MINUTES OF THE REGULAR MEETING
OF THE MAYOR AND BOARD OF ALDERMEN
The City of Starkville, Mississippi
September 2, 2025

Be it remembered that the Mayor and Board of Alderman met in a Regular Meeting on September 2, 2025 at 5:30 p.m. in the Municipal Court Room of City Hall, located at 110 West Main Street, Starkville, MS. Present were Mayor Lynn Spruill, Aldermen Kim Moreland, Sandra Sistrunk, Kyle Skinner, Mike Brooks, William Pochop, Roy A'. Perkins and Henry Vaughn, Sr. as well as City Attorney Berk Huskison and City Clerk / CFO Lesa Hardin.

Mayor Lynn Spruill opened the meeting with the Pledge of Allegiance followed by a moment of silence.

REQUESTED REVISIONS TO THE OFFICIAL AGENDA:

Mayor Spruill called for any changes to the agenda as presented. There being no changes requested, the Mayor called for a motion to approve the agenda with consent items.

1. A MOTION TO APPROVE THE OFFICIAL AGENDA WITH CONSENT ITEMS.

Alderman Brooks offered a motion, duly seconded by Alderman Skinner, to approve the September 2, 2025 Official Agenda as amended. The Board voted as follows:

Alderman Kim Moreland	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman Kyle Skinner	Voted: Yea
Alderman Mike Brooks	Voted: Yea
Alderman William Pochop	Voted: Yea
Alderman Roy A'. Perkins	Voted: Yea
Alderman Henry Vaughn, Sr.	Voted: Yea

Having received a majority affirmative vote, the Mayor declared the motion carried and then read the consented items.

OFFICIAL AGENDA OF
THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI
REGULAR MEETING OF TUESDAY, SEPTEMBER 2, 2025
5:30 P.M., MUNICIPAL COURT ROOM, CITY HALL - 110 WEST MAIN STREET

I. CALL THE MEETING TO ORDER

II. PLEDGE OF ALLEGIANCE AND A MOMENT OF SILENCE

III. APPROVAL OF THE OFFICIAL AGENDA INCLUDING CONSENTED ITEMS

IV. APPROVAL OF THE BOARD OF ALDERMEN MINUTES

CONSIDERATION OF THE MINUTES OF THE AUGUST 15, 2025 WORK SESSION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE.

CONSIDERATION OF THE MINUTES OF THE AUGUST 19, 2025 RECESS MEETING OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE.

V. ANNOUNCEMENTS AND COMMENTS

A. MAYOR'S COMMENTS: Employee Introductions
Get Swept Up – September 3

B. BOARD OF ALDERMEN COMMENTS:

VI. CITIZEN COMMENTS

VII. PUBLIC APPEARANCES

VIII. PUBLIC HEARINGS

A. PUBLIC HEARING AND CONSIDERATION UNDER MISS. CODE ANN. § 21-19-11 TO DETERMINE WHETHER THE PROPERTY LOCATED AT 511 WHITFIELD ST., STARKVILLE, MS 39759, WITH PARCEL NUMBER 102B-00-148.00, IS IN SUCH A STATE OF UNCLEANLINESS AS TO BE A MENACE TO THE PUBLIC HEALTH, SAFETY, AND WELFARE OF THE COMMUNITY AND SUCH THAT CLEAN UP OF THE PROPERTY SHOULD OCCUR.

B. SECOND PUBLIC HEARING OF THE TAX MILLAGE AND BUDGET FOR THE CITY OF STARKVILLE FOR THE FISCAL YEAR 2025-2026

C. CONSIDERATION OF A RESOLUTION SETTING THE FISCAL YEAR 2026 TAX MILLAGE.

D. CONSIDERATION OF A RESOLUTION ADOPTING THE FISCAL YEAR 2025-2026 BUDGET FOR THE CITY OF STARKVILLE.

IX. MAYOR'S BUSINESS

A. CONSIDERATION OF CHANGING THE NAME OF CALICO COURT IN CLARK GROVE PHASE 2 TO HONOR CHRISTOPHER TAYLOR BY RENAMING IT AS CHRIS TAYLOR COURT.

B. CONSIDERATION OF RESOLUTION AUTHORIZING THE LIENS FOR 1249 MS HWY 182 WEST, 122 ROOSEVELT TAYLOR SENIOR STREET, 722 VINE STREET, 18 EDGEWATER LANE, AND 117 CURTIS CIRCLE AS PROVIDED IN THE ATTACHMENTS.

X. BOARD BUSINESS

A. CONSIDERATION OF APPROVING THE PROPOSED 2026 BUDGET FOR THE 2% FUNDING USE BY THE MISSISSIPPI STATE UNIVERSITY STUDENT AFFAIRS IN ACCORDANCE WITH THE REQUIREMENTS OF 2022 HOUSE BILL 1547.

B. CONSIDERATION OF APPROVING THE PROPOSED 2026 BUDGET FOR THE 2% FUNDING FOR THE OKTIBBEHA COUNTY ECONOMIC DEVELOPMENT AUTHORITY (OCEDA) IN ACCORDANCE WITH THE REQUIREMENTS OF 2022 HOUSE BILL 1547.

C. CONSIDERATION OF APPROVING THE PROPOSED 2026 BUDGET FOR THE 2% FUNDING FOR THE VISITORS AND CONVENTION COUNCIL (VCC) IN ACCORDANCE WITH THE REQUIREMENTS OF 2022 HOUSE BILL 1547.

D. RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN AUTHORIZING THE ISSUANCE BY THE CITY OF STARKVILLE, MISSISSIPPI, OF COMBINED WATER AND SEWER SYSTEM REVENUE BONDS OF THE MUNICIPALITY OR A COMBINED WATER AND SEWER SYSTEM REVENUE BOND OF THE MUNICIPALITY FOR SALE TO THE MISSISSIPPI DEVELOPMENT BANK, OR AUTHORIZING ENTERING INTO A LOAN AGREEMENT WITH THE MISSISSIPPI DEVELOPMENT BANK, ALL IN THE MAXIMUM PRINCIPAL AMOUNT OF $10,000,000, IN ONE OR MORE SERIES, TO PROVIDE FUNDS FOR THE PURPOSE OF IMPROVING, REPAIRING, AND EXTENDING THE EXISTING COMBINED WATER AND SEWER SYSTEM OF THE MUNICIPALITY; AND FOR RELATED PURPOSES.

XI. DEPARTMENT BUSINESS

A. AIRPORT

1. ACCEPTANCE OF STF-SOG-3-28-0068-033-2025 GRANT FOR RUNWAY EXTENSION IN THE AMOUNT OF $2,635,633.00 WITH A 5% MATCH DIVIDED BETWEEN THE CITY ($24,275.57), COUNTY ($24,275.57) AND MSU ($20,807.62).

B. COMMUNITY DEVELOPMENT AND PLANNING DEPARTMENT
THERE ARE NO ITEMS FOR THIS AGENDA

C. COURTS
THERE ARE NO ITEMS FOR THIS AGENDA

D. ENGINEERING

1. CONSIDERATION OF APPROVING TASK ORDER NO. 2 IN AN HOURLY, NOT-TO-EXCEED AMOUNT OF $40,000.00 FOR NEEL-SCHAFFER, INC. TO PROVIDE TOPOGRAPHIC SURVEYING, HYDRAULIC AND HYDROLOGIC ANALYSIS AND DESIGN, AND PRELIMINARY STRUCTURAL DESIGN SERVICES FOR THE OLD WEST POINT ROAD BRIDGE REPLACEMENT PROJECT.

2. CONSIDERATION OF APPROVAL OF AN INDEMNITY AGREEMENT FOR NONSTANDARD RIGHT-OF-WAY IMPROVEMENTS AT 202 E GILLESPIE STREET BETWEEN THE CITY AND PURE WATER RIDGE, LLC, AS REVIEWED AND APPROVED BY THE CITY ATTORNEY.

E. FINANCE AND ADMINISTRATION

1. REQUEST APPROVAL OF THE CITY OF STARKVILLE CLAIMS DOCKET FOR ALL DEPARTMENTS INCLUDING STARKVILLE UTILITIES DEPARTMENT AS OF AUGUST 25, 2025 FOR FISCAL YEAR ENDING 9/30/25, ACKNOWLEDGING THAT THE CITY CLERK HAS ATTESTED AND CERTIFIED ON THE COVER OF THE CLAIMS DOCKET THAT ALL CLAIMS ON THE DOCKET ARE TRUE, ACCURATE, LAWFUL AND PROPER TO THE BEST OF HER KNOWLEDGE, FOR PAYMENT PURSUANT TO HER DUTIES UNDER MISS. CODE SECTIONS 21-39-5, 21-39-7, 21-39-9, 21-39-17 AND 21-15-21.

2. CONSIDERATION OF THE ACCEPTANCE OF THE FISCAL YEAR 9-30-2024 AUDIT OF THE CITY OF STARKVILLE AS PREPARED BY WATKINS, WARD & STAFFORD, CPAS, PLLC.

3. CONSIDERATION OF THE APPROVAL OF THE ENGAGEMENT OF WATKINS, WARD & STAFFORD, PLLC FOR THE FISCAL YEAR 2025 AUDIT FOR THE CITY OF STARKVILLE, STARKVILLE WATER / WASTEWATER AND STARKVILLE ELECTRIC.

F. FIRE DEPARTMENT
THERE ARE NO ITEMS FOR THIS AGENDA

G. HUMAN RESOURCES

1. CONSIDERATION OF DISCIPLINARY ACTION RECOMMENDED BY SANITATION AND ENVIRONMENTAL SERVICES DIRECTOR CHRIS SMILEY AS A RESULT OF I.A.# 08112025 FOR A SANITATION AND ENVIRONMENTAL SERVICES EMPLOYEE.

2. REQUEST AUTHORIZATION TO HIRE TRENTON EVANS AS A WATER TECHNICIAN FOR THE UTILITIES DEPARTMENT.

3. REQUEST AUTHORIZATION TO HIRE KALIA UEHARA AS A COMMUNICATION AND OUTREACH INTERN FOR THE UTILITIES DEPARTMENT.

4. REQUEST AUTHORIZATION TO HIRE NATHANIEL HINTON AS A WATER DISTRIBUTION SUPERVISOR FOR THE UTILITIES DEPARTMENT.

5. REQUEST AUTHORIZATION TO HIRE WAYLON SLIDER AS A TEMPORARY FULL TIME METER TECHNICIAN FOR THE UTILITIES DEPARTMENT.

6. REQUEST AUTHORIZATION TO HIRE TAMARIUS MILLER AS A STUDENT INTERN THROUGH THE WORK-STUDY PROGRAM WITH STARKVILLE OKTIBBEHA CONSOLIDATED SCHOOL DISTRICT FOR THE UTILITIES DEPARTMENT.

7. REQUEST AUTHORIZATION TO HIRE CASEY RAY AS A TEMPORARY PART TIME AIRCRAFT LINEMAN (FBO) FOR THE AIRPORT DEPARTMENT.

8. REQUEST AUTHORIZATION TO HIRE CAMERON BULLARD AS A FULL-TIME AIRCRAFT LINEMAN (FBO) IN THE STARKVILLE AIRPORT DEPARTMENT.

9. REQUEST AUTHORIZATION TO HIRE IAN CARMICHAEL AS A NON-CERTIFIED FIREFIGHTER FOR THE STARKVILLE FIRE DEPARTMENT.

H. INFORMATION TECHNOLOGY
THERE ARE NO ITEMS FOR THIS AGENDA

I. PARKS
THERE ARE NO ITEMS FOR THIS AGENDA

J. POLICE DEPARTMENT

1. POLICE
THERE ARE NO ITEMS FOR THIS AGENDA

2. CODE ENFORCEMENT

a. UNDER MISSISSIPPI CODE ANNOTATED §21-19-11 (2) AND AS ADOPTED BY THE CITY OF STARKVILLE BOARD OF ALDERMEN, THE FOLLOWING PROPERTIES ARE FOUND IN VIOLATION OF SAID ORDINANCE AND ARE IN SUCH A STATE OF UNCLEANLINESS AS TO BE A MENACE TO THE PUBLIC HEALTH, SAFETY AND WELFARE OF THE COMMUNITY AND ARE THEREFORE PLACED ON THE PROPERTY MOWING LIST:

- 200 CURTIS STREET
- 207 CURTIS STREET
- 512 INCA

K. SANITATION DEPARTMENT
THERE ARE NO ITEMS FOR THIS AGENDA

L. UTILITIES DEPARTMENT

1. CONSIDERATION OF ACCEPTING THE SOLE SOURCE QUOTE FROM WESCO/ANIXTER INC. FOR 24 A4 METERS IN THE AMOUNT OF $6,605.04 IN THAT THEY ARE THE SAME METERS CURRENTLY USED.

XII. CLOSED DETERMINATION SESSION

XIII. OPEN SESSION

XIV. EXECUTIVE SESSION

Potential Litigation
Property Sale/Lease

XV. OPEN SESSION

XVI. RECESS UNTIL SEPTEMBER 16, 2025, @ 5:30 IN THE COURT ROOM AT 110 WEST MAIN STREET

XII. CLOSED DETERMINATION SESSION
XIII. OPEN SESSION
XIV. EXECUTIVE SESSION
XV. OPEN SESSION
XVI. ADJOURN UNTIL SEPTEMBER 2, 2025 @ 5:30 IN THE COURT ROOM AT 110 WEST MAIN STREET.

The City of Starkville is accessible to persons with disabilities. Please call the ADA Coordinator, Stein McMullen, at (662) 323-2525, ext. 3121 at least forty-eight (48) hours in advance for any services requested.

Consent items 2 – 25:

2. CONSIDERATION OF THE MINUTES OF THE AUGUST 15, 2025 WORK SESSION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of the minutes of the August 15, 2025 work session of the Mayor and Board of Aldermen" is enumerated, this consent item is thereby approved.

3. CONSIDERATION OF THE MINUTES OF THE AUGUST 19, 2025 MEETING OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of the minutes of the August 19, 2025 meeting of the Mayor and Board of Aldermen" is enumerated, this consent item is thereby approved.

4. CONSIDERATION OF CHANGING THE NAME OF CALICO COURT IN CLARK GROVE PHASE 2 TO HONOR CHRISTOPHER TAYLOR BY RENAMING IT AS CHRIS TAYLOR COURT.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of the name change of Calico Court in Clark Grove Phase II to Chris Taylor Court in honor of Christopher Taylor" is enumerated, this consent item is thereby approved.

5. CONSIDERATION OF AUTHORIZING THE LIENS FOR 1249 MS HWY 182 WEST, 122 ROOSEVELT TAYLOR SENIOR STREET, 722 VINE STREET, 18 EDGEWATER LANE, AND 117 CURTIS CIRCLE AS PROVIDED IN THE ATTACHMENTS.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of the liens for

1249 MS Hwy 182 West, 122 Roosevelt Taylor Senior Street, 722 Vine Street, 18 Edgewater Lane, and 117 Curtis Circle as provided" is enumerated, this consent item is thereby approved.

Case #	Location	Amount
LIEN-25-12	1249 Hwy 82 West	$1,354.50
LIEN-25-13	112 Roosevelt Taylor	$3,281.79
LIEN-25-14	722 Vine St	$930.61
LIEN-25-15	18 Edgewater	$1,074.17
LIEN-25-16	117 Curtis	$2,679.48

6. CONSIDERATION OF APPROVING THE PROPOSED 2026 BUDGET FOR THE 2% FUNDING USE BY THE MISSISSIPPI STATE UNIVERSITY STUDENT AFFAIRS IN ACCORDANCE WITH THE REQUIREMENTS OF 2022 HOUSE BILL 1547.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of the MSU Student Association 2025-2026 budget for the use of the 2% funding in accordance with the 2022 legislative HB 1547" is enumerated, this consent item is thereby approved.

Proposed Distribution of 2026 Food & Beverage Sales Tax Allocation

Distribution:	FY2023	FY2024	FY2025	Proposed FY2026
Music Maker Productions	180,000	280,000	293,000	293,000
Bulldog Bash	190,000	220,000	270,000	270,000
Cowbell Cabs/Night Route	20,000	20,000	20,000	20,000
Old Main Music Festival	30,000	30,000	30,000	30,000
Lyceum Series	91,000	91,000	91,000	91,000
Global Lecture Series	53,000	63,000		
Total	**564,000**	**704,000**	**704,000**	**704,000**

7. CONSIDERATION OF APPROVING THE PROPOSED 2026 BUDGET FOR THE 2% FUNDING FOR THE OKTIBBEHA COUNTY ECONOMIC DEVELOPMENT AUTHORITY (OCEDA) IN ACCORDANCE WITH THE REQUIREMENTS OF 2022 HOUSE BILL 1547.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of the OCEDA 2025-2026 budget for the use of the 2% funding in accordance with the 2022 legislative HB 1547" is enumerated, this consent item is thereby approved.

OCEDA	
2025-2026 Budget Planning	
	FY 2026 Proposed Budget
GENERAL OPERATIONS	
Income	
48001 INTEREST INCOME	111,000.00
48002 RTC % RENT SHARE	15,750.00
48004 SALE OF MULTI TENANT CTR	198,333.32
48005 GTEC FUNDS	115,352.00
49999 OTHER INCOME	0.00
Total Income	**$ 440,435.32**
Expenses	
90031 HOSPITALITY	10,000.00
90032 OFFICE OVERHEAD	20,000.00
90034 INSURANCE/BONDS	23,000.00
90035 CAPITAL IMPROVEMENTS	100,000.00
90037 LEGAL & PROFESSIONAL	18,000.00
90041 OFFICE SUPPLIES	400.00
90043 POSTAGE/SHIPPING	0.00
90046 WELCOME SIGN	20,000.00
90047 ENTR. TECHNOLOGY GRANTS	115,352.00
90049 GSDP OCCUPANCY AGREEMENT	20,342.40
90050 GSDP MAN/PERSONNEL CONTRACTS	200,000.00
Total Expenses	**$ 527,094.40**
Net Income	**$ (86,659.08)**

2% FOOD & BEVERAGE TAX Income 48020 FOOD/BEVERAGE TAX Expenses	FY 2026 Proposed Budget $ 475,000.00
90073 INDUSTRY RELATIONS	30,000.00
90074 GTRDA/LINK	250,000.00
90075 RETAIL/RECRUITMENT	15,000.00
90076 MARKETING/EVENTS	30,000.00
90077 GRANTS	20,000.00
90078 NORTHSTAR PARK	50,000.00
90079 TOURISM DEVELOPMENT	40,000.00
90080 RESTRICTED PROJECTS	0.00
Total Expenses	**$ 435,000.00**
Net Income	**$ 40,000.00**
Overall Net Income	**$ (46,659.08)**

---

8. CONSIDERATION OF APPROVING THE PROPOSED 2026 BUDGET FOR THE 2% FUNDING FOR THE VISITORS AND CONVENTION COUNCIL (VCC) IN ACCORDANCE WITH THE REQUIREMENTS OF 2022 HOUSE BILL 1547.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of VCC 2025-2026 budget for the use of the 2% funding in accordance with the 2022 legislative HB 1547" is enumerated, this consent item is thereby approved.

STARKVILLE CVB BUDGET **City of Starkville 2% Hotel Tax**		**2025-2026** **Budget**
Income		
CITY OF STARKVILLE		440,000.00
INTEREST INCOME		20,000.00
	Total Income	**460,000.00**
Expenses		
OPERATING		172,225.79
GROUP & CONVENTION RECRUITMENT		40,000.00
MAIN STREET ASSOCIATION		25,000.00
DUES - TOURISM MEMBERSHIPS		35,000.00
LEGAL & PROFESSIONAL		3,000.00
FILM		1,000.00
PARTNER TRAINING		2,000.00

DESTINATION DEVELOPMENT	50,000.00
RETIREMENT DEVELOPMENT	5,000.00
Total Expenses	**333,225.79**
Net Income	**126,774.21**
City of Starkville 2% Food & Beverage Tax	
Income	
CITY OF STARKVILLE FOOD & BEV	450,000.00
Total Income	**450,000.00**
Expenses	
MARKETING/ADVERTISING/PROJECTS	581,000.00
PROFESSIONAL DEVELOPMENT	6,000.00
SPONSORED PROGRAMS & GRANTS	70,000.00
MSU ORIENTATION	10,000.00
CONSULTING SERVICES	20,000.00
Total Expenses	**687,000.00**
Net Income	**(237,000.00)**
Overall Net Income	**(110,225.79)**

9. CONSIDERATION OF A RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN AUTHORIZING THE ISSUANCE BY THE CITY OF STARKVILLE, MISSISSIPPI, OF COMBINED WATER AND SEWER SYSTEM REVENUE BONDS OF THE MUNICIPALITY OR A COMBINED WATER AND SEWER SYSTEM REVENUE BOND OF THE MUNICIPALITY FOR SALE TO THE MISSISSIPPI DEVELOPMENT BANK, OR AUTHORIZING ENTERING INTO A LOAN AGREEMENT WITH THE MISSISSIPPI DEVELOPMENT BANK, ALL IN THE MAXIMUM PRINCIPAL AMOUNT OF $10,000,000, IN ONE OR MORE SERIES, TO PROVIDE FUNDS FOR THE PURPOSE OF IMPROVING, REPAIRING, AND EXTENDING THE EXISTING COMBINED WATER AND SEWER SYSTEM OF THE MUNICIPALITY; AND FOR RELATED PURPOSES.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of a Resolution of the mayor and board of aldermen authorizing the issuance by the City of Starkville, Mississippi, of combined water and sewer system revenue bonds of the municipality or a combined water and sewer system revenue bond of the municipality for sale to the Mississippi Development Bank, or authorizing entering into a loan agreement with the Mississippi Development Bank, all in the maximum principal amount of $10,000,000, in one or more series, to provide funds for the purpose of improving, repairing, and extending the existing combined water and sewer system of the municipality; and for related purposes" is enumerated, this consent item is thereby approved. The Bond Resolution follows this page.

10. CONSIDERATION TO ACCEPT STF-SOG-3-28-0068-033-2025 GRANT FOR RUNWAY EXTENSION IN THE AMOUNT OF $2,635,633.00 WITH A 5% MATCH DIVIDED BETWEEN MDOT, THE CITY ($24,275.57), COUNTY ($24,275.57) AND MSU ($20,807.62).

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval to accept the FAA 2025 AIP Grant Offer 3-28-0068-033-2025 in the amount of $2,635,633.00 for Airport Development of Runway and Taxiway Extension" is enumerated, this consent item is thereby approved.

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN AUTHORIZING THE ISSUANCE BY THE CITY OF STARKVILLE, MISSISSIPPI, OF COMBINED WATER AND SEWER SYSTEM REVENUE BONDS OF THE MUNICIPALITY OR A COMBINED WATER AND SEWER SYSTEM REVENUE BOND OF THE MUNICIPALITY FOR SALE TO THE MISSISSIPPI DEVELOPMENT BANK, OR AUTHORIZING ENTERING INTO A LOAN AGREEMENT WITH THE MISSISSIPPI DEVELOPMENT BANK, ALL IN THE MAXIMUM PRINCIPAL AMOUNT OF $10,000,000, IN ONE OR MORE SERIES, TO PROVIDE FUNDS FOR THE PURPOSE OF IMPROVING, REPAIRING, AND EXTENDING THE EXISTING COMBINED WATER AND SEWER SYSTEM OF THE MUNICIPALITY; AND FOR RELATED PURPOSES.

WHEREAS, the Mayor and Board of Aldermen of the City of Starkville, Mississippi (the "Governing Body" of the "Municipality"), acting for and on behalf of the Municipality, hereby finds, determines, adjudicates, and declares as follows:

1. The existing combined water and sewer system of the Municipality is operated and accounted for as a separate enterprise of the Municipality known as the combined water and sewer facilities and systems of the Municipality (the "System").

2. Pursuant to the provisions of Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended (the "Municipal Utilities Act"), the Municipality is authorized to undertake activities for the purpose of studying the System and determining the nature and extent of the necessary improvements, repairs, and extensions to the System (the "Authorized Purpose").

3. The Governing Body desires to provide funds for (i) the Authorized Purpose, to be made in substantial accordance with the plans and specifications, as they may be amended and supplemented, prepared by competent engineers or engineering firm(s) as are employed by the Municipality or engaged by the Municipality (the "Consulting Engineer"), (ii) funding a capitalized interest account, if necessary, and a debt service reserve account, if necessary, and, (iii) paying the costs of the authorization, issuance sale, validation, and delivery of certain debt obligations (together, the "Project").

4. Pursuant to the provisions of the Municipal Utilities Act, Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended (the "Bank Act"), and other applicable laws of the State of Mississippi (the "State"), the Municipality is authorized to undertake activities for the Project, and to provide for the payment of the costs thereof, or any portion of such costs, by issuing combined water and sewer system revenue bonds of the Municipality, in the maximum aggregate principal amount of $10,000,000, in one or more series (the "Bonds"), by issuing a combined water and sewer system revenue bond of the Municipality, in the maximum aggregate principal amount of $10,000,000, in one or more series (the "Qualified Obligation"), for sale to the Mississippi Development Bank (the "Bank"), or entering into a loan agreement and obtaining a loan from the Bank, evidenced by a promissory note of the Municipality, in the maximum aggregate principal amount of $10,000,000, in one or more series (the "Note").

5. If issued, the principal of and interest on the Bonds, the Qualified Obligation, or the Note shall be payable from the revenues of the System, as authorized by the Municipal Utilities Act and the Bank Act.

6. Pursuant to the provisions of the Municipal Utilities Act, the Bank Act, and other applicable laws of the State, and by resolution adopted by the Governing Body on Tuesday, July 15, 2025 (the "Resolution of Intent"), the Governing Body declared its intention to issue the Bonds, the Qualified Obligation, or the Note to provide funds for the Project, and directed that the Resolution of Intent be published three times in *The Starkville Daily News*, a newspaper published in and having a general circulation in the Municipality, and being a qualified newspaper pursuant to the provisions of Section 13-3-31, Mississippi Code of 1972, as amended.

7. The Resolution of Intent was duly published in *The Starkville Daily News* once a week for at least three consecutive weeks, on July 22, 2025, July 29, 2025, and August 5, 2025, with the third publication on August 5, 2025, being more than ten days prior to Tuesday, August 19, 2025, at 5:30 pm, the date and time set for the filing of protests on the matter of authorizing the issuance of the Bonds, the Qualified Obligation, or the Note, as evidenced by the affidavit attached hereto as **Attachment A**.

8. On or prior to 5:30 p.m. on Tuesday, August 19, 2025, no protest against the issuance of the Bonds, the Qualified Obligation, or the Note has been filed, nor has any petition that an election be called on the question of the issuance of the Bonds, the Qualified Obligation, or the Note has been filed.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY AS FOLLOWS:

SECTION 1. The Governing Body is now authorized to issue the Bonds, the Qualified Obligation, or the Note to provide funds for the Project.

SECTION 2. The Bonds, the Qualified Obligation, or the Note will be issued and sold pursuant to subsequent orders of the Governing Body.

Following the reading of the foregoing resolution and discussion thereof, Alderman Mike Brooks moved and Alderman Kyle Skinner seconded the motion to adopt the foregoing resolution, and the question being put to a roll call vote, the result was as follows:

Alderman Mike Brooks	**voted: Yea**
Alderwoman Kim Moreland	**voted: Yea**
Alderman Roy A'. Perkins	**voted: Yea**
Alderman William Pochop	**voted: Yea**
Alderwoman Sandra C. Sistrunk	**voted: Yea**
Alderwoman Kyle Skinner	**voted: Yea**
Alderman Henry N. Vaughn, Sr.	**voted: Yea**

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried and the resolution adopted this day, September 2, 2025.

City of Starkville, Mississippi

D. Lynn Spruill, Mayor

ATTEST:

Lesa D. Hardin, City Clerk **(seal)**

<u>Attachment A</u>

Proof of Publication of Resolution of Intent

The Starkville Daily News

July 22, 2025; July 29, 2025; and August 5, 2025

AFFP
ROI - B001F Water-Sewer Bonds

Affidavit of Publication

STATE OF MISSISSIPPI } SS
COUNTY OF OKTIBBEHA }

John W. Bane, Jr., being duly sworn, says:

That she is Classified Clerk of the Starkville Daily News, a daily newspaper of general circulation, printed and published in Starkville, Oktibbeha County, Mississippi; that the publication, a copy of which is attached hereto, was published in the said newspaper on the following dates:

July 22, 2025, July 29, 2025, August 05, 2025

That said newspaper was regularly issued and circulated on those dates.
SIGNED:

John Bane Jr.

Classified Clerk

Subscribed to and sworn to me this 5th day of August 2025.

Ashley J. Doss

Ashley J. Doss, Notary Public, Oktibbeha County, Mississippi
My commission expires: October 21, 2028

00001631 00107517

Brandi D. Ford
Watkins & Eager, PLLC (SDN)
P.O. Box 650
Jackson, MS 39205

State of Mississippi
Ashley J. Doss, Notary Public
Clay County
My Commission Expires 10-21-2028
Commission Number 493429

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, DECLARING THE INTENTION TO ISSUE COMBINED WATER AND SEWER SYSTEM REVENUE BONDS OF THE MUNICIPALITY, IN THE MAXIMUM PRINCIPAL AMOUNT OF $10,000,000, IN ONE OR MORE SERIES, TO PROVIDE FUNDS FOR THE PURPOSE OF IMPROVING, REPAIRING, AND EXTENDING THE EXISTING COMBINED WATER AND SEWER SYSTEM OF THE MUNICIPALITY; DIRECTING PUBLICATION OF NOTICE OF SUCH INTENTION; AND FOR RELATED PURPOSES.

WHEREAS, the Mayor and Board of Aldermen of the City of Starkville, Mississippi (the "Governing Body" of the "Municipality"), acting for and on behalf of the Municipality, hereby finds, determines, adjudicates, and declares as follows:

The Municipality has existing water and sewer facilities and systems which are operated and accounted for as a separate enterprise of the Municipality known as the combined water and sewer facilities and systems of the Municipality (the "System").

The Governing Body has engaged the services of competent engineers or engineering firm(s) as are employed by the Municipality or engaged by the Municipality (the "Consulting Engineer"), to study the System, to determine the nature and extent of the necessary improvements, repairs, and extensions to the System (the "Authorized Purpose"), to make recommendations regarding the Project (as defined herein), and to make an estimate of the costs of the Project.

The Governing Body desires to provide funds for (i) the Authorized Purposes, to be made in substantial accordance with the plans and specifications, as they may be amended and supplemented, prepared by the Consulting Engineer, (ii) funding a capitalized interest account, if necessary, and a debt service reserve account, if necessary, and, (iii) the costs of the authorization, issuance, sale, validation, and delivery of the Bonds (together, the "Project").

The estimated cost of the Project is the aggregate amount of $10,000,000.

The Project is economically feasible, would be in the public interest and of benefit to the Municipality, and the findings and recommendations of the Consulting Engineer are hereby adopted, including the estimate of the costs of the Project.

It is necessary, advisable, and in the best interest of the Municipality and its citizens to finance the costs of the Project, for which purpose there are no other available funds on hand.

Pursuant to the provisions of Sections 21-27-11 et seq., Mississippi Code of 1972, as amended (the "Municipal Utilities Act"), the Municipality is authorized to undertake activities for the Project, and to provide for the payment of the costs of the Project, or any portion of such costs of the Project, by and through the issuance of combined water and sewer system revenue bonds, in one or more series, in the maximum principal amount of $10,000,000 (the "Bonds").

Pursuant to Sections 31-25-1 et seq. Mississippi Code of 1972, as amended (the "Bank Act") and the Municipal Utilities Act (together, the "Act"), the Bonds may be issued and sold to the Mississippi Development Bank to provide funds for the Project.

Pursuant to the Municipal Utilities Act, the principal of and interest on the Bonds are payable from the revenues of the System. Pursuant to the Bank Act, the principal of and interest on the Bonds are payable from the revenues of the System or from the lawfully available revenues of the Municipality.

The Municipality reasonably expects that it will incur expenditures for the Project for which the Municipality may advance internal funds prior to the issuance of the Bonds, and finds that it should declare its official intent to reimburse itself for all or a portion of such expenditures of the Project made in anticipation of the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, AS FOLLOWS:

- This resolution is adopted pursuant to the Act and other applicable laws of the State of Mississippi (the "State").
- The Governing Body, acting for and on behalf of the Municipality, does hereby declare its intention to issue and sell the Bonds for the Project pursuant to the Act.
- Pursuant to the Act, the Bonds shall be payable from the revenues of the System or from the lawfully available revenues of the Municipality. Other funds available to the Municipality which may be lawfully used for payment of the principal of and interest on the Bonds, include, but are not limited to, use taxes remitted from the

State to the Municipality as a result of the Infrastructure Modernization Act of 2018, House Bill 1, 2018 First Extraordinary Session, and any amendments thereto, codified as Sections 27-67-1 et seq., Mississippi Code of 1972, as amended, but limited to those elements of the Authorized Purposes codified in Sections 27-67-1 et seq., Mississippi Code of 1972, as amended.

• Pursuant to Section 1.150-2 of the Treasury Regulations (the "Reimbursement Regulations"), the Governing Body hereby declares its official intent to reimburse expenditures made for the Project prior to the issuance of the Bonds, with the proceeds of the Bonds, to the extent permitted by the Reimbursement Regulations.

• The Bonds, in the amount, for the purpose, and secured as aforesaid, will be authorized to be issued at a meeting of the Governing Body to be held at City Hall located at 110 West Main Street in the Municipality on Tuesday, August 19, 2025, at 5:30 p.m., or at some meeting held subsequent thereto, which date so fixed will be more than ten days after the third date of publication of this resolution, as directed by Section 7 hereof.

• Pursuant to the Municipal Utilities Act, if a petition signed by not less than 20% of the qualified electors of the Municipality is filed objecting to and protesting the issuance of the Bonds, on or before Tuesday, August 19, 2025, at 5:30 p.m., or at some meeting held subsequent thereto, then an election on the question of the issuance of the Bonds may be called and held as provided by law. If no such protest is filed, then the Bonds may be issued without an election on the question of the issuance thereof, and may be issued and sold under the regular procedure for issuing and selling the Bonds.

This resolution shall be published once a week for at least three consecutive weeks in the Starkville Daily News, a newspaper published in and having a general circulation in the Municipality, and being a qualified newspaper under the provisions of Section 13-3-31, Mississippi Code of 1972, as amended. The third such publication shall be more than ten days prior to the date specified in Section 5 hereof.

The City Clerk of the Municipality shall be and is hereby directed to procure the customary proof of publication of this resolution from the publisher of the Starkville Daily News and to have the same before the Governing Body on or before Tuesday, August 19, 2025, at 5:30 p.m.

If any one or more of the provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this resolution, but this resolution shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained herein.

Following the reading of the foregoing resolution and discussion thereof, Alderwoman Sandra Sistrunk offered and Alderwoman Kim Moreland seconded the motion to adopt the foregoing resolution, and the question being put to a roll call vote, the result was as follows:

Alderwoman Kim Moreland voted: Yea
Alderwoman Sandra C. Sistrunk voted: Yea
Alderman Kyle Skinner voted: Yea
Alderman Mike Brooks voted: Yea
Alderman William Pochop voted: Yea
Alderman Roy A'. Perkins voted: Yea
Alderman Henry N. Vaughn, Sr. voted: Yea

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried, and the resolution adopted on this day, July 15, 2025.

City of Starkville, Mississippi
/s/ D. Lynn Spruill, Mayor
/s/ Lesa D. Hardin, City Clerk

Publication Instructions:
Starkville Daily News
July 22, 2025; July 29, 2025; and August 5, 2025

11. CONSIDERATION OF APPROVING TASK ORDER NO. 2 IN AN HOURLY, NOT-TO-EXCEED AMOUNT OF $40,000.00 FOR NEEL-SCHAFFER, INC. TO PROVIDE TOPOGRAPHIC SURVEYING, HYDRAULIC AND HYDROLOGIC ANALYSIS AND DESIGN, AND PRELIMINARY STRUCTURAL DESIGN SERVICES FOR THE OLD WEST POINT ROAD BRIDGE REPLACEMENT PROJECT.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of Task Order No. 2 in an hourly, not-to-exceed amount of $40,000.00 for Neel-Schaffer, Inc. to provide topographic surveying, hydraulic and hydrologic analysis and design, and preliminary structural design services for the Old West Point Road Bridge Replacement Project" is enumerated, this consent item is thereby approved. The task order follows this page.

12. CONSIDERATION OF APPROVING AN INDEMNITY AGREEMENT FOR NONSTANDARD RIGHT-OF-WAY IMPROVEMENTS AT 202 E GILLESPIE STREET BETWEEN THE CITY AND PURE WATER RIDGE, LLC, AS REVIEWED AND APPROVED BY THE CITY ATTORNEY.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of an Indemnity Agreement for Nonstandard Right-of-Way Improvements at 202 E Gillespie Street between the City and Pure Water Ridge, LLC, as reviewed and approved by the City Attorney" is enumerated, this consent item is thereby approved. The property owner has requested to construct and maintain nonstandard drainage improvements within the City's right-of-way. Because this work deviates from City standards, an agreement has been drafted and reviewed by the City Attorney to formally authorize the encroachment. The agreement specifies that the property owner is responsible for the construction, maintenance, and repair of the improvements, and requires the owner to hold the City harmless from any liability or claims associated with the work. It also preserves the City's right to require removal or modification in the future if necessary. This agreement follows the task order in item 11.

13. CONSIDERATION OF THE ACCEPTANCE OF THE FISCAL YEAR 9-30-2024 AUDIT OF THE CITY OF STARKVILLE AS PREPARED BY WATKINS, WARD & STAFFORD, CPAS, PLLC.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "acceptance of the fiscal year 9-30-2024 audit of the City of Starkville as prepared by Watkins, Ward & Stafford, CPAS, PLLC" is enumerated, this consent item is thereby approved. The audit may be found on the City website.

15. CONSIDERATION OF THE APPROVAL OF THE ENGAGEMENT OF WATKINS, WARD & STAFFORD, PLLC FOR THE FISCAL YEAR 2025 AUDIT FOR THE CITY OF STARKVILLE, STARKVILLE WATER / WASTEWATER AND STARKVILLE ELECTRIC.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of the engagement of Watkins, Ward & Stafford, PLLC for the Fiscal Year 2025 audits for the City of Starkville, Starkville Water / Wastewater and Starkville Utilities" is enumerated, this consent item is thereby approved. The contracts follow the item 12 agreement.

16. CONSIDERATION OF DISCIPLINARY ACTION RECOMMENDED BY SANITATION AND ENVIRONMENTAL SERVICES DIRECTOR CHRIS SMILEY AS A RESULT OF I.A.# 08112025 FOR A SANITATION AND ENVIRONMENTAL SERVICES EMPLOYEE.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of disciplinary action recommended by Sanitation and Environmental Services Director Chris Smiley as a result of I.A.# 08112025 for a Sanitation and Environmental Services employee" is enumerated, this consent item is thereby approved.

NEEL-SCHAFFER

August 25, 2025

City of Starkville
ATTN: Mayor Lynn Spruill
110 West Main Street
Starkville, MS 39759

RE: STARKVILLE MASTER SERVICES AGREEMENT – TASK ORDER #3
OLD WEST POINT ROAD BRIDGE REPLACEMENT PRELIMINARY DESIGN

Dear Mayor Spruill:

Neel-Schaffer, Inc. (NSI) is pleased to offer professional services as defined in Exhibit A, Scope of Services, for the above-referenced project. NSI proposes to perform these services for the following hourly, not-to-exceed fees:

Topographic Survey = $4,000
Hydrologic and Hydraulic Analysis/Design = $21,000
Preliminary Structural Design (30%) = $15,000
Total Not-To-Exceed Fee = $40,000

All services proposed herein will be performed in accordance with the Master Services Agreement for Engineering and Professional Services dated December 18, 2024, between the City of Starkville and Neel-Schaffer, Inc. A copy of the executed agreement is attached for reference.

NSI will bill you monthly based on the amount of work completed, and upon receipt of your acceptance, we will proceed with the services. This Task Order and the exhibits may only be modified or amended by a duly executed written document.

If the terms of this Agreement are acceptable, please execute the original and return a copy to us. We appreciate the opportunity to provide services to you and look forward to working with you.

Sincerely,

NEEL-SCHAFFER, INC.

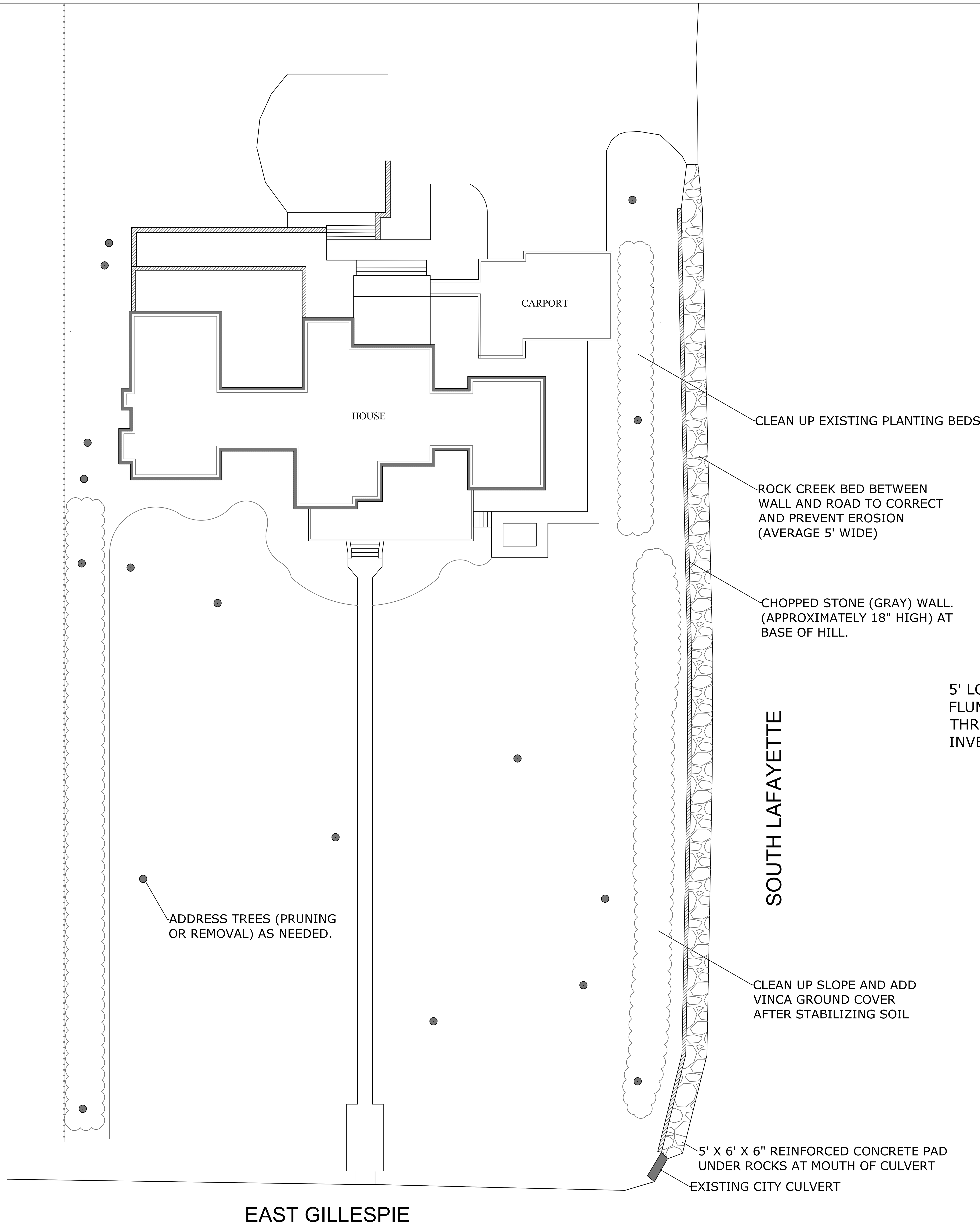
William Sanford, P.E.
Engineer Manager

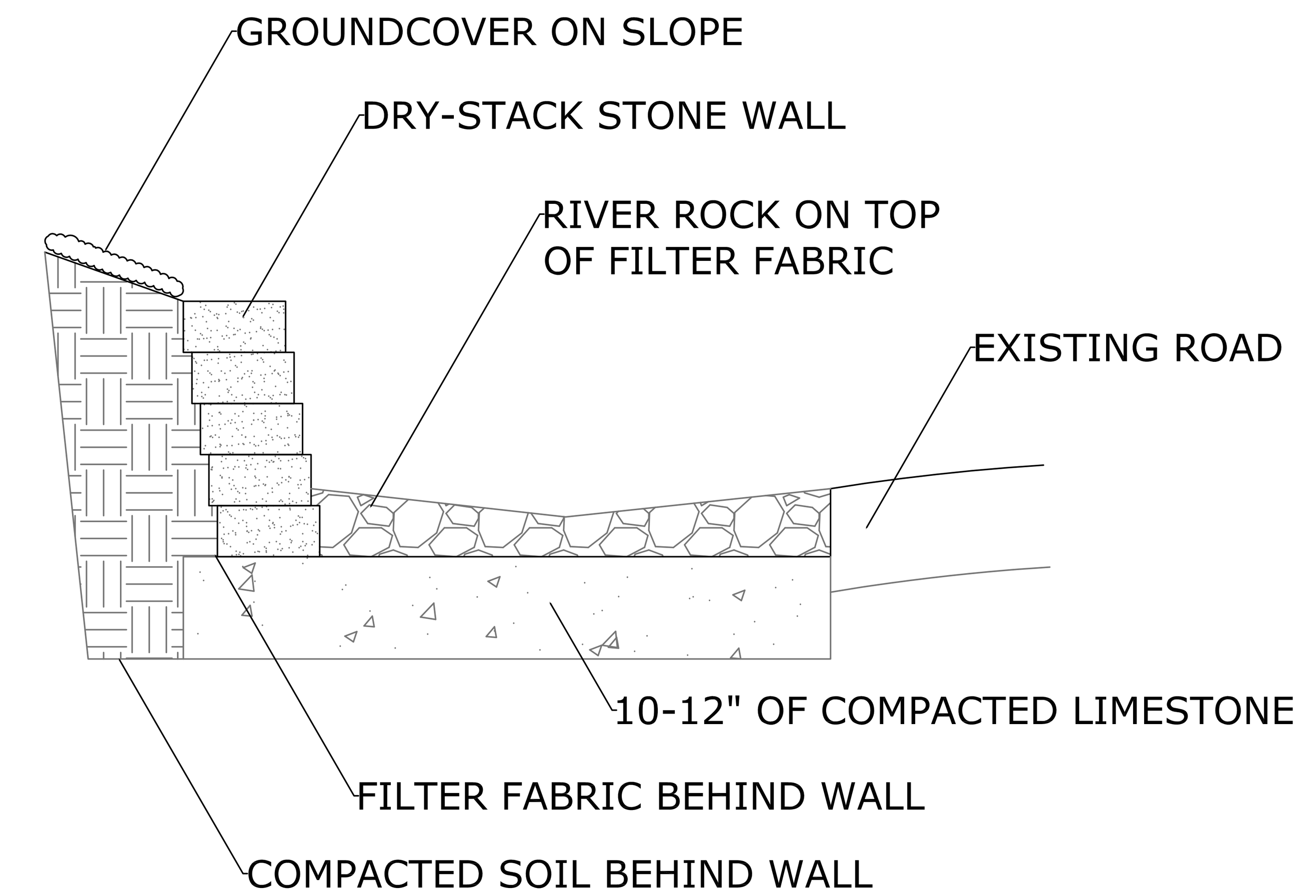
ACCEPTED: CITY OF STARKVILLE

BY: ______________________ **DATE:** 9-2-25

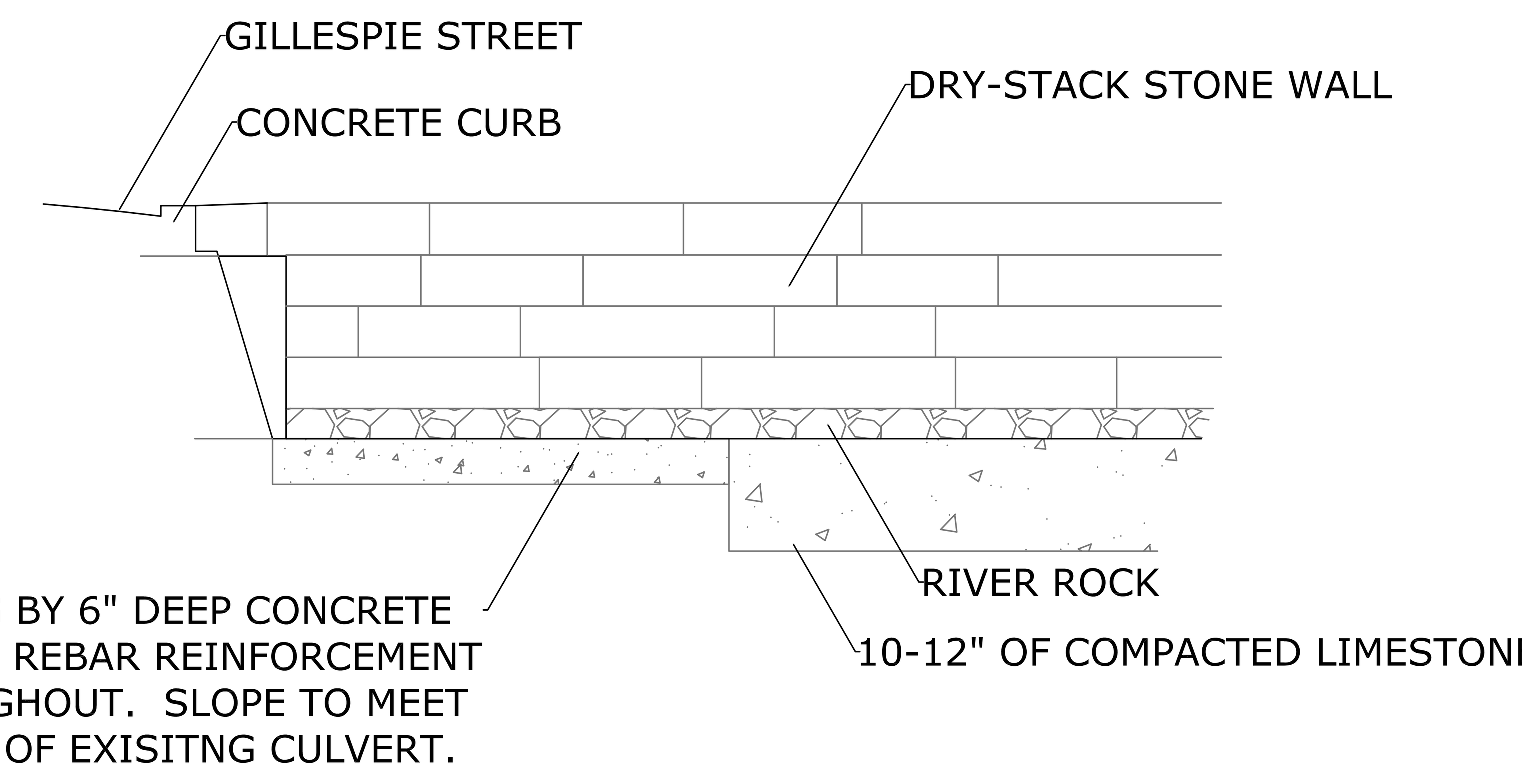
engineers | planners | surveyors | environmental scientists | landscape architects

P: 662.268.7966 | F: 662.268.7961
1115 Stark Road
Starkville, MS 39760
www.neel-schaffer.com



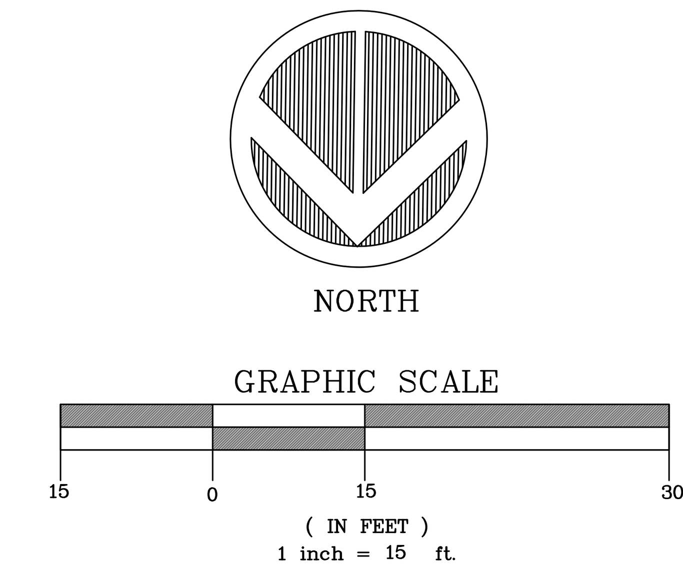


SECTION OF WALL AND ROCK BED



SECTION OF ROCK BED AND CONCRETE AT CULVERT

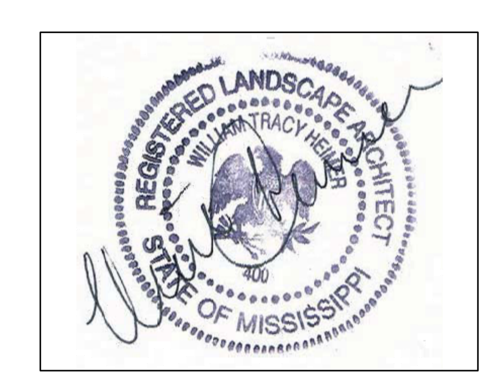
202 EAST GILLESPIE



PLANS DRAWN BY:
WILLIAM HEIMER, LANDSCAPE ARCHITECT
MISSISSIPPI LIC #400

OWNER'S INFORMATION:
MR. FRANC LEE
ceo@towerloan.com

BUILDER INFO:
BRYAN HARRELL
HARRELL CONSTRUCTION
662-295-2363



JOB: LEE
ADDRESS: 202 EAST GILLESPIE STARKVILL, MS
DRAWN:
CHECKED:

BILL HEIMER DESIGNS
PO BOX 4236
BRANDON, MS 39047
601-503-4011
bheimer@att.net

CONCEPTUAL PLANS FOR:
LEE RESIDENCE
202 EAST GILLESPIE STREET - STARKVILLE, MS

Bill Heimer DESIGNS

SHEET: 1 OF 1
SCALE: 1"=15'
DATE: 7.23.25
SHEET TITLE: CONCEPTUAL PLAN

INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT (the "Agreement") made as of this ________ day of ________________, ________ (the "Execution Date"),

BETWEEN:

Pure Water Ridge, LLC
406 Liberty Park Ct, Flowood, MS 39232, USA
(the "Indemnifier")

OF THE FIRST PART

and

City of Starkville, Mississippi and its Board of Alderman
110 W Main St, Starkville, MS 39759, USA
(the "Indemnitee")

OF THE SECOND PART

BACKGROUND:

1. The Indemnitee desires protection against any liability, claim, suit, action, loss, or damage that may result from the Indemnifier's renovations and or modifications to any part of the Indemnitee's existing right-of-way located on or about 202 East Gillespie Street, Starkville, MS 39759.

2. The Indemnifier is the owner of that real property currently referred to as 202 East Gillespie Street, Starkville, MS 39759. The Indemnifier desires to make notable improvements to the property and its forefront including custom drainage, landscape and other structural and aesthetic improvements. Part of the Indemnifier's property is actively and naturally eroding into the Indemnitee's existing right-of-way. The Indemnifier's proposed modification to the Indemnitee's right-of-way is to construct visually appealing modes of erosion control, to the benefit of both parties. The Indemnifier wishes to minimize and or absolve any hardship the Indemnitee might suffer as the result of any liability, claim, suit, action, loss, or damage that may result from the Indemnifier's modification of Indemnitee's right-of-way.

IN CONSIDERATION and as a condition of the Indemnifier and the Indemnitee entering into this Agreement and other valuable consideration, the receipt and sufficiency of which consideration is acknowledged, the Indemnifier and the Indemnitee agree as follows:

<u>Definitions</u>

The following definitions apply in the Agreement:

a. "Indemnifier" means Pure Water Ridge, LLC, and any of its contractors, subcontractors, employees, assigns, or other persons hired to perform construction related to the proposed landscaping renovation and irrigation retaining wall on or near the City of Starkville's right of way and or public easement located on or about 202 East Gillespie Street, Starkville, MS 39759.

b. "Expenses" means all costs incurred in the defense of any claim or action brought against the Indemnitee including lawyers' fees.

c. "Notice of Claim" means a notice that has been provided by the Indemnitee to the Indemnifier describing a claim or action that has or is being brought against the Indemnitee by a Third Party.

d. "Notice of Indemnity" means a notice that has been provided by the Indemnitee to the Indemnifier describing an amount owing under this Agreement by the Indemnifier to the Indemnitee.

e. "Parties" means both the Indemnitee and the Indemnifier.

f. "Party" means either the Indemnitee or the Indemnifier.

g. "Third Party" means any person other than the Indemnifier and the Indemnitee.

Indemnification

1. The Indemnifier will hold harmless and indemnify the Indemnitee against any and all claims and actions arising out of the participation of the Indemnitee in the Indemnifier, including, without limitation, Expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any liability, suit, action, loss, or damage arising or resulting from the Indemnitee's participation in the Indemnifier, subject to the limits on indemnification described in the section titled Exceptions to Indemnification. Where prohibited by law, the above indemnification does not include indemnification of the Indemnitee against a claim caused by the negligence or fault of the Indemnitee, its agent or employee, or any third party under the control or supervision of the Indemnitee, other than the Indemnifier or its agent, employee or subcontractor.

2. In the case of a criminal proceeding, the Indemnitee will not be indemnified by the Indemnifier.

3. Indemnifier agrees to incur all costs related to the proposed improvements to Indemnitee's right-of-way and agrees to upkeep and maintain any modified portion of Indemnitee's right-of-way at its own expense, regardless of whether such expense is a result of routine city work and or maintenance by Indemnitee. Indemnifier agrees to hold harmless and indemnify Indemnitee from any damages, claims or other actions arising from Indemnitee's city approved modifications or removals of Indemnifier's custom modifications to the subject right-of-way during Indemnitee's city ordered and or approved work to the roadway, water, sewer, electric, drainage.

4. The Indemnifier agrees to record this Indemnification Agreement in the records of the Chancery Clerk of Oktibbeha County, Mississippi, at no cost to the Indemnitee.

5. The Indemnifier shall hold this agreement binding upon any third party which the Indemnifier might hereafter transfer the subject property to, by sale, gift or otherwise, by virtue of a Special Warranty Deed specifically, granted stating: "*This Special Warranty deed is subject to that Indemnification Agreement between the Grantor herein, and the City of Starkville, Mississippi and its Board of Alderman, dated _____, and recorded in the records of the Chancery Clerk of Oktibbeha County, Mississippi, in Deed Book ___ at Page _____.*"

Exceptions to Indemnification

6. The Indemnitee will not be entitled to indemnification from the Indemnifier for any Expenses, judgments, fines, settlements and other amounts incurred as the result of the Indemnitee's participation in the Indemnifier where:

    a. in the case of a civil claim, the Indemnitee did not act in good faith and in a reasonable manner;

    b. the actions or conduct of the Indemnitee constituted willful misconduct or was knowingly fraudulent or deliberately dishonest;

    c. the Indemnitee will or has received payment under a valid and collectible insurance policy or under a valid and enforceable indemnity clause, bylaw or agreement, except where payment under this insurance policy, clause, bylaw or agreement is not sufficient to fully indemnify the Indemnitee in which case the Indemnifier will be responsible for any shortfall in payment received; or

    d. an action or proceeding was initiated in whole or in part by the Indemnitee whether alone or along with one or more other claimants unless the action or proceeding has the written consent of the Indemnifier.

Notice of Claim

7. In the event of any claim or action, the Indemnitee will promptly provide the Indemnifier with written notice of the claim or action and will notify the Indemnifier within five business days of the commencement of any legal proceedings relating to the claim or action. The Indemnitee will provide the Indemnifier with all available information known to the Indemnitee relating to the claim or action.

Authorization of Indemnification

8. In any case where the Indemnitee requires indemnification, the Indemnifier will make the determination of whether indemnification is appropriate having given consideration to the terms described in the Exceptions to Indemnification section. If the Indemnitee disagrees with the determination of the Indemnifier then the matter must be referred for review and determination to independent legal counsel reasonably satisfactory to the Indemnitee. In all cases the Indemnifier will bear all costs of any independent determination.

9. The Indemnifier will bear the burden of proving that indemnification is not appropriate.

10. The termination of any claim or action by judgment, order, settlement, conviction or upon an admission of guilt or its equivalent will not, of itself, create a presumption that the person did not act in good faith and in a reasonable manner.

Assumption of Defense

11. On being notified of any impending action or claim, the Indemnifier may, at its own Expense, participate in the defense of any action or claim and may, alone or with any other indemnifying party, assume the defense against the action or claim using counsel that are reasonably satisfactory to the Indemnitee.

12. Once the Indemnifier has notified the Indemnitee of the intention to assume the defense, the Indemnifier will no longer be liable to the Indemnitee for any further Expenses subsequently incurred by the Indemnitee in relation to the defense of the claim. Once the Indemnifier provides notice to the Indemnitee that the defense of claim has been assumed by the Indemnifier, the Indemnitee may employ or continue to employ its own legal counsel however any fees or Expenses incurred by the Indemnitee subsequent to the notice of assumption of defense by the Indemnifier will be the sole responsibility of the Indemnitee.

Failure to Defend

13. If the Indemnifier elects not to assume the defense against the claim or action then the Indemnitee may defend against the claim or action in any manner the Indemnitee deems appropriate. The Indemnifier will promptly reimburse the Indemnitee for Expenses,

judgments, fines, settlements and any other amounts actually and reasonably incurred in connection with the defense of the claim or action subject to the limits on indemnification described in the section titled Exceptions to Indemnification.

Settlement and Consent of Indemnifier

14. The Indemnitee will not settle any claim or action without first obtaining the written consent of the Indemnifier. The Indemnifier will not be liable for any amounts paid in settlement of any claim or action where written consent of the Indemnifier was not first obtained. The Indemnifier will not unreasonably withhold consent to any settlement.

Settlement and Consent of Indemnitee

15. The Indemnifier will not settle any claim or action without first obtaining the written consent of the Indemnitee. The Indemnitee will not unreasonably withhold consent to any settlement.

Cooperation

16. The Indemnifier agrees to cooperate in good faith and use best efforts to ensure that the Indemnitee is indemnified and reimbursed for any and all Expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with the defense of any claim or action resulting from the participation of the Indemnitee in the Indemnifier.

17. The Indemnitee agrees to cooperate in good faith and provide any and all information within the Indemnitee's power as required for the defense of any claim or action and also to provide any and all information within the Indemnitee's power as required to help in a determination of indemnification as described under the Authorization of Indemnification section.

Expenses

18. No costs, charges or Expenses for which indemnity will be sought under this Agreement may be incurred without the Indemnifier's written consent. Any required consent must not be unreasonably withheld.

19. All reasonable Expenses incurred by the Indemnitee to enforce this Agreement, and all costs of defending any Third Party claims or actions brought against the Indemnitee under this Agreement will be the sole responsibility of the Indemnifier subject to the limits on indemnification described in the section titled Exceptions to Indemnification.

Advances of Expenses

20. At the written request of the Indemnitee, the Indemnifier will advance to the Indemnitee any Expenses, including lawyers' fees, incurred by the Indemnitee in defending any action brought against the Indemnitee. Where reasonable, and to minimize hardship to the Indemnitee, advance payments may be made prior to the disposition of any claim.

21. The Indemnitee agrees to repay to the Indemnifier any advance payments of Expenses where a determination is ultimately made that the Indemnitee is not entitled to indemnification for reasons described under the Indemnification and the Exceptions to Indemnification sections.

Payment

22. All payments made by the Indemnifier to the Indemnitee will be made in full in immediately available funds within sixty days of receipt of Notice of Indemnity from the Indemnitee and without deduction for any counterclaim, defense, recoupment, or set-off.

23. Any Notice of Indemnity sent by the Indemnitee to the Indemnifier must be made in writing and contain a full listing of the items to be covered in the payment. Any payment made by the Indemnifier to the Indemnitee will contain a listing of items covered under the payment.

Enforcement

24. If any right or remedy claimed by the Indemnitee under this Agreement is denied or is not paid by the Indemnifier, or on its behalf, within sixty days after a written Notice of Indemnity has been submitted by the Indemnitee to the Indemnifier, the Indemnitee may then bring suit against the Indemnifier to recover any unpaid amounts and if successful in

whole or in part, the Indemnitee will be entitled to be paid any and all costs related to resolving the claim, including attorney fees incurred by Indemnitee.

25. Where a determination as described under Authorization of Indemnification concludes that the Indemnitee's behavior is not entitled to indemnification, this will not create a presumption that the Indemnitee is not entitled to indemnification under this Agreement.

Insurance

26. The Indemnifier, at its sole discretion, will make the good faith determination whether or not it is reasonable for the Indemnifier to obtain liability insurance against its potential liability in protecting the Indemnitee under this Agreement. The Indemnifier will select an insurer with a reliable reputation and, among other considerations, will weigh the costs of obtaining this insurance coverage against the protection afforded by this coverage.

Duration

27. The rights and obligations of the Indemnitee and the Indemnifier under this Agreement will continue:

    a. so long as the Indemnitee is or will be subject to any possible claim or threatened, pending or completed action, suit or proceeding, whether civil, arbitrational, administrative or investigative that results from the participation of the Indemnitee in the Indemnifier; or

    b. until terminated by an agreement in writing signed by both the Indemnifier and the Indemnitee.

Unlimited Indemnification

28. Under this Agreement, indemnification will be unlimited.

Full Release

29. Only payment and satisfaction in full of all amounts and charges payable under this Agreement and the due performance and observance of all terms, covenants and

conditions of this Agreement will release the Indemnifier and the Indemnitee of their obligations under this Agreement.

Further Action

30. No action or proceeding brought or instituted under this Agreement and no recovery from that action or proceeding will be a bar or defense to any further action or proceeding which may be brought under this Agreement by reason of any further failure in the performance and observance of the terms, covenants and conditions of this Agreement.

Subrogation

31. In the event that any indemnity payment is made under this Agreement, the Indemnifier will be subrogated to the extent of this payment to all of the rights of recovery of the Indemnitee. The Indemnitee will take all action required and provide all information necessary to secure these rights and to fully enable the Indemnifier to take any action to enforce these rights in the recovery of the indemnity payment.

Amendments

32. This Agreement may only be amended, terminated or cancelled by an instrument in writing, signed by both the Indemnifier and the Indemnitee.

Assignment of Indemnifier Rights and Obligations

33. The rights and obligations of the Indemnifier as existing under this Agreement may not be assigned, in whole or in part, without the prior written consent of the Indemnitee.

Assignment of Indemnitee Rights and Obligations

34. The rights and obligations of the Indemnitee as existing under this Agreement may not be assigned, either in whole or in part, without the prior written consent of the Indemnifier.

Notices

35. Any notices or deliveries required in the performance of this Agreement will be deemed completed when hand-delivered, delivered by agent, or seven days after being placed in the post, postage prepaid, to the Parties to this Agreement at the addresses contained in this Agreement or as the Parties may later designate in writing.

Governing Law

36. This Agreement will be governed by and construed in accordance with the laws of the State of Mississippi.

Jurisdiction

37. The courts of the Oktibbeha County and the State of Mississippi are to have jurisdiction to decide and settle any dispute or claim arising out of or in connection with this Agreement.

General Provisions

38. This Agreement contains all terms and conditions agreed to by the Indemnifier and the Indemnitee. Statements or representations which may have been made by either Party in the negotiation stages of this Agreement may in some way be inconsistent with this final written Agreement. All such statements are declared to be of no value to either Party. Only the written terms of this Agreement will bind the Parties
.

39. Any failure of either Party to enforce any of the terms, covenants and conditions in this Agreement does not infer or permit a further waiver of that or any other right or benefit under this Agreement. A waiver by one Party of any right or benefit provided in this Agreement does not infer or permit a further waiver of that right or benefit, nor does it infer or permit a waiver of any other right or benefit provided in this Agreement.

40. This Agreement will pass to the benefit of and be binding upon the Parties' respective heirs, executors, administrators, successors, and permitted assigns.

41. The clauses, paragraphs, and subparagraphs contained in this Agreement are intended to be read and construed independently of each other. If any part of this Agreement is held

to be invalid, this invalidity will not affect the operation of any other part of this Agreement.

42. All of the rights, remedies and benefits provided in this Agreement will be cumulative and will not be exclusive of any other such rights, remedies and benefits allowed by law or equity that the Parties may have now or may acquire in the future.

43. Time is of the essence in this Agreement.

44. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will be deemed to be one and the same instrument.

45. Headings are inserted for the convenience of the Parties only and will not be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine gender include the feminine gender and vice versa. Words in the neuter gender include the masculine gender and the feminine gender and vice versa.

IN WITNESS WHEREOF the Indemnitee and the Indemnifier have duly affixed their signatures under hand and seal on this ________ day of August, 2025.

Pure Water Ridge, LLC (Indemnifier)

____

Francis Lee,
Manager

City of Starkville, Mississippi and
Its Board of Alderman (Indemnitee)

____

Lynn Spruill, 9-2-25
Mayor

WATKINS, WARD and STAFFORD
Professional Limited Liability Company
Certified Public Accountants

561 Commerce St. P.O. Box 1216 West Point, MS 39773
Phone (662) 494-5732 Fax (662) 495-1890

August 25, 2025

To the Board of Aldermen and Edward Kemp, General Manager

Starkville Utilities
200 North Lafayette Street
Starkville, Mississippi 39759

We are pleased to confirm our understanding of the services we are to provide the Electric Department of the City of Starkville, Mississippi (the "Electric Department") for the year ended September 30, 2025.

Audit Scope and Objectives

We will audit the financial statements of the Electric Department as of and for the year ended September 30, 2025. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Electric Department's financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Electric Department's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis
2) Schedule of the Electric Department's Proportionate Share of the Net Pension Liability
3) Schedule of Electric Department Contributions

We have also been engaged to report on supplementary information other than RSI that accompanies the Electric Department's financial statements. We will subject the following supplementary information to the auditing procedures applied in our 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 GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditors' report on the financial statements:

1) Analysis of Utility Plant and Accumulated Depreciation
2) Detailed Comparative Statements of Income

In connection with our audit of the financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

1) List of Governing Officials

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditors' Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of the Electric Department and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risks of material misstatement as part of our audit planning: management override of controls, errors in reconciling the bank accounts, errors in the physical inventory process, capital assets not properly authorized and/or depreciated, payables and/or accruals not properly recorded, improper revenue recognition due to fraud, disbursements not properly recorded and/or authorized, and employees paid at incorrect rates and/or for incorrect hours.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Electric Department's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Other Services

We will also assist in preparing the financial statements and related notes of the Electric Department in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Electric Department; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Watkins, Ward and Stafford, PLLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Tennessee Valley Authority or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Watkins, Ward and Stafford, PLLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Tennessee Valley Authority. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Harry W. Stevens, CPA, is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, confirmation service provider fees, etc.). Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoice for this fee is payable on presentation.

Reporting

We will issue a written report upon completion of our audit of the Electric Department's financial statements. Our report will be addressed to the board of aldermen and mayor of the City of Starkville, Mississippi. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Electric Department is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to the Electric Department and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Sincerely,

WATKINS, WARD AND STAFFORD, PLLC

Harry W. Stevens, CPA

RESPONSE:

This letter correctly sets forth the understanding of the Electric Department of the City of Starkville, Mississippi.

Management's signature: ______________________

Title: Edward Kemp General Manager

Governance signature: ______________________

Title: Mayor

WWS

WATKINS, WARD and STAFFORD
Professional Limited Liability Company
Certified Public Accountants

One Professional Plaza
P.O. Box 1345
Phone (662) 323-9071

Starkville, MS 39759
Starkville, MS 39760
Fax (662) 323-9075

James L Stafford, CPA
Harry W. Stevens, CPA
S. Keith Winfield, CPA
William B. Staggers, CPA
Michael W. McCully, CPA
R. Steve Sinclair, CPA
Marsha L. McDonald, CPA
Wanda S. Holley, CPA
Robin Y. McCormick, CPA/PFS
J. Randy Scrivner, CPA
Kimberly S. Caskey, CPA
Susan M. Lummus, CPA
Stephen D. Flake, CPA
John N. Russell, CPA
Anita L. Goodrum, CPA
Ricky D. Allen, CPA
Jason D. Brooks, CPA
Robert E. Cordle, Jr., CPA
Perry C. Rackley, Jr., CPA
Jerry L. Gammel, CPA
Clifford P. Stewart, CPA
Edward A. Maxwell, CPA
Bradley L. Harrison, CPA
Justin H. Keller, CPA
Dana R. Estes, CPA
April W. Posey, CPA
Lauren M. Bowen, CPA

August 25, 2025

To the Honorable Mayor and Board of Aldermen
City of Starkville
Starkville, Mississippi 39759

We are pleased to confirm our understanding of the services we are to provide for the City of Starkville for the year ended September 30, 2025.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of the City of Starkville as of and for the year ended September 30, 2025. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Starkville's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City of Starkville's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.
2) Statement of Revenues, Expenditures, and Changes in Fund Balance- Budget and Actual
3) The City's proportionate share of the net pension liability and contributions (excluding Starkville Electric Department).
4) Starkville Electric Department's proportionate share of the net pension liability and contributions.

We have also been engaged to report on supplementary information other than RSI that accompanies the City of Starkville's financial statements. We will subject the following supplementary information to the auditing procedures applied in our 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 GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditors' report on the financial statements:

1) Schedule of Expenditures of Federal Awards
2) Notes to Schedule of Expenditures of Federal Awards
3) Schedule of Surety Bonds for Municipal Officials
4) Schedule of Bonded Indebtedness
5) Schedule of Long-Term Notes

6) General Fund Combining Balance Sheet by Activity

7) General Fund Combining Statement of Revenues, Expenditures, and Changes in Fund Balance by Activity

8) Balance Sheet- Non-major Governmental Funds

9) Statement of Revenues, Expenditures, and Changes in Fund Balances- Non-major Governmental Funds

10) Statement of Net Position- Non-major Enterprise Funds

11) Statement of Revenues, Expenditures, and Changes in Fund Net Position- Non-major Enterprise Funds

12) Statement of Cash Flows- Non-major Enterprise Funds

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditors' report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists.

Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditors' Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Improper revenue recognition due to fraud
- Management override of controls
- Misappropriation of assets

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards.*

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Starkville's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards.*

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City of Starkville's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the City of Starkville's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the City of Starkville in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Confidentiality and Use of Third-Party Service Providers

We may from time to time, and depending on the circumstances, use certain third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the mayor and board of aldermen; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Watkins, Ward and Stafford, PLLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Watkins, Ward and Stafford, PLLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Cognizant Agency, Oversight Agency for Audit, or Pass-through Entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Jerry R. (Randy) Scrivner, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately October 27, 2025.

If the data as requested by us is provided in full and the audit commences upon completion of such provision, we will agree to a penalty of 10% of the contract price for every month that the delivery date of the audit report extends beyond June 30, 2026.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, confirmation service provider fees, etc.) except that we agree that our gross fee, including expenses, will not exceed $76,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account is not paid within the time required by Miss Code Section 31-7-301, et sequential, and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly.

Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Mayor and Board of Aldermen of the City of Starkville. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to the City of Starkville and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

Watkins, Ward and Stafford, PLLC

Randy Scrivner CPA

Jerry R. (Randy) Scrivner, CPA

RESPONSE:

This letter correctly sets forth the understanding of the City of Starkville.

Management signature: Lesa Hardin
Title: City Clerk/CFO
Date: 9-2-25

Governance signature:
Title: Mayor
Date: 9-2-25

WWS

WATKINS, WARD and STAFFORD
Professional Limited Liability Company
Certified Public Accountants

One Professional Plaza
P.O. Box 1345
Phone (662) 323-9071

Starkville, MS 39759
Starkville, MS 39760
Fax (662) 323-9075

James L Stafford, CPA
Harry W. Stevens, CPA
S. Keith Winfield, CPA
William B. Staggers, CPA
Michael W. McCully, CPA
R. Steve Sinclair, CPA
Marsha L. McDonald, CPA
Wanda S. Holley, CPA
Robin Y. McCormick, CPA/PFS
J. Randy Scrivner, CPA
Kimberly S. Caskey, CPA
Susan M. Lummus, CPA
Stephen D. Flake, CPA
John N. Russell, CPA

Anita L. Goodrum, CPA
Ricky D. Allen, CPA
Jason D. Brooks, CPA
Robert E. Cordle, Jr., CP/
Perry C. Rackley, Jr., CP/
Jerry L. Gammel, CPA
Clifford P. Stewart, CPA
Edward A. Maxwell, CPA
Bradley L. Harrison, CPA
Justin H. Keller, CPA
Dana R. Estes, CPA
April W. Posey, CPA
Lauren M. Bowen, CPA

August 25, 2025

To the Honorable Mayor and Board of Aldermen
Starkville Water Department
Starkville, Mississippi 39759

We are pleased to confirm our understanding of the services we are to provide for Starkville Water Department for the year ended September 30, 2025.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of the Starkville Water Department as of and for the year ended September 30, 2025. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Starkville Water Department's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Starkville Water Department's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.
2) Statement of Revenues, Expenditures, and Changes in Fund Balance- Budget and Actual
3) The City's proportionate share of the net pension liability and contributions (excluding Starkville Electric Department).
4) Starkville Electric Department's proportionate share of the net pension liability and contributions.

We have also been engaged to report on supplementary information other than RSI that accompanies the Starkville Water Department's financial statements. We will subject the following supplementary information to the auditing procedures applied in our 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 GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditors' report on the financial statements:

1) Schedule of expenditures of Federal Awards
2) Notes to Schedule of Expenditures of Federal Awards
3) Schedule of Surety Bonds for Municipal Officials
4) Schedule of Bonded Indebtedness
5) Schedule of Long-Term Notes

6) General Fund Combining Balance Sheet by Activity

7) General Fund Combining Statement of Revenues, Expenditures, and Changes in Fund Balance by Activity

8) Balance Sheet- Non-major Governmental Funds

9) Statement of Revenues, Expenditures, and Changes in Fund Balances- Non-major Governmental Funds

10) Statement of Net Position- Non-major Enterprise Funds

11) Statement of Revenues, Expenditures, and Changes in Fund Net Position- Non-major Enterprise Funds

12) Statement of Cash Flows- Non-major Enterprise Funds

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditors' report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists.

Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditors' Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Improper revenue recognition due to fraud
- Management override of controls
- Misappropriation of assets

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Starkville Water Department's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Starkville Water Department's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the Starkville Water Department's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the Starkville Water Department in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Confidentiality and Use of Third-Party Service Providers

We may from time to time, and depending on the circumstances, use certain third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the mayor and board of aldermen; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Watkins, Ward and Stafford, PLLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Watkins, Ward and Stafford, PLLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Cognizant Agency, Oversight Agency for Audit, or Pass-through Entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Jerry R. (Randy) Scrivner, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately November 3, 2025.

If the data as requested by us is provided in full and the audit commences upon completion of such provision, we will agree to a penalty of 10% of the contract price for every month that the delivery date of the audit report extends beyond June 30, 2026.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, confirmation service provider fees, etc.) except that we agree that our gross fee, including expenses, will not exceed $15,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account is not paid within the time required by Miss Code Section 31-7-301, et sequential, and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly.

Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Mayor and Board of Aldermen of the City of Starkville. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to the Starkville Water Department and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

Watkins, Ward and Stafford, PLLC

CPA

Jerry R. (Randy) Scrivner, CPA

RESPONSE:

This letter correctly sets forth the understanding of the Starkville Water Department.

Management signature: Lesa Hardin
Title: City Clerk/CFO
Date: 9-2-25

Governance signature:
Title: Mayor
Date: 9-2-25

17. CONSIDERATION TO HIRE TRENTON EVANS AS A WATER TECHNICIAN FOR THE UTILITIES DEPARTMENT.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval to hire Trenton Evans as a Water Technician for the Utilities Department" is enumerated, this consent item is thereby approved.

18. CONSIDERATION TO HIRE KALIA UEHARA AS A COMMUNICATION AND OUTREACH INTERN FOR THE UTILITIES DEPARTMENT.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval to hire Kalia Uehara as a Communication and Outreach Intern for the Utilities Department" is enumerated, this consent item is thereby approved.

19. CONSIDERATION TO HIRE NATHANIEL HINTON AS A WATER DISTRIBUTION SUPERVISOR FOR THE UTILITIES DEPARTMENT.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval to hire Nathaniel Hinton as a Water Distribution Supervisor for the Utilities Department" is enumerated, this consent item is thereby approved.

20. CONSIDERATION TO HIRE WAYLON SLIDER AS A TEMPORARY FULL TIME METER TECHNICIAN FOR THE UTILITIES DEPARTMENT.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval to hire Waylon Slider as a Temporary Full-Time Meter Technician in the Utilities Department" is enumerated, this consent item is thereby approved.

21. CONSIDERATION TO HIRE TAMARIUS MILLER AS A STUDENT INTERN THROUGH THE WORK-STUDY PROGRAM WITH STARKVILLE OKTIBBEHA CONSOLIDATED SCHOOL DISTRICT FOR THE UTILITIES DEPARTMENT.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval to hire Tamarius Miller as a Student Intern through the work-study program with the Starkville Oktibbeha Consolidated School District for the Utilities Department" is enumerated, this consent item is thereby approved.

The Gateway Workforce Services Program provides funding for the first 100 hours at $8 per hour through the local Planning and Development District. Assuming the internship is productive and beneficial for both parties, it is recommended to retain the student for the remainder of the school year at the same pay rate as a Student Intern. After exhausting funds from the Planning and Development District, Tennessee Valley Authority Workforce Development funds will be used for the salary.

22. CONSIDERATION TO HIRE CASEY RAY AS A TEMPORARY PART TIME AIRCRAFT LINEMAN (FBO) FOR THE AIRPORT DEPARTMENT.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval to hire Casey Ray as a Temporary Part-Time Aircraft Lineman (FBO)" is enumerated, this consent item is thereby approved.

23. CONSIDERATION TO HIRE CAMERON BULLARD AS A FULL-TIME AIRCRAFT LINEMAN (FBO) IN THE STARKVILLE AIRPORT DEPARTMENT.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval to hire Cameron Bullard as a Full-Time Aircraft Lineman (FBO)" is enumerated, this consent item is thereby approved.

24. CONSIDERATION TO HIRE IAN CARMICHAEL AS A NON-CERTIFIED FIREFIGHTER FOR THE STARKVILLE FIRE DEPARTMENT.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval to hire Ian Carmichael as a Non-Certified Firefighter" is enumerated, this consent item is thereby approved.

25. CONSIDERATION UNDER MISSISSIPPI CODE ANNOTATED §21-19-11 (2) AND AS ADOPTED BY THE CITY OF STARKVILLE BOARD OF ALDERMEN, THE FOLLOWING PROPERTIES ARE FOUND IN VIOLATION OF SAID ORDINANCE AND ARE IN SUCH A STATE OF UNCLEANLINESS AS TO BE A MENACE TO THE PUBLIC HEALTH, SAFETY AND WELFARE OF THE COMMUNITY AND ARE THEREFORE PLACED ON THE PROPERTY MOWING LIST:

Upon the motion of Alderman Brooks, duly seconded by Alderman Pochop, and adopted by the Board to approve the August 19, 2025 Official Agenda, and to accept items for consent, whereby the "approval under Mississippi Code Annotated §21-19-11 (2) and as adopted by the City of Starkville Board of Aldermen, the following three properties are found in violation of said Ordinance and are in such a state of uncleanliness as to be a menace to the public health, safety and welfare of the community and are therefore placed on the property mowing list" is enumerated, this consent item is thereby approved: **200 CURTIS STREET, 207 CURTIS STREET and 512 INCA**

26. CONSIDERATION TO ACCEPT THE SOLE SOURCE QUOTE FROM WESCO/ANIXTER INC. FOR 24 A4 METERS IN THE AMOUNT OF $6,605.04 IN THAT THEY ARE THE SAME METERS CURRENTLY IN USE.

Upon the motion of Alderman Brooks, duly seconded by Alderman Skinner, and adopted by the Board to approve the September 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval the sole source quote from Wesco/Anixter Inc. for 24 A4 Meters in the amount of $6,605.04 in that they are the same meteres currently in use" is enumerated, this consent item is thereby approved.

ANNOUNCEMENTS AND COMMENTS:

MAYOR'S COMMENTS: Mayor Spruill introduced the following new Utilities employees: Justin Alford, Network Administrator, Jack Miles, Water Treatment Operator, and Rachel Cockroft, Exec Admin Assistant. The Mayor encouraged everyone to join the Partnership the next morning for "Get Swept Up".

BOARD OF ALDERMEN COMMENTS: None

CITIZEN COMMENTS:

Alvin Turner, Ward 7, asked that everyone remember the dilapidated buildings across from the Oktibbeha County Jail are a danger to citizens and they should stay away. Citizens need to be careful around construction and alert. Cassius Henderson, current MSU Student and former Penn State student, noted upon his return to Starkville that there was a noticeable increase in landscaping and city progress. He encouraged the City to continue the growth and work. He suggested additional trees, crosswalks, sidewalks, etc.

PUBLIC APPEARANCE: None

PUBLIC HEARINGS:

PUBLIC HEARING AND CONSIDERATION UNDER MISS. CODE ANN. § 21-19-11 TO DETERMINE WHETHER THE PROPERTY LOCATED AT 511 WHITFIELD ST., STARKVILLE, MS 39759, WITH PARCEL NUMBER 102B-00-148.00, IS IN SUCH A STATE OF UNCLEANLINESS AS TO BE A MENACE TO THE PUBLIC HEALTH, SAFETY, AND WELFARE OF THE COMMUNITY AND SUCH THAT CLEAN UP OF THE PROPERTY SHOULD OCCUR.

Code Enforcement Sgt Samantha Gilloen presented 511 Whitfield Street, Starkville, MS with parcel number 102B-00-148.00 for consideration under Miss. Code Ann § 21-19-11. Initial inspection was performed by Code Enforcement Sergeant Scotty Carrithers on August 1, 2025. This inspection provided evidence that the property contained conditions not suitable for public health and safety, such as the soffit on both the eastern and western side of the building were falling, and the north eastern wall was bowing outward. This is causing many issues for the neighboring properties, such as the appearance of the neighborhood and possibly providing a habitat for wildlife that can pose a threat to people living in the area, and the overall upkeep of the property being neglected.

A Notice of Violation was mailed to 511 WHITFIELD ST., on August 13, 2025. Notices of the Public Hearing were posted on the front entrance window at City Hall and on the property on August 19, 2025. A Notice of Public Hearing was mailed on August 19, 2025, to the property tax payer/owner, CYPRESS PROPERTY SERVICES LLC. Tax payer/owner information was obtained through the Oktibbeha County Chancery Court. An Administrative Inspection Warrant was served on August 21, 2025, at approximately 0825 hours. The warrant was served by Sergeant Gillen, Lieutenant Carrithers, and Building Official Stein McMullen. Photographs were taken of the property, to include the exterior and interior of the house. During the execution of the inspection the property owners were on location, and stated they would be talking with the planning department for guidance.

Mayor Spruill opened the Public Hearing. There being no comments, the Mayor closed the Public Hearing.

City Building Official Stein McMullen addressed the Mayor and Board and noted that the structure had been removed as the start of the Board meeting.

27. CONSIDERATION TO DETERMINE THE PROPERTY, LOCATED AT 511 WHITFIELD ST., STARKVILLE, MS 39759, WITH PARCEL NUMBER 102B-00-148.00, IS A MENACE TO THE PUBLIC HEALTH, SAFETY, AND WELFARE OF THE COMMUNITY AND WILL BE SUBJECT TO CLEAN UP UNDER MISS. CODE ANN. § 21-19-11, THUS ALLOWING THE CITY OF STARKVILLE TO CLEAN THE SITE.

Alderman Sistrunk, duly seconded by Alderman Moreland, offered a motion for the City of Starkville to determine the property, located at 511 Whitefield Street., Starkville, MS 39759, with parcel number 102B-00-148.00, is a menace to the public health, safety, and welfare of the community and will be subject to clean up under Miss. Code Ann. § 21-19-11, thus allowing the City of Starkville to clean the site. The Board voted as follows:

Alderman Kim Moreland	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman Kyle Skinner	Voted: Yea
Alderman Mike Brooks	Voted: Yea
Alderman William Pochop	Voted: Yea
Alderman Roy A'. Perkins	Voted: Yea
Alderman Henry Vaughn, Sr.	Voted: Yea

Having received a majority affirmative vote, Mayor Spruill declared the motion passed.

Oktibbeha County Mississippi

Delta Computer Systems, Inc.

Property Link

OKTIBBEHA COUNTY, MS

Current Date **8/18/2025**

Tax Year 2024
Records Last Updated **8/17/2025**

PROPERTY DETAIL			
OWNER	CYPRESS PROPERTY SERVICES LLC	**ACRES :**	****NA****
	96 CYPRESS ESTATE CIRCLE	**LAND VALUE :**	35000
		IMPROVEMENTS :	46820
	PICKENSVILLE AL 35447	**TOTAL VALUE:**	81820
		ASSESSED :	12273
PARCEL	102B-00-148.00		
ADDRESS	511 WHITFIELD		

TAX INFORMATION

YEAR 2024	TAX DUE	PAID	BALANCE
COUNTY	676.37	676.37	0.00
CITY	392.74	392.74	0.00
SCHOOL	809.90	809.90	0.00
TOTAL	1879.01	1879.01	0.00

A Print Fee May Apply, Contact County For Total.

LAST PAYMENT DATE 1 / 13 / 2025

MISCELLANEOUS INFORMATION			
EXEMPT CODE		**LEGAL**	PT LOT 3 BLK C
HOMESTEAD CODE	None		614/615 2019/3912
TAX DISTRICT	1110		MAP 102B DB/PG 509/345 726/485
PPIN	014785		B 2019 P 3912 06/10/2019
SECTION	03		
TOWNSHIP	18N		
RANGE	14E		

Book 2019 **Page** 3912

PURCHASE COUNTY TAX SALE FILES

TAX SALES HISTORY, FOR UNPAID TAXES

Year	Sold To	Redeemed Date/By
NO TAX SALES FOUND		

Back

HISTORIC STARKVILLE
MISSISSIPPI'S COLLEGE TOWN

City of Starkville
110 W Main Street
Starkville, MS 39759

NOTICE OF VIOLATION

Violation Address:
511 WHITFIELD ST ,
STARKVILLE, MS , 39759

Date: August 13, 2025
Case Number: CE-25-105
Parcel Number: 102B-00-148.00

Name: CYPRESS PROPERTY SERVICES LLC
Owner Address: 96 CYPRESS ESTATE CIRCLE PICKENSVILLE AL, 35447

Dear Property Owner or Tenant,

The employees of the City of Starkville would like to take this opportunity to thank you for choosing to own property in the City of Starkville, Mississippi. We strive to improve our appearance to ensure the safety of all our citizens. Therefore, I am writing your property at the above noted address.

This letter is an official written notice that you have until **August 19, 2025** to bring the property into compliance with Starkville's City Code of Ordinances. Failure to bring this property into compliance may result in a summons to appear before the Municipal Court Judge, where court fees, fines, and related penalties may be administered. Thank you in advance for your compliance. If you have any questions, please contact Code Enforcement at (662) 323-2525 or codeenforcement@cityofstarkville.org.

Your property has been recognized as having the following violations:

16.1.1	UDC 16.1.1 General Nuisance	Nuisance shall include but not be limited to: A. Accumulation of noxious weeds and other rank vegetation. B. Accumulations of rubbish, trash, refuse, junk and other abandoned materials, metals, lumber or other things. C. Any condition which provides harborage for rats, mice, snakes and other vermin. D. Any structure or equipment, as defined and regulated by the adopted technical codes of Section 17, which is in such a dilapidated condition that it is unfit for human habitation, or kept in such an unsanitary condition that it is a menace to the health of people residing in the vicinity thereof, or presents a more than ordinarily dangerous fire hazard in the vicinity where it is located. E. All unauthorized noises and vibrations, including animal noises. F. All obnoxious odors and stenches, as well as the conditions, substances or other causes which give rise to the emission or generation of such odors and stenches. G. The carcasses of animals or fowl not disposed of within a reasonable time after death. H. The pollution of any public well or cistern, stream, lake, canal or body of water by sewage, dead animals, creamery or industrial wastes or other substances. I. Any building, structure or other place or location where any activity which is in violation of local, state or federal law is conducted, performed or maintained. J. Any accumulation of stagnant water permitted or maintained on any lot or piece of ground. K. The creation of dense smoke, noxious fumes, gas, soot, or cinders in unreasonable quantities.

By the following date said violation is to be corrected:
August 19, 2025

Scotty Carrithers
Sergeant
Code Enforcement

The Unified Development Code and Municipal Code of Ordinances can be found at https://starkville.municipalcodeonline.com/
For more information regarding remedies and penalties please see
Section 3.19.6 of the Unified Development Code.

CYPRESS PROPERTY SERVICES LLC
96 CYPRESS ESTATE CIRCLE
PICKENSVILLE, AL 35447

NOTICE

PARCEL NUMBER:102B-00-148.00
511 WHITFIELD STREET, STARKVILLE, MS 39759

Please take notice, pursuant to Mississippi Code Ann. § 21-19-11, a public hearing shall occur on SEPTEMBER 2, 2025, before the Starkville Board of Aldermen at 5:30 PM in the Municipal Courtroom of City Hall located at 110 West Main Street for the purpose of determining whether the property referenced above is in such a state of uncleanliness as to be a menace to the public health, safety, and welfare of the community. The property owner and all interested persons are invited and encouraged to attend.

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 of parcel of land for a period of two (2) years after final adjudication 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.

If, at such hearing, the City shall adjudicate the property or parcel of land to be a menace to the public health, safety, and welfare of the community, the City, 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, abandoned or dilapidated fences, outside toilets, abandoned or dilapidated buildings, slabs, 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 therefrom. The City may by resolution adjudicate the actual cost of cleaning the property and may also impose a penalty not to exceed $250 or 50% of the actual cost, whichever is more. The cost and any penalty may become a civil debt against the property owner, and/or, at the option of the governing authority, an assessment against the property.

If you have any questions or seek additional information, contact Starkville's Police Department Code Enforcement Sgt. Gillen (662) 323-4131.

STATE OF MISSISSIPPI
COUNTY OF OKTIBBEHA
CITY OF STARKVILLE

ADMINISTRATIVE INSPECTION WARRANT

Whereas, Affiant Sgt. Samantha Gillen, a Law Enforcement Officer in the State of Mississippi, known to me to be credible persons, have this day made complaint on oath before me as follows:

1. That affiants have good reason to believe and do believe that certain things hereinafter described as now being concealed in or about the following place in this county:

   The entire property and house, including any locked or secured rooms or compartments at 511 Whitfield St, Starkville, Oktibbeha County, Mississippi, Parcel #102B-00-148.00, and any out buildings on the property to include a garage and storage buildings.

2. That the place described above is occupied and controlled by:

   Cypress Property Services LLC and unknown persons

3. That said things particularly described as follows:

   Any and all evidence of structural damage and dilapidated conditions that are unfit for human habitation and a menace to the public health, safety, and welfare.

4. That possession of the above said described things is in itself unlawful (or the public has a primary interest in, or primary right to possession of the above described things), in that said things are:

   IN VIOLATION OF STARKVILLE UNIFIED DEVELOPMENT CODE SECTION 16.1.1 SUB SECTION D. (GENERAL NUISANCE), AS WELL AS 2020 MISSISSIPPI CODE 21-19-11(HEALTH, SAFETY, AND WELFARE).

5. The facts tending to establish the following grounds for issuance of a Search Warrant are set forth in the affidavit with attached sheet headed Underlying Facts and Circumstances, which were reviewed by this court. This court, having examined and considered said affidavit and attachment, and also having heard and considered the evidence in support thereof from the affiants named therein does find that probable cause for the issuance of a search warrant does exist. THEREFORE, you are hereby commanded to proceed at any time in the day or night to the place described above and search forthwith said place for the things specified above, making known to the person or persons occupying or controlling said place, if any, your purpose and authority for so doing, and if the things specified above be found there to seize them, leaving a copy of this warrant and a receipt for the things taken; and bring the things seized before the court instant; and prepare a written inventory of the items seized, and have then and there this writ, with your proceedings noted therein.

6. Do not interpret this writ as limiting your authority to seize all contraband and things the possession of which in itself is unlawful which you find incident to your search, or as limiting your authority to make otherwise valid arrest at the place described above.

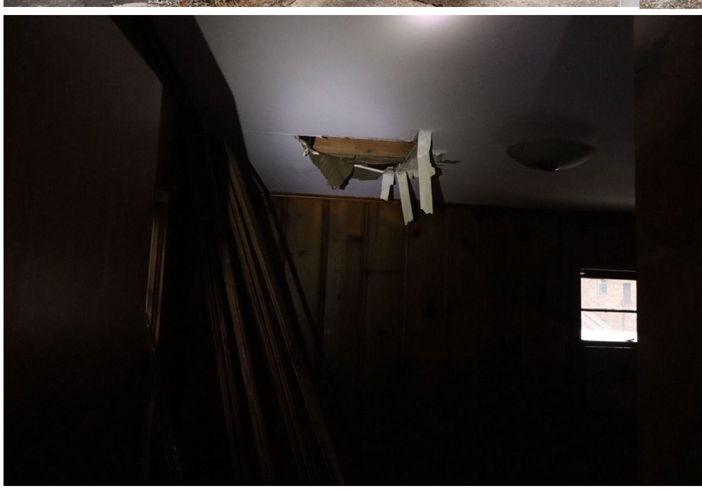
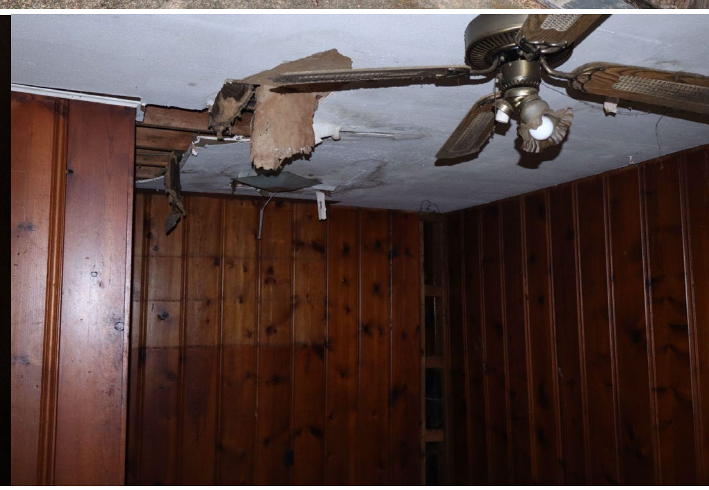
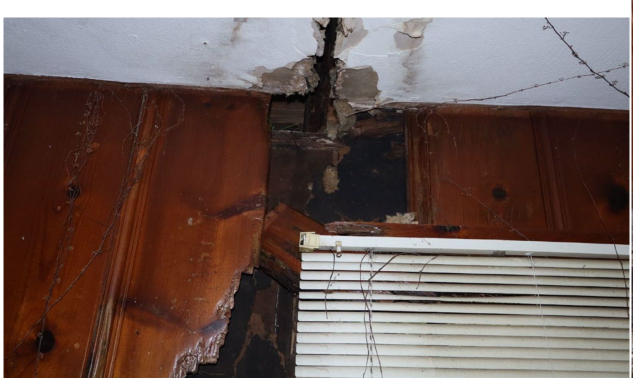
This warrant shall be executed within 10 days of the date of issuance.

Witness my hand on this __18__ day of August __2025__.

J Bri Kelley
Judge





PUBLIC HEARING ON THE TAX MILLAGE AND BUDGET FOR THE CITY OF STARKVILLE FOR FISCAL YEAR 2025 – 2026.

Mayor Spruill opened the Public Hearing to the public. She called for citizens to take turns whether speaking neutral, for and against the proposed millage increase with a fifteen-minute limit per side.

Speaking against:

Kelly Prather thanked the Board for all they do. He noted housing affordability in Starkville is difficult and felt a tax increase will be passed along to renters as well as home owners. He also stated Oktibbeha County is set for a reappraisal year which will probably result in tax increases and asked that the Board try to wait until the results of the reappraisals are known. Mr. Prather also asked that the Board exhaust all efforts to reduce expenses, search for alternate revenue and vote no on a millage increase. He asked that the City and County officials look for ways to share assets and work together on more projects. He was joined by 15 – 20 in the audience against a raise in the millage rate. There being no other citizens wishing to speak, the Mayor closed the Public Hearing.

28. CONSIDERATION OF A RESOLUTION SETTING THE FISCAL YEAR 2026 TAX MILLAGE.

The Mayor and Board offered comments and discussion which may be viewed on the City website.
Alderman Sistrunk, duly seconded by Alderman Moreland, offered a motion for the City of Starkville to adopt a Resolution setting the City of Starkville FY26 millage at 34 mills. The Board voted as follows:

Alderman Kim Moreland	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman Kyle Skinner	Voted: Nay
Alderman Mike Brooks	Voted: Nay
Alderman William Pochop	Voted: Yea
Alderman Roy A'. Perkins	Voted: Nay
Alderman Henry Vaughn, Sr.	Voted: Yea

Having received a majority affirmative vote, Mayor Spruill declared the motion passed.

RESOLUTION SETTING THE MILLAGE RATE FOR THE FISCAL YEAR 2026 FOR THE CITY OF STARKVILLE, MISSISSIPPI

WHEREAS, the City of Starkville shall in accordance with the requirements of the State of Mississippi set its millage rate and adopt a budget for each of its operating years at a time and in a manner set forth by law;

WHEREAS, Miss. Code Ann. §21-33-45 states that the governing authority of the municipality shall by resolution set the tax rate for the taxing district; and

WHEREAS, the Board of Aldermen of the City of Starkville has determined and has so publicly noticed that the millage rate for the fiscal year 2026 will be set at the rate of 34.00 mills. Of that 34.00 mills, 24.40 mills will be designated for general revenue purposes and improvements, 8.43 mills for Municipal Bonds and Interest thereon pursuant to Miss. Code Ann. §21-33-45, 0.25 mills for the Starkville Fire Department pursuant to Miss. Code Ann. §83-1-37(5), and 0.92 mills for the Starkville Library pursuant to Miss. Code Ann. §39-3-7 for a total of 34.00 mills; and

NOW THEREFORE, BE IT RESOLVED, by Mayor D. Lynn Spruill and the Board of Aldermen of the City of Starkville to:

Hereby levy upon each dollar of assessed valuation, including motor vehicles, appearing on the Assessment Roll of the City of Starkville, Mississippi, except as to such value as may be exempt by law, as follows, pursuant to the authority of Section 21-33-45 of the Mississippi Code of 1972 as amended:

TOTAL LEVY FOR GENERAL REVENUE PURPOSES AND GENERAL IMPROVEMENTS: 34 MILLS

There is hereby levied upon each dollar of assessed valuation in the designated Downtown Business District 2 mills for the purpose of providing parking facilities and making other improvements to develop and promote the growth of said Downtown Business District pursuant to the authority of Senate Bill number 1601.969 Extraordinary session of the Mississippi Legislature.

TOTAL LEVY FOR DOWNTOWN BUSINESS DISTRICT: 2.00 MILLS

Signed and Sealed, this, the 3rd day of September, 2025.

D. Lynn Spruill

D. Lynn Spruill, Mayor
City of Starkville, Mississippi

Attest: Lesa Hardin
Lesa Hardin, City Clerk / CFO

CERTIFICATE
STATE OF MISSISSIPPI
COUNTY OF OKTIBBEHA
CITY OF STARKVILLE

I, Lesa Hardin, clerk for the City of Starkville, MS hereby certify that the above and foregoing is a true and correct copy of a resolution adopted by the Mayor and Board of Aldermen of the City of Starkville, MS on the 2nd day of September, 2025, in a regular meeting held at 5:30 p.m. in the Municipal Court Room of Starkville City Hall.

Lesa Hardin
City Clerk / CFO

130302

29. CONSIDERATION OF A RESOLUTION ADOPTING THE FISCAL YEAR 2025-2026 BUDGET FOR THE CITY OF STARKVILLE.

Alderman Sistrunk, duly seconded by Alderman Moreland, offered a motion for the City of Starkville to adopt the 2025-2026 budget with pay raises to start January 9, 2026, the first 2026 payroll, reduce new camera purchases to 15 and reduce the increase to the contingency fund to $27,000.00. The Board voted as follows:

Alderman Kim Moreland	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman Kyle Skinner	Voted: Nay
Alderman Mike Brooks	Voted: Nay
Alderman William Pochop	Voted: Yea
Alderman Roy A'. Perkins	Voted: Nay
Alderman Henry Vaughn, Sr.	Voted: Yea

Having received a majority affirmative vote, Mayor Spruill declared the motion passed.

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2026

WHEREAS, the Mayor and Board of Aldermen of the City of Starkville, Mississippi, (the "Board" of the "City"), acting for and on behalf of the City, hereby find, determine and adjudicate as follows:

1. The City has prepared a complete budget of the municipal revenues, expenses, and working cash balances estimated for the next fiscal year, and a statement showing the aggregate revenues collected by the City during the current year for municipal purposes, pursuant to Miss. Code Ann. § 21-35-5.
2. The City's budget, containing the statement of said revenues, expenses, and working cash balances, has been noticed and published pursuant to the requirements of Miss. Code Ann. § 21-35-5.
3. The City has held at least one public hearing on the proposed annual budget, providing the general public with the opportunity to comment on the taxing and spending plan incorporated in the proposed budget, pursuant to the requirements of Miss. Code. Ann. § 21-35-5.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

SECTION 1. The City of Starkville hereby adopts its annual budget for FY 2026 as noticed, published, and presented to the Board of Aldermen during its regular meeting on September 2, 2025, and which is attached and incorporated hereto as if fully referenced herein, pursuant to Miss. Code Ann. § 21-35-9.

Alderman Sistrunk moved and Alderman Moreland seconded the motion to adopt the foregoing resolution, and the question being put to a vote, the result was as follows:

Alderman Kim Moreland	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman Kyle Skinner	Voted: Nay
Alderman Mike Brooks	Voted: Nay
Alderman William Pochop	Voted: Yea
Alderman Roy A'. Perkins	Voted: Nay
Alderman Henry Vaughn, Sr.	Voted: Yea

The measure having received the affirmative vote of a majority of the members present; the Mayor declared the motion carried and adopted this day of September 2, 2025.

SIGNED AND SEALED THIS THE 2nd DAY OF SEPTEMBER, 2025.

Attest:

D. LYNN SPRUILL, MAYOR

LESA HARDIN, CITY CLERK/CFO

CITY OF STARKVILLE, MISSISSIPPI BUDGET
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2026

	Final Budget for FY26	Estimated Total for FY25
Fund 001 - General Fund:		
Revenues		
Licenses & Permits	420,500	379,500
Intergovernmental Revenues:		
Federal Grants	20,000	268,762
Federal Shared Revenues		-
State Grants	99,176	90,000
Payment in Lieu of Taxes	817,000	813,700
State Shared Revenues	11,115,175	11,636,742
Grants from Local Gov't Units	2,436,800	1,043,575
Fines & Forfeits	775,150	764,000
Miscellaneous	995,800	1,247,800
Charges for Services	41,500	39,420
Transfers and Non Revenue Receipts	1,380,000	1,583,750
Total from All Sources, Other Than Taxation	18,101,101	17,867,249
Beginning Cash and Investment Balance	3,000,000	3,000,000
Total Receipts Other Than Ad Valorem Taxes	21,101,101	20,867,249
Amount to be Raised by Ad Valorem Tax	11,428,867	10,495,000
Total Available Cash and Revenues from All Sources	32,529,968	31,362,249
Expenditures:		
General Government		
Personnel Services	3,119,050	3,208,980
Supplies	36,350	50,825
Contractual Services	1,380,520	1,422,153
Grants, Subsidies and Allocations	4,500	70,500
Debt Service	37,070	39,730
Capital Outlay	95,000	163,500
Transfers	817,800	932,800
Total General Government	5,490,290	5,888,488
Police Department		
Personnel Services	7,181,330	6,815,911
Supplies	545,000	525,500
Contractual Services	1,141,495	1,119,955
Grants, Subsidies and Allocations	4,259	35,108
Debt Service	230,000	77,700
Capital Outlay	60,000	104,742
Total Police Department	9,162,084	8,678,916

CITY OF STARKVILLE, MISSISSIPPI BUDGET

BUDGET OF ESTIMATED REVENUES AND EXPENDITURES

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2026

	Final Budget for FY26	Estimated Total for FY25
Dispatchers		
Personnel Services	392,230	369,215
Supplies	2,000	1,750
Contractual Services	2,500	1,750
Total Dispatchers	396,730	372,715
Fire Department		
Personnel Services	4,944,670	4,837,685
Supplies	132,100	138,100
Contractual Services	347,565	352,025
Grant, Subsidies and Allocations	-	33,447
Debt Service	212,575	222,975
Capital Outlay	122,500	65,813
Total Fire Department	5,759,410	5,650,045
Community Development		
Personnel Services	367,870	295,475
Supplies	8,100	7,600
Contractual Services	45,500	125,265
Capital Outlay	-	100
Total Community Development	421,470	428,440
Civil Defense/Warning System		
Supplies		
Contractual Services	28,200	28,200
Capital Outlay	21,800	67,500
Total Civil Defense	50,000	95,700
Street Department		
Personnel Services	1,138,050	1,076,775
Supplies	257,000	252,000
Contractual Services	956,725	604,855
Debt Service	57,875	31,215
Capital Outlay	-	162,290
Total Street Department	2,409,650	2,127,135
Animal Control		
Personnel Services	114,680	114,415
Supplies	7,000	6,500
Contractual Services	8,100	6,600
Total Animal Control	129,780	127,515

CITY OF STARKVILLE, MISSISSIPPI BUDGET
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2026

	Final Budget for FY26	Estimated Total for FY25
Parks and Recreation		
Contractual Services	2,218,250	1,928,000
Total Parks and Recreation	2,218,250	1,928,000
Interfund Transfers		
Transfer to Restricted Police Fund	15,000	15,000
Transfer to Capital Projects Fund	500,000	425,000
Transfer to Debt Service Fund	2,801,739	2,625,295
Total Interfund Transfers	3,316,739	3,065,295
Total General Fund Expenditures	29,354,403	28,362,249
Ending Cash and Investment Balance	3,175,565	3,000,000
Total Expenditures and Year End Balance	32,529,968	31,362,249
Fund 002 - Restricted Police Fund		
Revenue		
Fines and Forfeits	3,415	11,400
Transfers and Non Revenue Receipts	15,000	15,000
Total from All Sources Other Than Taxation	18,415	26,400
Cash Balance at Beginning of Year	6,000	15,000
Total Available Cash & Anticipated Revenue from All Sources	24,415	41,400
Expenditures		
Supplies	15,000	15,500
Contractual Services	9,415	25,900
Total Disbursements	24,415	41,400
Balance at End of Year	-	-
Total Expenditures and Year End Balance	24,415	41,400
Fund 003 - Restricted Fire Fund		
Revenue		
Intergovernmental Revenues	167,000	176,000
Total from All Sources Other Than Taxation	167,000	176,000
Cash Balance at Beginning of Year	-	-
Total Available Cash & Anticipated Revenue from All Sources	167,000	176,000
Expenditures		
Supplies	2,000	2,000
Contractual Services	750	750
Debt Service	163,820	163,816
Capital Outlay	-	9,000
Total Disbursements	166,570	175,566
Balance at End of Year	430	434
Total Expenditures and Year End Balance	167,000	176,000

CITY OF STARKVILLE, MISSISSIPPI BUDGET
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2026

	Final Budget for FY26	Estimated Total for FY25
Fund 015 - Airport Fund		
Revenue		
Intergovernmental Revenue	120,810	120,810
Miscellaneous	50,600	50,900
Charges for Services	879,200	898,575
Total from All Sources Other Than Taxation	1,050,610	1,070,285
Cash Balance at Beginning of Year	650,000	667,500
Total Available Cash & Anticipated Revenue from All Sources	1,700,610	1,737,785
Expenditures		
Personnel Services	349,730	332,110
Supplies	540,000	643,500
Contractual Services	134,600	125,450
Grants, Subsidies and Allocations	100,000	72,530
Total Disbursements	1,124,330	1,173,590
Balance at End of Year	576,280	564,195
Total Expenditures and Year End Balance	1,700,610	1,737,785
Fund 016 - Restricted Airport		
Revenue		
Intergovernmental Revenues	453,247	692,841
Total from All Sources Other Than Taxation	453,247	692,841
Cash Balance at Beginning of Year	-	-
Total Available Cash & Anticipated Revenue from All Sources	453,247	692,841
Expenditures		
Contractual Services	124,070	180,030
Grants, Subsidies and Allocations	329,177	512,811
Total Disbursements	453,247	692,841
Balance at End of Year	-	-
Total Expenditures and Year End Balance	453,247	692,841

CITY OF STARKVILLE, MISSISSIPPI BUDGET
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2026

	Final Budget for FY26	Estimated Total for FY25
Fund 022 - Sanitation & Environmental Services		
Revenue		
Charges for Services	3,600,000	3,425,000
Transfers and Non Revenue Receipts	25,000	25,000
Total from All Sources Other Than Taxation	3,625,000	3,450,000
Cash Balance at Beginning of Year	280,000	300,000
Total Available Cash & Anticipated Revenue from All Sources	3,905,000	3,750,000
Expenditures		
Personnel Services	2,093,860	2,008,755
Supplies	301,000	241,485
Contractual Services	922,720	883,170
Debt Service	393,579	415,095
Capital Outlay	55,000	20,000
Total Disbursements	3,766,159	3,568,505
Balance at End of Year	138,841	181,495
Total Expenditures and Year End Balance	3,905,000	3,750,000
Fund 023 - Starkville/Oktibbeha County Landfill		
Revenue		
Charges for Services	80,000	240,000
Transfers and Non Revenue Receipts	-	-
Total from All Sources Other Than Taxation	80,000	240,000
Cash Balance at Beginning of Year	1,390,000	1,150,000
Total Available Cash & Anticipated Revenue from All Sources	1,470,000	1,390,000
Expenditures		
Contractual Services	80,000	240,000
Total Disbursements	80,000	240,000
Balance at End of Year	1,390,000	1,150,000
Total Expenditures and Year End Balance	1,470,000	1,390,000
Fund 120 - Modernization Use Tax		
Revenue		
Intergovernmental Revenues	2,450,000	2,200,000
Total from All Sources Other Than Taxation	2,450,000	2,200,000
Cash Balance at Beginning of Year	530,000	1,994,000
Total Available Cash & Anticipated Revenue from All Sources	2,980,000	4,194,000
Expenditures		
Debt Service	1,370,820	1,442,515
Capital Outlay	1,609,180	2,751,485
Total Disbursements	2,980,000	4,194,000
Balance at End of Year	-	-
Total Expenditures and Year End Balance	2,980,000	4,194,000

CITY OF STARKVILLE, MISSISSIPPI BUDGET
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2026

	Final Budget for FY26	Estimated Total for FY25
Fund 151 - State Forfeited Funds		
Revenue		
Fines and Forfeits	-	15,160
Transfers and Non Revenue Receipts	-	12,000
Total from All Sources Other Than Taxation	-	27,160
Cash Balance at Beginning of Year	190,000	175,000
Total Available Cash & Anticipated Revenue from All Sources	190,000	202,160
Expenditures		
Supplies	40,000	40,000
Contractual Services	-	6,500
Capital Outlay	150,000	155,660
Total Disbursements	190,000	202,160
Balance at End of Year	-	-
Total Expenditures and Year End Balance	190,000	202,160
Fund 200 - Debt Service Fund		
Revenue		
Miscellaneous	195,986	140,335
Transfers and Non Revenue Receipts	2,801,739	6,450,295
Total from All Sources Other Than Taxation	2,997,725	6,590,630
Cash Balance at Beginning of Year	-	-
Total Available Cash & Anticipated Revenue from All Sources	2,997,725	6,590,630
Expenditures		
Contractual Services	-	3,825,000
Debt Service	2,997,725	2,765,630
Total Disbursements	2,997,725	6,590,630
Balance at End of Year	-	-
Total Expenditures and Year End Balance	2,997,725	6,590,630
Fund 300 - Capital Projects Fund		
Revenue		
Grants		75,610
Transfers and Non Revenue Receipts	500,000	441,500
Total from All Sources Other Than Taxation	500,000	517,110
Cash Balance at Beginning of Year	5,800,000	6,070,000
Total Available Cash & Anticipated Revenue from All Sources	6,300,000	6,587,110
Expenditures		
Contractual Services	-	59,600
Capital Outlay	800,000	1,027,500
Total Disbursements	800,000	1,087,100
Balance at End of Year	5,500,000	5,500,000
Total Expenditures and Year End Balance	6,300,000	6,587,100

CITY OF STARKVILLE, MISSISSIPPI BUDGET
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2026

	Final Budget for FY26	Estimated Total for FY25
Fund 301 - City Owned Building Fund		
Revenue		
Transfers and Non Revenue Receipts	-	-
Total from All Sources Other Than Taxation	-	-
Cash Balance at Beginning of Year	152,500	510,500
Total Available Cash & Anticipated Revenue from All Sources	152,500	510,500
Expenditures		
Capital Outlay	152,500	510,500
Total Disbursements	152,500	510,500
Balance at End of Year	-	-
Total Expenditures and Year End Balance	152,500	510,500
Fund 303 - Industrial Park Bond Fund		
Revenue		
Miscellaneous	500	-
Total from All Sources Other Than Taxation	500	-
Cash Balance at Beginning of Year	115,000	187,500
Total Available Cash & Anticipated Revenue from All Sources	115,500	187,500
Expenditures		
Contractual Services	17,000	47,590
Grants, Subsidies and Allocations	98,500	139,910
Total Disbursements	115,500	187,500
Balance at End of Year	-	-
Total Expenditures and Year End Balance	115,500	187,500
Fund 305 - Street Bond Fund		
Revenue		
Intergovernmental Revenues	-	33,107
Miscellaneous		9,540
Total from All Sources Other Than Taxation	-	42,647
Cash Balance at Beginning of Year	-	2,039,873
Total Available Cash & Anticipated Revenue from All Sources	-	2,082,520
Expenditures		
Capital Outlay	-	2,082,520
Total Disbursements	-	2,082,520
Balance at End of Year	-	-
Total Expenditures and Year End Balance	-	2,082,520

CITY OF STARKVILLE, MISSISSIPPI BUDGET
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2026

	Final Budget for FY26	Estimated Total for FY25
Fund 306 - 2022 Local Improvements Project Fund		
Revenue		
Miscellaneous	-	464
Total from All Sources Other Than Taxation	-	464
Cash Balance at Beginning of Year	-	15,143
Total Available Cash & Anticipated Revenue from All Sources	-	15,607
Expenditures		
Transfers		15,607
Total Disbursements	-	15,607
Balance at End of Year	-	-
Total Expenditures and Year End Balance	-	15,607
309 - American Rescue Plan Act		
Revenue		
Intergovernmental Revenues	5,500,000	6,306,666
Miscellaneous	-	203,000
Total from All Sources Other Than Taxation	5,500,000	6,509,666
Cash Balance at Beginning of Year	6,100,000	6,705,375
Total Available Cash & Anticipated Revenue from All Sources	11,600,000	13,215,041
Expenditures		
Capital Outlay	11,000,000	12,613,332
Transfers	600,000	601,709
Total Disbursements	11,600,000	13,215,041
Balance at End of Year	-	-
Total Expenditures and Year End Balance	11,600,000	13,215,041
Fund 311 - Main Street Corridor		
Revenue		
Intergovernmental Revenues	2,000,000	5,400,000
Transfers and Non Revenue Receipts	90,000	145,000
Total from All Sources Other Than Taxation	2,090,000	5,545,000
Cash Balance at Beginning of Year	6,000,000	3,325,000
Total Available Cash & Anticipated Revenue from All Sources	8,090,000	8,870,000
Expenditures		
Contractual Services	50,000	100,000
Capital Outlay	8,040,000	8,770,000
Total Disbursements	8,090,000	8,870,000
Balance at End of Year	-	-
Total Expenditures and Year End Balance	8,090,000	8,870,000

CITY OF STARKVILLE, MISSISSIPPI BUDGET
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2026

	Final Budget for FY26	Estimated Total for FY25
Fund 312 - Parks Bond Fund		
Revenue		
Miscellaneous	-	201,500
Total from All Sources Other Than Taxation	-	201,500
Cash Balance at Beginning of Year	1,557,802	9,251,000
Total Available Cash & Anticipated Revenue from All Sources	1,557,802	9,452,500
Expenditures		
Capital Outlay	1,557,802	9,452,500
Total Disbursements	1,557,802	9,452,500
Balance at End of Year	-	-
Total Expenditures and Year End Balance	1,557,802	9,452,500
Fund 313 - Linkage Tap Grants		
Revenue		
Intergovernmental Revenues	252,030	166,667
Transfers and Non Revenue Receipts	434,540	-
Total from All Sources Other Than Taxation	686,570	166,667
Cash Balance at Beginning of Year	-	-
Total Available Cash & Anticipated Revenue from All Sources	686,570	166,667
Expenditures		
Contractual Services	686,570	166,667
Total Disbursements	686,570	166,667
Balance at End of Year	-	-
Total Expenditures and Year End Balance	686,570	166,667
Fund 375 - Parks and Rec Tourism 1% / 2% Sales Tax		
Revenue		
Intergovernmental Revenues	3,175,000	3,070,000
Total from All Sources Other Than Taxation	3,175,000	3,070,000
Cash Balance at Beginning of Year	1,940,000	1,750,000
Total Available Cash & Anticipated Revenue from All Sources	5,115,000	4,820,000
Expenditures		
Contractual Services	306,300	269,385
Debt Service	2,308,700	2,308,700
Capital Outlay	260,000	130,500
Total Disbursements	2,875,000	2,708,585
Balance at End of Year	2,240,000	2,111,415
Total Expenditures and Year End Balance	5,115,000	4,820,000

CITY OF STARKVILLE, MISSISSIPPI BUDGET
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2026

	Final Budget for FY26	Estimated Total for FY25
Fund 377 - Build Grant MS 182 / MLK Corridor		
Revenue		
Intergovernmental Revenue	21,500,000	26,500,000
Transfers and Non Revenue Receipts	-	200,000
Total from All Sources Other Than Taxation	21,500,000	26,700,000
Cash Balance at Beginning of Year	-	-
Total Available Cash & Anticipated Revenue from All Sources	21,500,000	26,700,000
Expenditures		
Capital Outlay	21,500,000	26,700,000
Total Disbursements	21,500,000	26,700,000
Balance at End of Year	-	-
Total Expenditures and Year End Balance	21,500,000	26,700,000
Fund 700 - Stark/Hospital Road Expansion		
Revenue		
Miscellaneous	-	24,000
Total from All Sources Other Than Taxation	-	24,000
Cash Balance at Beginning of Year	-	779,774
Total Available Cash & Anticipated Revenue from All Sources	-	803,774
Expenditures		
Transfers	-	803,774
Total Disbursements	-	803,774
Balance at End of Year	-	-
Total Expenditures and Year End Balance	-	803,774
Starkville Utilities - Electric Division		
Revenue		
Electric Sales	42,238,774	42,238,774
Other Revenues	3,681,123	3,530,817
Total Revenues	45,919,897	45,769,591
Expenses		
Purchased Power	34,303,066	34,303,066
Payroll Expenses	3,474,350	3,493,249
Operating Expenses	2,182,000	2,122,000
Maintenance Expenses	1,630,000	1,530,000
Capital Expenses	2,320,000	2,320,000
Debt Expenses	645,481	636,276
Tax Equivalency	1,365,000	1,365,000
Total Expenses	45,919,897	45,769,591

CITY OF STARKVILLE, MISSISSIPPI BUDGET
BUDGET OF ESTIMATED REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2026

	Final Budget for FY26	Estimated Total for FY25
Starkville Utilities - Water Distribution Division		
Revenues		
Water Sales	6,097,551	6,049,264
Other Revenue	877,737	1,330,000
Total Revenue	6,975,288	7,379,264
Expenses		
Payroll Expenses	1,723,169	1,380,322
Operating Expenses	1,216,033	1,141,723
Maintenance Expenses	1,316,000	1,725,000
Capital Expenses	2,065,179	2,380,000
Debt Expenses	654,907	752,219
Total Expenses	6,975,288	7,379,264
Starkville Utilities - Wastewater & Sewer Division		
Revenues		
Sewer Revenues	6,870,170	6,049,265
Grant Revenue	700,000	-
Bond Revenue	9,893,364	-
Other Revenue	575,929	1,330,000
Total Revenue	18,039,463	7,379,265
Expenses		
Payroll Expenses	1,549,235	1,380,323
Operating Expenses	1,067,413	1,141,723
Maintenance Expenses	1,369,373	1,725,000
Capital Expenses	12,876,745	2,380,000
Debt Expenses	1,176,697	752,219
Total Expenses	18,039,463	7,379,265

30. CONSIDERATION OF THE CITY OF STARKVILLE CLAIMS DOCKET

Upon the motion of Alderman Sistrunk, duly seconded by Alderman Pochop, to approve the City of Starkville Claims Docket for all departments including Starkville Utilities, as of August 27, 2025 for fiscal year ending 9/30/25, acknowledging that the City Clerk has attested and certified on the cover of the claims docket that all claims on the docket are true, accurate, lawful and proper to the best of her knowledge, for payment pursuant to her duties under Miss. Code Sections 21-39-5, 21-39-7, 21-39-9, 21-39-17 and 21-15-21. The Board voted as follows:

Alderman Kim Moreland Voted: Yea
Alderman Sandra Sistrunk Voted: Yea
Alderman Kyle Skinner Voted: Yea
Alderman Mike Brooks Voted: Yea
Alderman William Pochop Voted: Yea
Alderman Roy A'. Perkins Voted: Nay
Alderman Henry Vaughn, Sr. Voted: Nay

Having received a majority affirmative vote, Mayor Spruill declared the motion passed.

General Fund	001	$ 225,981.49
Restricted Police Fund	002	767.04
Airport Fund	015	23,378.89
Sanitation / Environ Services	022	33,326.42
Modernization Use Tax	120	1,850.00
Debt Service Fund	200	716,137.50
Capital Projects Fund	300	45,459.59
Main Street Project	311	28,531.30
Parks Capital Project (2023)	312	165,956.40
Build Grant / MS 182 / MLK Dr	377	2,278,353.83
Sub Total Before Utilities		$ 3,519,742.46
Utilities Dept.	SED	538,984.79
Total Claims	Total	$ 4,058,727.25

31. A MOTION TO GO INTO CLOSED SESSION TO DETERMINE IF THERE IS PROPER CAUSE FOR EXECUTIVE SESSION.

There came for consideration the matter of entering a Closed Session to determine if there is a proper cause for Executive Session. Upon the motion of Alderman Vaughn, seconded by Alderman Brooks, to enter into a Closed Session to determine if there is proper cause for Executive Session, the Board voted as follows:

Alderman Kim Moreland Voted: Yea
Alderman Sandra Sistrunk Voted: Yea
Alderman Kyle Skinner Voted: Yea
Alderman Mike Brooks Voted: Yea
Alderman William Pochop Voted: Yea
Alderman Roy A'. Perkins Voted: Yea
Alderman Henry Vaughn, Sr. Voted: Yea

Having received a majority affirmative vote, the Mayor declared the motion passed. The Board entered closed session.

32. A MOTION TO ENTER EXECUTIVE SESSION.

Alderman Vaughn offered a motion to go into Executive Session for the purpose of potential litigation and property sale / lease. Following a second by Alderman Brooks, the Board voted as follows to enter Executive Session:

Alderman Kim Moreland Voted: Yea
Alderman Sandra Sistrunk Voted: Yea
Alderman Kyle Skinner Voted: Yea
Alderman Mike Brooks Voted: Yea
Alderman William Pochop Voted: Yea
Alderman Roy A'. Perkins Voted: Absent
Alderman Henry Vaughn, Sr. Voted: Yea

Having received a majority affirmative vote, the Mayor declared the motion passed. The Mayor invited the public back in and then announced that the Board had decided to go into Executive Session for the purpose of potential litigation and property sale / lease. The Mayor and Board then went into Executive Session.

33. CONSIDERATION OF A MOTION TO RETURN TO OPEN SESSION.

Alderman Vaughn offered a motion, seconded by Alderman Brooks, to exit Executive Session and return to open session. The Board voted as follows:

Alderman Kim Moreland Voted: Yea
Alderman Sandra Sistrunk Voted: Yea
Alderman Kyle Skinner Voted: Yea
Alderman Mike Brooks Voted: Yea
Alderman William Pochop Voted: Yea
Alderman Roy A'. Perkins Voted: Yea
Alderman Henry Vaughn, Sr. Voted: Yea

Having received a majority affirmative vote, the Mayor declared the motion passed.

The Mayor invited the public back in and then announced that the Board had taken action in Executive Session and read the motions.

34. CONSIDERATION TO AUTHORIZE THE MAYOR TO NEGOTIATE ANNUAL LEASES WITH DOWNTOWN MERCHANTS FOR SIDEWALK GROUND AT $3.50 PER SQ FT AND TO NEGOTIATE FEES WITH MDEQ.

No vote was taken but the Board authorized the Mayor to negotiate annual leases with downtown merchants for sidewalk ground at $3.50 per square foot and to negotiate fees with MDEQ on wastewater matters.

35. MOTION TO RECESS UNTIL SEPTEMBER 16, 2025 @ 5:30 P.M. IN THE COURT ROOM AT 110 WEST MAIN STREET.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Skinner, for the Board of Aldermen to recess the meeting until September 16, 2025 @ 5:30 at 110 West Main Street in the Court Room of City Hall, the Board voted as follows:

Alderman Kim Moreland	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman Kyle Skinner	Voted: Yea
Alderman Mike Brooks	Voted: Yea
Alderman William Pochop	Voted: Yea
Alderman Roy A'. Perkins	Voted: Yea
Alderman Henry Vaughn, Sr.	Voted: Yea

Having received a majority affirmative vote, Mayor Spruill declared the motion passed.

SIGNED AND SEALED THIS THE 16th DAY OF SEPTEMBER, 2025.

Attest:

D. LYNN SPRUILL, MAYOR

LESA HARDIN, CITY CLERK