
Hurley Ray Guillotte
Casey Vaughn
Charles Anderson
Adam Colledge

DEPARTMENT HEADS

City Attorney
City Manager
City Clerk
Police Chief

Robert Ramsay
Samantha Abell
Cindy Russell
Dante Elbin

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LLOYD B. MARSHALL, JR.
CERTIFIED PUBLIC ACCOUNTANT
4321 Gautier Vancleave Rd. Suite A
Gautier, Mississippi 39553

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gautier, Mississippi, as of and for the year ended September 30, 2013, 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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. Those standards require that I 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, I 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.

Independent Auditors' Report

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I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
Business-Type Activities	Qualified
General Fund	Unmodified
Capital Projects Funds	Unmodified
Water & Sewer Fund	Unmodified
Solid Waste Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Basis for Qualified Opinions on Government-Wide Financial Statements and Proprietary Funds Financial Statements and Capital Assets Note to the Financial Statements

Because of the inadequacy of accounting records for the fiscal year ended September 30, 2013, that relate to the fixed assets, accumulated depreciation and depreciation expense, I was unable to form an opinion regarding those amounts and net assets invested in capital assets, net of related debt, for the Government-Wide Financial Statements, which includes amounts at which property and equipment and accumulated depreciation, and the amount of depreciation expense for the year then ended, as outlined in the Capital Assets Note to the Financial Statements, are recorded in the accompanying balance sheet at September 30, 2013, and the Proprietary Funds Financial Statements which includes amounts at which property and equipment and accumulated depreciation, and the amount of depreciation expense for the year then ended, as also outlined in the Capital Assets Note to the Financial Statements, are recorded in the accompanying balance sheet at September 30, 2013. As a result, I was unable to form an opinion on the respective net assets to which these balances are related.

Qualified Opinions

In My opinion, except for the effects of the matter described in the “*Basis for Qualified Opinions on Government-Wide Financial Statements and Proprietary Funds Financial Statements and Capital Assets Note to the Financial Statements*” paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the City of Gautier, Mississippi, as of September 30, 2013, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the General Fund, the Capital Projects Fund, the Water & Sewer Fund, the Solid Waste Fund, and the aggregate remaining fund information of the City of Gautier, Mississippi, as of September 30, 2013, 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.

Other Matters

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

I have audited the financial statements of City of Gautier as of and for the year ended September 30, 2013, and have issued my report thereon dated June 30, 2014, which contained an unmodified opinion on those financial statements. My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In My opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Required Supplementary Information

Management has omitted management's discussion and analysis and budgetary comparison information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by 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. My opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated June 30, 2014 on my consideration of the City of Gautier's internal control over financial reporting and on my 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 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 City of Gautier's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Lloyd B. Manuel, Sr." The signature is written in a cursive style with a large initial 'L'.

Gautier, Mississippi
June 30, 2014

BASIC FINANCIAL STATEMENTS

For the Year Ended September 30, 2013

The basic financial statements include integrated sets of financial statements as required by the Governmental Accounting Standards Board. The sets of statements include:

- Government-wide financial statements
- Fund financial statements:
 - Governmental funds
 - Proprietary (enterprise) funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF GAUTIER, MISSISSIPPI
GOVERNMENT-WIDE STATEMENT OF NET POSITION
September 30, 2013

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 1,899,761	1,264,341	3,164,102
Restricted cash and cash equivalents	1,957,364	5,103,374	7,060,738
Receivables, net	654,325	659,302	1,313,627
Internal Balances	-	-	-
Capital assets:			
Land & Construction in Progress	5,824,954	1,190,870	7,015,824
Other capital assets, net of			
Depreciation	<u>9,539,291</u>	<u>29,869,692</u>	<u>39,408,983</u>
Total capital assets	<u>15,364,245</u>	<u>31,060,562</u>	<u>46,424,807</u>
Total assets	<u>19,875,695</u>	<u>38,087,579</u>	<u>57,963,274</u>
LIABILITIES			
Accounts payable	96,970	11,120	108,090
Accrued Expenses & Interest Payable	80,386		80,386
Compensated absences, current	35,157	994	36,151
Customer deposits	-	556,195	556,195
Long-term liabilities:			
Due within one year	979,270	1,808,679	2,787,949
Due in more than one year	<u>7,584,519</u>	<u>15,741,653</u>	<u>23,326,172</u>
Total liabilities	<u>8,776,302</u>	<u>18,118,641</u>	<u>26,894,943</u>
NET POSITION			
Investment in capital assets (net of related debt)	6,800,456	13,510,231	20,310,687
Restricted :			
Debt service	2,460	3,620,956	3,623,416
Bond contingency fund	2,566,037	946,561	3,512,598
Unrestricted	<u>1,730,440</u>	<u>1,891,190</u>	<u>3,621,630</u>
Total net position	<u>\$11,099,393</u>	<u>19,968,938</u>	<u>31,068,331</u>

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

CITY OF GAUTIER, MISSISSIPPI
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2013

	<u>Program Revenue</u>				<u>Net (expense) revenue and changes in net Assets</u>		
	<u>Expenses</u>	<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Government Activities:							
General Government	\$ 2,300,198	77,291	414,989	1,621,836	(186,082)	-	(186,082)
Public Safety	5,610,620	814,884	-	-	(4,795,736)	-	(4,795,736)
Public Works	700,346	-	-	-	(700,346)	-	(700,346)
Culture and Recreation	336,574	-	-	-	(336,574)	-	(336,574)
Debt service – interest	294,560	-	-	-	(294,560)	-	(294,560)
Total Government Activities	<u>\$ 9,242,298</u>	<u>892,175</u>	<u>414,989</u>	<u>1,621,836</u>	<u>(6,313,298)</u>	<u>-</u>	<u>(6,313,298)</u>
Business-type activities:							
Water & Sewer Fund	4,787,422	5,763,569	65,989	-	-	1,042,136	1,042,136
Solid Waste	1,027,313	1,246,782	39,697	-	-	259,166	59,166
Total Business-type Activities	<u>5,814,735</u>	<u>7,010,351</u>	<u>105,686</u>	<u>-</u>	<u>-</u>	<u>1,301,302</u>	<u>1,301,302</u>
Total Primary	<u>\$15,057,033</u>	<u>7,902,526</u>	<u>520,675</u>	<u>1,621,836</u>	<u>(6,313,298)</u>	<u>1,301,302</u>	<u>(5,011,996)</u>
General Revenues:							
Property Taxes					3,989,866	-	3,989,866
Franchise Taxes					166,565	-	166,565
Intergovernmental					3,022,351	-	3,022,351
Interest Income					4,380	3,599	7,979
Miscellaneous					504,786	465,106	969,892
Total General Revenues					<u>7,687,948</u>	<u>468,705</u>	<u>8,156,653</u>
Changes in Net Position					<u>1,374,650</u>	<u>1,770,007</u>	<u>3,144,657</u>
Net Position, beginning					8,231,573	19,187,518	27,419,091
Prior Period Adjustment					182,780	-	182,780
Net position, as restated					<u>8,414,353</u>	<u>19,187,518</u>	<u>27,601,871</u>
Transfers & Special Item					<u>1,310,390</u>	<u>(988,587)</u>	<u>321,803</u>
Net Position, ending					<u>\$11,099,393</u>	<u>19,968,938</u>	<u>31,068,331</u>

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS FINANCIAL STATEMENTS

CITY OF GAUTIER, MISSISSIPPI
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2013

	<u>General Fund</u>	<u>Capital Projects Funds</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$1,084,189	-	815,572	1,899,761
Receivables, net	654,325	-		654,325
Due From (To)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current assets	1,738,514	-	815,572	2,554,086
Noncurrent assets:				
Restricted cash	<u>-</u>	1,957,364	<u>-</u>	1,957,364
Total assets	<u>\$ 1,738,514</u>	<u>1,957,364</u>	<u>815,572</u>	<u>4,511,450</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 73,587	14,806	8,577	96,970
Other accrued liabilities	80,386	-		80,386
Compensated absences, Current	35,157	-		35,157
Total liabilities	<u>189,130</u>	<u>14,806</u>	<u>8,577</u>	<u>212,513</u>
Fund balances:				
Reserved for:				
Debt service	-	1,942,558	-	1,942,558
Unreserved:				
General fund	1,549,384	-	-	1,549,384
Special revenue funds	<u>-</u>	<u>-</u>	806,995	806,995
Total fund balances	<u>1,549,384</u>	<u>1,942,558</u>	<u>806,995</u>	<u>4,298,937</u>
Total liabilities and fund balances	<u>\$ 1,738,514</u>	<u>1,957,364</u>	<u>815,572</u>	<u>4,511,450</u>

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

CITY OF GAUTIER, MISSISSIPPI
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2013

Total governmental funds balance \$ 4,298,937

Amounts reported for governmental activities in the statement of net assets are 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.

Governmental capital assets	\$ 20,637,859	
Less: accumulated depreciation	(5,273,613)	15,364,246

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds and notes	(8,326,969)	
Compensated absences	(236,821)	11,099,393

Net assets of governmental activities		<u>\$ 11,099,393</u>
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The notes to the financial statements are an integral part of this statement.

CITY OF GAUTIER, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS
For the Year Ended September 30, 2013

	<u>General Fund</u>	<u>Capital Projects Funds</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property taxes	\$ 3,878,034	-	111,832	3,989,866
Franchise fees	166,565	-	-	166,565
Fees and fines	753,453	-	61,431	814,884
Licenses and permits	77,291	-	-	77,291
Intergovernmental	2,923,368	-	98,983	3,022,351
Interest income	2,018	2,362	-	4,380
Grants	1,421,439	242,909	372,476	2,036,824
Miscellaneous	<u>426,903</u>	<u> </u>	<u>162,095</u>	<u>588,998</u>
Total revenues	<u>9,649,071</u>	<u>245,271</u>	<u>806,817</u>	<u>10,701,159</u>
EXPENDITURES				
Current:				
General government	2,260,031	3,035	-	2,263,066
Public safety	4,847,643	-	5,489	4,853,132
Public works	468,396	-	92,704	561,100
Culture and recreation	176,426	-	160,148	336,574
Debt service:				
Interest and fiscal charges	196,283	763,054	-	959,337
Capital outlay	<u>1,165,708</u>	<u>839,210</u>	<u>402,314</u>	<u>2,407,232</u>
Total expenditures	<u>9,114,487</u>	<u>1,605,299</u>	<u>660,655</u>	<u>11,380,441</u>
Excess of revenues over (under) expenditures	<u>534,584</u>	<u>(1,360,028)</u>	<u>146,162</u>	<u>(679,282)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	<u>220,497</u>	<u>733,054</u>	<u>35,036</u>	<u>988,587</u>
Total other financing sources (uses)	<u>220,497</u>	<u>733,054</u>	<u>35,036</u>	<u>988,587</u>
Net changes in fund balances	755,081	(626,974)	181,198	309,305
Fund balance - beginning of year	611,524	2,569,532	625,797	3,806,853
Prior period adjustment	<u>182,779</u>	<u> </u>	<u> </u>	<u>182,779</u>
Fund balance - end of year	<u>\$1,549,384</u>	<u>1,942,558</u>	<u>806,995</u>	<u>4,298,937</u>

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

CITY OF GAUTIER, MISSISSIPPI
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2013

Net change in fund balances - total governmental funds **\$ 309,305**

Amounts reported for governmental activities in the statement of activities are 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. Also, transfers out are not recorded.

Capital outlay	\$2,407,232	
Depreciation	(928,309)	
Excess of depreciation expense over capital outlay		1,478,923

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds.

Transfers		(988,587)
Net Adjustments for compensated absences		(5,558)
Principal paid on debt		664,778
New loan for Command Vehicle		<u>(84,211)</u>
		<u>1,065,345</u>

Changes in net position of governmental activities **\$ 1,374,650**

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

PROPRIETARY FUNDS FINANCIAL STATEMENTS

CITY OF GAUTIER, MISSISSIPPI
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
September 30, 2013

	<u>Water and Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Total Proprietary Funds</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,260,825	3,516	1,264,341
Accounts receivable, net	659,302	-	659,302
Due (to) from other Funds	(103,948)	103,948	
Total current assets	<u>1,816,179</u>	<u>107,464</u>	<u>1,923,643</u>
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	5,103,374	-	5,103,374
Capital assets:			
Land	1,190,870	-	1,190,870
Other capital assets, net of accumulated depreciation	<u>29,851,983</u>	<u>17,709</u>	<u>28,869,692</u>
Total noncurrent assets	<u>36,146,227</u>	<u>17,709</u>	<u>36,163,936</u>
Total assets	<u>37,962,406</u>	<u>125,173</u>	<u>38,087,579</u>
 LIABILITIES			
Current liabilities:			
Accounts payable	11,120		11,120
Due to Other Funds	-		-
Compensated absences payable	994		994
Bonds and notes payable	1,808,679	-	1,808,679
Payable from restricted assets:			
Customer deposits	<u>556,195</u>	<u>-</u>	<u>556,195</u>
Total current liabilities	<u>2,376,988</u>	<u>-</u>	<u>2,376,988</u>
Noncurrent liabilities:			
Compensated absences	27,568	-	27,568
Bonds and notes payable	<u>15,714,084</u>	<u>-</u>	<u>15,714,084</u>
Total noncurrent liabilities	<u>15,741,652</u>	<u>-</u>	<u>15,741,652</u>
Total liabilities	<u>18,118,640</u>	<u>-</u>	<u>18,118,640</u>
 NET POSITION			
Invested in capital assets, net of related debt	13,492,522	17,709	13,510,231
Restricted:			
Debt service	3,620,956	-	3,620,956
Bond contingency fund	946,561	-	946,561
Unrestricted	<u>1,783,726</u>	<u>107,464</u>	<u>1,891,190</u>
Total net position	<u>\$ 19,843,765</u>	<u>125,173</u>	<u>19,968,938</u>

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

CITY OF GAUTIER, MISSISSIPPI
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2013

	<u>Water and Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Total Proprietary Funds</u>
OPERATING REVENUES			
Charges for services	\$ 5,763,569	1,246,782	7,010,351
Grants	65,989	39,697	105,686
Other	<u>465,106</u>	<u>-</u>	<u>465,106</u>
Total operating revenues	<u>6,294,664</u>	<u>1,286,479</u>	<u>7,581,143</u>
OPERATING EXPENSES			
Personnel services	314,372	7,660	322,032
Wastewater treatment	1,235,736	-	1,235,736
Waste collections and disposals	-	1,001,770	1,001,770
Utilities	198,196	-	198,196
Supplies	142,028	-	142,028
Maintenance and repairs	37,576	-	37,576
Depreciation	660,721	9,621	670,342
Other services and charges	<u>1,876,734</u>	<u>8,262</u>	<u>1,884,996</u>
Total operating expenses	<u>4,465,363</u>	<u>1,027,313</u>	<u>5,492,676</u>
Operating income (loss)	<u>1,829,301</u>	<u>259,166</u>	<u>2,088,467</u>
NONOPERATING REVENUES (EXPENSES)			
Interest income	3,599	-	3,599
Interest expense	<u>(322,059)</u>	<u>-</u>	<u>(322,059)</u>
Net nonoperating revenues (expenses)	<u>(318,460)</u>	<u>-</u>	<u>(318,460)</u>
CAPITAL CONTRIBUTIONS & TRANSFERS			
Transfer In (Out)	<u>(708,860)</u>	<u>(279,727)</u>	<u>(988,587)</u>
Changes in net position	801,981	(20,561)	781,420
Net position - beginning of year	19,041,784	145,734	19,187,518
Net position - end of year	<u>\$ 19,843,765</u>	<u>125,173</u>	<u>19,968,938</u>

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

CITY OF GAUTIER, MISSISSIPPI
RECONCILIATION OF THE PROPRIETARY FUNDS NET ASSETS
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS
September 30, 2013

Total Proprietary Fund net assets	\$19,968,938
Differences in Interfund Balances	<u>0</u>
Net assets of proprietary activities on government-wide statement of net assets	<u>\$19,968,938</u>

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

CITY OF GAUTIER, MISSISSIPPI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2013

	<u>Water and Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Total Proprietary Funds</u>
Cash flows from operating activities:			
Cash received from customers	\$ 5,623,417	1,211,802	6,835,219
Cash received from grants	65,990	39,697	105,687
Payments for goods and services	(3,419,658)	(1,010,132)	(4,429,790)
Payments to employees	(320,167)	(7,660)	(327,827)
Other receipts	<u>511,178</u>	<u>-</u>	<u>511,178</u>
Net cash provided (used) in operating Activities	<u>2,460,760</u>	<u>233,707</u>	<u>2,694,467</u>
Cash flows from noncapital financing activities:			
Decrease in customer Deposits & other activities	<u>(46,937)</u>	<u>-</u>	<u>(46,937)</u>
Net cash provided (used) by noncapital financing activities	<u>(46,937)</u>	<u>-</u>	<u>(46,937)</u>
Cash flows from capital and related financing activities:			
Increase in Capital Debt	3,500,000	-	3,500,000
Transfers	(708,860)	(279,627)	(988,487)
Purchase and construction of capital assets	(61,370)	-	(61,370)
Principal paid on capital debt	(1,716,425)	-	(1,716,425)
Interest paid on capital debt	(322,059)	-	(322,059)
Investments in restricted cash	<u>(3,772,555)</u>	<u>-</u>	<u>(3,772,555)</u>
Net cash used in capital and related financing Activities	<u>(3,081,269)</u>	<u>(279,627)</u>	<u>(3,360,896)</u>
Cash flows from investing activities:			
Interest received	<u>3,599</u>	<u>-</u>	<u>3,599</u>
Net cash provided by investing activities	<u>3,599</u>	<u>-</u>	<u>3,599</u>
Net change in cash and cash equivalents	(663,847)	(45,920)	(709,767)
Cash and cash equivalents:			
Beginning of the year	<u>1,924,672</u>	<u>49,436</u>	<u>1,974,108</u>
End of the year	<u>\$1,260,825</u>	<u>3,516</u>	<u>1,264,341</u>

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

CITY OF GAUTIER, MISSISSIPPI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2013

	<u>Water and Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ 1,829,301	259,166	2,088,467
Adjustments to reconcile operating (income) loss to net cash			
Depreciation expense	660,721	9,621	670,342
Increase (Decrease) in current assets:			
Accounts receivable & prepaids	(14,933)	(35,080)	(50,013)
(Increase) Decrease in current liabilities:			
Accounts payable	871		871
Other liabilities	(15,200)	-	(15,200)
Net cash provided by (used in) operating Activities	<u>\$ 2,460,760</u>	<u>233,707</u>	<u>2,694,467</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Gautier, Mississippi was incorporated on June 17, 1986. The City operates under a Council-Manager form of government described under Title 21, Chapter 9, of the Mississippi Code of 1972. The City provides the following services, as authorized by its charter: public safety, public works, public health and welfare, culture, recreation and water, sewer and gas system.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. For enterprise funds, GASB Statement Nos. 20 and 34 provide the City with the option of electing to apply FASB pronouncements issued after that date. The City has chosen not to apply those pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note. The City implemented the general provisions of GASB Statement Nos. 33 and 34 during fiscal year ended September 30, 2004.

A. Financial Reporting Entity

These financial statements present the City (the primary government) only. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the City holds the corporate powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City

Based on the aforementioned criteria, the City of Gautier has no component units.

B. Basic Financial Statements - Government-wide statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's police and fire protection, parks, recreation, public works, and general administrative services are classified as governmental activities. The City's water and sewer system and solid waste management services are classified as business-type activities.

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In the Government-Wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The City first utilizes restricted resources to finance qualifying activities.

The Government-Wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (public safety, public works, culture and recreation, etc.). The functions are also supported by general governmental revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Government-Wide Statement of Activities reduces gross expenses (including depreciation) by related program revenues and by operating and capital grants. Program revenues must be directly associated with the function (police, public works, community and youth services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales or gas taxes, intergovernmental revenues, interest income, etc.).

The City does not allocate indirect costs. An administrative service fee is charged by the General Fund to the Water and Sewer Fund to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net assets resulting from the current year's activities.

C. Basic Financial Statements - Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by genetic classification within the financial statements.

Governmental Funds:

The focus of governmental fund measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1. The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
2. Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds include: Fire Protection Fund, Recreation Fund, Tideland Grant Fund, etc.
3. Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.
4. Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The City had capital projects funds during the year ended September 30, 2013.

Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the City.

1. Enterprise funds are used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. These funds include: Water and Sewer System Fund, Solid Waste Fund and related projects.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred.

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. Financial Statement Amounts

Cash and Cash Equivalents:

The City has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents. Additionally, each fund's equity in the City's investment pool is treated as a cash equivalent because the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

Capital Assets:

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized.

Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings 20-50 years Water and sewer system 30-35 years Machinery and equipment 7-10 years
Improvements 30-35 years Other infrastructures 10-60 years Vehicles 5 years GASB Statement No. 34
required the City to report and depreciate new infrastructure assets beginning in 2004. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are the largest asset class of the City. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure was subject to an extended implementation period and was first effective for fiscal years ended in 2006. As of the year ending September 30, 2012, the City has not implemented retroactive infrastructure reporting. The City implemented the general provisions of GASB No. 34 during 2004.

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are billed and collected within the same period in which the taxes are levied. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue based on GASB Statement No. 33. In applying GASB Statement No. 33 to grant revenues, the provider recognizes liabilities and expenses, and the recipient recognizes receivables and revenues when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

Expenditures:

Expenditures are recognized when the related fund liability is incurred.

Compensated Absences:

The City's policy allows employees to accumulate unused sick leave on an unlimited basis and vacation leave up to two years generally. Upon termination, pursuant to State Law, the City may pay up to 30 days of accumulated vacation ; the balance is credited to the employee's public retirement (PERS) account.

Sick leave is not paid upon termination. The City accrues accumulated unpaid vacation leave at the end of the fiscal year. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations.

Interfund Activity:

Interfund activity consists of loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

By its nature as a local government unit, the City is subject to various federal, state, and local laws and contractual regulations. An analysis of the City's compliance with significant laws and regulations and demonstration of its stewardship over City resources follows.

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

D. Debt Restrictions and Covenants

General obligation debt represents direct obligations issued on a pledge of the general taxing power of the City for the payment of its debt obligations.

NOTE 3. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

A. Cash and Investments

The City deposits funds in financial institutions selected by the City's Councilmen in accordance with Mississippi statutes. Allocation of the resulting balance is accomplished with inter-bank transfers. Approved city depositories for the calendar years 2012-2013 were as follows:

	Allocation Percentage
Hancock Bank	52%
Merchant and Marine Bank	38%
Peoples Bank	10%
	100%

By using this multiple financial institution collateral pool, all of the City's deposits at September 30, 2012, fall into the credit risk category of "Insured or collateralized with securities held by the entity or its agent in the entity's name."

Deposits at September 30, 2013, (including restricted deposits) were as follows:

	Bank Balances
Pooled deposits:	
Cash and cash equivalents	\$ 3,723,462
Non-pooled deposits:	
Cash and cash equivalents:	
Capital Improvement Bond Fund	1,954,904
Debt Service Funds	1,192,920
Contingency Fund	484,742
MS Development Loans	2,868,812
	\$ 10,224,840

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 3. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)

B. Restricted Cash

The amounts reported as restricted assets are cash and accrued interest held by the trustee bank on behalf of the various public trusts (authorities) related to their required note payable accounts and amounts held in trust for customer utility meter deposits.

The restricted assets as of September 30, 2013, were as follows:

<u>Types of Restricted Assets</u>	<u>Cash Including Time Deposits</u>
Capital Improvement Bond Fund	\$ 1,954,904
Meter Deposit Fund	561,359
Bond Contingency Funds	757,090
Series 2012 Utility System Refunding Bond	820,573
Series 2013 Bond Fund	2,964,352
2008 MS Development Loan	2,460
	<u>\$ 7,060,738</u>

C. Accounts Receivable

Accounts receivable at September 30, 2013, consisted of the following:

	<u>Accounts Receivable</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Accounts Receivable</u>
Governmental activities:			
General Fund:			
Ad valorem taxes	\$ 63,112	-	63,112
Municipal court	6,598,499	6,341,157	257,342
Sales tax	283,622	-	283,622
Grants	50,249	-	50,249
Total General Fund	<u>6,995,482</u>	<u>6,341,157</u>	<u>654,325</u>
Business-type activities:			
Enterprise Fund:			
Water and sewer collections	2,541,852	1,882,550	659,302
Total business-type activities	<u>2,541,852</u>	<u>1,882,550</u>	<u>659,302</u>
Total government-wide activities	<u>\$ 9,537,334</u>	<u>8,223,707</u>	<u>1,313,627</u>

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 3. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)

D. Capital Assets

Capital assets have not been audited.

Capital asset activity for the year ended September 30, 2013, was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Additions	Reductions	
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	798,104			798,104
Construction in Progress	3,021,932	2,004,918		5,026,850
Total capital assets not being depreciated	<u>3,820,036</u>	<u>2,004,918</u>	<u>0</u>	<u>5,824,954</u>
Capital assets being depreciated:				
Buildings & Improvements	2,841,253	22,400		2,863,653
Machinery & Equipment	7,250,750	343,064		7,593,814
Infrastructure	4,318,588	36,850		4,355,438
Total capital assets being depreciated	<u>14,410,591</u>	<u>402,314</u>	<u>0</u>	<u>14,812,905</u>
Less accumulated depreciation for:				
Buildings & improvements	(499,566)	(81,819)		(581,385)
Machinery & Equipment	(3,731,394)	(759,382)		(4,490,776)
Infrastructure	(114,344)	(87,109)		(201,453)
Total accumulated depreciation	<u>(4,345,304)</u>	<u>(928,310)</u>	<u>0</u>	<u>(5,273,614)</u>
Total Capital assets being depreciated, net	<u>10,065,287</u>	<u>-525,996</u>	<u>0</u>	<u>9,539,291</u>
Total governmental activities capital assets, net	<u><u>13,885,323</u></u>	<u><u>1,478,922</u></u>	<u><u>0</u></u>	<u><u>15,364,245</u></u>
Business-type Activities:				
Capital Assets not being Depreciated:				
Land & Easements	1,188,570	2,300		1,190,870
Construction in Progress	0			0
Total capital assets not being depreciated	<u>1,188,570</u>	<u>2,300</u>	<u>0</u>	<u>1,190,870</u>
Capital assets being depreciated:				
Buildings & improvements	2,223,960			2,223,960
Machinery & Equipment	1,897,337	59,070		1,956,407
Infrastructure	42,123,637			42,123,637
Total capital assets being depreciated	<u>46,244,934</u>	<u>59,070</u>	<u>0</u>	<u>46,304,004</u>
Less accumulated depreciation for:				
Buildings & improvements	(431,069)	(64,296)		(495,365)
Machinery & Equipment	(1,589,186)	(244,551)		(1,833,737)
Utility System	(13,743,715)	(361,495)		(14,105,210)
Total accumulated depreciation	<u>(15,763,970)</u>	<u>(670,342)</u>	<u>0</u>	<u>(16,434,312)</u>
Total Capital assets being depreciated, net	<u>30,480,964</u>	<u>(611,272)</u>	<u>0</u>	<u>29,869,692</u>
Total business-type activities capital assets, net	<u><u>31,669,534</u></u>	<u><u>(608,972)</u></u>	<u><u>0</u></u>	<u><u>31,060,562</u></u>
Primary Government				
Total capital assets, net	<u><u>45,554,857</u></u>	<u><u>869,950</u></u>	<u><u>0</u></u>	<u><u>46,424,807</u></u>

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 3. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)

A summary of general fixed assets transactions for the year ended September 30, 2013, follows:

	<u>Expended through September 30, 2013</u>	<u>Remaining Commitment</u>
Government Activities		
Construction in Progress at 09-30-13	<u>5,026,850</u>	<u>2,409,196</u>
Additions to Construction in Progress	2,004,918	
Machinery & equipment purchased	343,064	
Infrastructure added	36,850	
Building Improvement	<u>22,400</u>	
Total	<u>2,407,232</u>	

Depreciation expense was charged to functions/programs for the year ended September 30, 2013, as follows:

Governmental activities:		
General government		<u>\$ 928,310</u>
Business-type activities:		
Water and Sewer Fund		\$ 660,721
Solid Waste Fund		<u>9,621</u>
Total business-type activities depreciation expense		<u>\$ 670,342</u>

E. Accounts Payable

Payables are composed of amounts due to vendors within 60 days of year end and accrued salaries and benefits.

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 3. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)

F. Long-Term Debt

The City's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities. Long-term liability activity for the year ended September 30, 2013, is shown below:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Bonds and notes payable	\$ 9,229,340	84,211	986,583	8,326,968	979,270
Compensated absences	<u>309,110</u>	—	<u>37,132</u>	<u>271,978</u>	<u>35,157</u>
Total governmental activities long-term liabilities	<u>\$ 9,538,450</u>	<u>84,211</u>	<u>1,023,715</u>	<u>8,598,946</u>	<u>1,014,427</u>
Business-type activities:					
Water and sewer debt	\$15,739,188	3,500,000	1,716,425	17,522,763	1,808,679
Compensated absences	<u>34,358</u>	—	<u>5,795</u>	<u>28,563</u>	<u>994</u>
Total business-type activities long-term liabilities	<u>\$15,773,546</u>	<u>3,500,000</u>	<u>1,722,220</u>	<u>17,551,326</u>	<u>1,809,673</u>

Description of Debt

At September 30, 2013, notes payable consisted of the following individual issues:

	General Long- Term Debt
Governmental activities:	
General obligation bonds and notes:	
General Obligation Katrina Refunding Bond Series 2010; bearing interest at 3.45%, maturing March 2020	\$ 1,735,000
General Obligation Bond Series 2010; Capital Improvements; Maturing August, 2030; bearing interest at 3.13%	6,250,000
Police Court package Loan; 2.60% interest; maturing, May, 2015; annual payments Of \$ 73,040 until paid	117,582
Police Vehicles Loan; 2.920% interest; maturing December, 2013; annual payments Of \$ \$ 123,243 until paid	140,175
Command Vehicle Loan; 1.730% interest; maturing July, 2018; annual payments of \$ 17,747 until paid	<u>84,211</u>
Total general obligation bonds and notes	8,326,968
Compensated absences	271,978
Less current portion of long-term debt	<u>(1,014,427)</u>
Total governmental activities long-term debt	<u>\$ 7,584,519</u>

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 3. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)

Business-type activities:

Revenue Refunding Bond:

Series 2012 Refunding Bond, payable in semiannual installments, bearing interest at a variable rate, currently 4.25%, maturing September 2019, secured by utility system revenues	\$ 7,915,000
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Revenue Bonds:

State Revolving Fund Loan, payable in monthly installments of \$9,019, beginning October 2006, bearing interest at 3.56%, maturing January 2026, secured by utility system revenues	1,082,820
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State Revolving Fund Loan, payable in monthly installments of \$10,949, beginning September 2006, bearing interest at 1.75%, maturing January 2026, secured by utility system revenues	1,456,513
--	-----------

State Revolving Fund Loan, payable in monthly installments of \$7,877, beginning April 2006, bearing interest at 1.75%, maturing April 2025, secured by utility system revenues	990,469
---	---------

State Revolving Fund Loan, payable in monthly installments of \$3,765, beginning November, 2009; bearing interest at 1.95%, secured by utility system revenues	615,167
--	---------

State Revolving Fund Loan, payable in monthly installments of \$ 2,149, beginning October, 2009; bearing interest at 1.95%, secured by utility system revenues	324,006
--	---------

State Revolving Fund Loan, payable in monthly installments of \$ 9,665, beginning December, 2009, bearing interest at 2.75%, secured by utility system revenues	<u>1,487,575</u>
Total general obligation bonds and notes	13,871,550

MS Development Bank Series 2013 Bonds Maturing 2014-2033 interest 2.00 to 5.00 %	3,500,000
--	-----------

Vacuum Truck Loan, M & M Bank, \$27,794 per year, Bearing Interest at 2.830%	151,213
--	---------

Compensated absences	28,563
Less current portion of long-term debt	<u>(1,809,673)</u>
Total business-type activities long-term debt	<u>\$15,741,653</u>

Revenue Refunding Bond

Utility System Revenue Refunding Bonds, Series 2012, were issued for the purpose of providing for the refunding of all maturities of the outstanding Combined Utility System Revenue Bonds, Series 2001, issued originally in the principal amount of \$15,680,000,000 (balance of \$9,185,000 as of the Series 2012 Refunding issue date), and an additional \$ 300,000 to provide for payment of Series 2012 issue costs, all in order to accomplish debt service savings for the City. The bond is payable solely from net revenues from water and sewer system operation.

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 3. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)

The original Series 2001 bonds were collateralized by the revenues of the water and sewer system and the various special funds established by the bond ordinances. The ordinances provide that the revenue of the system is to be used first to pay operating and maintenance expenses of the system and second to establish and maintain the Revenue Bond Funds. As long as the bonds were outstanding, the City agreed to fix and maintain rates and collect charges for the use and services of the System, which were to be at all times be sufficient to meet specified requirements. The balance outstanding of the Series 2012 issue date as of September 30, 2013 was \$ 7,915,000.

State Revolving Revenue Bonds are collateralized by the revenues of the water and sewer funds. The City executed several long-term debt agreements with the State of Mississippi Environmental Quality for the purpose of improving the water distribution and sewer collection systems. The City entered into an agreement with the Mississippi State Tax Commission, allowing the Tax Commission to withhold \$43,424 from monthly sales tax revenues as payment for principal and interest on bonds beginning in fiscal year 2006. The balance outstanding on these bonds, as of September 30, 2013, was \$5,956,550.

Debt Maturity

Debt service requirements at September 30, 2013, were as follows:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Notes & Capital Leases</u>		<u>Water and Sewer Bonds & Notes</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2014	703,242	276,028	1,808,679	404,048
2015	602,331	254,782	1,801,356	379,907
2016-2020	2,971,395	995,711	7,881,584	1,263,822
2021-2026	2,355,000	688,874	3,124,609	800,062
2026-2030	<u>1,695,000</u>	<u>169,767</u>	<u>2,906,535</u>	<u>457,391</u>
Total	<u>\$ 8,326,968</u>	<u>2,385,162</u>	<u>17,522,763</u>	<u>3,305,230</u>

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 3. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)

G. Interfund Balances

Interfund balances at September 30, 2013, consisted of the following:

	<u>DUE FROM:</u>					<u>Total</u>
	<u>Governmental Activities</u>			<u>Business-Type Activities</u>		
	<u>General Fund</u>	<u>MS Development</u>	<u>Other Governmental Funds</u>	<u>Water and Sewer Fund</u>	<u>Solid Waste Fund</u>	
<u>DUE TO:</u>						
Governmental activities:						
General Fund	\$ -	-	-	-	-	-
MS Development	-	-	-	-	-	-
Other Governmental Funds	-	-	-	-	-	-
Business-type Activities:						
Water and Sewer Fund	-	-	-	103,948	(103,948)	-
Solid Waste Fund Total	-	-	-	-	-	-
Total	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>103,948</u>	<u>(103,948)</u>	<u>-</u>

All balances resulted from the time lag between dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Since all interfund balances were reclassified as revenues or expenditures respectfully, there were no remaining interfund balances at the fiscal year end.

H. Interfund Transfers

Transfer balances at September 30, 2013, consisted of the following:

	<u>TRANSFERS IN:</u>			<u>Total</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>		
	<u>Other Governmental Fund</u>	<u>Other Business-Type Fund</u>		
<u>TRANSFERS OUT:</u>				
Governmental activities:				
General Fund	\$ 988,587	-	-	988,587
MS Development	-	-	-	-
Other Governmental Funds	-	-	-	-
Business-type activities:				
Water and Sewer Fund	-	(988,587)	-	(988,587)
Solid Waste	-	-	-	-
Total	<u>\$ 988,587</u>	<u>(988,587)</u>	<u>-</u>	<u>-</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 4. OTHER NOTES

A. Property Tax

Property tax is levied on the assessed (appraised) value as compiled by the Jackson County Tax Assessor for all real and business personal property located in the City. The assessment roll is approved and the levy is set before September 30, following a series of public hearings to receive citizen objections.

Resulting taxes are due on or before February 1. Installment payments are accepted on or before February 1, May 1, and August 1. An inter-local government agreement, effective October 1, 1989, provided for billing and collection of City and Pascagoula School District taxes by Jackson County, Mississippi.

Included in revenues are taxes for automobile tags, which are assessed and collected by Jackson County.

Such taxes, less a collection fee, are remitted to the City monthly.

Property tax revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with generally accepted accounting principles have been recognized as revenue.

Increases in taxes are generally limited by State law to 10% of the taxes collected for the prior assessment year, excluding taxes from property added to the tax assessment rolls in the current year.

The City is required by law to assess and collect taxes necessary for operation of the Jackson-George Regional Library System and for service of certain related debt. Jackson-George Regional Library System provides services to residents of inside and outside the geographic boundaries of the City and has a separate appointed and/or elected board. Jackson-George Regional Library System is not included as a component unit of the City's financial reporting entity because the City does not have the ability to exercise control over library operations or approve budgets.

For the year ended September 30, 2013, the City's 2013 tax rate was as follows:

	<u>MILLS</u>
General Fund	24.350
Library Fund	1.000
Debt Service	<u>6.750</u>
Total	<u>32.110</u>

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 4. OTHER NOTES (continued)

B. Pension Plans

Defined Benefit Pension Plan

Plan Description - The City of Gautier contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to Public Employee Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005, or by calling (601) 359-3589 or 1-800-444-PERS.

Funding Policy - PERS' members are required to contribute 9.00 %, of their annual covered salary and the Jackson County Utility Authority is required to contribute at an actuarially determined rate. The current rate of 15.75% (effective July 1, 2013) of annual covered payroll is contributed by the City. These were the rates at the end of FY 2013. The contribution requirements of PERS' members are established and may be amended only by the State of Mississippi Legislature.

The City of Gautier's contributions to PERS for the years ended September 30, 2013 and 2012 were \$670,020 and \$729,428, respectively, representing 100% of the required contributions for the year.

Deferred Compensation Plan

The City, through PERS, offers its employees a voluntary deferred compensation plan created in accordance with Internal Revenue Code Section 457. 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 the 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.

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 4. OTHER NOTES (continued)

C. Commitments and Contingencies

Related Party Transactions

No known transactions requiring disclosure occurred between the City and its employees or elected officials.

Grants and Awards - the City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed by management to be material.

Litigation - various claims and lawsuits are pending against the City. In the opinion of City management, after consultation with legal counsel, the potential loss on all claims and lawsuits will not materially affect the City's financial position.

Contract Commitments Service Contracts:

On May 17, 1988, the City entered into an agreement with Jackson County, under which the County provides animal shelter services for a current fee of \$10,560 per year.

On January 1, 1988, the City entered into an agreement with Mississippi Regional Housing Authority No. VIII (the Housing Authority) for the development of low-income housing units operated by the Housing Authority within the municipality. Under the agreement, all projects are exempt from all real and personal property taxes and special assessments levied by any taxing body. The Housing Authority makes annual payments in lieu of such taxes for the public services and facilities furnished by the City. Annual payments would be the lesser of 10% of shelter rent collected or the amount permitted to be paid by state law in effect on the date payment is made.

The City's existing contract for trash collection services was initiated on September 1, 2012 with a second year renewal in process. The City has the option to renew the contract for four additional one year terms. The contractor is paid on a per unit basis.

CITY OF GAUTIER, MISSISSIPPI
 NOTES TO BASIC FINANCIAL STATEMENTS
 September 30, 2013

NOTE 4. OTHER NOTES (continued)

Construction Contracts:

The City entered into various construction contracts in the prior Fiscal Year for infrastructure improvements with some estimated remaining commitments at September 3, 2013. The majority of these projects were funded by various state and federal grants. See Note 3. D for more detailed information on these projects.

D. Joint Venture

The City is a member of the joint venture Jackson County Utility Authority (the Authority), which was established by an act of the Mississippi Legislature to design and implement a water pollution abatement plan. The Authority is responsible for the operations and maintenance of the wastewater treatment plants for the cities of Gautier, Moss Point, Ocean Springs and Pascagoula. The Authority enters into subscription agreements with each of the governing bodies and districts to fund its operations.

The following is a synopsis of the Authority's financial statements as of and for the year ended September 30, 2013, a complete copy of which is on file at the administrative offices of the Authority, located at 1225 Jackson Avenue, Pascagoula, Mississippi 39567.

BALANCE SHEET

ASSETS

Current assets	\$	2,828,776
Restricted investments		3,124,829
Capital assets	\$	<u>135,840,387</u>
Total assets	\$	<u><u>141,793,992</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES

Current liabilities	\$	6,651,372
Noncurrent liabilities		<u>8,268,820</u>
Total liabilities		<u><u>14,920,192</u></u>

NET POSITION

Total liabilities and net assets	\$	<u><u>126,873,800</u></u>
		<u><u>141,793,992</u></u>

STATEMENT OF REVENUES AND EXPENSES

Operating revenues	\$	9,212,044
Operating expenses		(14,625,320)
Non-operating revenues		<u>1,963,443</u>
Change in Net Assets		(3,449,833)
Net Position, Beginning of the Year		<u>130,323,633</u>
Net Position assets, end of the year	\$	<u><u>126,873,800</u></u>

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 4. OTHER NOTES (continued)

E. Deficit fund balances/Retained earnings

There were only two deficit fund balances of individual funds were as follows:

Governmental activities:

Tidelands Grant Fund	5,876
BP Oil Spill Grant Fund	395

CITY OF GAUTIER, MISSISSIPPI
 NOTES TO BASIC FINANCIAL STATEMENTS
 September 30, 2013

NOTE 4. OTHER NOTES (continued)

F. Settlements from prior periods:

GOVERNMENT-WIDE FINANCIAL STATEMENTS:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Net assets September 30, 2012, as originally presented	\$ 8,231,573	19,187,518	27,419,091
Prior period adjustment – Liability Adjustment	<u>182,780</u>	<u> </u>	<u>182,780</u>
Net Assets, September 30, 2012	<u>\$ 8,414,353</u>	<u>19,187,518</u>	<u>27,601,871</u>

FUND FINANCIAL STATEMENTS:

	<u>General Fund</u>	<u>Water and Sewer Fund</u>
Fund balance September 30, 2012, as originally presented	\$ 3,806,853	19,187,518
Prior Period Adjustment	<u>182,780</u>	<u> 0</u>
Fund balance, September 30, 2012	<u>\$ 3,989,633</u>	<u>\$ 19,187,518</u>

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 4. OTHER NOTES (continued)

G. Subsequent events –

- Community Disaster Loan of \$ 350,000 plus accrued interest forgiven

OTHER SUPPLEMENTARY INFORMATION

CITY OF GAUTIER, MISSISSIPPI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2013

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. Department of Justice			
Passed Through State:			
Local Law Enforcement Block Grant			
Task Force Grant	16.592	7NM1301	\$ 13,792
FBI Safe Street	16.592	18PGCP540Z	16,251
HIDTA	16.592	18PGCP540Z	10,819
U.S. Department of the Interior			
Passed Through State:			
Coastal Improvement Assistance	15.668	MS.30.701	16,483
Coastal Improvement Assistance	15.668	USFWSF12AF00434	59,069
U.S. Department of Homeland Security			
Passed Through State:			
Assistance to Firefighters	97.044	EMW-2012-FO-02393	76,396
Federal Emergency Management Center			
Hazard Mitigation Grant – Police	97.039	HMBP 1794-23-01	22,400
Hurricane Isaac	97.036	FEMA-4081-DR-MS	28,525
U.S. Department of Housing and Urban Development			
Passed Through State:			
Community Development Block Grant - 14.219/14.228		R-109-192-01-KCR	2,425,785
U.S Department of Transportation			
Passed Through State:			
Urban Youth Corps	20.000	STP-9999-09(032)-106638- 304300	36,529
Transportation Improvement	20.205	STP-9194-00(001) / LPA/105069-801000	<u>137,715</u>
Total Expenditures of Federal Awards			<u>\$ 2,843,764</u>

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

CITY OF GAUTIER, MISSISSIPPI
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2013

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Gautier and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the basic financial statements.

A reconciliation follows:

Totals above	\$ 2,843,764
Accrued in prior year	(1,310,326)
Accrued at 09-30-2013	<u>50,249</u>
 Amount included in Financial Statements	 <u>\$ 1,583,687</u>

NOTE 2. LOAN AGREEMENTS OUTSTANDING

Proceeds of State Revolving Fund loans were obtained for sewer rehabilitation and drinking water system improvements. The State Revolving Fund is financed, at least in part, by the U.S. Environmental Protection Agency. The principal balance on September 30, 2013, was:

DWI-H280092-01-3	\$ 1,082,820
SRF-C2808754-01-3	1,456,513
SRF-C280879-01-1	990,469
DWI-H280114-01-2	615,167
DWI-H280114-02-0	324,006
SRF-C280879-02-2	<u>1,487,575</u>
	<u>\$ 5,956,550</u>

CITY OF GAUTIER, MISSISSIPPI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended September 30, 2013

2010-001 The City was still unable to provide sufficient documentary evidence to support the carrying amounts of fixed assets on its books. This finding continues, with the exception of taking a physical inventory, and is noted for the third year in Finding 2012-001.

REPORTS ON COMPLIANCE AND INTERNAL CONTROL

4321 Gautier Vancleave Rd. Suite A
Gautier, Mississippi 39553

228-497-2788

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS***

The Honorable Mayor and Members of the City Council City of Gautier, Mississippi

I 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, the business-type activities, each major fund, and the aggregate remaining fund information of City of Gautier as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise City of Gautier's basic financial statements, and have issued my report thereon dated June 30, 2014.

Internal Control Over Financial Reporting

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section 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 are not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified. I did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that I consider to be significant deficiencies. It is listed as item 2012-001.

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

Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Gautier's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests no disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

City of Gautier's Response to Findings

City of Gautier's response to the findings identified in my audit are described in the accompanying schedule of findings and questioned costs. City of Gautier's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the result 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.



Gautier, Mississippi
June 30, 2014

4321 Gautier Vancleave Rd. Suite A
Gautier, Mississippi 39553

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable Mayor and Members of the City Council
City of Gautier, Mississippi

Report on Compliance for Each Major Federal Program

I have audited City of Gautier's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of City of Gautier's major federal programs for the year ended September 30, 2013. City of Gautier's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of City of Gautier's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City of Gautier's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of City of Gautier's compliance.

Opinion on Each Major Federal Program

In my opinion, City of Gautier complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2013.

Report on Internal Control Over Compliance

Management of City of Gautier is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered City of Gautier's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of City of Gautier's internal control over compliance.

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

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Gautier, Mississippi
June 30, 2014

4321 Gautier Vancleave Rd. Suite A
Gautier, Mississippi 39553
(228) -497-2788

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH MISSISSIPPI STATE LAWS AND REGULATIONS**

The Honorable Mayor and Members of the City Council
City of Gautier, Mississippi

I have audited the accompanying financial statements of the City of Gautier, Mississippi (the City) as of and for the year ended September 30, 2013 and have issued my report dated June 30, 2014. I have conducted my 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*.

Compliance

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, I 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 my audit and, accordingly, I do not express such an opinion.

The results of those procedures and my audit of the basic financial statements disclosed the following material instances of noncompliance with state laws and regulations. My findings and recommendations and your responses are as follows:

Finding

The City was not able to generate a ledger providing detailed information of the City's fixed assets. The City should be responsible for custody of its assets and accurately report them in the financial statements. Further, the City has not been reconciling the annual inventory of fixed assets to ledger balances; however, a comprehensive fiscal inventory of fixed assets taken for the Fiscal Year ending September 30, 2013 which is an improvement in the process.

Recommendation

I recommend the City maintain a detailed ledger of fixed assets, along with a listing of additions and deletions during the year. This ledger should be reconciled to the annual inventory. The Office of the State Auditor has prepared forms and checklists to assist municipalities in performing this required inventory; they are available for download on the State Auditor's website.

Independent Auditors' Report on Compliance with Mississippi State Laws and Regulations
Page 2

Auditee's Response

Management recognizes the issue regarding fixed assets. The City Clerk has been and is in the process of making great strides in resolving the problem, having taken a complete asset inventory for Fiscal 2013. Additionally, an individual with comprehensive experience in this area has been retained to oversee the fixed asset inventory.

City of Gautier's Response to Findings

City of Gautier's response to the findings identified in my audit is described above. City of Gautier's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This report is intended for the information of the City's management and the Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in blue ink, appearing to read "Hayden Kalala", with a horizontal line extending to the right.

Gautier, Mississippi
June 30, 2014

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

CITY OF GAUTIER, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2013

A. SUMMARY OF AUDIT RESULTS

1. In my report, my opinion on the financial statements, was qualified for inadequate records for fixed assets.
2. A material weakness relating to the audit of the financial statements is reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters. There were no significant deficiencies noted.
3. No instances of noncompliance material to the financial statements of the City of Gautier, Mississippi are reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters.
4. No material weaknesses relating to the audit of major federal award programs are reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance. There were no significant deficiencies noted.
5. The auditor's report on compliance for major federal award programs for the City of Gautier, Mississippi expresses an unqualified opinion.
6. There are no audit findings relative to the major federal award programs for the City of Gautier, Mississippi, that are to be reported in Part C of this schedule.
7. Major program tested:

Community Development Block Grant - 14.219/14.228
8. The dollar threshold for distinguishing Type A and B programs was \$300,000.
9. The City of Gautier, Mississippi did not qualify as a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

Reportable instances of noncompliance and reportable conditions and material weaknesses

2012-001

Finding

Criteria: Generally Accepted Accounting Principles (GAAP) for Governments indicate that they should have adequate records regarding the fixed assets, accumulated depreciation and depreciation expense that detail each class of asset, the description, date purchased or built, the cost (or estimated cost), the depreciation method (if applicable), the depreciation for the year and accumulated depreciation.

CITY OF GAUTIER, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2013

B. FINDINGS - FINANCIAL STATEMENT AUDIT (continued)

Condition: The City was unable to provide sufficient documentary evidence to support the carrying amounts of fixed assets on its books, and they were unable to satisfy GAAP as to the existence and valuation of the City's fixed assets.

Cause: The City has not reconciled the carrying amount of fixed assets on their books to their inventory.

Effect: This weakness in internal control regarding fixed assets leaves the City susceptible to misappropriation and unverifiable values on their books for the related items

Recommendation: I recommend the City implement a fixed assets control system. At the end of the fiscal year, the accounting department should reconcile the general ledger to the inventory control records.

Auditee's Response: Management recognizes the problem with the fixed assets. The City Purchasing Agent has been and is making great strides in resolving the problem.

Follow-up on prior audit findings: The previous year had the same finding listed as 2012-001.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

There were no findings related to the major federal program.

CITY OF GAUTIER, MISSISSIPPI
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2013

NOTE 3. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (continued)

D. Capital Assets

Capital assets have not been audited.

Capital asset activity for the year ended September 30, 2013, was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Additions	Reductions	
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	798,104			798,104
Construction in Progress	3,021,932	2,004,918		5,026,850
Total capital assets not being depreciated	<u>3,820,036</u>	<u>2,004,918</u>	<u>0</u>	<u>5,824,954</u>
Capital assets being depreciated:				
Buildings & Improvements	2,841,253	22,400		2,863,653
Machinery & Equipment	7,250,750	343,064		7,593,814
Infrastructure	4,318,588	36,850		4,355,438
Total capital assets being depreciated	<u>14,410,591</u>	<u>402,314</u>	<u>0</u>	<u>14,812,905</u>
Less accumulated depreciation for:				
Buildings & improvements	(499,566)	(81,819)		(581,385)
Machinery & Equipment	(3,731,394)	(759,382)		(4,490,776)
Infrastructure	(114,344)	(87,109)		(201,453)
Total accumulated depreciation	<u>(4,345,304)</u>	<u>(928,310)</u>	<u>0</u>	<u>(5,273,614)</u>
Total Capital assets being depreciated, net	<u>10,065,287</u>	<u>-525,996</u>	<u>0</u>	<u>9,539,291</u>
Total governmental activities capital assets, net	<u>13,885,323</u>	<u>1,478,922</u>	<u>0</u>	<u>15,364,245</u>
Business-type Activities:				
Capital Assets not being Depreciated:				
Land & Easements	1,188,570	2,300		1,190,870
Construction in Progress	0			0
Total capital assets not being depreciated	<u>1,188,570</u>	<u>2,300</u>	<u>0</u>	<u>1,190,870</u>
Capital assets being depreciated:				
Buildings & improvements	2,223,960			2,223,960
Machinery & Equipment	1,897,337	59,070		1,956,407
Infrastructure	42,123,637			42,123,637
Total capital assets being depreciated	<u>46,244,934</u>	<u>59,070</u>	<u>0</u>	<u>46,304,004</u>
Less accumulated depreciation for:				
Buildings & improvements	(431,069)	(64,296)		(495,365)
Machinery & Equipment	(1,589,186)	(244,551)		(1,833,737)
Utility System	(13,743,715)	(361,495)		(14,105,210)
Total accumulated depreciation	<u>(15,763,970)</u>	<u>(670,342)</u>	<u>0</u>	<u>(16,434,312)</u>
Total Capital assets being depreciated, net	<u>30,480,964</u>	<u>(611,272)</u>	<u>0</u>	<u>29,869,692</u>
Total business-type activities capital assets, net	<u>31,669,534</u>	<u>(608,972)</u>	<u>0</u>	<u>31,060,562</u>

Primary Government

Total capital assets, net

<u>45,554,857</u>	<u>869,950</u>	<u>0</u>	<u>46,424,807</u>
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There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 154-2014

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the Docket of Claims is hereby approved, provided that all entries thereon are true, correct, properly entered and not fraudulent.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary.

Motion was made by **Councilwoman Martin**, seconded by **Councilman Colledge** and the following vote was recorded:

AYES: Gordon Gollott
 Mary Martin
 Johnny Jones
 Hurley Ray Guillotte
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: None

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of July 1, 2014.

Release date from 07/01/2014 thru 07/01/2014

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	DELTA SANITATION OF MS, LLC Account Number 001-170-698	142063	07/01/2014	06/12/2014			175.00	
	Description FRAZIER PORT O LET			Invoice # 0000424903	Date 05/31/2014	P.O.	Amount	175.00
001	JACKSON COUNTY CHAMBER OF COMMERCE Account Number 001-090-643	142082	07/01/2014	06/20/2014			5,000.00	
	Description FY 2014 ANNUAL MEMBER FEE			Invoice # 22456	Date 11/18/2013	P.O.	Amount	5,000.00
001	AT&T Account Number 001-092-605	142084	07/01/2014	06/23/2014			69.06	
	Description MONTHLY SERVICE			Invoice # 2284972172	Date 06/14/2014	P.O.	Amount	69.06
001	AT&T Account Number 001-092-605	142086	07/01/2014	06/23/2014			52.11	
	Description MONTHLY SERVICE			Invoice # 2284977070	Date 06/14/2014	P.O.	Amount	52.11
001	DPS CRIME LAB Account Number 001-100-699	142090	07/01/2014	06/24/2014			100.00	
	Description ANALYTICAL FEES			Invoice # 71114CL015	Date 06/09/2014	P.O.	Amount	100.00
001	DELTA COMPUTER SYSTEMS INC Account Number 001-092-698 001-092-698 001-092-698	142092	07/01/2014	06/24/2014			330.00	
	Description ACCTG SOFTWARE MAINT			Invoice # MN104133	Date 06/15/2014	P.O.	Amount	230.00
	Description VOTER REG SOFTWARE MAINT			Invoice # MN104133	Date 06/15/2014	P.O.	Amount	20.00
	Description PRIV LIC SOFTWARE MAINT			Invoice # MN104133	Date 06/15/2014	P.O.	Amount	80.00
001	ALABAMA MEDIA GROUP Account Number 001-090-615 001-040-615	142094	07/01/2014	06/24/2014			215.56	
	Description HEARING:2012 IBC ADDITIONS			Invoice # 06099683	Date 05/18/2014	P.O.	Amount	18.00
	Description RFP:CITY DEPOSITORY			Invoice # 06099803	Date 05/14/2014	P.O.	Amount	197.56
001	CLYDE C SCOTT INSURANCE AGENCY INC Account Number 001-092-625	142096	07/01/2014	06/24/2014			4,300.00	
	Description SURETY BOND RENEWAL			Invoice # 12403	Date 06/12/2014	P.O.	Amount	4,300.00
001	CLYDE C SCOTT INSURANCE AGENCY INC Account Number 001-092-625	142097	07/01/2014	06/24/2014			1,750.00	
	Description CITY COUNCIL BOND RENEWAL			Invoice # 11419	Date 06/04/2014	P.O.	Amount	1,750.00
001	C SPIRE WIRELESS Account Number 001-100-605	142098	07/01/2014	06/24/2014			665.64	
	Description POLICE CELLS			Invoice # 0032680896	Date 06/11/2014	P.O.	Amount	665.64
001	FUELMAN OF MS Account Number 001-090-525 001-100-525 001-161-525 001-170-525 001-205-525	142099	07/01/2014	06/24/2014			4,100.43	
	Description UNL FUEL			Invoice # NP41530359	Date 06/16/2014	P.O.	Amount	102.56
	Description UNL FUEL			Invoice # NP41530359	Date 06/16/2014	P.O.	Amount	3,180.66
	Description DSL FUEL			Invoice # NP41530359	Date 06/16/2014	P.O.	Amount	426.02
	Description UNL FUEL			Invoice # NP41530359	Date 06/16/2014	P.O.	Amount	210.45
	Description UNL FUEL			Invoice # NP41530359	Date 06/16/2014	P.O.	Amount	180.74

Release date from 07/01/2014 thru 07/01/2014

Pund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	FUELMAN OF MS	142102	07/01/2014	06/24/2014			4,346.02	
	Account Number	Description	Invoice #	Date	P.O.		Amount	
	001-090-525	UNL FUEL	NP41572213	06/23/2014			219.59	
	001-092-525	UNL FUEL	NP41572213	06/23/2014			127.88	
	001-100-525	UNL FUEL	NP41572213	06/23/2014			3,503.89	
	001-161-525	DSL FUEL	NP41572213	06/23/2014			250.74	
	001-170-525	UNL & DSL FUEL	NP41572213	06/23/2014			169.86	
	001-205-525	UNL FUEL	NP41572213	06/23/2014			74.06	
001	STAPLES CREDIT PLAN	142103	07/01/2014	06/24/2014			447.69	
	Account Number	Description	Invoice #	Date	P.O.		Amount	
	001-100-500	COPY PAPER,INK CARTRIDGES	10748	05/19/2014			257.92	
	001-090-559	BROTHER LABEL MAKER	11278	05/26/2014			39.99	
	001-090-559	DESK ACCESORIES	11278	05/26/2014			53.05	
	001-090-559	LABEL TAPE, PAGE MARKERS	11278	05/26/2014			46.97	
	001-090-559	MAGNET SHEETS,FOLDERS	11278	05/26/2014			21.78	
	001-090-559	RESTROOM SIGN (2)	11278	05/26/2014			27.98	
001	SINGING RIVER E.P.A.	142104	07/01/2014	06/24/2014			389.10	
	Account Number	Description	Invoice #	Date	P.O.		Amount	
	001-161-631	BROWN PD 95237002	06122014	06/24/2014			67.46	
	001-161-631	MARTIN BLUFF PD 58380001	06132014	06/24/2014			262.62	
	001-201-629	SIGNAL LIGHTS 17546	06132014	06/24/2014			35.52	
	001-092-631	CITY LIMIT SIGN 17546	06132014	06/24/2014			23.50	
001	DANCEL MULTIMEDIA	142107	07/01/2014	06/24/2014			250.00	
	Account Number	Description	Invoice #	Date	P.O.		Amount	
	001-092-698	JUN 2014 WEBSITE HOSTING	835	06/05/2014			250.00	
001	SBM REPORTING, LLC	142110	07/01/2014	06/24/2014			799.80	
	Account Number	Description	Invoice #	Date	P.O.		Amount	
	001-022-660	CSC HEARING 06132014	MK2005	06/13/2014			75.00	
	001-022-660	TRANSCRIPT AND COPY	MK2005	06/13/2014			724.80	
001	AT&T	142116	07/01/2014	06/26/2014			3,020.03	
	Account Number	Description	Invoice #	Date	P.O.		Amount	
	001-092-605	MONTHLY SERVICE	2284978000	06/14/2014			3,020.03	
001	GALLS LLC	142128	07/01/2014	06/25/2014			43.20	
	Account Number	Description	Invoice #	Date	P.O.		Amount	
	001-090-684	GALLS MK-4 DEFENSE SPRAY	BC0079425	06/06/2014	140780		43.20	
001	DEMENT PRINTING CO	142129	07/01/2014	06/25/2014			916.12	
	Account Number	Description	Invoice #	Date	P.O.		Amount	
	001-100-620	DUI TICKETS	130965-001	06/16/2014	140742		254.10	
	001-100-620	UNIFORM ARREST TICKETS	130965-001	06/16/2014	140742		624.75	
	001-100-620	SHIPPING	130965-001	06/16/2014	140742		37.27	

Release date from 07/01/2014 thru 07/01/2014

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	ACTION PRINTING CENTER INC	142131	07/01/2014	06/25/2014			72.50	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-161-620	BUSINESS CARDS: MCCOY,D	83453	06/19/2014	140785		72.50	
001	MURRAY'S NURSERY	142132	07/01/2014	06/25/2014			450.00	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-205-560	JUNIPER BRODIE (4)	6190	06/10/2014	140799		160.00	
	001-205-560	RED KO ROSES (22)	6190	06/10/2014	140799		198.00	
	001-205-560	GARDENIA RADICANS (6)	6190	06/10/2014	140799		12.00	
	001-205-560	JUNIPER BRODIE (2)	6215	06/18/2014	140809		80.00	
001	GULF COAST BUSINESS SUPPLY CO.	142133	07/01/2014	06/25/2014			348.68	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-092-510	PGC32987 COMET (24)	88219	06/19/2014	140807		32.00	
	001-092-510	PGC45112 DAWN (8)	88219	06/19/2014	140807		35.95	
	001-092-510	BMP PAPER TOWELS (3 CS)	88219	06/19/2014	140807		47.97	
	001-092-510	174-YELLOW SPONGE (20)	88219	06/19/2014	140807		15.80	
	001-161-500	HEWCH634AN COLOR CART (6)	87910	06/11/2014	140793		54.00	
	001-161-500	HEWCD971AN BLACK CART (2)	87910	06/11/2014	140793		39.98	
	001-161-500	HEWC8766WN COLOR CART (2)	87910	06/11/2014	140793		56.00	
	001-161-500	HEWC9348FN BLACK CART	87910	06/11/2014	140793		65.00	
	001-161-500	BSN37501 PENS BLACK (BX)	87910	06/11/2014	140793		.99	
	001-161-500	BSN37500 PENS BLUE (BX)	87910	06/11/2014	140793		.99	
	001-161-500	HEWCH634AN COLOR CART (4)	87985	06/12/2014	140793		36.00	
	001-161-500	CREDIT RTN:HEWCH634AN (4)	6092CM	06/16/2014	140793		-36.00	
001	FOSTER'S AIR CONDITIONING & HEATING INC	142134	07/01/2014	06/25/2014			328.00	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-092-635	SERVICE:CITY HALL ECO DEV	W945939	06/11/2014	140796		328.00	
001	M & E FEED & SEED	142135	07/01/2014	06/25/2014			81.25	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-170-503	FIELD MARKER (20)	4890	05/13/2014	140656		81.25	
001	PASCAGOULA TIRE & SERVICE	142138	07/01/2014	06/25/2014			485.52	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-100-638	SET FS FIREHAWKS: # 64	59560	06/25/2014	140819		485.52	
001	POWELL CONSTRUCTION SERVICE'S INC	142140	07/01/2014	06/25/2014			11,811.00	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-201-751	REPL POLE STN#59+00 HWY 90	0794	06/07/2014	140675		11,811.00	
001	STAPLES BUSINESS ADVANTAGE DEPT ATL	142143	07/01/2014	06/25/2014			361.80	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-010-559	HP TONER CARTRIDGE 64A	3233669971	06/10/2014	140790		149.33	
	001-010-559	ENVELOPE 11.5 X 14	3233669971	06/10/2014	140790		14.08	
	001-040-500	MONEY RECEIPT BOOK	3233669971	06/10/2014	140790		15.22	
	001-040-500	LETTER OPENER	3233669971	06/10/2014	140790		7.27	
	001-010-559	HP TONER CARTRIDGE 05A	3233669971	06/10/2014	140790		79.70	
	001-040-500	REPORT COVERS	3233669971	06/10/2014	140790		22.70	

Docket of Claims
Release date from 07/01/2014 thru 07/01/2014

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	STAPLES BUSINESS ADVANTAGE DEPT	ATL	142143	07/01/2014	06/25/2014		361.80	(CONTINUED)
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-040-500	SCOTCH TAPE		3233669971	06/10/2014	140790	20.69	
	001-040-500	CALCULATOR TAPE		3233669971	06/10/2014	140790	7.49	
	001-040-500	RED ROPE FOLDERS		3233669972	06/10/2014	140790	45.32	
001	NATIONAL NOTARY ASSOCIATION		142145	07/01/2014	06/25/2014		99.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-022-682	2 YEAR RENEWAL: BARNETT, V		015859485	06/24/2014	140412	99.00	
001	THE GULF COMPANIES INC		142146	07/01/2014	06/25/2014		172.50	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-090-559	WHITE BRIM HARD HAT		819	06/09/2014	140775	9.00	
	001-090-559	EARPLUGS (2)		819	06/09/2014	140775	8.00	
	001-170-559	CLEAR SAFETY GLASSES (6)		820	06/09/2014	140776	18.00	
	001-170-559	DARK SAFETY GLASSES (10)		820	06/09/2014	140776	9.00	
	001-170-559	SAFETY VESTS (2)		820	06/09/2014	140776	14.00	
	001-090-689	CAN LINER (2 BX)		821	06/09/2014	140777	70.00	
	001-090-689	NITRI COR GLOVES (2 BX)		821	06/09/2014	140777	20.00	
	001-090-689	RUBBER KNEE BOOTS		821	06/09/2014	140777	18.00	
	001-090-689	NUISANCE MASK (50)		821	06/09/2014	140777	6.50	
001	ECONOMY BOOTS SALES & SERVICE		142147	07/01/2014	06/25/2014		400.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-535	DUTY BOOTS: RICHARDSON,S		34750	06/11/2014	140792	100.00	
	001-100-535	DUTY BOOTS: ENOCHS,J		34301	04/15/2014	140606	100.00	
	001-100-535	DUTY BOOTS: NICHOLSON,V		34668	05/28/2014	140735	100.00	
	001-100-535	DUTY BOOTS: RICHARDSON,M		34751	06/11/2014	140500	100.00	
FUND TOTAL	1 Claims	to	Checks	30 Total	41,580.01 Manual	Held	Total	41,580.01

Docket of Claims
 Release date from 07/01/2014 thru 07/01/2014

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
157	SEARS	142130	07/01/2014	06/25/2014			179.99	
	Account Number 157-100-799	Description RCA 32" TV: SUBSTATION	Invoice # T527825	Date 06/04/2014	P.O. 140756	Amount 179.99		
FUND TOTAL 157 Claims		to	Checks	1 Total	179.99 Manual	Held	Total	179.99

Docket of Claims
 Release date from 07/01/2014 thru 07/01/2014

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
160	AFFILIATED COMPUTER SERVICES, INC Account Number 160-161-799	142105	07/01/2014	06/24/2014			675.00	
					Invoice #	Date	P.O.	Amount
					1053622	06/20/2014		675.00
FUND TOTAL 160	Claims	to	Checks	1 Total	675.00 Manual		Held	Total 675.00

Docket of Claims
Release date from 07/01/2014 thru 07/01/2014

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
172	JACKSON-GEORGE REGIONAL LIBRARY	142080	07/01/2014	06/20/2014			4,028.36	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	172-350-650	LIBRARY SUPPORT		JUN 2014	06/16/2014		4,028.36	
FUND TOTAL	172 Claims	to	Checks	1 Total	4,028.36 Manual	Held	Total	4,028.36

Docket of Claims
Release date from 07/01/2014 thru 07/01/2014

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
176	AT&T	142083	07/01/2014	06/23/2014			185.11	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	176-170-605	MONTHLY SERVICE	2284970676	06/14/2014			75.11	
	176-170-605	JUN 2014 DSL	2284970676	06/14/2014			110.00	
176	AT&T	142085	07/01/2014	06/23/2014			124.02	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	176-170-605	MONTHLY SERVICE	2284972244	06/14/2014			124.02	
176	AD2 INC	142108	07/01/2014	06/24/2014			140.00	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	176-170-699	HOST FEE JUN 2014	2441	06/13/2014			25.00	
	176-170-699	SHOPPING CART JUN 2014	2441	06/13/2014			115.00	
FUND TOTAL 176 Claims		to	Checks	3 Total	449.13 Manual	Held	Total	449.13

Docket of Claims
Release date from 07/01/2014 thru 07/01/2014

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
400	AT&T	142066	07/01/2014	06/18/2014			59.12	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	400-650-605	MONTHLY SERVICE	2284972276	06/06/2014			59.12	
400	CITY OF GAUTIER	142067	07/01/2014	06/16/2014			43,427.11	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	400-680-821	ST LNS #3 90/57 SWR	06162014	06/16/2014		7,877.45		
	400-680-822	ST LNS #4 90/57 WTR	06162014	06/16/2014		10,948.67		
	400-680-822	ST LNS #4 90/57 SWR	06162014	06/16/2014		9,019.22		
	400-680-823	ST LNS #5 ALLEN RD	06162014	06/16/2014		2,149.95		
	400-680-824	ST LNS #6 OLD SPAN TR	06162014	06/16/2014		3,765.83		
	400-680-825	ST LNS #7 OLD SPAN TR	06162014	06/16/2014		9,665.99		
400	CITY OF GAUTIER	142081	07/01/2014	06/20/2014			105,135.42	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	400-000-104	MAY 2014 GARBAGE PMTS	05312014	05/31/2014			105,135.42	
400	AT&T	142087	07/01/2014	06/23/2014			58.21	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	400-650-605	MONTHLY SERVICE	2284974594	06/14/2014			58.21	
400	BAY ICE	142088	07/01/2014	06/23/2014			134.30	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	400-651-559	REFILL ICE 40 @ .79	512980	05/29/2014		31.60		
	400-651-559	REFILL ICE 40 @ .79	513011	06/02/2014		31.60		
	400-651-559	REFILL ICE 25 @ .79	513242	06/09/2014		19.75		
	400-651-559	REFILL ICE 65 @ .79	513282	06/12/2014		51.35		
400	CABLE ONE	142089	07/01/2014	06/23/2014			65.10	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	400-651-698	JUNE 2014:23421-132488-01-8	06272014	06/24/2014			65.10	
400	IRBY'S ANSWERING SERVICE	142091	07/01/2014	06/24/2014			318.52	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	400-650-698	SERVICE 06/18-07/15	277-061814	06/18/2014			318.52	
400	DELTA COMPUTER SYSTEMS INC	142093	07/01/2014	06/24/2014			290.00	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	400-650-698	UTILITY SOFTWARE MAINT	MN104135	06/15/2014		240.00		
	400-650-698	WORK ORDER SOFTWARE MAINT	MN104135	06/15/2014		50.00		
400	FUELMAN OF MS	142100	07/01/2014	06/24/2014			192.21	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	400-651-525	UNL FUEL	NP41530359	06/16/2014			192.21	
400	FUELMAN OF MS	142101	07/01/2014	06/24/2014			123.33	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	400-651-525	UNL FUEL	NP41572213	06/23/2014			123.33	

Release date from 07/01/2014 thru 07/01/2014

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
400	2012 GUD BONDS DEBT SERVICE	142106	07/01/2014	06/24/2014			116,316.67	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-680-816	JUL 2014 PRN PMT		07012014	06/30/2014			104,166.67
	400-680-817	JUL 2014 INT PMT		07012014	06/30/2014			12,150.00
400	ARISTA INFORMATION SYSTEMS INC	142109	07/01/2014	06/24/2014			5,341.65	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-698	MAY 2014 STATEMENTS		17123	06/13/2014			1,341.65
	400-650-698	MAY 2014 POSTAGE		1425201406	06/16/2014			4,000.00
400	SINGING RIVER E.P.A.	142113	07/01/2014	06/24/2014			1,843.66	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-631	SCHOONER WELL 20688		06092014	06/19/2014			649.07
	400-651-631	LIFT STATIONS 20688		06092014	06/19/2014			167.26
	400-651-631	LIFT STATIONS 20649		06122014	06/23/2014			753.76
	400-651-631	LIFT STATIONS 28779		06122014	06/23/2014			178.22
	400-651-631	LIFT STNS 89627001		06132014	06/24/2014			71.85
	400-651-631	LIFT STNS 89702001		06132014	06/24/2014			23.50
400	SINGING RIVER E.P.A.	142127	07/01/2014	06/25/2014			3,934.12	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-631	LIFT STNS 17881		06132014	06/24/2014			2,214.17
	400-651-631	WATER WELLS 17881		06132014	06/24/2014			1,719.95
400	MICRO METHODS INC	142136	07/01/2014	06/25/2014			104.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-667	2 SAMPLES: BEASLEY WELL		1406360186	06/19/2014	140812		104.00
400	C & M ELECTRIC MOTOR SERVICE, INC.	142137	07/01/2014	06/25/2014			1,387.90	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-584	5HP SUB PUMP: HOLLY HEATH LS		11492	06/18/2014	140806		1,387.90
400	RIVIERA FINANCE OF TEXAS INC	142139	07/01/2014	06/25/2014			491.56	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-559	SET P235/75R16 TIRES: #401		66102	06/13/2014	140794		491.56
400	SOUTHERN WATERWORKS SUPPLY, INC	142141	07/01/2014	06/25/2014			8,260.70	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-581	24" CORRUGATED PIPE (5)		53933	06/16/2014	140795		1,706.00
	400-651-581	3/4 X 1/8 METER WASHER (100)		53933	06/16/2014	140795		10.00
	400-651-583	3/4 BRASS CTS X CTS (50)		53933	06/16/2014	140795		780.00
	400-651-581	BLUE CARSON LID/HINGED (150)		53899	06/16/2014	140672		1,192.50
	400-651-581	CARSON METER BOX/LID (150)		53985	06/19/2014	140727		2,712.00
	400-651-581	#4 HIGHFIELD METER KEY (10)		53984	06/19/2014	140795		144.20
	400-651-581	24 X 20 CORRUGATED PIPE (5)		53986	06/19/2014	140805		1,706.00
	400-651-581	3/4X1/8 RUBBER MTR WSHR (100)		53986	06/19/2014	140805		10.00

Docket of Claims
Release date from 07/01/2014 thru 07/01/2014

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
400	SECURE NETWORKS LLC	142142	07/01/2014	06/25/2014			1,976.00	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	400-651-500	BACK UP SYSTEM: PW BLDG	2102	06/16/2014	140800		1,847.00	
	400-651-559	WIRELESS-ACCESS POINT: PW BLDG	2105	06/20/2014	140814		129.00	
400	STAPLES BUSINESS ADVANTAGE DEPT ATL	142144	07/01/2014	06/25/2014			519.61	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	400-651-500	LEXMARK RIBBON #269043	3234220830	06/17/2014	140804		114.99	
	400-651-500	AVERY LABELS 4013	3234220830	06/17/2014	140804		17.56	
	400-651-500	HP 211A CYAN TONER	3234220830	06/17/2014	140804		80.74	
	400-651-500	HP 211A CYAN TONER	3234220830	06/17/2014	140804		80.74	
	400-651-500	HP 212A YELLOW TONER	3234220830	06/17/2014	140804		80.74	
	400-651-500	HP 131X BLACK TONER	3234220830	06/17/2014	140804		85.99	
	400-651-500	HP 213A MAGENTA TONER	3234220830	06/17/2014	140804		80.74	
	400-651-500	HP 96/97 MULTI INK	3234220830	06/17/2014	140804		56.38	
	400-651-500	CLEAR PAGE PROTECTORS	3234220830	06/17/2014	140804		11.73	
FUND TOTAL 400 Claims		to	Checks	20 Total	290,079.19 Manual	Held	Total	290,079.19

Docket of Claims
Release date from 07/01/2014 thru 07/01/2014

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
404	DELTA SANITATION OF MS, LLC	142111	07/01/2014	06/24/2014			898.26	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	404-677-695	HAUL CHG: GRAVELINE/LADNIER		437550	05/31/2014		335.76	
	404-677-695	HAUL CHG: GRAVELINE/LAMOTTE		437551	05/31/2014		112.50	
	404-677-695	HAUL CHG: MARTIN BLUFF		437552	05/31/2014		225.00	
	404-677-695	HAUL CHG: DOLPHIN/MALL		437553	05/31/2014		225.00	
FUND TOTAL 404	Claims	to	Checks	1 Total	898.26 Manual	Held	Total	898.26

Docket of Claims
 Release date from 07/01/2014 thru 07/01/2014

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
405	TRI-STAR	142112	07/01/2014	06/24/2014			125.00	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	405-677-695	DEBRIS RMVL; PINECONE	GRS0609201	06/09/2014			125.00	
FUND TOTAL	405 Claims	to	Checks	1 Total	125.00 Manual	Held	Total	125.00

Docket of Claims
Release date from 07/01/2014 thru 07/01/2014

SUMMARY OF ALL FUNDS

FUND 1 Claims	to	Checks	30 Total	41,580.01 Manual	Held	Total	41,580.01
FUND 157 Claims	to	Checks	1 Total	179.99 Manual	Held	Total	179.99
FUND 160 Claims	to	Checks	1 Total	675.00 Manual	Held	Total	675.00
FUND 172 Claims	to	Checks	1 Total	4,028.36 Manual	Held	Total	4,028.36
FUND 176 Claims	to	Checks	3 Total	449.13 Manual	Held	Total	449.13
FUND 400 Claims	to	Checks	20 Total	290,079.19 Manual	Held	Total	290,079.19
FUND 404 Claims	to	Checks	1 Total	898.26 Manual	Held	Total	898.26
FUND 405 Claims	to	Checks	1 Total	125.00 Manual	Held	Total	125.00
<hr/>							
Total for all Funds		Checks	58 Total	338,014.94 Manual	Held	Total	338,014.94

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 155-2014

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that Consent Agenda Items 1, 3 & 4 are hereby approved.

IT IS FURTHER ORDERED that Consent Item #2 was pulled for further discussion.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary.

Motion was made by **Councilwoman Martin**, seconded by **Councilman Colledge** and the following vote was recorded:

AYES: Gordon Gollott
 Mary Martin
 Johnny Jones
 Hurley Ray Guillotte
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: None

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of July 1, 2014.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 156-2014

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the ratification of a request to the Jackson County Board of Supervisors for a transfer of three (3) Harley Davidson motorcycles from the Jackson County Sheriff Department surplus inventory to the Gautier Police Department to be used for the provision of public safety initiatives.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary.

Motion was made by **Councilwoman Martin**, seconded by **Councilman Colledge** and the following vote was recorded:

AYES: Gordon Gollott
 Mary Martin
 Johnny Jones
 Hurley Ray Guillotte
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: None

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by the Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting July 1, 2014.

Mayor
Gordon T. Gollott

City of Gautier
Gautier, Mississippi

City Manager
Samantha D. Abell

City Clerk
Cynthia Russell

Council
At Large Mary F. Martin
Ward 1 Johnny Jones
Ward 2 Hurley Ray Guillotte
Ward 3 Casey C. Vaughan
Ward 4 Charles "Rusty" Anderson
Ward 5 Adam D. Colledge



3330 Highway 90
Gautier, MS 39553
Phone: (228) 497-8000
Fax: (228) 497-8028
Email: gautier@gautier-ms.gov
Website: www.gautier-ms.gov

June 18, 2014

Jackson County Board of Supervisors
Troy Ross, President
P.O. Box 998
Pascagoula, MS 39568

Dear Jackson County Board of Supervisors:

The Jackson County Sheriff Department has three Harley Davidson motorcycles in its surplus inventory. The Gautier Police Department respectfully requests your consideration and approval in transferring this equipment directly to the Gautier Police Department to be used for the provision of public safety initiatives. Specifically, the equipment will be used to support traffic enforcement within the City of Gautier.

Please contact Captain Danny Selover at 219-5143 should you require additional information and/or to coordinate this transfer, if approved.

Thank you for your consideration of this request.

Sincerely,

Gordon T. Gollott
Mayor

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 157-2014

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the Minutes from the June 17, 2014 Work Session and June 17, 2014 Recessed Council Meeting are hereby approved.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary.

Motion was made by **Councilwoman Martin**, seconded by **Councilman Colledge** and the following vote was recorded:

AYES: Gordon Gollott
 Mary Martin
 Johnny Jones
 Hurley Ray Guillotte
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: None

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of July 1, 2014.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 158-2014

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, to set the date for the following public hearing as requested by the Planning and Economic Development Director is hereby authorized:

WHEN: August 5, 2014
WHERE: Gautier Municipal Building-Council Chambers
TIME: 6:30 pm
PURPOSE: 8105 Exchange Street
LEGAL DESCRIPTION: PIDN 85440602.000
Lot 2, Hickory Hill Estate S/D
Deed Book 1639, page 75
Owners of Record: Bobby Joe Odom (deceased)
Last Known Address: 8105 Exchange Street
Gautier, MS 39553

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary.

Motion was made by **Councilwoman Martin**, seconded by **Councilman Colledge** and the following vote was recorded:

AYES: Gordon Gollott
Mary Martin
Johnny Jones
Hurley Ray Guillotte
Casey Vaughan
Rusty Anderson
Adam Colledge
NAYS: None

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by the Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of July 1, 2014.

**CITY OF GAUTIER
MEMORANDUM**

To: Samantha Abell, City Manager
From: Joseph Belles, Code Enforcement Officer
Through: Chandra Nicholson, Planning and Economic Development Director
Patty Huffiman, Grants and Projects Manager
Date: June 16, 2014
Subject: Abatement of Substandard Property Conditions, PIDN 85440602.000
Mailing Address 8105 Exchange Street Gautier, Mississippi 39553

REQUEST:

Pursuant to the Mississippi Codes Annotated, 1972 § Title 21, Chapter 19, Section 11, Staff requests that the City Council set a public hearing date for August 5, 2014, to determine whether property or parcel of land located within a municipality is in such a state of uncleanness as to be a menace to the public health, safety and welfare of the community.

BACKGROUND:

An initial telephone complaint from a neighbor concerned with visible code violations was reviewed and substantiated by code enforcement and a code violation file was reopened in December 2013. Code enforcement has dealt with repeated code violations since opening the initial file in August 2009 with a previous owner. Upon inspection of the property code enforcement, found the exterior doors unsecured and requested police department assistance. Two officers arrived, proceeded to enter the home, and searched the dilapidated structure. After inspecting the structure it appeared someone has been illegally living in the structure. Code enforcement took photographs and documented the property condition. While attempting to locate the owner, another city employee informed code enforcement a bank had contacted the city in reference to a recurring water account draft and informed the city the owner was deceased. A check of death notifications and repeated checks at Pascagoula County Court Department for a probate order or any other legal action have been not been successful.

Property taxes for 2011 and 2012 remain unpaid and have been presented for tax sale. Code enforcement is continuing to attempt to locate any heirs to the abandoned property.

DISCUSSION:

The primary goal is to clean up the numerous property code violations and leave the property in a clean and acceptable manner. Code enforcement would like to utilize the previously approved State of Mississippi, Solid Waste Grant Funding once approval is obtained by the Mississippi Department of Environmental Quality.

RECOMMENDATION:

Staff recommends City Council hold a public hearing on August 5, 2014, in order to determine if the property is a menace to the public health, safety and welfare of citizens in this neighborhood. If recommended for clean up, direct Staff to either clean up the property of all code violations and demolish the 1960 built structure or just clean up the property and secure the doors and windows.

ATTACHMENTS 06:

1. Mississippi Codes Annotated, 1972 § Title 21, Chapter 19, Section 11
2. Property tax document
3. Parcel information
4. Current Photos
5. Water record for Final Bill reflects owner deceased
6. June 12, 2014, potential clean up letter posted at property

COPY

Mississippi Code of 1972, Section 21-19-11, provides procedures to municipalities to clean private property determined to be a menace to those in the municipal community thus:

Section 1. Section 21-19-11, Mississippi Code of 1972 is amended as follows:

(1) To determine whether property or parcel of land located within a municipality is in such a state of uncleanness as to be a menace to the public health, safety and welfare of the community, a governing authority of any municipality shall conduct a hearing, on its own motion, or upon the receipt of a petition signed by a majority of the residents residing within four hundred (400) feet of any property or parcel of land alleged to be in need of the cleaning. Notice shall be provided to the property owner by:

(a) United States mail two (2) weeks before the date of the hearing mailed to the address of the subject property and to the address where the ad valorem tax notice for such property is sent by the office charged with collecting ad valorem tax; and

(b) Posting notice for at least two (2) weeks before the date of a hearing on the property or parcel of land alleged to be in need of cleaning and at city hall or another place in the municipality where such notices are posted.

Any notice required by this section shall include language that informs the property owner that an adjudication at the hearing that the property or parcel of land is in need of cleaning will authorize the municipality to reenter the property or parcel of land for a period of one (1) year after the hearing without any further hearing if notice is posted on the property or parcel of land and at city hall or another place in the municipality where such notices are generally posted at least seven (7) days before the property or parcel of land is reentered for cleaning. A copy of the required notice mailed and posted as required by this section shall be recorded in the minutes of the governing authority in conjunction with the hearing required by this section.

If, at such hearing, the governing authority shall adjudicate the property or parcel of land in its then condition to be a menace to the public health, safety and welfare of the community, the governing authority, if the owner does not do so himself, shall proceed to clean the land, by the use of municipal employees or by contract, by cutting grass and weeds; filling cisterns; removing rubbish, dilapidated fences, outside toilets, dilapidated buildings, personal property, which removal of personal property shall not be subject to the provisions of Section 21-39-21, and other debris; and draining cesspools and standing water there from. The governing authority may by resolution adjudicate the actual cost of cleaning the property and may also impose a penalty not to exceed One Thousand Five Hundred Dollars (\$1,500.00) or fifty percent (50%) of the actual cost, whichever is more. The cost and any penalty may become a civil debt against the property owner, or, at the option of the governing authority, an assessment against the property. The "cost assessed against the property" means either the cost to the municipality of using its own employees to do the work or the cost to the municipality of any contract executed by the municipality to have the work done, and administrative costs and legal costs of the municipality.

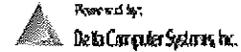
For subsequent cleaning within the one-year period after the date of the hearing at which the property or parcel of land was adjudicated in need of cleaning, upon seven (7) days' notice posted both on the property or parcel of land adjudicated in need of cleaning and at city hall or another place in the municipality where such notices are generally posted, and consistent with the municipality's adjudication as authorized in this subsection (1), a municipality may reenter the property or parcel of land to maintain cleanliness without further notice or hearing no more than six (6) times in any twelve-month period with respect to removing dilapidated buildings, dilapidated fences and outside toilets, and no more than twelve (12) times in any twenty-four-month period with respect to cutting grass and weeds and removing rubbish, personal property and other debris on the land, and the expense of cleaning of the property shall not exceed an aggregate amount of Twenty Thousand Dollars (\$20,000.00) per year, or the fair market value of the property subsequent to cleaning, whichever is less. The governing authority may assess the same penalty for each time the property or land is cleaned as otherwise provided in this section. The penalty provided herein shall not be assessed against the State of Mississippi upon request for reimbursement under Section 29-1-145, nor shall a municipality clean a parcel owned by the State of Mississippi without first giving notice.

(2) If the governing authority declares, by resolution, that the cost and any penalty shall be collected as a civil debt, the governing authority may authorize the institution of a suit on open account against the owner of the property in a court of competent jurisdiction in the manner provided by law for the cost and any penalty, plus court costs, reasonable attorney's fees and interest from the date that the property was cleaned.

(3) If the governing authority does not declare that the cost and any penalty shall be collected as a civil debt, then the assessment above provided for shall be a lien against the property and may be enrolled in the office of the circuit clerk of the county as other judgments are enrolled, and the tax collector of the municipality shall, upon order of the board of governing authorities, proceed to sell the land to satisfy the lien as now provided by law for the sale of lands for delinquent municipal taxes.

(4) All decisions rendered under the provisions of this section may be appealed in the same manner as other appeals from municipal boards or courts are taken.

(5) Nothing contained under this section shall prevent any municipality from enacting criminal penalties for failure to maintain property so as not to constitute a menace to public health, safety and welfare.



Property Link

JACKSON COUNTY, MS

Current Date 6/12/2014

Tax Year 2013
Records Last Updated 6/11/2014

PROPERTY DETAIL

OWNER ODOM BOBBY JOE
8105 EXCHANGE ST

GAUTIER MS 39553

ACRES : **NA**
LAND VALUE : 8620
IMPROVEMENTS : 24940
TOTAL VALUE: 33560
ASSESSED : 3356

PARCEL 85440602.000
ADDRESS 8105 EXCHANGE

TAX INFORMATION

YEAR 2013	TAX DUE	PAID	BALANCE
COUNTY	103.39	0.00	108.56
CITY	115.92	0.00	121.72
SCHOOL	86.68	0.00	91.01
TOTAL	305.99	0.00	321.29 5% Penalty

To Pay Online, WWW.MSISTOP.COM

LAST PAYMENT DATE **NA**

TAXES DELINQUENT PRIOR YEAR MISCELLANEOUS INFORMATION

EXEMPT CODE
HOMESTEAD CODE REG
TAX DISTRICT 5840
PPIN 069150
SECTION 12
TOWNSHIP 7S
RANGE 7W

LEGAL LOT 2 HICKORY HILL EST S/D
UNIT #7 PB 11-22&23 DB 1639-75
(267 Map771.01-03)

Book **Page**

PURCHASE COUNTY TAX SALE FILES

TAX SALES HISTORY, FOR UNPAID TAXES

<u>Year</u>	<u>Sold To</u>	<u>Redeemed Date/By</u>
2012	S & S PROPERTIES, LLC	NOT REDEEMED
2011	HENRY CORNELIUS EDWARDS	NOT REDEEMED
2010	STATE OF MISSISSIPPI	2/ 2/2012 BOBBY ODOM
2009	B.S. CONSTRUCTION	10/27/2010 PILGER TITLE CO
2005	AZURE INVESTMENTS LLC	2/12/2007 AMERICAN GENERAL FINANCIAL
2004	ETC FBO KATHIE BARTHOLOMEW IRA42	2/12/2007 AMERICAN GENERAL FINANCIAL

[Back](#)

Jackson County Dashboard

Powered by ArcGIS

Parcel Search Tool
Features Selected: 1

Parcel Information

PIDN: 85440602.000
GISP: 771.01-03-0267.00

Owner Information

Name: ODOM BOBBY JOE
Name2:
Mailing Address: 8105 EXCHANGE ST
GAUTIER MS 39553
Physical Address: 8105 EXCHANGE ST GAUTIER
Percent of Ownership: 100

Land Information

Section, Township, Range: 12 7S 7W
Acreage: .00
Street Name: EXCHANGE ST

Value and Tax Information

Total Assessed Value: 3356
Improvement Value: 24940
Tax Amount: 305
Total Appraised Value: 33560
Land Value: 8620
SQ. FT: 1494
Year Built: 1983

Legal Description

Description: LOT 2 HICKORY HILL EST S/D UNIT #7 PB 11-22823 DB 1639-75 (267 Map771.01-03)











Account Name ODOM BOBBY J (DECEASED) ADDENDUM
 9008 F FINAL BILL FOR: 050891 12/11/13 Postal Sort Code MS1
 Street Address 8105 EXCHANGE ST [REDACTED] Apartment Cd
 City, State, Zip GAUTIER, MS 39553 - Phone 334 804 2518
 Hold from Late Fee? Y-Yes Deposit 85.00 Date 4 7 2011 Rec
 Service Address 8105 EXCHANGE
 Last Inspected / / Zoning 1 Grid Flood Zone
 Hold Billing N Y-do not bill until changed, H-Hold next time only Print Bill Y
 Draft Bank Draft Code (27,37,28,38)
 Name on Acct Acct No.
 Does This Account Have 2 Meters N (Y/N) Standing Deposit
 Water Code 101 WATER Rental N
 Sewer 201 SEWER Bad Check N
 Garbage 301 GARBAGE Other Acct N
 Other Pool Size
 Billing Cycle 1 M=Month Q=Qtr S=Semi-Annual A=Annual 1=1st Month,2=2nd Month
 Account Class Code GSW Water Main Code Baths Meter Date 1 6 2014
 Sewer Main Code Garbage Route Rooms Delinquent Info:
 Arrears Water Sewer Garbage Other Total Hold Code
 Total 77.20 88.28 98.00 100.00 363.48 Date 12 5 2013
 Tax FT Bill Count 6 Flag Y

F3-NEXT F8-READINGS F12-ADDENDUM

Line	Notes	Total Lines on File
1	04/07/11.....customer needs 1 gb cart....dkh	7
2	4.8.11 delta delivered cart 1319325 dsb	
3	8/7/13 bank called about chrg on 7/15/13. customer is now deceased.kim	
4	9/19/13 bill ret	
5	10/21/13 bill ret	
6	11/27/13 bill ret. checking to see if it is vacant.sdf	
7	12/18/13 bill ret	
8		
9		
10		
11		
12		
13		
14		
15		

Go directly to line _____
Copyright 2009, Delta Computer Systems, Inc. - All Rights Reserved 01/06-GNJ

F1&5-UP F2&6-DOWN F9-FIRST F10-LAST F13-INSERT F14-DELETE F17-SAVE

Mayor
Gordon F. Gollott

City of Gautier
Gautier, Mississippi

City Manager
Samantha D. Abell

City Clerk
Cynthia Russell

Council
At Large Mary F. Martin
Ward 1 Johnny Jones
Ward 2 Hurley Ray Guillotte
Ward 3 Casey C. Vaughan
Ward 4 Charles "Rusty" Anderson
Ward 5 Adam D. Colledge



3330 Highway 90
Gautier, MS 39553
Phone: (228) 497-8000
Fax: (228) 497-8028
Email: gautier@gautier-ms.gov
Website: www.gautier-ms.gov

June 12, 2014

Bobby Joe Odom or
Possible Heirs
8105 Exchange Street
Gautier, Mississippi 39553

Reference: 8105 Exchange Street Drive Gautier, MS 39553

To Whom It May Concern:

This letter is to inform you the City of Gautier; Planning and Economic Development Department will recommend to the governing authority the property at 8105 Exchange Street Gautier, Mississippi is a menace to the public health, safety, and welfare of the community. Code Enforcement will request the mayor and city council review the history of the code violations on this property during a scheduled July 2014 council meeting. If the mayor and council determine the property, meets the criteria for private property clean up they will set a public hearing for a scheduled August 2014 council meeting. The purpose of the hearing is to listen to testimony and determine if the property meets the requirements outlined in Mississippi Code Annotated 1972 § Title 21, Chapter 19, Section 11.

Code enforcement is requesting the property be in compliance by July 1, 2014. If you have any questions you can contact the City of Gautier, Code Enforcement Office, Monday – Thursday, 8:00 AM - 5:00 PM at (228) 497-1878 ext 318, or cell number (228) 219-7035.

Sincerely,

Joseph Belles
Code Enforcement Officer

POSTED AT
PROPERTY
6-12-14 JB

Mayor and Members of the Council discussed Consent Item #2 – Ratification of a request to the Jackson County Board of Supervisors for the donation of a portable restroom facility for the parks and recreation.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 159-2014

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the ratification of a request to the Jackson County Board of Supervisors for the donation of a portable restroom facility for parks and recreation is hereby approved.

IT IS FURTHER ORDERED that the portable restroom facility will be put to immediate use at Frazier Park.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary.

Motion was made by **Councilman Vaughan**, seconded by **Councilwoman Martin** and the following vote was recorded:

AYES: Gordon Gollott
 Mary Martin
 Johnny Jones
 Hurley Ray Guillotte
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: None

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by the Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting July 1, 2014.

Mayor
Gordon T. Gollott

City of Gautier
Gautier, Mississippi

City Manager
Samantha D. Abell

City Clerk
Cynthia Russell

3330 Highway 90
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Council
At Large Mary F. Martin
Ward 1 Johnny Jones
Ward 2 Hurley Ray Guillotte
Ward 3 Casey C. Vaughan
Ward 4 Charles "Rusty" Anderson
Ward 5 Adam D. Colledge



June 18, 2014

Jackson County Board of Supervisors
Troy Ross, President
P.O. Box 998
Pascagoula, MS 39568

Dear Supervisor Ross,

The City of Gautier respectfully requests the Jackson County Board of Supervisor's assistance with the donation of a portable restroom facility for the parks and recreation use. The portable restroom facility will be put to immediate use at Frazier Park.

Thank you again for your continued support and partnership. If you have any questions or need more information, please feel free to contact me at (228) 497-8000 ext.306.

Sincerely,

A handwritten signature in black ink, appearing to read "Gordon T. Gollott".

Gordon T. Gollott
Mayor

Motion made by **Councilwoman Martin** to recess the meeting until July 15, 2014 at 6:30 P.M.
Motion seconded by **Councilman Vaughan** and unanimously carried.

APPROVED BY:

MAYOR

ATTEST:

CITY CLERK

Submitted for approval of the Mayor and Members of the Council of the City of Gautier, Mississippi at the meeting of July 15, 2014.