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**CITY OF D'IBERVILLE, MISSISSIPPI
COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

FISCAL YEAR ENDED SEPTEMBER 30, 2011

CITY OF D'IBERVILLE, MISSISSIPPI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Fiscal Year Ended September 30, 2011

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SECTION I
INTRODUCTORY SECTION

**CITY OF D'IBERVILLE, MISSISSIPPI
LISTING OF CITY OFFICIALS
As of September 30, 2011**

Elected Officials

Mayor	Rusty Quave
Councilman Ward 1	Brenda Broussard
Councilman Ward 2	Henry Toncrey, Jr.
Councilman Ward 3	Teddy Harder
Councilman Ward 4	Stephen Furney
Councilman At large	Joey Bosarge

Appointed Officials

City Manager	Michael Janus
City Clerk	Mary Lee Williams
Finance Director	Sharron Perkins
Police Chief	Wayne Payne
Fire Chief	Gerald Smith
Public Works and Facilities	Michael Mullins
Building Official	David Rogers
Court Clerk	Lisa McSwain
Planning and Zoning Director	Deonne Olier

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LETTER OF TRANSMITTAL



10383 AUTOMALL PARKWAY P.O. BOX 6519
D'IBERVILLE, MISSISSIPPI 39540-6519
228-392-7966 FAX: 228-392-9723

MAYOR: RUSTY QUAVE
CITY MANAGER: MICHAEL W. JANUS.
COUNCIL MEMBERS:
BRENDA BROUSSARD, WARD 1
HENRY TONCREY JR., WARD 2
TEDDY HARDER, WARD 3
STEPHEN FURNEY, WARD 4
JOEY BOSARGE, COUNCILMAN-AT-LARGE

April 18, 2012

Mayor and City Council
City of D'Iberville, Mississippi

We are pleased to submit the Comprehensive Annual Financial Report of the City of D'Iberville for the fiscal year ended September 30, 2011. The Administration of the City of D'Iberville is responsible for the information presented in this report. We believe the accompanying information is accurate and complete and fairly presents the financial position of the municipal government of the City of D'Iberville as of September 30, 2011 and results of operations for the fiscal year then ended.

Control Environment

The City's management is responsible for maintaining a system of internal controls sufficient to provide reasonable assurance that City assets are safeguarded from loss and that financial transactions are recorded timely and accurately. Reasonable assurance means that internal controls are selected or designed to reduce the risk of asset loss or inaccurate bookkeeping to an acceptable level, considering the constraint that the cost of control should not exceed the expected benefit. Management is responsible for communicating the purpose and importance of internal controls to employees and for providing the resources necessary to establish and maintain the control system.

Budgetary Controls

Prior to the beginning of each fiscal year, each department director prepares a projection of expenditures for his department. The City's Comptroller develops a projection of revenues for all funds and a projection of the expenditures not included in the departmental budgets. The revenue projections and proposed expenditures are presented to the City Manager. After reviewing the draft budget proposal, the City Manager meets with department directors to discuss their budget requests. Each director must justify his department's budget request by explaining the cost of the programs they propose for the coming year. When the City Manager is satisfied that the proposed budget conforms to the objectives and goals he has set for the coming year, the entire budget proposal is presented to the City Council. During the budget workshop, the City Council will review, discuss, and question the proposed budget and make modifications to it. The Council will invite public comment on the ~~taxing and spending~~ plan at a special public hearing.

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After determining that the revenue projections in the budget are sound and that the proposed spending is necessary to provide the level of services and to accomplish the program goals and capital improvements proposed in the budget, the City Council will adopt the budget. After adopting the budget for the coming year the City Council will set the property tax rate at a level that will generate the property revenue necessary to raise the budgeted ad valorem tax revenue.

Independent Audit

In accordance with Section 21-35-31, Miss Code of 1972 and guidelines prescribed by the State Auditor, the financial statements presented herein have been audited by Wright, Ward, Hatten & Guel, PLLC an independent firm of Certified Public Accountants. The objective of the auditor's work is to provide the auditor with a basis upon which to express an opinion on the fairness of the City's financial statements. The auditor's opinion is included in the Financial Section of this report. The auditor's work involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation.

State Department of Audit regulations require the independent auditor to disclose any instance of non-compliance with certain state laws, that may come to their attention during the audit of the City's financial statements. The auditor must test for non-compliance with federal requirements applicable to each major federal program under which the City of D'Iberville receives federal financial assistance.

Management's Discussion and Analysis

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the City of D'Iberville

The City of D'Iberville, incorporated in 1988, is located in Harrison County. Located at the juncture of Interstate Highways 10 & 110 and MS Highway 67, D'Iberville is uniquely positioned to develop and capture an even larger share of the gulf coast regional retail market.

The City of D'Iberville has operated under the council-manager form of government since 1988. Policy-making and legislative authority are vested in a governing council (Council) consisting of the mayor and five other members, all elected. The Council appoints the government's City Manager, who in turn appoints the heads of the various departments. The mayor and the five council members serve four-year terms.

The City of D'Iberville provides a full range of services, including fire protection, police protection, water & sanitation, the construction and maintenance of streets and other infrastructure, planning and zoning, and recreational and cultural activities.

Economic Condition and Outlook

The City of D'Iberville was impacted by Hurricane Katrina which hit the Mississippi Gulf Coast in August of 2005. This Hurricane has been described as the worst natural disaster to ever occur in the United States. Approximately 40% of D'Iberville residents lost their homes.

Even six years later, recovery from Hurricane Katrina remains the focus of City Management. Insurance claim proceeds and disaster assistance from the Federal Emergency Management Agency (FEMA) have allowed the City to repair and/or replace most of the City's lost assets. FEMA has approved project worksheets for approximately \$22,000,000. As of the date of this report, all City-owned buildings have been repaired including City Hall. Employees moved into the three-story addition to the current City Hall in March 2011. The renovation of the existing structure was completed and occupied in February 2012. All vehicles, traffic signals, lift stations and street signs have been repaired and/or replaced. The project of replacing the old grinder pumps with a new gravity system in the southeast corner of the City was completed in May 2011.

Post-storm reinvestment by the private sector has been remarkable. As of the date of this report, various single family and multi-family housing projects have been approved for development as well as several new restaurants and retail establishments in the Promenade shopping center.

Sales tax revenue increased 49% from FY2005 to FY2006. Although there was a steady decline in sales tax revenue in FY2007 through FY2009, it increased approximately 22% from FY2009 to FY2010, largely due to the opening of the Promenade shopping Center. Sales tax increased modestly at a rate of 5% from FY2010 to FY2011.

Over the last ten years, the northeast quadrant of the I-10/I-110 Commercial District has exploded with growth. Called the Lakewood Shopping Center, anchor tenants on the 60 acre development include: Wal-Mart, Lowes, and dozens of small retail businesses comprising nearly 400,000 square feet of space with more under various stages of permitting and construction. Lakewood Development has started a chain reaction of similar development in the remaining quadrants of the interchange wishing to capitalize on this strategic location. The first stage of development of the northwest quadrant is complete with the opening of the Promenade shopping center, including Target and Kohl's and many other national chain retailers. Target opened in October 2009, and Kohl's opened in March 2011. The Ocean Expo Learning Center, a \$75 million complex including an aquarium, held a groundbreaking in December 2011, occupying the southwest quadrant. The southeast quadrant is also on the drawing board for additional retail shopping centers, services, and housing. Together, the four quadrants of the I-10/I-110 Interchange represent the City's most potentially important retail location and development initiative.

More and more businesses and individuals are seeking a north shore location to develop that avoids the congestion and direct damage than can occur on the storm prone shoreline along the Mississippi Sound.

Casinos are also on the horizon for the City of D'Iberville. Land Holdings I and Oyster Bay Casinos, two of the four sites that have been approved in D'Iberville, will soon be underway. D'Iberville has been and will continue to be a bedroom community, resort/gaming destination and regional retail hub.

The Mississippi Department of Employment Security does not publish an unemployment rate for the City of D'Iberville. Since we are located in Harrison County, we feel that the County's unemployment rate is indicative of unemployment in our City. That rate rose from 8.6% in September 2010 to 9.6% in September 2011.

Governmental Fund Revenues

Government funds are used to account for most City functions and operations including the various City departments, grants, capital projects, and the City's general obligation debt payments. Figure 1 illustrates the relative amounts of various general governmental revenues for the fiscal year 2011. The City's two largest sources of revenues for general government functions are sales tax and ad valorem tax.

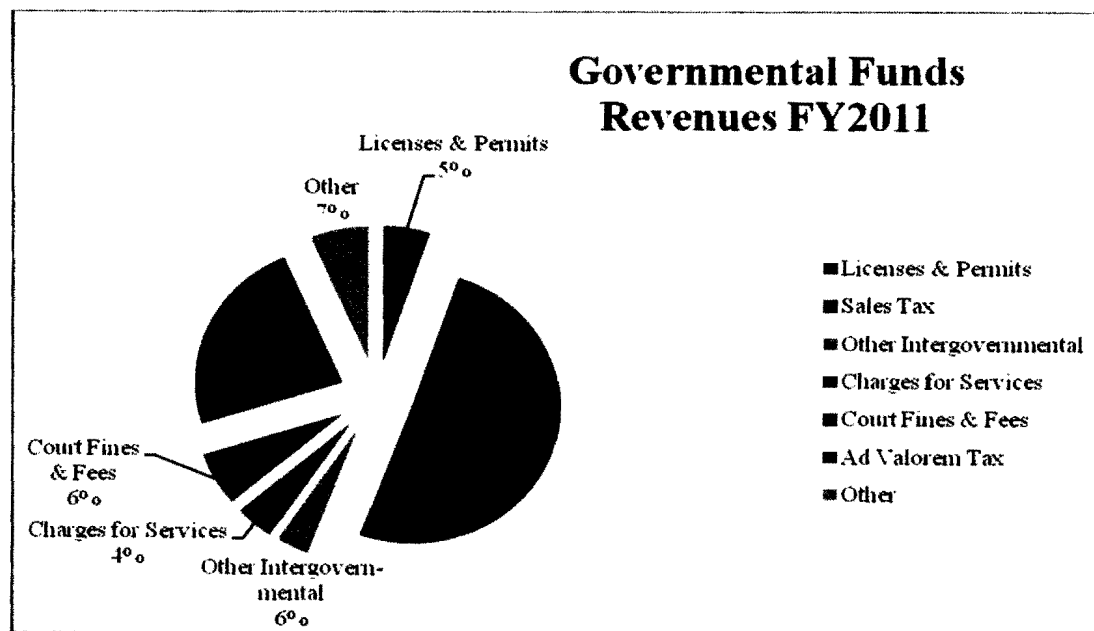


Figure 1

Intergovernmental revenues are collected by other governmental entities such as state government and distributed to the City. Other Intergovernmental Revenue includes taxes collected by the State of Mississippi and state and federal grants.

Property Taxes – In Mississippi, property taxes are levied by municipalities and counties on the assessed value of land and buildings, mobile homes, automobiles, business inventory and equipment. Assessed value is a prescribed percentage of true (appraised) value of each class of property.

Classes of property and assessment ratios are defined in Section 112 of the Mississippi Constitution of 1890.

<u>Class of Property</u>	<u>Ratio</u>
Class I Single-family, owner-occupied, residential real	10%
Class II All other real property, except Class I or Class IV	15%
Class III Personal property, except motor vehicles and Class IV	15%
Class IV Public Utility property	30%
Class V Motor Vehicles	30%

Ad valorem taxes are collected in arrears. The taxes for a calendar tax year are due by February 1 of the subsequent calendar year. Prior to the beginning of a new fiscal year, the City Council sets the tax rate (levy) that will generate the tax revenue needed for the upcoming fiscal year. In each fiscal year, the City collects the ad valorem taxes for the prior calendar tax year. The governing authorities of Harrison County both assess and collect the ad valorem taxes for the City of D'Iberville. The County then remits the amount collected for the City of D'Iberville monthly.

Sales Tax – State law requires sellers of goods and services to collect and remit to the state sales taxes of various rates specified in its statutes. A tax rate of 7% applies to retail sales of tangible personal property. Of the taxes collected by the state each month, 18.5% of the sales tax revenue from activities within a municipal corporation is remitted to the municipal government.

Figure 2 illustrates the relative amount of total expenditures for each service and function accounted for in the City's governmental funds for the fiscal year 2011. Public safety, general government, and capital outlay are the largest expenditure categories of the City's governmental funds in FY2011.

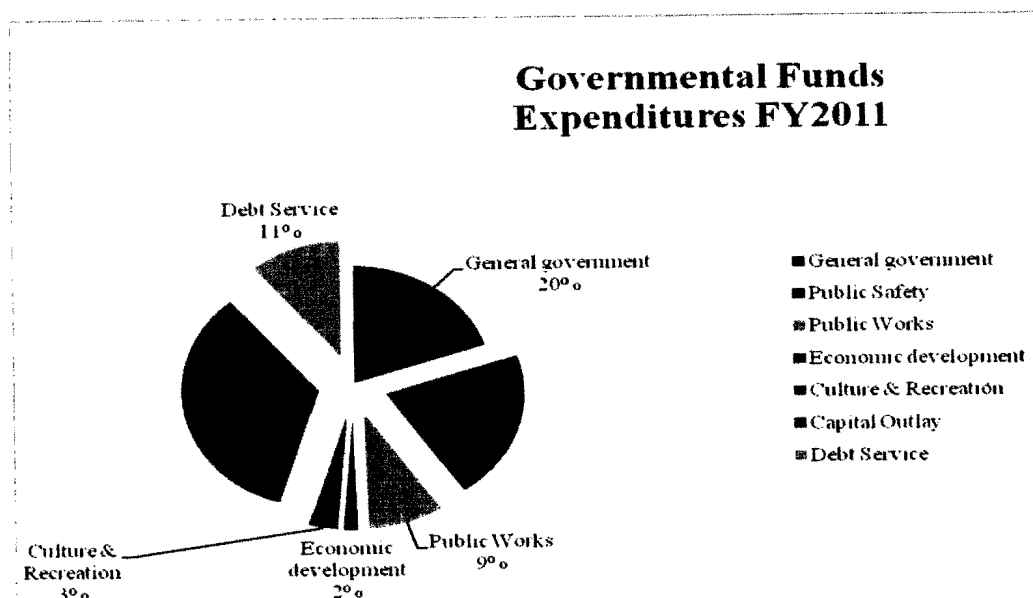


Figure 2

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Debt Management

A municipality may finance its activities by incurring various forms of debt, from lease-purchase arrangements to long-term bonds. General obligation debt is bonds or notes secured by the governmental entity's pledge to levy tax adequate to repay the debt. Limited obligation bonds are secured by the pledge of a defined portion of the taxing power of the municipality. Revenue bonds are secured by a pledge of specific revenue sources other than ad valorem taxes such as revenue from a utility system.


Cash Management

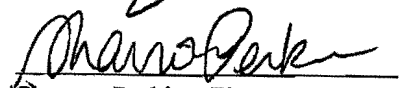
Mississippi laws address the investment of surplus money by municipalities and the investment of the proceeds of bonds separately. The investment of surplus money is limited to bonds or other direct obligations of the United States of America or the State of Mississippi or any county or municipality of this state or any school district or obligations issued or guaranteed in full as to principal and interest by the United States of America which are subject to a repurchase agreement deposit with a maturity of six months or less. Treasury Bills are purchased by a municipal depository under a Security Safekeeping Agreement. The City's checking account balances are invested automatically, overnight, under sweep agreements with the City's depositories.

Major Initiatives

On October 1, 2008, the City of D'Iberville began operating its own police department and the City experienced an increase in citations issued and corresponding court fine revenue. During FY2011, the City expended just over \$1,800,000 as our match on several major capital projects, including the construction of the City Hall addition, a new Town Green Visitor's Center, a Waterfront Overlook and the widening of Central Avenue. The City also spent over \$5,400,000 on capital outlay throughout the City, including street paving, land, equipment, and vehicles.

Respectfully submitted,


Michael Janus, City Manager


Sharron Perkins, Finance Director

Citizens of D'Iberville

Mayor & City Council:

Mayor:

Raymond Q. Jones

Ward 1:

Brian B. Boudreau

Ward 2:

Herb T. Taylor

Ward 3:

Tim H. Hester

Ward 4:

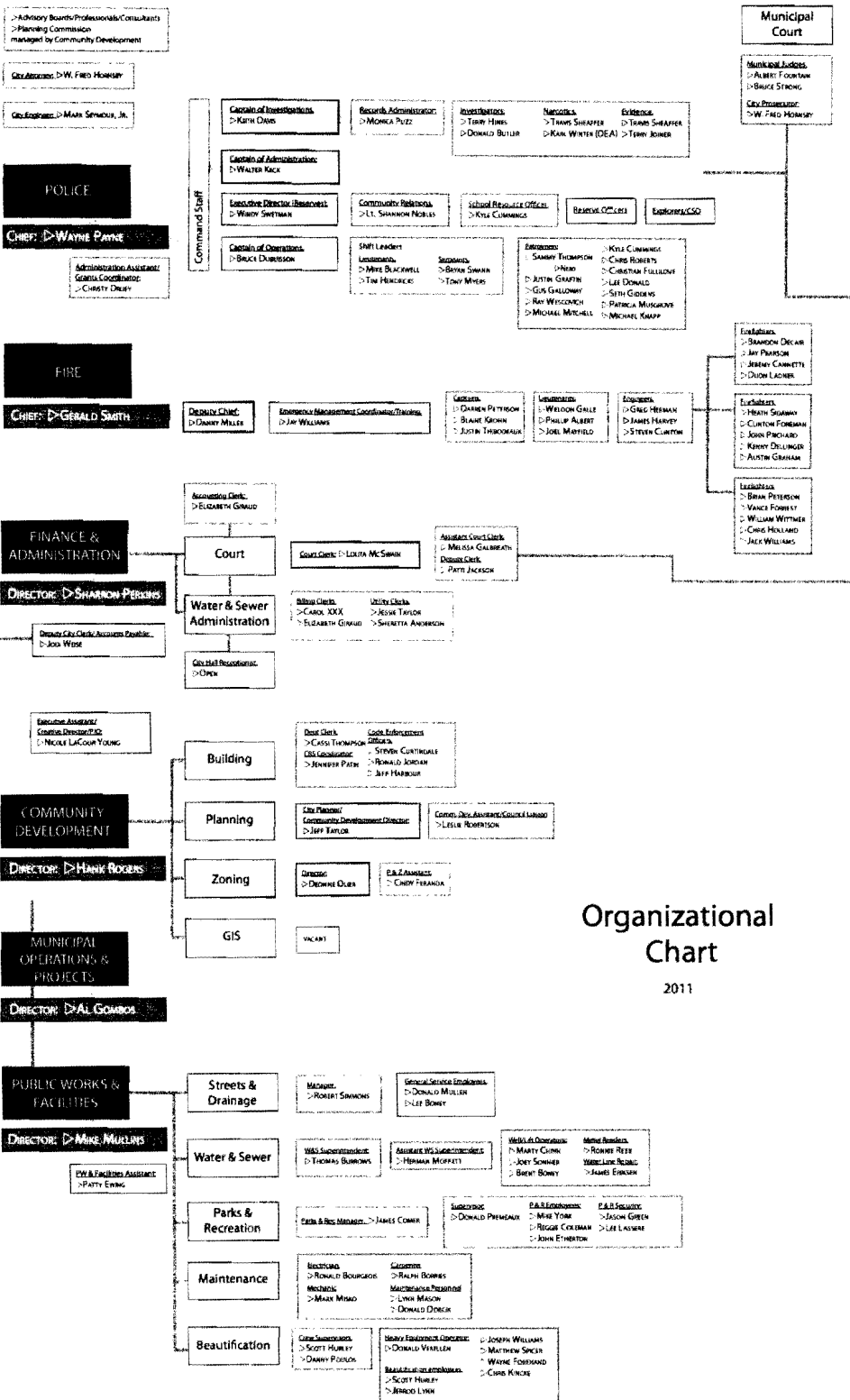
Steve E. Farris

At Large:

John B. Boudreau

City Manager: Michael W. Janus

City Clerk: Nap Lee Williams



Organizational Chart

2011

SECTION II
FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

WRIGHT, WARD, HATTEN & GUEL

PROFESSIONAL LIMITED LIABILITY COMPANY

(SUCCESSORS TO A. L. EVANS & COMPANY ESTABLISHED 1929)

Certified Public Accountants

HANCOCK BANK BUILDING

2510 - 14TH STREET

P. O. BOX 129

GULFPORT, MISSISSIPPI 39502

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HENRY D. WARD, CPA, 1949-2006
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INDEPENDENT AUDITORS' REPORT

April 18, 2012

To the Mayor and City Council
City of D'Iberville, Mississippi

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of D'Iberville, Mississippi, as of and for the year ended September 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City of D'Iberville, Mississippi's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of D'Iberville, Mississippi, as of September 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 11 through 18 and 52 through 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of D'Iberville, Mississippi's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Wright Ward Hatten & Guel

Wright, Ward, Hatten & Guel, PLLC
Gulfport, Mississippi

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MANAGEMENT'S DISCUSSION AND ANALYSIS

**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Introduction

The following Management's Discussion and Analysis of the City of D'Iberville's ("the City") activities and financial performance provides an introduction to the financial statements of the City for the fiscal year ended September 30, 2011. The information contained in this Management's Discussion and Analysis has been prepared by management and should be considered in conjunction with the financial statements and the notes thereto, which follow this section.

The components of the annual financial report include:

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

The MD&A, a component of RSI, introduces the basic financial statements and provides an analytical overview of the City's financial activities. This MD&A provides comparisons with the previous year.

Financial Highlights

- The assets of the City exceeded its liabilities at September 30, 2011 by \$39,886,971. Of this amount unrestricted net assets of \$5,429,985 may be used to meet organizations ongoing obligations to citizens and creditors.
- The total net assets increased by \$6,269,912. Of this amount an increase of \$5,524,838 was associated with governmental activities and an increase of \$745,074 with business-type activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$4,407,100, a decrease of \$2,297,596 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$3,674,328 or 28% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of D'Iberville's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Overview of the Financial Statements (Continued)

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, economic development, and culture and recreation. The major business-type activities of the City include providing water and sewer services to the residents of the City of D'Iberville.

The government-wide financial statements can be found on pages 19-20 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting not only to ensure and demonstrate compliance with finance-related legal requirements but also to help control and manage money for particular purposes or to show it is meeting legal responsibilities for using certain taxes, grants, and other money. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

- **Governmental funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Overview of the Financial Statements (Continued)

The City maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general and special revenue funds, which are considered major funds, and the other governmental funds for the purpose of consistency.

The City adopts an annual budget for all of its fund groups. Budgetary comparison statements and schedules have been provided to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 21-24 of this report.

- **Proprietary Fund**

The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains two enterprise funds. Information is presented in the proprietary statement of net assets and the proprietary statement of revenues, expenses, and changes in net assets for the water and sewer and the waterfront development funds.

The proprietary fund financial statements can be found on pages 25-27 of this report.

Notes to the Financial Statements

Notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. Refer to Note 1 in the financial statements for more detailed information on the elements of the financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information. The budget comparison for the general fund and the CDBG grant fund are presented immediately after the basic financial statements as required supplementary information. All other fund group budget schedules are presented in the supplementary section of this report.

**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Government-wide Condensed Data Financial Analysis

City of D'Iberville's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 7,040,959	\$ 9,478,773	\$ 4,114,425	\$ 2,586,973	\$ 11,155,384	\$ 12,065,746
Noncurrent assets	<u>34,955,469</u>	<u>24,234,374</u>	<u>23,185,759</u>	<u>21,529,753</u>	<u>58,141,228</u>	<u>45,764,127</u>
Total assets	<u>41,996,428</u>	<u>33,713,147</u>	<u>27,300,184</u>	<u>24,116,726</u>	<u>69,296,612</u>	<u>57,829,873</u>
Other liabilities	4,110,768	4,301,170	1,359,144	1,245,621	5,469,912	5,546,791
Long-term liabilities	<u>15,192,893</u>	<u>12,244,048</u>	<u>8,746,836</u>	<u>6,421,975</u>	<u>23,939,729</u>	<u>18,666,023</u>
Total liabilities	<u>19,303,661</u>	<u>16,545,218</u>	<u>10,105,980</u>	<u>7,667,596</u>	<u>29,409,641</u>	<u>24,212,814</u>
Net assets:						
Invested in capital assets, net of related debt	19,842,297	12,266,211	13,879,149	14,762,097	33,721,446	27,028,308
Restricted	-	-	735,540	469,960	735,540	469,960
Unrestricted	<u>2,850,470</u>	<u>4,901,718</u>	<u>2,579,515</u>	<u>1,217,073</u>	<u>5,429,985</u>	<u>6,118,791</u>
Total net assets	<u>\$ 22,692,767</u>	<u>\$ 17,167,929</u>	<u>\$ 17,194,204</u>	<u>\$ 16,449,130</u>	<u>\$ 39,886,971</u>	<u>\$ 33,617,059</u>

**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Government-wide Condensed Data Financial Analysis (Continued)

City of D'Iberville's Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program revenues						
Charges for services	\$ 1,428,043	\$ 1,146,613	\$ 3,452,894	\$ 3,303,978	\$ 4,880,937	\$ 4,450,591
Operating grants	582,624	309,162	-	-	582,624	309,162
Capital grants	<u>5,729,042</u>	<u>4,042,455</u>	<u>-</u>	<u>167,787</u>	<u>5,729,042</u>	<u>4,210,242</u>
Total program revenues	<u>7,739,709</u>	<u>5,498,230</u>	<u>3,452,894</u>	<u>3,471,765</u>	<u>11,192,603</u>	<u>8,969,995</u>
General revenues						
Property taxes	2,603,311	2,286,520	22,658	25,804	2,625,969	2,312,324
Sales taxes	5,605,223	5,546,989	-	-	5,605,223	5,546,989
Franchise taxes	335,954	345,495	-	-	335,954	345,495
Other	<u>167,200</u>	<u>883,583</u>	<u>65</u>	<u>168</u>	<u>167,265</u>	<u>883,751</u>
Total general revenues	<u>8,711,688</u>	<u>9,062,587</u>	<u>22,723</u>	<u>25,972</u>	<u>8,734,411</u>	<u>9,088,559</u>
Total revenues	<u>16,451,397</u>	<u>14,560,817</u>	<u>3,475,617</u>	<u>3,497,737</u>	<u>19,927,014</u>	<u>18,058,554</u>
Program expenditures						
General government	3,006,599	3,773,443	-	-	3,006,599	3,773,443
Public safety	3,783,045	4,550,491	-	-	3,783,045	4,550,491
Public works	2,011,478	2,030,646	-	-	2,011,478	2,030,646
Economic development	627,794	521,426	-	-	627,794	521,426
Culture and recreation	698,496	1,043,907	-	-	698,496	1,043,907
Interest	578,276	499,316	-	-	578,276	499,316
Waterfront Development	-	-	136,762	135,745	136,762	135,745
Water and sewer	<u>-</u>	<u>-</u>	<u>2,814,652</u>	<u>3,251,561</u>	<u>2,814,652</u>	<u>3,251,561</u>
Total program expenditures	<u>10,705,688</u>	<u>12,419,229</u>	<u>2,951,414</u>	<u>3,387,306</u>	<u>13,657,102</u>	<u>15,806,535</u>
Change before transfers	5,745,709	2,141,588	524,203	110,431	6,269,912	2,252,019
Transfers	<u>(220,871)</u>	<u>(123,165)</u>	<u>220,871</u>	<u>123,165</u>	<u>-</u>	<u>-</u>
Change in net assets	5,524,838	2,018,423	745,074	233,596	6,269,912	2,252,019
Beginning net assets	<u>17,167,929</u>	<u>15,149,506</u>	<u>16,449,130</u>	<u>16,215,534</u>	<u>33,617,059</u>	<u>31,365,040</u>
Ending net assets	<u>\$ 22,692,767</u>	<u>\$ 17,167,929</u>	<u>\$ 17,194,204</u>	<u>\$ 16,449,130</u>	<u>\$ 39,886,971</u>	<u>\$ 33,617,059</u>

At September 30, 2011, and 2010 the City's assets exceeded liabilities by \$39,886,971, and \$33,617,059 respectively. The largest portion of the City's total net assets reflects its investment in capital assets, less any related debt used to acquire or construct those assets. That amount increased in 2011 by \$6,304,703 to \$33,333,011.

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**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Government-wide Condensed Data Financial Analysis (Continued)

Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining portion of net assets is unrestricted, which can be used to finance government operations, and is at a strong 2.12 ratio of total expenses for 2011. It should also be noted that the City is able to report positive balances in both categories of net assets, both for the government as a whole, as well as its separate governmental and business-type activities.

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the close of the fiscal year, the City's governmental funds reported a combined ending fund balance of \$4,407,100, a decrease of \$2,297,596 in comparison with the prior year. Eight-four (84) percent or \$3,674,328 of this combined total is unassigned, while \$535,741 is restricted for capital projects, \$21,802 is restricted for unemployment, and \$175,229 is restricted for debt service.

- **General Fund**

The general fund is the chief operating fund of the City. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. At the end of 2011 the general fund unassigned fund balance represents a strong 28 percent of total general fund expenditures.

- **CDBG Grant Fund**

This fund is used by the City to account for all of the Community Development Block Grant funds that is received by the City through the Mississippi Development Authority to fund the rebuilding and other capital related projects of the City from Hurricane

**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Financial Analysis of the Government's Funds (Continued)

Katrina. The operating transfers into this fund totaling \$1,847,332 from other funds represent the portion of the project costs that is the City's match.

- **Non-Major Funds**

These are special revenue funds made up of various reimbursable grants that do not maintain any fund balances. The operating transfers into the funds totaling \$2,065,935 from the general fund represent the portion of the project costs that is the City's match.

Proprietary Funds

The Water & Sewer fund had an increase in net assets totaling \$861,874 at the end of FY2011 and the Waterfront Development fund had a decrease of \$116,800 for the year resulting in a net increase in proprietary funds of \$745,074 for the year ended September 30, 2011.

Budget Variances in the General Fund

Amendments to the original budget increased total appropriations by \$5,182,902 and were a result of an increase in capital outlay in the general government category, along with an increased need for capital purchases and services in public safety during the 2011 fiscal year; however actual expenditures were still under budget by \$989,228 at year end, as a result of a conservative fiscal management plan. Refer to the budgetary comparison schedule for the General Fund on page 52 in the RSI section of the annual report.

Capital Asset and Long-Term Debt Activity

Capital Asset Activity

At September 30, 2011, the City reported \$34,611,712 in net capital assets for governmental activities and \$22,866,924 in capital assets for business-type activities. Additional information on the City of D'Iberville's capital assets can be found in Note 5: Capital Assets on pages 38-40 of this report.

**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

**City of D'Iberville's Capital Assets
(net of depreciation)**

	Governmental		Business-type		Total	
	Activities		Activities			
	2011	2010	2011	2010	2011	2010
Land	\$ 6,571,501	\$ 1,889,775	\$ 321,080	\$ 321,080	\$ 6,892,581	\$ 2,210,855
Buildings & Improvements	7,405,956	5,886,705	2,440,596	2,558,975	9,846,552	8,445,680
Machinery & Equipment	2,190,107	2,000,724	50,150	56,968	2,240,257	2,057,692
Infrastructure & Systems	9,277,114	9,248,328	18,053,208	18,395,614	27,330,322	27,643,942
Construction in progress	<u>9,167,034</u>	<u>5,096,632</u>	<u>2,001,890</u>	<u>-</u>	<u>11,168,924</u>	<u>5,096,632</u>
Total	<u>\$34,611,712</u>	<u>\$24,122,164</u>	<u>\$ 22,866,924</u>	<u>\$ 21,332,637</u>	<u>\$ 57,478,636</u>	<u>\$ 45,454,801</u>

Long-Term Debt Activity

At the end of the current fiscal year, the City had \$25,387,212 in outstanding debt excluding compensated absences. Additional information on the City of D'Iberville's long-term debt can be found in Note 6: Long-Term Debt on pages 41-46 of this report.

**City of D'Iberville's Outstanding Debt
General Obligation, Revenue Bonds and Other Loans**

	Governmental		Business-type		Total	
	Activities		Activities			
	2011	2010	2011	2010	2011	2010
Tax Increment Bonds	\$ 6,734,160	\$ 7,479,160	\$ -	\$ -	\$ 6,734,160	\$ 7,479,160
Revenue Bonds	-	-	7,426,414	4,785,000	7,426,414	4,785,000
General Obligation Bond	3,805,000	4,000,000	-	-	3,805,000	4,000,000
Special Obligation Bond	4,000,000	-	-	-	4,000,000	-
Notes Payable	1,281,462	1,281,462	1,909,922	2,114,723	3,191,384	3,396,185
Leases Payable	<u>230,254</u>	<u>376,793</u>	<u>-</u>	<u>19,381</u>	<u>230,254</u>	<u>396,174</u>
Total	<u>\$ 16,050,876</u>	<u>\$ 13,137,415</u>	<u>\$ 9,336,336</u>	<u>\$ 6,919,104</u>	<u>\$ 25,387,212</u>	<u>\$ 20,056,519</u>

Contact the City's Financial Management

Questions about this report or requests for additional financial information may be addressed to:

Michael Janus, City Manager
City of D'Iberville, Mississippi
P.O. Box 6519
D'Iberville, MS 39540

BASIC FINANCIAL STATEMENTS

GOVERNMENT – WIDE FINANCIAL STATEMENTS

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2011

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 2,874,124	\$ 1,286,187	\$ 4,160,311
Receivables	1,296,528	716,608	2,013,136
Due from other governments	2,563,928	1,034,117	3,598,045
Internal balances	131,150	(131,150)	-
Restricted assets:			
Cash and cash equivalents	175,229	1,208,663	1,383,892
Total current assets	<u>7,040,959</u>	<u>4,114,425</u>	<u>11,155,384</u>
Noncurrent Assets			
Capital assets:			
Land and construction in progress	15,738,535	2,322,970	18,061,505
Other capital assets, net of accumulated depreciation	18,873,177	20,543,954	39,417,131
Deposits	-	75	75
Bond issuance costs, net	343,757	318,760	662,517
Total noncurrent assets	<u>34,955,469</u>	<u>23,185,759</u>	<u>58,141,228</u>
Total assets	<u>41,996,428</u>	<u>27,300,184</u>	<u>69,296,612</u>
LIABILITIES			
Current Liabilities			
Accounts payable	2,162,152	130,690	2,292,842
Retainage payable	308,228	-	308,228
Accrued interest	388,437	127,420	515,857
Sales tax payable	-	1,943	1,943
Accrued wages payable	90,402	10,323	100,725
Deferred revenue	7,676	-	7,676
Bonds payable	1,034,160	395,000	1,429,160
Notes payable	-	213,025	213,025
Leases payable	54,312	-	54,312
Compensated absences, current	65,401	7,620	73,021
Payable from restricted assets:			
Customer deposits	-	473,123	473,123
Total current liabilities	<u>4,110,768</u>	<u>1,359,144</u>	<u>5,469,912</u>
Long-term Liabilities			
Bonds payable	13,505,000	7,031,414	20,536,414
Notes payable	1,281,462	1,696,897	2,978,359
Leases payable	175,943	-	175,943
Compensated absences	230,488	18,525	249,013
Total long-term liabilities	<u>15,192,893</u>	<u>8,746,836</u>	<u>23,939,729</u>
Total liabilities	<u>19,303,661</u>	<u>10,105,980</u>	<u>29,409,641</u>
NET ASSETS			
Invested in capital assets, net of related debt	19,842,297	13,879,149	33,721,446
Restricted	-	735,540	735,540
Unrestricted	2,850,470	2,579,515	5,429,985
Total net assets	<u>\$ 22,692,767</u>	<u>\$ 17,194,204</u>	<u>\$ 39,886,971</u>

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

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Governmental activities:							
General government	\$ 3,006,599	\$ -	\$ 70,637	\$ 1,957,475	\$ (978,487)	\$ -	\$ (978,487)
Public safety	3,783,045	761,096	256,846	85,686	(2,679,417)	-	(2,679,417)
Public works	2,011,478	425,154	237,230	3,185,065	1,835,971	-	1,835,971
Economic development	627,794	231,488	1,809	-	(394,497)	-	(394,497)
Culture and recreation	698,496	10,305	16,102	500,816	(171,273)	-	(171,273)
Interest	578,276	-	-	-	(578,276)	-	(578,276)
Total governmental activities	10,705,688	1,428,043	582,624	5,729,042	(2,965,979)	-	(2,965,979)
Business-type activities:							
Water and sewer	2,814,652	3,432,932	-	-		618,280	618,280
Waterfront Development	136,762	19,962	-	-		(116,800)	(116,800)
Total business - type activities	2,951,414	3,452,894	-	-		501,480	501,480
Total	\$ 13,657,102	\$ 4,880,937	\$ 582,624	\$ 5,729,042		\$ 501,480	\$ (2,464,499)
General revenues:							
Property taxes					2,603,311	22,658	2,625,969
Sales taxes					5,605,223	-	5,605,223
Franchise taxes					335,954	-	335,954
Interest earnings					37,607	65	37,672
Insurance proceeds					10,724	-	10,724
Lease revenues					95,317	-	95,317
Other					23,552	-	23,552
Transfers					(220,871)	220,871	-
Total general revenues and transfers					8,490,817	243,594	8,734,411
Change in net assets					5,524,838	745,074	6,269,912
Net assets - beginning of year					17,167,929	16,449,130	33,617,059
Net assets - end of year					\$ 22,692,767	\$ 17,194,204	\$ 39,886,971

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

GOVERNMENTAL FUND FINANCIAL STATEMENTS

EXHIBIT C

**CITY OF D'IBERVILLE, MISSISSIPPI
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2011**

	General Fund	CDBG Grant Fund	Non-major Governmental Funds	Total Governmental Funds
Current Assets				
Cash and cash equivalents	\$ 2,324,800	\$ -	\$ 549,324	\$ 2,874,124
Receivables:				
Property tax	21,964	-	-	21,964
Sales taxes	870,658	-	-	870,658
Franchise taxes	108,229	-	-	108,229
Grant receivable	433,188	1,748,533	382,207	2,563,928
Garbage fees	74,036	-	-	74,036
Court fines & fees	145,158	-	-	145,158
Other receivable	-	-	76,483	76,483
Due from other funds	430,191	-	-	430,191
Total unrestricted current assets	<u>4,408,224</u>	<u>1,748,533</u>	<u>1,008,014</u>	<u>7,164,771</u>
 Current Restricted Assets				
Cash	175,229	-	-	175,229
Total restricted assets	<u>175,229</u>	<u>-</u>	<u>-</u>	<u>175,229</u>
 Total assets	<u>\$ 4,583,453</u>	<u>\$ 1,748,533</u>	<u>\$ 1,008,014</u>	<u>\$ 7,340,000</u>
 Liabilities and Fund Balance				
Liabilities				
Accounts payable	\$ 559,264	\$ 1,391,506	\$ 211,382	\$ 2,162,152
Retainage payable	-	308,228	-	308,228
Accrued wages payable	90,402	-	-	90,402
Deferred revenue	-	7,676	-	7,676
Due to other funds	-	41,123	257,918	299,041
Compensated absences	62,428	-	2,973	65,401
Total liabilities	<u>712,094</u>	<u>1,748,533</u>	<u>472,273</u>	<u>2,932,900</u>
 Fund Balance				
Restricted for unemployment	21,802	-	-	21,802
Restricted for capital projects	-	-	535,741	535,741
Restricted for debt service	175,229	-	-	175,229
Unassigned	3,674,328	-	-	3,674,328
Total fund balance	<u>3,871,359</u>	<u>-</u>	<u>535,741</u>	<u>4,407,100</u>
 Total liabilities and fund balance	<u>\$ 4,583,453</u>	<u>\$ 1,748,533</u>	<u>\$ 1,008,014</u>	<u>\$ 7,340,000</u>

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

**CITY OF D'IBERVILLE, MISSISSIPPI
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2011**

Total governmental funds balance (Exhibit C) **\$ 4,407,100**

Amounts reported for governmental activities in the statement of net assets are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Governmental capital assets	44,428,900	
Less: accumulated depreciation	<u>(9,817,188)</u>	34,611,712

Long-term liabilities are not due and payable in the current period expenditures and therefore are not reported in the governmental funds.

Outstanding debt issues	(16,050,877)	
Compensated absences	(230,488)	

Accrued interest not due and payable in the current period expenditures and, therefore, not reported in the funds.	(388,437)	
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Governmental funds report the effect of issuance costs, discounts, premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

343,757

Net assets of governmental activities (Exhibit A) **\$ 22,692,767**

EXHIBIT D

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

	General Fund	CDBG Grant Fund	Non-major Governmental Funds	Total Governmental Funds
Revenues				
Taxes:				
Property	\$ 2,603,312	\$ -	\$ -	\$ 2,603,312
Sales	5,605,223	-	-	5,605,223
Franchise	335,954	-	-	335,954
Licenses and permits	231,488	-	-	231,488
Intergovernmental	413,103	4,844,967	492,151	5,750,221
Other grant	561,444	-	-	561,444
Charges for services	473,838	-	-	473,838
Fines and forfeits	712,412	-	-	712,412
Interest	36,892	-	714	37,606
Lease revenue	105,622	-	-	105,622
Miscellaneous	23,552	-	-	23,552
Total revenues	<u>11,102,840</u>	<u>4,844,967</u>	<u>492,865</u>	<u>16,440,672</u>
Expenditures				
Current:				
General government	3,020,190	20,837	73,544	3,114,571
Public safety	3,157,504	-	347,226	3,504,730
Public works	1,364,626	36,330	-	1,400,956
Economic development	255,710	301,296	48,317	605,323
Culture and recreation	533,224	1,771	55,900	590,895
Capital outlay	5,219,933	6,111,194	368,711	11,699,838
Debt service:				
Principal	-	-	1,086,539	1,086,539
Interest	-	-	577,849	577,849
Total expenditures	<u>13,551,187</u>	<u>6,471,428</u>	<u>2,558,086</u>	<u>22,580,701</u>
Excess (deficiency) of revenues over expenditures	<u>(2,448,347)</u>	<u>(1,626,461)</u>	<u>(2,065,221)</u>	<u>(6,140,029)</u>
Other financing sources (uses):				
Transfers in	-	1,847,332	2,065,935	3,913,267
Transfers out	(3,913,267)	(220,871)	-	(4,134,138)
Proceeds from sale of assets	52,580	-	-	52,580
Bond proceeds	4,000,000	-	-	4,000,000
Insurance proceeds	10,724	-	-	10,724
Total other financing sources (uses)	<u>150,037</u>	<u>1,626,461</u>	<u>2,065,935</u>	<u>3,842,433</u>
Net change in fund balance	(2,298,310)	-	714	(2,297,596)
Fund balance - October 1	<u>6,169,669</u>	<u>-</u>	<u>535,027</u>	<u>6,704,696</u>
Fund balance - September 30	<u>\$ 3,871,359</u>	<u>\$ -</u>	<u>\$ 535,741</u>	<u>\$ 4,407,100</u>

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

**CITY OF D'IBERVILLE, MISSISSIPPI
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Net change in fund balances - total governmental funds (Exhibit D) **\$ (2,297,596)**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 11,699,838	
Depreciation	(1,141,914)	
Loss on disposal of assets	<u>(68,376)</u>	10,489,548

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on net assets. Also, governmental funds report the effect of issuance cost, premiums, discounts and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long-term debt and related items.

Bonds issued	(4,000,000)	
Bond issuance costs	264,089	
Debt retirement	<u>1,086,539</u>	(2,649,372)

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

Accrued Interest payable	32,116	
Compensated absences	(17,315)	
Bond issuance amortization	<u>(32,543)</u>	<u>(17,742)</u>

Change in net assets of governmental activities (Exhibit B) **\$ 5,524,838**

PROPRIETARY FUND FINANCIAL STATEMENTS

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2011

	Water & Sewer Fund	Waterfront Development Fund	Total
Current Assets			
Cash and cash equivalents	\$ 1,286,187	\$ -	\$ 1,286,187
Accounts receivable, net	710,052	6,556	716,608
Grant receivable	869,261	164,856	1,034,117
Total unrestricted current assets	<u>2,865,500</u>	<u>171,412</u>	<u>3,036,912</u>
Current Restricted Assets			
Cash	<u>1,205,661</u>	<u>3,002</u>	<u>1,208,663</u>
Total restricted assets	<u>1,205,661</u>	<u>3,002</u>	<u>1,208,663</u>
Total current assets	<u>4,071,161</u>	<u>174,414</u>	<u>4,245,575</u>
Noncurrent Assets			
Land	33,880	287,200	321,080
Construction in Process	2,001,890	-	2,001,890
Buildings	140,470	164,856	305,326
Machinery and equipment	261,573	-	261,573
Boat slips and pier	-	3,089,198	3,089,198
Water and Sewer system	<u>25,804,200</u>	<u>-</u>	<u>25,804,200</u>
	28,242,013	3,541,254	31,783,267
Less: accumulated depreciation	<u>(8,038,217)</u>	<u>(878,126)</u>	<u>(8,916,343)</u>
Net property, plant and equipment	20,203,796	2,663,128	22,866,924
Deposits	75	-	75
Bond Issuance costs, net	<u>318,760</u>	<u>-</u>	<u>318,760</u>
Total noncurrent assets	<u>20,522,631</u>	<u>2,663,128</u>	<u>23,185,759</u>
Total assets	<u>24,593,792</u>	<u>2,837,542</u>	<u>27,431,334</u>
Current Liabilities			
Accounts payable	122,238	8,452	130,690
Accrued interest	127,420	-	127,420
Sales tax payable	1,842	101	1,943
Wages payable	10,323	-	10,323
Compensated absences	7,620	-	7,620
Due to other funds	-	131,150	131,150
Bonds payable	395,000	-	395,000
Notes payable	213,025	-	213,025
Customer deposits	<u>470,121</u>	<u>3,002</u>	<u>473,123</u>
Total current liabilities	<u>1,347,589</u>	<u>142,705</u>	<u>1,490,294</u>
Noncurrent Liabilities			
Bonds payable	7,031,414	-	7,031,414
Notes payable	1,696,897	-	1,696,897
Compensated absences	<u>18,525</u>	<u>-</u>	<u>18,525</u>
Total noncurrent liabilities	<u>8,746,836</u>	<u>-</u>	<u>8,746,836</u>
Total liabilities	<u>10,094,425</u>	<u>142,705</u>	<u>10,237,130</u>
Net Assets			
Invested in capital assets, net of related debt	11,216,023	2,663,128	13,879,151
Restricted	735,540	-	735,540
Unrestricted	<u>2,547,804</u>	<u>31,709</u>	<u>2,579,513</u>
Total net assets	<u>\$ 14,499,367</u>	<u>\$ 2,694,837</u>	<u>\$ 17,194,204</u>

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

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Water & Sewer Fund</u>	<u>Waterfront Development Fund</u>	<u>Total</u>
Operating Revenues			
Charges for services	\$ 3,432,932	\$ 19,962	\$ 3,452,894
Total operating revenues	<u>3,432,932</u>	<u>19,962</u>	<u>3,452,894</u>
Operating Expenses			
Salaries and related expenses	660,159	-	660,159
Supplies	112,538	565	113,103
Repairs and maintenance	248,974	824	249,798
Contractual services	773,614	11,403	785,017
Other services and charges	178,624	7,026	185,650
Depreciation expense	442,512	116,944	559,456
Amortization expense	17,243	-	17,243
Total operating expenses	<u>2,433,664</u>	<u>136,762</u>	<u>2,570,426</u>
Operating Income (Loss)	<u>999,268</u>	<u>(116,800)</u>	<u>882,468</u>
Non-Operating Revenues (Expenses)			
Interest earnings	65	-	65
Ad-valorem receipts	22,658	-	22,658
Interest expense	(380,988)	-	(380,988)
Total non-operating revenue (expenses)	<u>(358,265)</u>	<u>-</u>	<u>(358,265)</u>
Income (loss) before contributions and transfers	641,003	(116,800)	524,203
Transfer in	<u>220,871</u>	<u>-</u>	<u>220,871</u>
Change in Net Assets	<u>861,874</u>	<u>(116,800)</u>	<u>745,074</u>
Net Assets			
Beginning of year, restated	<u>13,637,493</u>	<u>2,811,637</u>	<u>16,449,130</u>
End of year	<u>\$ 14,499,367</u>	<u>\$ 2,694,837</u>	<u>\$ 17,194,204</u>

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

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Water & Sewer Fund	Waterfront Development Fund	Total
Cash Flows from Operating Activities			
Receipts from customers	\$ 3,537,244	\$ 18,673	\$ 3,555,917
Payments to employees	(681,042)	-	(681,042)
Payments to suppliers	(112,538)	(565)	(113,103)
Payments for contractual services	(874,695)	(18,049)	(892,744)
Payments for other goods and services	(429,035)	(7,869)	(436,904)
Net cash provided by (used) operating activities	<u>1,439,934</u>	<u>(7,810)</u>	<u>1,432,124</u>
Cash Flows From Non-Capital Financing Activities			
Transfers in	220,871	-	220,871
Ad-valorem receipts	<u>22,658</u>	<u>-</u>	<u>22,658</u>
Net cash provided by non-capital activities	<u>243,529</u>	<u>-</u>	<u>243,529</u>
Cash Flows From Capital and Related Financing Activities			
Principal payments on debt	(473,688)	-	(473,688)
Acquisition of capital assets	(2,093,743)	-	(2,093,743)
Proceeds from debt issuance	2,736,038	-	2,736,038
Interest expense	<u>(298,136)</u>	<u>-</u>	<u>(298,136)</u>
Net cash (used) by capital activities	<u>(129,529)</u>	<u>-</u>	<u>(129,529)</u>
Cash Flows From Investing Activities			
Interest received	<u>65</u>	<u>-</u>	<u>65</u>
Net cash provided by investing activities	<u>65</u>	<u>-</u>	<u>65</u>
Net increase in cash and cash equivalents	1,553,999	(7,810)	1,546,189
Cash and cash equivalents:			
Beginning of year	<u>937,849</u>	<u>10,812</u>	<u>948,661</u>
End of year	<u>\$ 2,491,848</u>	<u>\$ 3,002</u>	<u>\$ 2,494,850</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating income (loss)	\$ 999,268	(116,800)	\$ 882,468
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	442,512	116,944	559,456
Amortization expense	17,243	-	17,243
(Increase) decrease in current assets:			
Accounts receivable	102,078	(1,042)	101,036
Increase (decrease) in current liabilities:			
Accounts payable	(31,711)	6,290	(25,421)
Wages payable	(18,122)	-	(18,122)
Due to other funds	(69,369)	(12,933)	(82,302)
Compensated absences	(2,759)	-	(2,759)
Sales tax payable	(1,438)	(19)	(1,457)
Customer deposits	<u>2,232</u>	<u>(250)</u>	<u>1,982</u>
Net cash provided by (used) operating activities	<u>\$ 1,439,934</u>	<u>\$ (7,810)</u>	<u>\$ 1,432,124</u>

**Reconciliation of cash and cash equivalents
per statement of cash flows to the statement of
net assets**

	Current Current Assets	Current Restricted Assets	Total
Cash and cash equivalents - October 1	\$ 7,560	\$ 941,101	\$ 948,661
Net increase/(decrease)	<u>1,278,627</u>	<u>267,562</u>	<u>1,546,189</u>
Cash and cash equivalents - September 30	<u>\$ 1,286,187</u>	<u>\$ 1,208,663</u>	<u>\$ 2,494,850</u>

The accompanying notes are an integral part of these financial statements

NOTE DISCLOSURES

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Introduction

The City of D'Iberville, Mississippi the (City) was incorporated on February 10, 1988 under the provisions of the State of Mississippi. The City operates under a City-manager plan of government, and is authorized various services under State law.

The City of D'Iberville is a municipal corporation governed by an elected five member council and mayor. Each council member and the mayor serve a four year term.

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this Note. The remainder of the notes is organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended September 30, 2011.

II. Financial Reporting Entity

The accompanying financial statements present the City's governmental units over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or functional relationships with the City (as distinct from legal relationships).

Component unit criteria are based on identification of legally separate organizations for which the elected officials of the City are financially accountable. The City has no component units.

In accordance with a pre-incorporation agreement the D'Iberville schools continue to be operated and maintained by the Harrison County School District. The City does not appoint any of the school board and the property taxes are collected inside the City for the school district are paid directly to the school district by the Harrison County Tax Collector.

Management has identified one joint venture (Harrison County Utility Authority), and one jointly governed organization (Harrison County Library). A joint venture is a legal entity or other organization that results from a contractual arrangement that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. A jointly governed organization is similar in nature to a joint venture in that they provide goods and services to the citizenry of two or more governments; however, there is no ongoing significant financial interest or responsibility by the participating governments.

III. Government-Wide and Fund Financial Statements

(A) Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of inter-fund activities has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

(B) Fund Financial Statements

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

IV. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

(A) Basis of Accounting

The City complies with Accounting Principles Generally Accepted in the United States of America (GAAP) as applicable to governmental entities, and as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for governmental accounting and financial reporting principles. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, generally including the reclassification or elimination of internal activity (between or within funds). Proprietary fund financial statements also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Only current assets and current liabilities are generally included on the balance sheet. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

(B) Fund Types and Major Funds

Governmental Funds

The City reports the following major governmental fund:

General Fund – The general fund is the primary operating fund of the City. It accounts for all financial resources of the general government, except those accounted for in other funds.

CDBG Grant Fund – The CDBG grant fund is used by the City to account for all of the resources for and the payment of all special capital related projects of the City that are funded through the Community Development Block Grant – Small cities program.

Proprietary Funds

The City reports the following major proprietary funds:

Utility Fund – The utility fund accounts for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing water and sewer services to the residents of the City of D'Iberville on a continuing basis be financed or recovered primarily through user charges.

Waterfront Development Fund – The waterfront development fund accounts for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing boat slips to the residents of the City of D'Iberville will be financed or recovered primarily through user charges in the form of rental receipts.

(C) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

V. Assets, Liabilities, and Net Assets or Equity

(A) Cash and Cash Equivalents

The City's cash and cash equivalents are primarily considered to be cash on hand and amounts held in demand deposits.

(B) Inter-fund Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that these funds are not available for appropriation and are not expendable available financial resources. There are no advances between funds at year-end.

(C) Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws. Restricted assets in the General Fund represent monies held for future interest payments on the Series 2011 Special Obligation Bonds. Restricted assets in the Utility fund represent the largest principal payment due for the repayment of the 1998 Water and Sewer Revenue Refunding bonds, as required by the debt covenant; the largest principal payment for Series 2011 Water and Sewer Special Obligation Bonds; and are also amounts that are classified as customer meter deposits.

When both restricted and non-restricted assets are available for use, the policy is to use restricted assets first.

(D) Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) is reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets other than infrastructure assets are defined by the government as assets with an initial, individual cost of \$5,000 or more (amount not rounded) and an estimated useful life in excess of one year.

Donated capital assets are recorded at estimated fair value at the date of donation. In the fund-level financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets used in proprietary fund operations are accounted for the same as in government-wide financial statements.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest cost was capitalized during the current fiscal year.

Property, plant, equipment and infrastructure assets of the City are depreciated using the straight line method over the following estimated useful lives:

Buildings	50 years
Building improvements	20 years
Public domain infrastructure	50 years
Utility system infrastructure	10 – 50 years
Machinery and equipment	3 – 15 years
Vehicles	5 years
Office furniture and equipment	5 – 10 years

(E) Long-Term Obligations

In the government-wide financial statements, and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

The governmental fund financial statements recognize the proceeds of debt and premiums, if any, as other financing sources of the current period. Issuance costs, if any, are reported as expenditures.

(F) Compensated Absences

The City has two types of compensated absences that are described as follows:

- *Vacation* – Full time employees are granted 6 to 24 vacation days per year depending on the employee's length of service.
- *Sick Leave* – Full-time employees are granted 12 sick leave days per year. However, unused sick leave is not reimbursed upon termination.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. For governmental fund financial statements, the amount of accumulated vacation leave has been recorded as a current liability to the extent that the amounts are expected to be paid using expendable available financial resources.

The compensated absences liability was computed using the specific identification method whereby the actual number of vacation hours is multiplied by the employee's hourly rate at September 30, 2011. The resulting liability is then increased to include social security and retirement contributions that the City is required to pay upon liquidation of the liability.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(G) Fund Equity

Fund balances are classified as follows:

Nonspendable—Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted—Amounts that can be spent only for specific purposes because of the City Charter, City Code, state or federal laws, or externally imposed conditions by grantors or creditors.

Committed—Amounts that can be used only for specific purposes determined by a formal action by City Council ordinance or resolution. This includes the budget reserve account.

Assigned—Amounts that are designated by management for a specific purpose but are not spendable until a budget ordinance is passed by City Council.

Unassigned—All amounts not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 21). As discussed in Note 1(C), restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by Council or the Assignment has been changed by management. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned Fund Balance becomes zero, then Assigned and Committed Fund Balances are used in that order.

General Fund

The General Fund has a Restricted Fund Balance of \$21,802 for unemployment compensation and \$175,229 for debt service and an Unassigned Fund Balance of \$3,674,328 at September 30, 2011.

Other Funds

The following non-major fund has a Restricted Fund Balance designated for specific purposes:

2004 TIF Fund - Capital project: \$535,741.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Designations of fund balance represent tentative management plans that are subject to change. There were no reservations or designations of fund balance at year-end.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(H) Net Assets

Net assets represent the difference between assets and liabilities.

Net assets invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets.

Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

NOTE 2: CASH AND CASH EQUIVALENTS

A summary of cash and cash equivalents (including restricted deposits) as of September 30, 2011 is as follows:

	<u>Bank Balances</u>
Pooled deposits:	
Cash and cash equivalents	\$ 4,053,026
Non-pooled deposits:	
Unemployment CD	21,802
Katrina Supplemental CDBG	22,865
Capital Projects - 2004 TIF	535,741
General debt service reserve	175,229
W & S debt service reserve	<u>735,540</u>
	<u><u>\$ 5,544,203</u></u>

**Reconciliation to Government-wide Statement
of Net Assets:**

Government activities:	
Unrestricted cash	\$ 2,874,124
Restricted cash	175,229
Business-type activities:	
Unrestricted cash	1,286,187
Restricted cash	<u>1,208,663</u>
	<u><u>\$ 5,544,203</u></u>

CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

Mississippi statutes allow public entities to select depositories on the basis of competitive bid. Depositories must be covered by Federal Deposit Insurance Corporation (FDIC) or collateralized in an amount equal to 105% of the uninsured deposit. The collateral is now held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5 of the Mississippi Code. Under this program, the City's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not recovered by the FDIC.

NOTE 3: RECEIVABLES AND REVENUES

(A) Receivables

Receivables at September 30, 2011 consist of the following:

	Governmental Activities			
	General Fund	CDBG Grant	Other	Total
Receivables:				
Property tax	\$ 21,964	\$ -	\$ -	\$ 21,964
Sales tax	870,658	-	-	870,658
Franchise tax	108,229	-	-	108,229
Garbage	74,036	-	-	74,036
Court fees	145,158	-	-	145,158
Other receivables, net	<u>-</u>	<u>-</u>	<u>76,483</u>	<u>76,483</u>
Total receivables	<u>\$ 1,220,045</u>	<u>\$ -</u>	<u>\$ 76,483</u>	<u>\$ 1,296,528</u>

	Business - Type Activities		
	Utility Fund	Waterfront Development Fund	Total
Receivables, net	<u>\$ 710,052</u>	<u>\$ 6,556</u>	<u>\$ 716,608</u>

CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 3: RECEIVABLES AND REVENUES

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Utility Accounts Receivable

Utility customer receivables consist of the following at September 30, 2011:

Water and sewer utility charges billed but uncollected	\$ 885,913
Water and sewer utility charges accrued but unbilled at year-end	156,243
Less: Allowance for uncollectible accounts	<u>(332,104)</u>
Utility accounts receivable	<u>\$ 710,052</u>

The City reports receivables at net realizable value. The allowance for doubtful accounts determination is based on historical losses and current economic conditions. Delinquent receivables are analyzed on a continuing basis and, once these receivables are determined to be uncollectible, they are written off through a charge against an existing allowance account

The City reported the following amounts as grant receivables as of September 30, 2011:

	Governmental Activities			Business - Type Activities		
	General Fund	CDBG Grant Fund	Non - major Governmental Funds	Water & Sewer Fund	Waterfront Development Fund	Total Government-wide
Due from other governments:						
FEMA	\$ 404,553	\$ -	\$ 89,052	\$ 869,261	\$ 164,856	\$ 1,527,722
CDBG	-	1,748,533	-	-	-	1,748,533
MDOT	-	-	242,814	-	-	242,814
EECBG	12,237	-	-	-	-	12,237
Other Public Safety Grants	<u>16,398</u>	<u>-</u>	<u>50,341</u>	<u>-</u>	<u>-</u>	<u>66,739</u>
Total	<u>\$ 433,188</u>	<u>\$ 1,748,533</u>	<u>\$ 382,207</u>	<u>\$ 869,261</u>	<u>\$ 164,856</u>	<u>\$ 3,598,045</u>

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 4: INTERFUND RECEIVABLES AND PAYABLES

The composition of inter-fund balances at September 30, 2011 is as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Funds:		
General Fund	\$ 430,191	\$ -
CDBG Fund	-	41,123
Waterfront Development Fund	-	131,150
Non-major Funds:	<u>-</u>	<u>257,918</u>
Totals	<u>\$ 430,191</u>	<u>\$ 430,191</u>

All remaining interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

In addition to the above inter-fund loans, the following transfers were made between funds during the year ended September 30, 2011:

Transfers are indicative of the City's matching portion of various capital projects, lease payments or debt service, subsidies of various City operations and re-allocations of special revenues. The transfers from the CDBG Grant Fund to the Water and Sewer Fund are for the capital expenditures that were recorded initially in the CDBG Grant Fund but were actual capital improvements to the utility system.

	<u>Transfer to Other funds</u>	<u>Transfers from Other funds</u>
Major Funds:		
General Fund	\$ 3,913,267	\$ -
CDBG Grant Fund	220,871	1,847,332
Water and Sewer Fund	-	220,871
Non-major Funds:	<u>-</u>	<u>2,065,935</u>
Totals	<u>\$ 4,134,138</u>	<u>\$ 4,134,138</u>

CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 5: CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2011 is as follows:

	Balance October 1, 2010	Additions	Sales/Transfers Adjustments	Balance September 30, 2011
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 1,889,775	\$ 4,681,726	\$ -	\$ 6,571,501
Construction in progress	5,096,632	6,314,732	(2,244,330)	9,167,034
Total capital assets not being depreciated	<u>6,986,407</u>	<u>10,996,458</u>	<u>(2,244,330)</u>	<u>15,738,535</u>
Capital assets being depreciated:				
Buildings	1,879,383	-	1,093,639	2,973,022
Machinery and equipment	1,894,310	65,795	(1,964)	1,958,141
Improvements other than Buildings	6,758,626	-	742,617	7,501,243
Infrastructure	12,772,135	-	343,074	13,115,209
Vehicles	2,621,648	637,585	(116,483)	3,142,750
Total capital assets being depreciated	<u>25,926,102</u>	<u>703,380</u>	<u>2,060,883</u>	<u>28,690,365</u>
Less accumulated depreciation:				
Buildings	437,728	42,721	(8,468)	471,981
Machinery and equipment	819,737	218,156	(1,768)	1,036,125
Improvements other than Buildings	2,313,576	282,752	-	2,596,328
Infrastructure	3,523,807	314,288	-	3,838,095
Vehicles	1,695,497	283,997	(104,835)	1,874,659
Total accumulated depreciation	<u>8,790,345</u>	<u>1,141,914</u>	<u>(115,071)</u>	<u>9,817,188</u>
Total capital assets being depreciated, net	<u>17,135,757</u>	<u>(438,534)</u>	<u>2,175,954</u>	<u>18,873,177</u>
Governmental activities capital assets, net	<u>\$ 24,122,164</u>	<u>\$ 10,557,924</u>	<u>\$ (68,376)</u>	<u>\$ 34,611,712</u>

CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 5: CAPITAL ASSETS (Continued)

	Balance October 1, 2010	Additions	Sales/Transfers Adjustments	Balance September 30, 2011
<u>Business - type activities:</u>				
Capital assets not being depreciated:				
Land	\$ 321,080	\$ -	\$ -	\$ 321,080
Construction in progress	-	2,001,890	-	2,001,890
Total capital assets not being depreciated	<u>321,080</u>	<u>2,001,890</u>	<u>-</u>	<u>2,322,970</u>
Capital assets being depreciated:				
Buildings	305,326	-	-	305,326
Machinery and equipment	159,231	11,925	-	171,156
Water, sewer and gas systems	25,724,272	79,928	-	25,804,200
Boat slips and piers	3,089,196	-	-	3,089,196
Vehicles	90,417	-	-	90,417
Total capital assets being depreciated	<u>29,368,442</u>	<u>91,853</u>	<u>-</u>	<u>29,460,295</u>
Less accumulated depreciation:				
Buildings	87,365	4,610	-	91,975
Machinery and equipment	114,509	15,545	-	130,054
Water, sewer and gas systems	7,328,658	422,334	-	7,750,992
Boat slips and piers	748,182	113,769	-	861,951
Vehicles	78,171	3,198	-	81,369
Total accumulated depreciation	<u>8,356,885</u>	<u>559,456</u>	<u>-</u>	<u>8,916,341</u>
Total capital assets being depreciated, net	<u>21,011,557</u>	<u>(467,603)</u>	<u>-</u>	<u>20,543,954</u>
Business-type activities capital assets, net	<u>\$ 21,332,637</u>	<u>\$ 1,534,287</u>	<u>\$ -</u>	<u>\$ 22,866,924</u>

CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 5: CAPITAL ASSETS (Continued)

Construction work in progress for the governmental and utility activities of the City is composed of the following:

Project	Money Spent to Date	Remaining Commitment
Sangani Utility Relocation	\$ 155,459	\$ 546,244
City Hall/Facade	5,475,417	699,655
Central Avenue	3,468,241	3,331,507
Mallet Road Sidewalks	<u>67,917</u>	<u>87,603</u>
Total governmental activities	<u>\$ 9,167,034</u>	<u>\$ 4,665,009</u>
Water and Sewer Digital Meter Replacement Project	\$ 1,781,019	\$ 668,163
Central Avenue	<u>220,871</u>	<u>212,172</u>
Total business - type activities	<u>\$ 2,001,890</u>	<u>\$ 880,335</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 85,532
Public safety	256,034
Public works	672,868
Economic development	21,155
Culture and recreation	<u>106,325</u>
Total governmental activities	<u>\$ 1,141,914</u>
Business-type activities:	
Utility Fund	\$ 442,512
Waterfront Development Fund	<u>116,944</u>
Total business - type activities	<u>\$ 559,456</u>

CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 6: LONG-TERM DEBT

Governmental Activities	Payable at 9/30/2010	Additions	Reductions	Payable at 9/30/2011	Due in one year
General obligation bonds	\$ 4,000,000	\$ -	\$ 195,000	\$ 3,805,000	\$ 200,000
Special obligation bonds	-	4,000,000	-	4,000,000	-
Limited obligation bonds	7,479,160	-	745,000	6,734,160	834,160
Notes payable	1,281,462	-	-	1,281,462	-
Capital leases payable	376,793	-	146,539	230,254	54,312
Compensated absences	284,990	82,717	71,818	295,889	65,401
Total governmental activities	<u>13,422,405</u>	<u>4,082,717</u>	<u>1,158,357</u>	<u>16,346,765</u>	<u>1,153,873</u>
Business-type Activities					
Revenue refunding bonds	4,785,000	2,875,000	310,000	7,350,000	395,000
Notes payable	2,114,723	-	204,801	1,909,922	213,025
Capital leases	19,380	-	19,380	-	-
Compensated absences	28,904	5,011	7,770	26,145	7,620
	<u>6,948,007</u>	<u>2,880,011</u>	<u>541,951</u>	<u>9,286,067</u>	<u>615,645</u>
Add deferred gain on bond refunding	15,921	63,733	3,240	76,414	-
Total business-type activities	<u>6,963,928</u>	<u>2,943,744</u>	<u>545,191</u>	<u>9,362,481</u>	<u>615,645</u>
Total government	<u>\$ 20,386,333</u>	<u>\$ 7,026,461</u>	<u>\$ 1,703,548</u>	<u>\$ 25,709,246</u>	<u>\$ 1,769,518</u>

General Obligation Bonds

In December 2009, the City authorized and issued General Obligation Improvement Bonds, Series 2009 for the purpose of expanding, repairing, improving, adorning and equipping municipal buildings, constructing, improving public streets and purchasing land in conjunction with the many Community Development Block Grant programs. The amount of the bonds issued is \$4,000,000 with the initial payment due in December 2010 with principal maturing December 2023.

Annual debt service requirements to maturity for the general obligation bond are as follows:

Year	Principal	Interest	Total
Ending			
2012	\$ 200,000	\$ 132,450	\$ 332,450
2013	210,000	123,738	333,738
2014	220,000	114,738	334,738
2015	230,000	105,600	335,600
2016	240,000	96,200	336,200
2017-2021	1,370,000	345,948	1,715,948
2022-2025	<u>1,335,000</u>	<u>96,898</u>	<u>1,431,898</u>
	<u>\$ 3,805,000</u>	<u>\$ 1,015,572</u>	<u>\$ 4,820,572</u>

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 6: LONG-TERM DEBT (Continued)

Special Obligation Bonds

In August 2011, the City authorized and issued Special Obligation Bonds, Series 2011 for the purpose of purchasing approximately 6.4 acres of property to be subsequently leased to the Institute for Marine Mammal Studies for the development of their Ocean Expo Aquarium. This debt is not a direct obligation of the City. A portion of the admission charged to visitors to the aquarium will be used to retire the debt.

Annual debt service requirements to maturity for the special obligation bond are as follows:

Year Ending	Principal	Interest	Total
2012	\$ -	\$ 175,207	\$ 175,207
2013	150,000	168,668	318,668
2014	155,000	165,668	320,668
2015	160,000	162,568	322,568
2016	175,000	159,368	334,368
2017-2021	885,000	715,910	1,600,910
2022-2026	1,085,000	518,213	1,603,213
2027-2031	<u>1,390,000</u>	<u>225,742</u>	<u>1,615,742</u>
	<u>\$ 4,000,000</u>	<u>\$ 2,291,344</u>	<u>\$ 6,291,344</u>

Limited Obligation Bonds

The City issues tax increment financing bonds to encourage economic development of certain areas of the City. The original amount of tax increment financing bonds issued in prior years was \$8,735,000. During the year, no tax increment financing bonds were issued.

The principal and interest on tax increment financing bonds are paid from the increase in sales tax revenue that is generated from the developed area. These bonds are generally issued as 10 or 20-year serial bonds with varying amounts of principal maturing each year. These bonds are reflected in the governmental activities column of the Statement of Net Assets.

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CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 6: LONG-TERM DEBT (Continued)

Tax increment financing bonds currently outstanding are as follows:

	Interest rates	Amount
TIF Bond 1998	4.4-5.7%	\$ 1,140,000
TIF Bond 1999	4.5-6.25%	705,000
TIF Bond 2000	6.40%	174,160
TIF Bond 2004	4.84%	2,235,000
TIF Bond 2008	4.76%	<u>2,480,000</u>
		<u>\$ 6,734,160</u>

Annual debt service requirements to maturity for tax increment financing bonds are as follows:

Year Ending	Principal	Interest	Total
2012	\$ 834,160	\$ 322,034	\$ 1,156,194
2013	720,000	280,896	1,000,896
2014	745,000	246,955	991,955
2015	790,000	211,780	1,001,780
2016	525,000	174,450	699,450
2017-2021	2,575,000	462,763	3,037,763
2022-2026	<u>545,000</u>	<u>37,842</u>	<u>582,842</u>
	<u>\$ 6,734,160</u>	<u>\$ 1,736,720</u>	<u>\$ 8,470,880</u>

Revenue Bonds

The City also issues bonds where the government pledges the income derived from the water and sewer charges collected to pay the debt service. These bonds were issued to expand and improve existing water and sewer facilities.

In February 2011, the City authorized and issued \$2,875,000 in revenue bonds for the purpose of installing digital, Wi-Fi enabled water meters throughout the City. These new meters are capable of reading water consumption more accurately and relaying the information back to a master control unit providing more accuracy and potentially eliminating water and sewer theft and billing inaccuracies. It is anticipated that new revenues will be generated through this more reliable system which will be used to retire the debt of this issuance.

In the prior year, the City defeased certain revenue bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments of the old bond. Accordingly, the trust account assets and the liabilities for the defeased bonds are not included in the City's financial statements. As of September 30, 2011, \$4,870,000 of bonds outstanding is considered defeased.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 6: LONG-TERM DEBT (Continued)

Revenue bonds outstanding recorded in the Utility Fund at the yearend are as follows:

	Interest rate	Amount
2010 Revenue Refunding Bond	2.0 - 4.125%	\$4,475,000
2011 Revenue Bond	4.5 - 5.25%	<u>2,875,000</u>
		<u>\$7,350,000</u>

Revenue bond debt service requirements to maturity are as follows:

Year Ending	Principal	Interest	Total
2012	\$ 395,000	\$ 293,012	\$ 688,012
2013	425,000	282,862	707,862
2014	435,000	271,362	706,362
2015	450,000	256,212	706,212
2016	465,000	240,512	705,512
2017-2021	2,605,000	926,537	3,531,537
2022-2026	1,730,000	400,028	2,130,028
2027-2030	<u>845,000</u>	<u>112,923</u>	<u>957,923</u>
	<u>\$ 7,350,000</u>	<u>\$ 2,783,448</u>	<u>\$ 10,133,448</u>

Notes Payable

State Revolving Loans

The City is currently participating in the State Revolving Loan Program to provide funds for water and sewer system upgrades and improvements. These loans are granted with a 20 year maturity with equal amounts of principal maturing each year. The interest rates on these loans vary from 0% to 4.5%. These loans are reflected in the Business - type Activities column of the Statement of Net Assets.

Mississippi Development Bank Loan

The City entered into a loan agreement with the Mississippi Development Bank to provide funds for water and sewer system upgrades and improvements. This loan has a 20 year maturity and an interest rate of 3.00%. This loan is reflected in the Business - type Activities column of the Statement of Net Assets.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 6: LONG-TERM DEBT (Continued)

Special Community Disaster Loans

The City obtained two loans from the Federal Emergency Management Agency in the amounts of \$1,281,462 and \$348,563 for general government purposes and water and sewer operations, respectively under the Community Disaster Loan program. The payments on this loan are deferred for five years maturing in FYE 2016.

Annual debt service requirement for the loans are as follows:

Year Ending	Governmental Activities			Business -Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ -	\$ -	\$ -	\$ 213,025	\$ 51,275	264,300
2013	-	-	-	221,633	42,666	264,299
2014	-	-	-	230,606	33,696	264,302
2015	-	-	-	239,983	24,318	264,301
2016	-	-	-	529,313	65,413	594,726
2017-2021	1,281,462	182,396	1,463,858	282,802	32,879	315,681
2022-2026	-	-	-	108,023	14,216	122,239
2027-2030	-	-	-	84,537	3,275	87,812
	<u>\$ 1,281,462</u>	<u>\$ 182,396</u>	<u>\$ 1,463,858</u>	<u>\$ 1,909,922</u>	<u>\$ 267,738</u>	<u>\$ 2,177,660</u>

Capital Lease Payable

In January 2005, the City entered into a lease agreement with Hancock Bank for the purchase of a fire truck in the amount of \$515,985. This lease has a ten year maturity and an interest rate of 3.89%.

The following is an analysis of the leased assets included in machinery and equipment and vehicles:

	<u>Governmental Activities</u>
Vehicles	\$ 515,985
Less accumulated depreciation	(464,386)
	<u>\$ 51,599</u>

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 6: LONG-TERM DEBT (Continued)

The following is a schedule by years of future minimum payments required under the leases together with their present value as of September 30, 2011:

Year Ended September 30	<u>Governmental Activities</u>
2012	\$ 63,269
2013	63,269
2014	63,269
2015	<u>63,269</u>
Total minimum lease payments	253,076
Less amount representing interest	<u>(22,822)</u>
Present value of minimum lease payments	<u>\$ 230,254</u>

Compensated Absences

The City's policies relative to compensated absences and the method of computing accrued liabilities and reporting are discussed in Note 1.

NOTE 7: RETIREMENT PLANS

(A) Public Employees' Retirement System

The City participates in a retirement system administered by the Public Employees' Retirement System of Mississippi (PERS). The system is a defined benefit plan and includes a multi-employer, cost-sharing pension plan as described below:

Plan Description and Provisions

Substantially all of the City's full-time employees participate in PERS, a multi-employer, cost-sharing, defined benefit public employee pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

Benefit provisions are established by State law and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information.

That information may be obtained by writing to Public Employee Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005, or by calling (601) 359-3589 or 1-800-444-PERS.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 7: RETIREMENT PLANS (Continued)

Description of Funding Policy

PERS members are required to contribute 9.0% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 12% of annual covered payroll. The contribution requirements of PERS members are established and may be amended only by the State of Mississippi Legislature. The City's contributions to PERS for the years ending September 30, 2011, 2010, and 2009, were \$510,903, \$539,287 and \$495,874 respectively, equal to the required contributions for each year.

(B) Deferred Compensation Plan

The City, through ING, offers its employees a voluntary deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

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

NOTE 8: RELATED PARTY COMMITMENTS

On September 30, 1998, the City entered into an agreement with the Harrison County Library Board of Trustees, the City of Gulfport, the City of Biloxi, the City of Pass Christian, and Harrison County to mutually cooperate in securing a more economical public library system through combined resources, interests, materials and facilities to be known as the Harrison County Library System. There are no specific monetary terms in the agreement and the City of D'Iberville has no equity interest in the organization.

The Harrison County Library Board approves an operating budget every year which stipulates the amount of funds needed from participating municipalities and various other funding sources.

The City of D'Iberville contributed \$88,534 for the year ended September 30, 2011. This agreement is cancelable upon 60 days written notice prior to the end of the fiscal year, and therefore, the City of D'Iberville does not have an ongoing financial responsibility.

Joint Venture

The City of D'Iberville is a member of the Harrison County Utility Authority (Authority) which was established by an act of the Mississippi Legislature and operates under MS Code 49-17-701 to provide for adequate wastewater treatment and solid waste disposal services to the citizens of Harrison County, Mississippi. The governing board is comprised of one member from each of the cities and two members from each of the counties who are members of the Authority.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 8: RELATED PARTY COMMITMENTS (Continued)

Through a fifty-year contract, the City of D'Iberville is obligated to pay monthly, its pro-rata share of all operating, administrative, and capital costs of the Authority. Additionally, the City is jointly and severally liable for all of the liabilities of the Authority. The Authority is classified as a joint venture between the City of D'Iberville and the other members.

The following synopsis of the Authority's financial statements as of and for the year ended September 30, 2011, a complete copy of which is on file at the administrative offices of the Authority.

**Harrison County Utility Authority Synopsis
Balance Sheet**

Assets	
Current assets	\$ 9,337,582
Restricted assets	34,734,367
Property, plant and equipment, net	272,161,135
Deferred charges	391,685
Deferred outflow of resources	<u>27,895,902</u>
Total assets	<u>\$ 344,520,671</u>
Liabilities & Net Assets	
Liabilities	
Current, unrestricted	9,703,932
Current, restricted	20,207,791
Long-term liabilities	115,417,007
Interest rate swap	<u>27,895,902</u>
Total liabilities	<u>173,224,632</u>
Net assets	
Invested in capital assets, net of related debt	152,756,051
Restricted for debt service and reserves	20,537,492
Unrestricted	<u>(1,997,504)</u>
Total net assets	<u>171,296,039</u>
Total liabilities and net assets	<u>\$ 344,520,671</u>

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 8: RELATED PARTY COMMITMENTS (Continued)

Statement of Revenues and Expenses

Operating revenues	\$ 18,357,485
Operating expenses	(18,473,487)
Depreciation and amortization	(4,004,606)
Non-operating revenues (expenses)	<u>68,571,007</u>
 Changes in net assets	 <u>\$ 64,450,399</u>

The following financial transactions concerning transactions with the Authority has been included in the City of D'Iberville's financial statements under the following captions:

General Fund

Statement of revenues, expenditures and changes in fund balance:

Public works expenditures:

Other services and charges (solid waste)	\$ 385,916
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Water and Sewer Enterprise Fund

Statement of revenues, expenses and changes in retained earnings:	\$ 674,140
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Contracted services (wastewater treatment)

NOTE 9: COMMITMENTS AND CONTINGENCIES

Commitments

(A) Harrison County Inter-local Agreement

On September 8, 2009, the City entered into an inter-local agreement with Harrison County, Mississippi to provide for certain services in connection with the City's roads, bridges, highways, approaches and related drainage, and parks and recreational facilities. This agreement is for the period September 8, 2009 through December 31, 2011. On November 3, 2008, the City also entered into an inter-local agreement for all emergency communications, including 911 services for public safety and protection and other purposes. This agreement is for the period November 3, 2008 through December 31, 2011. The City pays 23% of the total costs of direct salaries and all fringe benefits of the total number of all dispatchers operating in the Sheriff's dispatch unit. The City further agrees to pay 100% of the actual payments, including fringe benefits, which the County pays to dispatchers working overtime or holidays on City matters. Based on the payment formula, the City's annual payments are estimated to be \$217,046.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 9: COMMITMENTS AND CONTINGENCIES (Continued)

(B) Matching Funds – USM Advanced Education Center

In 1997, the City had agreed to participate with the county and other cities in funding the local matching contribution for the construction of the Advanced Education Center at the USM Gulf Park campus. The City's 3.0% portion of the annual debt service for the \$2,000,000 in bonds issued by Harrison County will be approximately \$4,746 annually through September 2016.

(C) Institute for Marine Mammals, Inc.

In June 2011, the City entered into a lease purchase agreement with the Institute for Marine Mammals, Inc., a non-profit organization for the purpose of constructing the Ocean Expo Learning Center on the leased premises. The City has committed to an initial investment of at least Nine Million Five Hundred Thousand Dollars (\$9,500,000) for the land acquisition, onsite and offsite salt water piping infrastructure specifically for use by the facility and other related costs associated with the agreement. In addition, the City has agreed to secure financing of at least Seven Million Dollars (\$7,000,000) for the use in constructing roads surrounding the Ocean Expo Learning Center and the areas adjacent to the facility.

The City plans to obtain funding for this project through private and intergovernmental grants and will reduce the capital outlay on a dollar-for-dollar basis. If the City's financial outlay is not recouped within twelve months from the date that the Ocean Expo Learning Center is open to the public, the lessee will pay to the City an annual ground lease fee in the amount of \$1 per paying visitor of the Ocean Expo Learning Center. The initial payment will be on January 1 of the year following the first calendar year that the Ocean Expo Learning Center is open to the public. The annual ground lease fee will continue until the total of all ground lease fee payments equals the lessor of Seven Million Five Hundred Thousand (\$7,500,000) or an amount necessary to reimburse the City after considering all other sources for the City's actual land acquisition cost, infrastructure costs, engineering fees, and any other costs incurred by the City.

In June 2011, the City entered into an agreement with Ramco Development, LLC to purchase approximately 6.5 acres to subsequently lease to the Institute for Marine Mammals, Inc. for the construction of the Ocean Expo Learning Center. The land was purchased in the amount of \$6,969,600. The City issued special obligation bonds in the amount of \$4,500,000 as described in Note 6. The City also issued a promissory note in the amount of \$2,469,600 to Ramco Development, LLC which is secured by an assignment of lease. The City has agreed to assign and set over to Ramco Development, LLC, 75% of the City's \$1 per patron lease payment as provided in the lease agreement with the Institute for Marine Mammals, Inc. Any outstanding balance on the promissory note will be due and payable in full on or before June 2031.

Contingencies

(A) Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's legal counsel the resolution of these matters will not have a material adverse effect on the financial condition of the City.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

NOTE 9: COMMITMENTS AND CONTINGENCIES (Continued)

(B) Grants and Awards

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally federal and state governments. Any disallowed expenses, including amounts already collected, might constitute a liability of the applicable funds. The City does not believe any contingent liabilities are material.

NOTE 10: RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; personal injury and natural disasters for which the City carries commercial insurance.

NOTE 11: SUBSEQUENT EVENTS

On April 3, 2012, the City approved the Oyster Bay/D'Iberville land lease with Oyster Bay Development, LLC for the development of a casino. The lease term is an initial fifteen (15) year lease with the option to renew for four (4) additional periods of ten (10) years each.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Final Budget	Actual	Variance with final budget Positive (Negative)
REVENUES				
Taxes:				
Property	\$ 2,550,883	\$ 2,602,256	\$ 2,605,740	\$ 3,484
Sales	5,500,000	5,625,000	5,629,001	4,001
Franchise	320,000	340,000	343,867	3,867
Licenses and permits	273,000	211,730	231,488	19,758
Other grants	652,459	659,697	878,662	218,965
Intergovernmental	828,166	806,862	821,854	14,992
Charges for services	487,937	468,000	473,823	5,823
Fines and forfeits	400,000	645,000	679,755	34,755
Interest	75,000	35,000	36,840	1,840
Lease revenue	74,200	78,900	105,621	26,721
Miscellaneous	15,000	31,273	31,553	280
Total revenues	<u>11,176,645</u>	<u>11,503,718</u>	<u>11,838,204</u>	<u>334,486</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Personnel Services	1,001,041	1,017,249	983,286	33,963
Supplies	44,700	45,030	29,007	16,023
Other Services & Charges	1,487,699	1,734,600	1,628,499	106,101
Capital Outlay	<u>272,125</u>	<u>4,758,721</u>	<u>4,758,050</u>	<u>671</u>
Total General Government	<u>2,805,565</u>	<u>7,555,600</u>	<u>7,398,842</u>	<u>156,758</u>
PUBLIC SAFETY				
Personnel Services	2,572,315	2,683,966	2,650,091	33,875
Supplies	190,830	195,830	287,053	(91,223)
Other Services & Charges	378,500	442,000	317,333	124,667
Capital Outlay	<u>132,666</u>	<u>361,052</u>	<u>331,036</u>	<u>30,016</u>
Total Public Safety	<u>3,274,311</u>	<u>3,682,848</u>	<u>3,585,513</u>	<u>97,335</u>
PUBLIC WORKS				
Personnel Services	573,600	573,600	558,206	15,394
Supplies	91,361	99,080	109,448	(10,368)
Other Services & Charges	839,437	791,500	732,499	59,001
Capital Outlay	<u>575,882</u>	<u>582,882</u>	<u>382,810</u>	<u>200,072</u>
Total Public Works	<u>2,080,280</u>	<u>2,047,062</u>	<u>1,782,963</u>	<u>264,099</u>
ECONOMIC DEVELOPMENT				
Personnel Services	281,265	281,265	246,583	34,682
Supplies	9,500	9,500	8,100	1,400
Other Services & Charges	<u>35,500</u>	<u>36,500</u>	<u>13,573</u>	<u>22,927</u>
Total Economic Development	<u>326,265</u>	<u>327,265</u>	<u>268,256</u>	<u>59,009</u>
CULTURE & RECREATION				
Personnel Services	270,318	273,318	257,056	16,262
Supplies	44,500	50,500	83,813	(33,313)
Other Services & Charges	246,000	291,500	196,908	94,592
Capital Outlay	<u>66,468</u>	<u>68,516</u>	<u>68,516</u>	<u>-</u>
Total Culture & Recreation	<u>627,286</u>	<u>683,834</u>	<u>606,293</u>	<u>77,541</u>
Total Expenditures	<u>9,113,707</u>	<u>14,296,609</u>	<u>13,641,867</u>	<u>654,742</u>
Excess (deficiency) of revenues over expenditures	2,062,938	(2,792,891)	(1,803,663)	989,228
OTHER FINANCING SOURCES (USES)				
Insurance Proceeds	-	10,700	10,724	24
Bond Proceeds	-	4,000,000	4,000,000	-
Sale of assets	-	57,240	57,240	-
Transfers out	<u>(6,057,389)</u>	<u>(4,314,388)</u>	<u>(3,321,592)</u>	<u>992,796</u>
Total other financing sources (uses)	<u>(6,057,389)</u>	<u>(246,448)</u>	<u>746,372</u>	<u>992,820</u>
Excess of revenues and other sources over expenditures	<u>\$ (3,994,451)</u>	<u>\$ (3,039,339)</u>	<u>(1,057,291)</u>	<u>\$ 1,982,048</u>
Fund balance - October 1 - GAAP basis, restated			6,169,669	
Receivable/revenue adjustments			(740,024)	
Payable/expenditure adjustments			<u>(500,995)</u>	
Fund balance - September 30 - GAAP basis			<u>\$ 3,871,359</u>	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
CDBG GRANT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 8,773,000	\$ 4,374,401	\$ 3,828,376	\$ (546,025)
Total revenues	<u>8,773,000</u>	<u>4,374,401</u>	<u>3,828,376</u>	<u>(546,025)</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Capital Outlay	<u>4,302,000</u>	<u>3,446,000</u>	<u>3,363,093</u>	<u>82,907</u>
Total General Government	<u>4,302,000</u>	<u>3,446,000</u>	<u>3,363,093</u>	<u>82,907</u>
PUBLIC WORKS				
Capital Outlay	<u>6,622,200</u>	<u>1,841,500</u>	<u>1,409,640</u>	<u>431,860</u>
Total Public Works	<u>6,622,200</u>	<u>1,841,500</u>	<u>1,409,640</u>	<u>431,860</u>
ECONOMIC DEVELOPMENT				
Other Services & Charges	<u>488,000</u>	<u>363,000</u>	<u>358,120</u>	<u>4,880</u>
Total Economic Development	<u>488,000</u>	<u>363,000</u>	<u>358,120</u>	<u>4,880</u>
CULTURE & RECREATION				
Capital Outlay	<u>1,020,800</u>	<u>1,004,000</u>	<u>938,423</u>	<u>65,577</u>
Total Culture & Recreation	<u>1,020,800</u>	<u>1,004,000</u>	<u>938,423</u>	<u>65,577</u>
Total Expenditures	<u>12,433,000</u>	<u>6,654,500</u>	<u>6,069,276</u>	<u>585,224</u>
Excess (deficiency) of revenues over expenditures	(3,660,000)	(2,280,099)	(2,240,900)	39,199
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>3,660,000</u>	<u>2,280,099</u>	<u>1,657,203</u>	<u>(622,896)</u>
Total other financing sources (uses)	<u>3,660,000</u>	<u>2,280,099</u>	<u>1,657,203</u>	<u>(622,896)</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(583,697)</u>	<u>\$ (583,697)</u>
 Fund balance - October 1 - GAAP basis			<u>-</u>	
Receivable/revenue adjustments			1,206,720	
Payable/expenditure adjustments			<u>(623,023)</u>	
 Fund balance - September 30 - GAAP basis			<u>\$ -</u>	

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
BUDGETARY BASIS
SEPTEMBER 30, 2011**

NOTE A: BUDGETARY DATA

The procedures used by the City in establishing the budgetary data in the financial statements are as follows:

1. Prior to August 1, the City Manager submits to the Council members a proposed operating budget for the fiscal year beginning October 1. The operating budget includes proposed expenditures and the means of financing them.
2. No later than September 15, the budget is legally enacted through passage of a resolution.
3. The General Fund and Special Revenue fund budgets are adopted on a cash basis as required by State statute. Accordingly, actual figures have also been presented on a cash basis. All budgeted amounts presented in the accompanying schedule are as originally adopted or as amended by the Council members.
4. The City Manager is responsible for monitoring the budget and actual results and is authorized to transfer budgeted amounts within funds. However, any revisions that alter the total expenditures must be approved by the Council members.

**RECEIVED
JAN 28 2013**

COMBINING FINANCIAL STATEMENTS

**CITY OF D'IBERVILLE, MISSISSIPPI
COMBINING BALANCE SHEETS
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2011**

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total
Assets				
Cash and cash equivalents	\$ 13,583	\$ -	\$ 535,741	\$ 549,324
Other receivables	73,083	-	3,400	76,483
Due from other funds	<u>382,207</u>	<u>-</u>	<u>-</u>	<u>382,207</u>
 Total assets	 <u>\$ 468,873</u>	 <u>\$ -</u>	 <u>\$ 539,141</u>	 <u>\$ 1,008,014</u>
Liabilities				
Accounts payable	\$ 211,382	\$ -	\$ -	\$ 211,382
Due to other funds	254,518	-	3,400	257,918
Compensated absences	<u>2,973</u>	<u>-</u>	<u>-</u>	<u>2,973</u>
 Total liabilities	 <u>468,873</u>	 <u>-</u>	 <u>3,400</u>	 <u>472,273</u>
Fund Balances				
Restricted for capital projects	<u>-</u>	<u>-</u>	<u>535,741</u>	<u>535,741</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>535,741</u>	<u>535,741</u>
 Total liabilities and fund balances	 <u>\$ 468,873</u>	 <u>\$ -</u>	 <u>\$ 539,141</u>	 <u>\$ 1,008,014</u>

CITY OF D'IBERVILLE, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total
Revenues				
Intergovernmental	\$ 492,151	\$ -	\$ -	\$ 492,151
Interest Income	-	-	714	714
Total revenue	<u>492,151</u>	<u>-</u>	<u>714</u>	<u>492,865</u>
Expenditures				
General Government	73,544	-	-	73,544
Public Safety	347,226	-	-	347,226
Economic Development	48,317	-	-	48,317
Culture and Recreation	55,900	-	-	55,900
Capital outlay	246,871	-	121,840	368,711
Debt service:				
Principal	-	1,086,539	-	1,086,539
Interest	-	577,849	-	577,849
Total expenditures	<u>771,858</u>	<u>1,664,388</u>	<u>121,840</u>	<u>2,558,086</u>
Excess (deficiency) of revenues over expenditures	<u>(279,707)</u>	<u>(1,664,388)</u>	<u>(121,126)</u>	<u>(2,065,221)</u>
Other financing sources (uses):				
Transfers in	279,707	1,664,388	121,840	2,065,935
Total other financing sources	<u>279,707</u>	<u>1,664,388</u>	<u>121,840</u>	<u>2,065,935</u>
Net change in fund balance	-	-	714	714
Fund balances - beginning	-	-	535,027	535,027
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 535,741</u>	<u>\$ 535,741</u>

**CITY OF D'IBERVILLE, MISSISSIPPI
COMBINING BALANCE SHEETS
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2011**

	Special Revenue Funds											
	MPO Promenade Grant	MDOT ARRA Grant	HMGP Grant	Bulletproof Vest Grant	DUI Grant	JAG Grant	Safer Grant	Narcotics Grant	Homeland Security Grant	MDOT Mallet Rd Grant	MDOT Sangani Blvd Grant	Total
Assets												
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,583	\$ -	\$ 13,583
Due from other governments	87,356	-	89,052	-	29,185	8,551	-	12,605	-	-	155,458	382,207
Other receivables	18,749	-	-	-	-	-	-	-	-	54,334	-	73,083
Total assets	\$ 106,105	\$ -	\$ 89,052	\$ -	\$ 29,185	\$ 8,551	\$ -	\$ 12,605	\$ -	\$ 67,917	\$ 155,458	468,873
Liabilities												
Accounts payable	\$ 40,522	\$ -	\$ 7,143	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,917	\$ 95,800	\$ 211,382
Due to other funds	65,583	-	81,909	-	27,813	7,829	-	11,726	-	-	59,658	254,518
Compensated absences	-	-	-	-	1,372	722	-	879	-	-	-	2,973
Total liabilities	106,105	-	89,052	-	29,185	8,551	-	12,605	-	67,917	155,458	468,873
Fund Balances												
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities and fund balances	\$ 106,105	\$ -	\$ 89,052	\$ -	\$ 29,185	\$ 8,551	\$ -	\$ 12,605	\$ -	\$ 67,917	\$ 155,458	\$ 468,873

CITY OF D'IBERVILLE, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Special Revenue Funds											
	MPO Promenade Grant	MDOT ARRA Grant	HMGP Grant	Bulletproof Vest Grant	DUI Grant	JAG Grant	Safer Grant	Narcotics Grant	Homeland Security Grant	MDOT Mallet Rd Grant	MDOT Sangani Blvd Grant	Total
Revenues												
Intergovernmental	\$ -	\$ 23,497	\$ 93,866	\$ 1,993	\$ 74,133	\$ 45,590	\$ -	\$ 21,199	\$ 22,082	\$ 54,333	\$ 155,458	\$ 492,151
Total revenue	-	23,497	93,866	1,993	74,133	45,590	-	21,199	22,082	54,333	155,458	492,151
Expenditures												
General Government	-	-	51,320	-	-	-	-	-	22,224	-	-	73,544
Public Safety	-	-	-	5,932	105,259	-	172,911	60,124	3,000	-	-	347,226
Economic Development	-	-	-	-	-	48,317	-	-	-	-	-	48,317
Culture and Recreation	-	-	55,900	-	-	-	-	-	-	-	-	55,900
Capital Outlay	-	23,497	-	-	-	-	-	-	-	67,916	155,458	246,871
Total expenditures	-	23,497	107,220	5,932	105,259	48,317	172,911	60,124	25,224	67,916	155,458	771,858
Excess (deficiency) of revenues over expenditures	-	-	(13,354)	(3,939)	(31,126)	(2,727)	(172,911)	(38,925)	(3,142)	(13,583)	-	(279,707)
Other financing sources:												
Transfers in	-	-	13,354	3,939	31,126	2,727	172,911	38,925	3,142	13,583	-	279,707
Total other financing sources	-	-	13,354	3,939	31,126	2,727	172,911	38,925	3,142	13,583	-	279,707
Net change in fund balance	-	-	-	-	-	-	-	-	-	-	-	-
Fund balances - beginning	-	-	-	-	-	-	-	-	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CITY OF D'IBERVILLE, MISSISSIPPI
COMBINING BALANCE SHEETS
OTHER NON MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2011**

		Capital Project Funds		
	Debt Service Fund	2004 TIF Fund	Promenade TIF Fund	Total
Assets				
Cash and cash equivalents	\$ -	\$ 535,741	\$ -	\$ 535,741
Other receivable	-	-	3,400	3,400
Total assets	<u>\$ -</u>	<u>\$ 535,741</u>	<u>\$ 3,400</u>	<u>\$ 539,141</u>
Liabilities				
Due to other funds	-	-	3,400	3,400
Total liabilities	<u>-</u>	<u>-</u>	<u>3,400</u>	<u>3,400</u>
Fund Balances				
Restricted for capital projects	-	535,741	-	535,741
Total fund balances	<u>-</u>	<u>535,741</u>	<u>-</u>	<u>535,741</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 535,741</u>	<u>\$ 3,400</u>	<u>\$ 539,141</u>

CITY OF D'IBERVILLE, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OTHER NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

		Capital Project Funds		
	Debt Service Fund	2004 TIF Fund	Promenade TIF Fund	Total Capital Projects
Revenues				
Interest earnings	\$ -	\$ 714	\$ -	\$ 714
Total revenue	-	714	-	714
Expenditures				
Capital Outlay	-	121,840	-	121,840
Debt service:				
Principal	1,086,539	-	-	-
Interest	577,849	-	-	-
Total expenditures	1,664,388	121,840	-	121,840
Excess (deficiency) of revenues over expenditures	(1,664,388)	(121,126)	-	(121,126)
Other financing sources (uses):				
Transfers in	1,664,388	121,840	-	121,840
Total other financing sources	1,664,388	121,840	-	121,840
Net change in fund balance	-	714	-	714
Fund balances - beginning	-	535,027	-	535,027
Fund balances - ending	\$ -	\$ 535,741	\$ -	\$ 535,741

SUPPLEMENTAL INFORMATION

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
MPO PROMENADE GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 1,231,490	\$ 927,737	\$ 915,379	\$ (12,358)
Other revenue	307,872	327,338	228,845	(98,493)
Total revenues	<u>1,539,362</u>	<u>1,255,075</u>	<u>1,144,224</u>	<u>(110,851)</u>
EXPENDITURES				
PUBLIC WORKS				
Capital outlay	<u>1,539,362</u>	<u>1,255,075</u>	<u>1,255,075</u>	<u>-</u>
Total Expenditures	<u>1,539,362</u>	<u>1,255,075</u>	<u>1,255,075</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(110,851)</u>	<u>(110,851)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(110,851)</u>	<u>\$ (110,851)</u>
Fund balance - October 1 - GAAP basis			<u>-</u>	
Receivable/revenue adjustments			(950,131)	
Payable/expenditure adjustments			<u>1,060,982</u>	
Fund balance - September 30 - GAAP basis			<u>\$ -</u>	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
MDOT - ARRA GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ 57,494	\$ 57,494	\$ -
Total revenues	-	57,494	57,494	-
EXPENDITURES				
GENERAL GOVERNMENT				
Capital outlay	-	57,494	57,494	-
Total Expenditures	-	57,494	57,494	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Excess of revenues and other sources over expenditures	\$ -	\$ -	-	\$ -
 Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustments			(33,997)	
Payable/expenditure adjustments			33,997	
 Fund balance - September 30 - GAAP basis			\$ -	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
HMGP GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 304,779	\$ 92,546	\$ 4,814	\$ (87,732)
Total revenues	<u>304,779</u>	<u>92,546</u>	<u>4,814</u>	<u>(87,732)</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Other Services & Charges	50,000	57,805	44,177	13,628
Capital Outlay	<u>33,278</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government	<u>83,278</u>	<u>57,805</u>	<u>44,177</u>	<u>13,628</u>
PUBLIC SAFETY				
Capital Outlay	<u>156,873</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Public Safety	<u>156,873</u>	<u>-</u>	<u>-</u>	<u>-</u>
PUBLIC WORKS				
Capital Outlay	<u>39,356</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Public Works	<u>39,356</u>	<u>-</u>	<u>-</u>	<u>-</u>
CULTURE & RECREATION				
Capital Outlay	<u>91,689</u>	<u>55,900</u>	<u>55,900</u>	<u>-</u>
Total Culture & Recreation	<u>91,689</u>	<u>55,900</u>	<u>55,900</u>	<u>-</u>
Total Expenditures	<u>371,196</u>	<u>113,705</u>	<u>100,077</u>	<u>13,628</u>
Excess (deficiency) of revenues over expenditures	<u>(66,417)</u>	<u>(21,159)</u>	<u>(95,263)</u>	<u>(74,104)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>66,417</u>	<u>21,159</u>	<u>-</u>	<u>(21,159)</u>
Total other financing sources	<u>66,417</u>	<u>21,159</u>	<u>-</u>	<u>(21,159)</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(95,263)</u>	<u>\$ (95,263)</u>
Fund balance - October 1 - GAAP basis			<u>-</u>	
Receivable/revenue adjustments			89,052	
Payable/expenditure adjustments			<u>6,211</u>	
Fund balance - September 30 - GAAP basis			<u>\$ -</u>	

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CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
BULLETPROOF VEST GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ 1,993	\$ 1,993	\$ -
Total revenues	-	1,993	1,993	-
EXPENDITURES				
PUBLIC SAFETY				
Personnel Services	-	5,932	5,932	-
Total Expenditures	-	5,932	5,932	-
Excess (deficiency) of revenues over expenditures	-	(3,939)	(3,939)	-
OTHER FINANCING SOURCES				
Transfers in	-	3,939	3,939	-
Total other financing sources	-	3,939	3,939	-
Excess of revenues and other sources over expenditures	\$ -	\$ -	-	\$ -
Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustments			10,560	
Payable/expenditure adjustments			(10,560)	
Fund balance - September 30 - GAAP basis			\$ -	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
DUI GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 48,652	\$ 88,290	\$ 44,947	\$ (43,343)
Total revenues	<u>48,652</u>	<u>88,290</u>	<u>44,947</u>	<u>(43,343)</u>
EXPENDITURES				
PUBLIC SAFETY				
Personnel Services	<u>48,652</u>	<u>106,427</u>	<u>104,588</u>	<u>1,839</u>
Total Expenditures	<u>48,652</u>	<u>106,427</u>	<u>104,588</u>	<u>1,839</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(18,137)</u>	<u>(59,641)</u>	<u>(41,504)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>-</u>	<u>18,137</u>	<u>-</u>	<u>(18,137)</u>
Total other financing sources	<u>-</u>	<u>18,137</u>	<u>-</u>	<u>(18,137)</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(59,641)</u>	<u>\$ (59,641)</u>
Fund balance - October 1 - GAAP basis			<u>-</u>	
Receivable/revenue adjustments			60,312	
Payable/expenditure adjustments			<u>(671)</u>	
Fund balance - September 30 - GAAP basis			<u>\$ -</u>	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
JAG GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 47,683	\$ 50,972	\$ 36,990	\$ (13,982)
Total revenues	<u>47,683</u>	<u>50,972</u>	<u>36,990</u>	<u>(13,982)</u>
EXPENDITURES				
PUBLIC SAFETY				
Personnel Services	<u>47,683</u>	<u>50,972</u>	<u>48,317</u>	<u>2,655</u>
Total Expenditures	<u>47,683</u>	<u>50,972</u>	<u>48,317</u>	<u>2,655</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(11,327)</u>	<u>(11,327)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(11,327)</u>	<u>\$ (11,327)</u>
Fund balance - October 1 - GAAP basis			<u>-</u>	
Receivable/revenue adjustments			11,327	
Payable/expenditure adjustments			<u>-</u>	
Fund balance - September 30 - GAAP basis			<u>\$ -</u>	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
SAFER GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 17,887	\$ 12,566	\$ 12,566	\$ -
Total revenues	<u>17,887</u>	<u>12,566</u>	<u>12,566</u>	<u>-</u>
EXPENDITURES				
PUBLIC SAFETY				
Personnel Services	<u>194,529</u>	<u>174,807</u>	<u>174,859</u>	<u>(52)</u>
Total Expenditures	<u>194,529</u>	<u>174,807</u>	<u>174,859</u>	<u>(52)</u>
Excess (deficiency) of revenues over expenditures	<u>(176,642)</u>	<u>(162,241)</u>	<u>(162,293)</u>	<u>(52)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>176,642</u>	<u>162,241</u>	<u>-</u>	<u>(162,241)</u>
Total other financing sources	<u>176,642</u>	<u>162,241</u>	<u>-</u>	<u>(162,241)</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(162,293)</u>	<u>\$ (162,293)</u>
Fund balance - October 1 - GAAP basis			<u>-</u>	
Receivable/revenue adjustments			160,345	
Payable/expenditure adjustments			<u>1,948</u>	
Fund balance - September 30 - GAAP basis			<u>\$ -</u>	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
NARCOTICS GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 40,473	\$ 40,473	\$ 8,594	\$ (31,879)
Total revenues	<u>40,473</u>	<u>40,473</u>	<u>8,594</u>	<u>(31,879)</u>
EXPENDITURES				
PUBLIC SAFETY				
Personnel Services	<u>53,964</u>	<u>60,939</u>	<u>60,124</u>	<u>815</u>
Total Expenditures	<u>53,964</u>	<u>60,939</u>	<u>60,124</u>	<u>815</u>
Excess (deficiency) of revenues over expenditures	<u>(13,491)</u>	<u>(20,466)</u>	<u>(51,530)</u>	<u>(31,064)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>13,491</u>	<u>20,466</u>	<u>-</u>	<u>(20,466)</u>
Total other financing sources	<u>13,491</u>	<u>20,466</u>	<u>-</u>	<u>(20,466)</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(51,530)</u>	<u>\$ (51,530)</u>
 Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustment			51,530	
Payable/expenditure adjustments			<u>-</u>	
 Fund balance - September 30 - GAAP basis			<u>\$ -</u>	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
HOMELAND SECURITY GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 20,087	\$ 22,082	\$ 30,000	\$ 7,918
Total revenues	<u>20,087</u>	<u>22,082</u>	<u>30,000</u>	<u>7,918</u>
EXPENDITURES				
PUBLIC SAFETY				
Personnel Services	<u>20,087</u>	<u>25,224</u>	<u>25,224</u>	<u>-</u>
Total Expenditures	<u>20,087</u>	<u>25,224</u>	<u>25,224</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(3,142)</u>	<u>4,776</u>	<u>7,918</u>
OTHER FINANCING SOURCES				
Transfers in	<u>-</u>	<u>3,142</u>	<u>-</u>	<u>(3,142)</u>
Total other financing sources	<u>-</u>	<u>3,142</u>	<u>-</u>	<u>(3,142)</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>4,776</u>	<u>\$ 4,776</u>
 Fund balance - October 1 - GAAP basis			 -	
Receivable/revenue adjustment			(4,776)	
Payable/expenditure adjustments			<u>-</u>	
 Fund balance - September 30 - GAAP basis			 <u>\$ -</u>	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
MDOT MALLET ROAD GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ 59,658	\$ -	\$ (59,658)
Total revenues	-	59,658	-	(59,658)
EXPENDITURES				
PUBLIC WORKS				
Capital outlay	-	59,658	59,658	-
Total Expenditures	-	59,658	59,658	-
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	(59,658)	\$ (59,658)
 Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustments			67,916	
Payable/expenditure adjustments			(8,258)	
 Fund balance - September 30 - GAAP basis			\$ -	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
MDOT SANGANI BLVD GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
PUBLIC WORKS				
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	-	\$ -
 Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustments			155,458	
Payable/expenditure adjustments			(155,458)	
 Fund balance - September 30 - GAAP basis			\$ -	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Principal payments	1,375,532	1,086,539	1,086,539	-
Interest payments	615,607	577,849	577,849	-
Total Expenditures	1,991,139	1,664,388	1,664,388	-
Excess (deficiency) of revenues over expenditures	(1,991,139)	(1,664,388)	(1,664,388)	-
OTHER FINANCING SOURCES				
Transfers in	1,991,139	1,664,388	1,664,388	-
Total other financing sources	1,991,139	1,664,388	1,664,388	-
Excess of revenues and other sources over expenditures	\$ -	\$ -	-	\$ -
Fund balance - October 1 - GAAP basis			-	
Fund balance - September 30 - GAAP basis			\$ -	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
2004 TIF FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 1,920,000	\$ -	\$ -	\$ -
Interest income	-	665	714	49
Total revenues	<u>1,920,000</u>	<u>665</u>	<u>714</u>	<u>49</u>
EXPENDITURES				
Capital Outlay	<u>2,600,000</u>	<u>121,840</u>	<u>121,840</u>	<u>-</u>
Total Expenditures	<u>2,600,000</u>	<u>121,840</u>	<u>121,840</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(680,000)	(121,175)	(121,126)	49
OTHER FINANCING (USES)				
Transfers in	<u>150,000</u>	<u>121,175</u>	<u>121,840</u>	<u>665</u>
Total other financing (uses)	<u>150,000</u>	<u>121,175</u>	<u>121,840</u>	<u>665</u>
Excess of revenues and other (uses) over expenditures	<u>\$ (530,000)</u>	<u>\$ -</u>	714	<u>\$ (616)</u>
Fund balance - October 1 - GAAP basis			<u>535,027</u>	
Fund balance - September 30 - GAAP basis			<u>\$ 535,741</u>	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
PROMENADE TIF FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Other revenue	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Capital outlay	18,000,000	-	20,925	(20,925)
Total Expenditures	18,000,000	-	20,925	(20,925)
Excess (deficiency) of revenues over expenditures	(18,000,000)	-	(20,925)	(20,925)
OTHER FINANCING SOURCES				
Bond proceeds	18,000,000	-	-	-
Total other financing sources	18,000,000	-	-	-
Excess of revenues and other sources over expenditures	\$ -	\$ -	(20,925)	\$ (20,925)
Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustments			-	
Payable/expenditure adjustments			20,925	
Fund balance - September 30 - GAAP basis			\$ -	

City of D'Iberville, Mississippi
Schedule of Surety Bonds for Municipal Officials
September 30, 2011

Name	Position	Surety	Bond
Rusty Quave	Mayor	Western Surety Co.	\$ 50,000
Brenda Broussard	Councilperson	Western Surety Co.	\$ 50,000
Joey Bosarge	Councilperson	Western Surety Co.	\$ 50,000
Stephen Furney	Councilperson	Western Surety Co.	\$ 50,000
Teddy Harder	Councilperson	Western Surety Co.	\$ 50,000
Henry Toncrey	Councilperson	Western Surety Co.	\$ 50,000
Michael Janus	City Manager	Western Surety Co.	\$ 50,000
Mary Lee Williams	City Clerk	Western Surety Co.	\$ 50,000
Sharron Perkins	Comptroller	Western Surety Co.	\$ 50,000
Jodi Weise	Deputy City Clerk	Western Surety Co.	\$ 50,000
Lisa Mcswain	Court Clerk	Western Surety Co.	\$ 50,000
Patti Jackson	Deputy Court Clerk	Western Surety Co.	\$ 50,000
Deonne Olier	Deputy City Clerk	Western Surety Co.	\$ 50,000
Cindy Feranda	Deputy City Clerk	Western Surety Co.	\$ 50,000
Carol Reece	Deputy City Clerk	Western Surety Co.	\$ 50,000
Jessie Taylor	Deputy City Clerk	Western Surety Co.	\$ 50,000
Myrtle Ewing	Deputy City Clerk	Western Surety Co.	\$ 50,000
Leslie Robertson	Deputy City Clerk	Western Surety Co.	\$ 50,000
Monica Puz	Deputy City Clerk	Western Surety Co.	\$ 50,000
Wayne Payne	Police Chief	Western Surety Co.	\$ 50,000

STATISTICAL SECTION

SECTION III

This part of the City of D'Iberville's comprehensive annual financial report presents more detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Pages
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<i>Financial Trends</i>	
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These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time	76-81
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<i>Revenue Capacity</i>	
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These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	82-85
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<i>Debt Capacity</i>	
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These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt.	86-88
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<i>Demographic and Economic Information</i>	
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	89-90
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<i>Operating Information</i>	
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These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the service the government provides and the activities it performs.	91-93
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Sources: Unless noted otherwise, the information in these schedules has been derived from available financial data from prior audit reports for the relevant year.

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CITY OF D'IBERVILLE, MISSISSIPPI
NET ASSET BY COMPONENT
Last eight fiscal years

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities								
Invested in capital assets, net of related debt	\$ 3,746,953	\$ 3,586,010	\$ 2,513,525	\$ 4,737,189	\$ 4,873,620	\$ 11,184,759	\$ 12,266,211	\$ 19,453,860
Unrestricted	813,828	1,600,782	5,059,135	6,691,430	6,580,913	3,964,747	4,901,718	3,238,907
Total governmental activities net assets	<u>\$ 4,560,781</u>	<u>\$ 5,186,792</u>	<u>\$ 7,572,660</u>	<u>\$ 11,428,619</u>	<u>\$ 11,454,533</u>	<u>\$ 15,149,506</u>	<u>\$ 17,167,929</u>	<u>\$ 22,692,767</u>
Business-type activities								
Invested in capital assets, net of related debt	\$ 3,957,277	\$ 5,793,547	\$ 5,304,983	\$ 7,776,824	\$ 8,063,220	\$ 14,308,417	\$ 14,762,097	\$ 13,879,149
Restricted	-	-	-	-	-	622,095	469,960	735,540
Unrestricted	821,220	1,095,843	1,362,388	658,267	2,057,411	1,285,022	1,217,073	2,579,515
Total business-type activities net assets	<u>\$ 4,778,497</u>	<u>\$ 6,889,390</u>	<u>\$ 6,667,371</u>	<u>\$ 8,435,091</u>	<u>\$ 10,120,631</u>	<u>\$ 16,215,534</u>	<u>\$ 16,449,130</u>	<u>\$ 17,194,204</u>
Primary government								
Invested in capital assets, net of related debt	\$ 7,704,230	\$ 9,379,557	\$ 7,818,508	\$ 12,514,013	\$ 12,936,840	\$ 25,493,176	\$ 27,028,308	\$ 33,333,009
Restricted	-	-	-	-	-	622,095	469,960	735,540
Unrestricted	1,635,048	2,696,625	6,421,523	7,349,697	8,638,324	5,249,769	6,118,791	5,818,422
Total primary government net assets	<u>\$ 9,339,278</u>	<u>\$ 12,076,182</u>	<u>\$ 14,240,031</u>	<u>\$ 19,863,710</u>	<u>\$ 21,575,164</u>	<u>\$ 31,365,040</u>	<u>\$ 33,617,059</u>	<u>\$ 39,886,971</u>

CITY OF D'IBERVILLE, MISSISSIPPI
CHANGES IN NET ASSETS
Last Eight Fiscal Years

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
Expenses								
Governmental activities:								
General government	\$ 1,441,903	\$ 1,798,446	\$ 1,698,731	\$ 2,056,479	\$ 3,300,774	\$ 3,955,407	\$ 3,773,443	\$ 3,006,599
Public safety	2,451,212	2,093,957	2,046,296	2,500,973	3,910,276	4,413,359	4,550,491	3,783,045
Public works	1,116,099	2,847,387	13,775,793	3,549,016	2,110,843	1,847,908	2,030,646	2,011,478
Economic development	146,863	89,363	266,433	233,518	140,666	449,588	521,426	627,794
Culture and recreation	677,321	661,217	471,538	411,053	955,351	1,019,707	1,043,907	698,496
Interest	373,040	393,960	401,592	368,244	336,868	598,116	499,316	578,276
Total governmental activities	<u>6,206,438</u>	<u>7,884,330</u>	<u>18,660,383</u>	<u>9,119,283</u>	<u>10,754,778</u>	<u>12,284,085</u>	<u>12,419,229</u>	<u>10,705,688</u>
Business-type activities:								
Water and Sewer	2,041,352	2,030,491	2,271,588	2,251,776	2,771,144	2,607,693	3,251,561	2,814,652
Waterfront Development	-	39,693	349,306	164,621	170,645	139,341	135,745	136,762
Total business-type activities	<u>2,041,352</u>	<u>2,070,184</u>	<u>2,620,894</u>	<u>2,416,397</u>	<u>2,941,789</u>	<u>2,747,034</u>	<u>3,387,306</u>	<u>2,951,414</u>
Total primary government	<u>\$ 8,247,790</u>	<u>\$ 9,954,514</u>	<u>\$ 21,281,277</u>	<u>\$ 11,535,680</u>	<u>\$ 13,696,567</u>	<u>\$ 15,031,119</u>	<u>\$ 15,806,535</u>	<u>\$ 13,657,102</u>
Program Revenues								
Governmental activities:								
Charges for services:								
General government	193,432	287,988	452,255	-	-	-	-	-
Public safety	-	35,839	-	478,094	389,147	542,378	562,981	761,096
Public works	213,704	375,928	351,254	366,771	403,018	452,410	388,814	425,154
Economic Development	171,129	174,645	221,178	255,046	388,103	411,740	194,818	231,488
Culture and recreation	66,890	61,771	-	1,070	-	-	-	10,305
Operating grants and contributions	117,791	1,695,508	13,468,006	2,268,587	2,007,504	751,053	309,162	582,624
Capital grants and contributions	321,038	100,748	-	143,183	507,955	8,088,553	4,042,455	5,729,042
Total governmental activities	<u>1,083,984</u>	<u>2,732,427</u>	<u>14,492,693</u>	<u>3,512,751</u>	<u>3,695,727</u>	<u>10,246,134</u>	<u>5,498,230</u>	<u>7,739,709</u>
Business-type activities:								
Charges for services:								
Water and sewer	1,949,329	2,147,830	2,109,633	2,663,471	3,828,174	3,344,445	3,279,790	3,432,932
Waterfront Development	-	4,439	-	7,549	20,302	21,958	24,188	19,962
Operating grants and contributions	145,538	119,711	-	-	479,208	-	-	-
Capital grants and contributions	193,732	253,768	229,681	1,155,139	162,177	3,402,263	167,787	-
Total business-type activities	<u>2,288,599</u>	<u>2,525,748</u>	<u>2,339,314</u>	<u>3,826,159</u>	<u>4,489,861</u>	<u>6,768,666</u>	<u>3,471,765</u>	<u>3,452,894</u>
Total primary government	<u>3,372,583</u>	<u>5,258,175</u>	<u>16,832,007</u>	<u>7,338,910</u>	<u>8,185,588</u>	<u>17,014,800</u>	<u>8,969,995</u>	<u>11,192,603</u>
Net Revenue/(Expense)								
Governmental activities	(5,122,454)	(5,151,903)	(4,167,690)	(5,606,532)	(7,059,051)	(2,037,951)	(6,920,999)	(2,965,979)
Business-type activities	<u>247,247</u>	<u>455,564</u>	<u>(281,580)</u>	<u>1,409,762</u>	<u>1,548,072</u>	<u>4,021,632</u>	<u>84,459</u>	<u>501,480</u>
Total primary government net revenue/(expense)	<u>\$ (4,875,207)</u>	<u>\$ (4,696,339)</u>	<u>\$ (4,449,270)</u>	<u>\$ (4,196,770)</u>	<u>\$ (5,510,979)</u>	<u>\$ 1,983,681</u>	<u>\$ (6,836,540)</u>	<u>\$ (2,464,499)</u>

(Continued)

CITY OF D'IBERVILLE, MISSISSIPPI
CHANGES IN NET ASSETS
Last Eight Fiscal Years

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
General Revenues and Other								
Changes in Net Assets								
Governmental activities								
Taxes								
Property taxes	\$ 1,503,651	\$ 1,634,909	\$ 1,900,830	\$ 1,797,926	\$ 1,738,561	\$ 2,151,388	\$ 2,286,520	\$ 2,603,311
Sales taxes	3,358,870	3,771,820	5,484,802	4,888,068	4,528,094	4,400,504	5,546,989	5,605,223
Franchise taxes	219,291	242,459	233,447	248,205	294,500	311,371	345,495	335,954
Unrestricted investment earnings	6,579	20,960	94,277	190,394	179,844	107,704	127,758	37,607
Insurance proceeds	-	-	511,999	49,585	-	18,668	11,970	10,724
Lease revenue	81,690	86,386	91,875	92,627	132,921	142,357	113,965	95,317
Miscellaneous	31,670	196,575	281,187	6,849	20,430	449,877	629,890	23,552
Gain on asset disposal					6,190			
Transfers					(193,848)	(2,079,006)	(123,165)	(220,871)
Total governmental activities	<u>5,201,751</u>	<u>5,953,109</u>	<u>8,598,417</u>	<u>7,273,654</u>	<u>6,706,692</u>	<u>5,502,863</u>	<u>8,939,422</u>	<u>8,490,817</u>
Business-type activities:								
Property taxes	-	-	17,014	11,340	17,834	26,474	25,804	22,658
Investment earnings	7,525	18,347	42,547	52,421	47,605	1,034	168	65
Miscellaneous	20,593	-	-	-	193,848	2,079,006	123,165	220,871
Total business-type activities	<u>28,118</u>	<u>18,347</u>	<u>59,561</u>	<u>63,761</u>	<u>259,287</u>	<u>2,106,514</u>	<u>149,137</u>	<u>243,594</u>
Total primary government	<u>\$ 5,229,869</u>	<u>\$ 5,971,456</u>	<u>\$ 8,657,978</u>	<u>\$ 7,337,415</u>	<u>\$ 6,965,979</u>	<u>\$ 7,609,377</u>	<u>\$ 9,088,559</u>	<u>\$ 8,734,411</u>
Change in Net Assets								
Governmental activities	79,297	801,206	4,430,727	1,667,122	(352,359)	3,464,912	2,018,423	5,524,838
Business-type activities	275,365	473,911	(222,019)	1,473,523	1,807,359	6,128,146	233,596	745,074
Total primary government	<u>\$ 354,662</u>	<u>\$ 1,275,117</u>	<u>\$ 4,208,708</u>	<u>\$ 3,140,645</u>	<u>\$ 1,455,000</u>	<u>\$ 9,593,058</u>	<u>\$ 2,252,019</u>	<u>\$ 6,269,912</u>

CITY OF D'IBERVILLE, MISSISSIPPI
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ 1,193,239	\$ 555,048	\$ -	\$ -	\$ -	\$ 197,031
Unreserved	297,693	1,063,791	1,268,475	1,768,071	4,130,000	7,682,079	7,307,438	5,058,465	6,169,669	3,674,328
Total General fund	<u>\$ 297,693</u>	<u>\$ 1,063,791</u>	<u>\$ 1,268,475</u>	<u>\$ 1,768,071</u>	<u>\$ 5,323,239</u>	<u>\$ 8,237,127</u>	<u>\$ 7,307,438</u>	<u>\$ 5,058,465</u>	<u>\$ 6,169,669</u>	<u>\$ 3,871,359</u>
All other governmental funds										
Reserved	\$ -	\$ -	\$ 1,475,075	\$ -	\$ -	\$ -	\$ 636,085	\$ 534,225	\$ 535,027	\$ 535,741
Unreserved, reported in										
Special revenue funds	24,207	(42,578)	(18,892)	-	(92,089)	(72,357)	-	-	-	-
Capital projects funds	111,126	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 135,333</u>	<u>\$ (42,578)</u>	<u>\$ 1,456,183</u>	<u>\$ -</u>	<u>\$ (92,089)</u>	<u>\$ (72,357)</u>	<u>\$ 636,085</u>	<u>\$ 534,225</u>	<u>\$ 535,027</u>	<u>\$ 535,741</u>

CITY OF D'IBERVILLE, MISSISSIPPI
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years

	2002	2003	2004	2005	2006
Revenues					
Taxes					
Property	\$ 1,388,620	\$ 1,416,999	\$ 1,481,855	\$ 1,634,909	\$ 1,900,830
Sales	-	-	3,358,870	3,771,820	5,484,802
Franchise	-	-	219,291	242,459	233,447
Licenses and Permits	283,298	308,073	171,128	174,645	221,178
Intergovernmental	3,431,180	3,309,404	432,096	1,796,256	13,468,006
Other grant	-	-	-	-	-
Charges for services	-	-	246,201	473,538	351,254
Fines	204,308	223,603	193,432	287,988	452,255
Interest	-	-	6,578	20,960	94,277
Lease revenue	-	-	-	-	91,875
Miscellaneous	606,744	585,903	176,284	282,961	281,187
Total revenues	5,914,150	5,843,982	6,285,735	8,685,536	22,579,111
Expenditures					
General government	1,347,199	1,543,038	1,280,131	1,513,474	1,569,045
Public safety	1,599,511	1,267,371	2,511,734	2,546,519	2,087,249
Public works	1,247,553	967,724	1,109,824	3,126,195	13,904,413
Economic Development	304,945	250,609	146,667	86,378	266,433
Culture and recreation	509,474	683,486	633,821	681,370	465,682
Capital outlay	72,142	142,476	1,694,629	1,267,400	-
Debt Service:					
Principal	404,679	974,590	349,893	429,748	645,695
Interest	301,742	293,277	261,537	393,960	401,592
Other	-	-	34,375	63,306	-
Total expenditures	5,787,245	6,122,571	8,022,611	10,108,350	19,340,109
Excess of revenues over (under) expenditures	126,905	(278,589)	(1,736,876)	(1,422,814)	3,239,002
Other Financing Sources (Uses)					
Insurance proceeds	-	-	-	-	511,999
Sale of property	-	-	-	-	-
Issuance of bonds	-	-	3,200,000	-	-
Issuance of notes	-	600,000	239,521	624,130	1,755,715
Transfers in	1,006,420	1,517,360	611,430	823,708	1,047,287
Transfers out	(1,006,420)	(1,517,360)	(611,430)	(823,708)	(1,047,287)
Total other financing sources (uses)	-	600,000	3,439,521	624,130	2,267,714
Net change in fund balances	\$ 126,905	\$ 321,411	\$ 1,702,645	\$ (798,684)	\$ 5,506,716
Debt service as a percentage of noncapital expenditures	12.36%	21.20%	10.20%	10.03%	5.41%

Note: ** The City was unable to determine the debt payments for this fiscal year.

CITY OF D'IBERVILLE, MISSISSIPPI
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Continued)

	2007	2008	2009	2010	2011
Revenues					
Taxes					
Property	\$ 1,797,926	\$ 1,738,561	\$ 2,151,388	\$ 2,286,520	\$ 2,603,312
Sales	4,888,068	4,528,094	4,400,504	5,546,989	5,605,223
Franchise	248,205	294,500	311,371	345,495	335,954
Licenses and Permits	255,046	388,103	411,740	194,818	231,488
Intergovernmental	2,411,770	2,515,459	8,839,606	4,351,617	5,750,221
Other grant	-	-	-	-	561,444
Charges for services	403,844	403,018	493,328	430,292	473,838
Fines	442,091	389,147	501,460	521,503	712,412
Interest	190,394	179,845	107,704	127,758	37,606
Lease revenue	92,627	132,921	142,357	113,965	105,622
Miscellaneous	6,849	17,433	449,877	629,889	23,552
Total revenues	<u>10,736,820</u>	<u>10,587,081</u>	<u>17,809,335</u>	<u>14,548,846</u>	<u>16,440,672</u>
Expenditures					
General government	2,118,234	3,189,838	3,408,716	3,686,946	3,114,571
Public safety	2,543,618	3,761,008	3,956,533	4,198,555	3,504,730
Public works	3,545,009	2,110,959	1,586,540	1,343,439	1,400,956
Economic Development	227,413	2,614,578	472,525	490,613	605,323
Culture and recreation	494,735	958,734	983,889	964,359	590,895
Capital outlay	-	-	6,671,174	5,480,578	11,699,838
Debt Service:					
Principal	730,109	703,709	747,207	766,744	1,086,539
Interest	382,082	351,766	423,222	411,830	577,849
Other	-	-	-	-	-
Total expenditures	<u>10,041,200</u>	<u>13,690,592</u>	<u>18,249,806</u>	<u>17,343,064</u>	<u>22,580,701</u>
Excess of revenues over (under) expenditures	<u>695,620</u>	<u>(3,103,511)</u>	<u>(440,471)</u>	<u>(2,794,218)</u>	<u>(6,140,029)</u>
Other Financing Sources (Uses)					
Insurance proceeds	49,585	2,849	18,668	11,970	10,724
Sale of property	-	9,990	4,092	17,419	52,580
Issuance of bonds	-	2,685,000	-	4,000,000	4,000,000
Issuance of notes	-	-	-	-	-
Transfers in	1,112,191	1,434,083	1,653,147	3,333,600	3,913,267
Transfers out	<u>(1,112,191)</u>	<u>(1,627,931)</u>	<u>(3,732,153)</u>	<u>(3,456,765)</u>	<u>(4,134,138)</u>
Total other financing sources (uses)	<u>49,585</u>	<u>2,503,991</u>	<u>(2,056,246)</u>	<u>3,906,224</u>	<u>3,842,433</u>
Net change in fund balances	<u>\$ 745,205</u>	<u>\$ (599,520)</u>	<u>\$ (2,496,717)</u>	<u>\$ 1,112,006</u>	<u>\$ (2,297,596)</u>
Debt service as a percentage of noncapital expenditures	11.08%	7.71%	11.25%	11.03%	18.06%

CITY OF D'IBERVILLE, MISSISSIPPI
GOVERNMENTAL TAX REVENUE BY SOURCE
Last Eight Fiscal Years

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Total</u>
2004	\$ 1,503,651	\$ 3,358,870	\$ 219,291	\$ 5,081,812
2005	1,634,909	3,771,820	242,459	5,649,188
2006	1,917,844	5,484,802	233,447	7,636,093
2007	1,809,266	4,888,068	248,205	6,945,539
2008	1,738,561	4,528,094	294,500	6,561,155
2009	2,151,388	4,400,504	311,371	6,863,263
2010	2,286,520	5,546,989	345,945	8,179,454
2011	2,603,311	5,605,223	335,954	8,544,488

The City did not differentiate between tax types in the financial statements prior to 2004

**CITY OF D'IBERVILLE, MISSISSIPPI
PRINCIPAL PROPERTY TAXPAYERS
Current Fiscal Year & Nine Years Ago**

Taxpayer	2011			2002		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Promenade	\$ 4,165,784	1	4.49%			
Mississippi Power Company	2,779,316	2	3.00%	\$ 1,521,439	1	3.41%
Landmark	2,142,746	3	2.31%			
Arbor View II, LLC	1,866,136	4	2.01%			
Wal-mart Real Estate Bus. Trust	1,784,847	5	1.91%	1,169,481	4	2.62%
Target	1,241,777	6	1.34%			
Kohls	984,042	7	1.06%			
D'Iberville Partners	943,652	8	1.02%			
Back Bay Villas	932,944	9	1.01%			
Bellsouth Telecommunications, Inc.	900,315	10	0.97%	1,460,268	2	3.28%
Wal-mart Supercenter #2715				1,204,331	3	2.70%
Lowe's Home Centers, Inc.				932,788	5	2.09%
Lowes Home Centers				835,857	6	1.88%
Total	17,741,559		19.12%	7,124,164		15.98%
Other Taxpayers	75,030,490		80.88%	37,450,955		84.02%
Total All Taxpayers	\$ 92,772,049		100.00%	\$ 44,575,119		100.00%

Source: Office of the County Tax Collector

CITY OF D'IBERVILLE, MISSISSIPPI
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Calendar Year Ended December 31	Total Tax Levy for Fiscal Year	Total Collections to Date	
		Amount	Percentage of levy
2001	1,195,950	1,245,222	104.12%
2002	1,372,144	1,388,620	101.20%
2003	1,435,525	1,416,999	98.71%
2004	1,512,014	1,503,651	99.45%
2005	1,644,461	1,634,909	99.42%
2006	1,669,743	1,809,266	108.36%
2007	1,684,219	1,738,561	103.23%
2008	2,061,819	2,151,388	104.34%
2009	2,182,284	2,286,520	104.78%
2010	2,477,883	2,603,312	105.06%

City of D'Iberville
Taxable Sales by Category
Last Ten Fiscal Years

	Year Ended June 30,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Automotive	\$ 51,970	\$ 46,606	\$ 59,994	\$ 71,578	\$ 73,559	\$ 87,556	\$ 64,022	\$ 65,373	\$ 66,346	\$ 59,486
Machinery, Equipment, and Supplies	6,491	4,578	4,807	6,038	5,378	4,626	3,060	3,080	3,579	2,738
Food and Beverage	87,640	82,237	68,799	69,013	68,788	56,634	40,279	37,061	32,321	36,732
Furniture and Fixtures	20,180	16,560	4,689	7,451	8,463	6,468	3,947	4,086	3,174	3,855
Public Utilities	-	-	-	-	-	-	-	-	7,987	6,724
Apparel and General Merchandise	185,924	163,310	133,095	124,232	135,968	140,898	113,143	106,980	103,212	105,754
Lumber and Building Materials	35,132	36,196	40,335	47,661	70,504	85,471	37,692	34,762	34,717	28,987
Miscellaneous Retail	26,216	25,792	17,963	16,396	20,270	19,310	12,497	13,368	13,104	12,697
Miscellaneous Services	14,655	13,477	11,139	12,655	12,135	14,107	8,424	6,708	6,846	6,310
Contracting	1,611	1,960	2,236	6,008	2,611	3,212	2,523	2,024	1,363	1,182
Recreation	9,220	-	-	-	-	-	-	-	-	-
Total	<u>\$ 439,039</u>	<u>\$ 390,716</u>	<u>\$ 343,057</u>	<u>\$ 361,032</u>	<u>\$ 397,676</u>	<u>\$ 418,282</u>	<u>\$ 285,587</u>	<u>\$ 273,442</u>	<u>\$ 272,649</u>	<u>\$ 264,465</u>

Source: Mississippi State Tax Commission

CITY OF D'IBERVILLE, MISSISSIPPI
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	Tax Increment Financing Bonds	Capital Leases	Notes Payable	General Obligation Bonds	Special Obligation Bonds	Revenue Bonds	Notes Payable	Capital Leases			
2002	5,110,000	87,183	244,976	-	-	6,350,000	2,712,217	-	14,504,376	11.17%	1,842
2003	4,845,000	-	187,859	-	-	6,165,000	2,553,791	-	13,751,650	10.50%	1,766
2004	7,755,000	239,521	127,677	-	-	5,970,000	2,414,813	-	16,507,011	12.01%	2,061
2005	7,435,000	300,404	581,176	-	-	5,770,000	2,453,849	-	16,540,429	11.61%	2,030
2006	6,969,160	703,190	1,754,250	-	-	5,560,000	2,665,900	90,417	17,742,917	14.08%	2,512
2007	6,469,160	517,958	1,709,373	-	-	5,340,000	2,466,664	73,586	16,576,741	10.97%	1,997
2008	8,644,160	725,744	1,281,462	-	-	5,110,000	2,302,494	56,151	18,120,011	10.93%	2,183
2009	8,094,160	528,536	1,281,462	-	-	4,870,000	2,126,843	38,090	16,939,091	12.32%	2,135
2010	7,479,160	376,793	1,281,462	4,000,000	-	4,785,000	2,114,723	19,381	20,056,519	11.15%	2,114
2011	6,734,160	230,254	1,281,462	3,805,000	4,000,000	7,350,000	1,909,922	-	25,310,798	14.09%	2,566

Note:

Details of the city's outstanding debt can be found in the notes to the financial statements.

Demographic and economic data can be found on page 85 of this report.

**CITY OF D'IBERVILLE, MISSISSIPPI
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt limit	\$ 6,686,000	\$ 7,671,000	\$ 7,521,000	\$ 8,453,000	\$ 9,098,000	\$ 9,145,000	\$ 9,145,000	\$ 11,864,508	\$ 12,283,204	\$ 13,915,807
Net debt applicable to limit	-	-	-	-	1,281,462	1,281,462	1,281,462	1,281,462	5,281,462	5,086,462
Net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	14.09%	14.01%	14.01%	10.80%	43.00%	36.55%

Legal Debt Margin Calculation for Fiscal Year 2011

Total assessed value	\$ 92,772,049
Debt limit (15% of total assessed value)	13,915,807
Debt applicable to limit:	
General obligation bonds	5,086,462
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	5,086,462
Legal debt margin	<u>\$ 8,829,345</u>

CITY OF D'IBERVILLE, MISSISSIPPI
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years

Fiscal Year	Sewer Revenue Bonds					
	Sewer	Less:	Net	Debt Service		Coverage
	Charges and Other	Operating Expenses	Available Revenue	Principal	Interest	
2002	1,563,951	1,298,826	265,125	180,000	312,713	53.78%
2003	1,677,059	1,204,610	472,449	185,000	305,063	96.41%
2004	1,977,447	1,270,415	707,032	195,000	297,200	143.65%
2005	2,265,967	1,264,851	1,001,116	200,000	288,913	204.76%
2006	2,167,903	1,540,835	627,068	210,000	280,412	127.87%
2007	2,726,844	1,457,842	1,269,002	220,000	271,173	258.36%
2008	3,828,174	2,435,289	1,392,885	230,000	335,855	246.16%
2009	3,344,445	2,293,747	1,050,698	240,000	251,143	213.93%
2010	3,279,790	2,774,141	505,649	250,000	240,343	103.12%
2011	3,432,932	2,433,664	999,268	310,000	210,169	192.10%

Notes:

Details regarding the government's outstanding debt can be found in the notes to the financial statements.

Sewer charges and other includes investment earnings, ad valorem receipts but not impact fees.

Operating expenses do not include interest, depreciation, or amortization.

**** No principal payments were required on this refunding bond issue until fiscal year 2001.**

CITY OF D'IBERVILLE, MISSISSIPPI
DEMOGRAPHIC AND ECONOMIC DATA
Last ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (expressed in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>	<u>Median Age</u>
2002	7,931	130,750	16,486	4.9%	34.1
2003	7,867	132,292	16,816	4.3%	34.4
2004	8,122	139,308	17,152	5.4%	34.7
2005	8,267	144,631	17,495	23.8%	35.0
2006	7,285	130,001	17,845	8.4%	35.3
2007	7,423	135,113	18,202	5.0%	35.7
2008	7,423	135,112	18,202	6.0%	35.7
2009	7,928	137,390	17,330	7.5%	33.5
2010	9,486	179,930	18,968	9.2%	36.9
2011	9,865	179,632	18,209	9.6%	32.3

1. Data for reported years taken from U. S. Census Bureau.
Other years estimated by City of D'Iberville.
2. Estimated by City of D'Iberville using 1990 and 2000 census data.
3. 2000 census data adjusted 2% annually for inflation.
4. Population multiplied by per capita increase.
5. Education information and school enrollment
information is not available
6. Jump in unemployment in 2005 was result of Hurricane Katrina

CITY OF D'IBERVILLE, MISSISSIPPI
PRINCIPAL EMPLOYERS
Current Fiscal Year and Nine Years Ago

Employer	2011			2002		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Wal-mart Supercenter	503	1	11.0%	365	1	16.1%
Target	364	2	7.9%			
VFW	273	3	6.0%			
Lowe's	213	4	4.6%	190	2	8.4%
Olive Garden	152	5	3.3%			
Kohl's	142	6	3.1%			
Winn Dixie	102	7	2.2%	125	3	5.5%
Outback Steakhouse	101	8	2.2%			
D'Iberville Elementary School	95	9	2.1%			
Chili's	92	10	2.0%			
Kmart				110	4	4.8%
Fournier Seafood				75	5	6.4%
Gollott Seafood				72	6	3.2%
Astro Ford				70	7	3.1%
Bayside Chrysler				56	8	2.5%
Ed Saylor Pontiac				52	9	2.3%
Seymour & Sons				48	10	2.1%
Total	2,037		44.5%	1,163		54.4%
Other Employers	2,544		55.5%	1,108		45.6%
Total Employment	4,581		100.0%	2,271		100.0%

Total employment estimate information obtained from the Bureau of Labor Statistics

CITY OF D'IBERVILLE, MISSISSIPPI
FULL-TIME EQUIVALENT CITY GOVERNMENT
EMPLOYEES BY FUNCTION/PROGRAM
Last eight calendar years

Function	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General government								
City Management	3	3	3	3	2	2	2	2
Finance	1	2	1	1	3	3	4	3
Building	3	2	3	6	6	6	6	4
Judicial	3	3	4	5	5	4	3	2
Planning							5	4
Public Safety								
Police ¹	0	0	0	1	7	26	28	29
Fire	19	21	24	23	28	28	26	25
Highways & Streets								
Maintenance	5	6	9	8	10	9	16	13
Culture & Recreation	9	8	6	10	11	19	6	6
Water ²	3	10	10	11	13	12	12	14
TOTAL	<u>46</u>	<u>55</u>	<u>60</u>	<u>68</u>	<u>85</u>	<u>109</u>	<u>108</u>	<u>102</u>

¹ Police protection was provided by the Harrison County Sheriff's Dept through an interlocal agreement until September 30, 2008 when the City assumed responsibility for its operation.

² Water operations and maintenance were outsourced through Eco Resources until September 30, 2005, when the City assumed responsibility for its operation.

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CITY OF D'IBERVILLE, MISSISSIPPI
OPERATING INDICATORS BY FUNCTION
Last eight calendar years

Function	2004	2005	2006	2007	2008	2009	2010	2011
Fire								
Number of calls answered	973	819	1030	1091	901	1062	1086	1126
Highways and streets								
Street resurfacing (miles) ¹	N/A	N/A	5.67	30.38	2.84	2.9	5.6	1.8
Water								
New connections	N/A	17	58	104	97	75	74	111
Waters main breaks	58	114	142	81	117	71	21	43
Average daily consumption (thousands of gallons)	N/A	649	744	853	964	949	917	845
Wastewater²								
Average daily sewage treatment (thousands of gallons)	984.66	902.11	746.63	855.75	907.47	836.41	1057.73	917.4

¹ Data not available until 2006

² Data provided by Harrison County Wastewater Utility Authority

CITY OF D'IBERVILLE, MISSISSIPPI
CAPITAL ASSET STATISTICS BY FUNCTION
Last eight calendar years

Function	2004	2005	2006	2007	2008	2009	2010	2011
Public Safety								
Police:								
Patrol units	21	28	26	28	31	33	44	42
Fire stations	1	1	1	1	1	1	1	1
Highways and streets								
Streets (miles)	55.14	55.54	55.93	56.33	56.72	58.05	58.05	58.05
Streetlights	1250	1250	1250	1250	1250	1250	1250	1250
Traffic signals	20	20	20	20	20	20	20	20
School signals	8	8	8	8	8	8	8	8
Culture and recreation								
Parks acreage	55	55	55	55	55	55	55	55
Parks	5	5	5	5	5	5	5	5
Tennis courts	10	10	10	10	10	10	10	10
Community centers	1	1	1	1	1	1	1	1
Water								
Water mains (miles)	56.69	56.69	56.69	56.69	56.69	57.65	57.72	57.72
Fire hydrants	425	441	443	452	461	506	531	535
Number of water wells	6	6	6	6	6	6	6	6
Maximum daily capacity (thousands of gallons)	5270	5270	5270	5270	5270	5270	5270	5270
Sewer								
Sanitary sewers (miles)	50.67	51.19	51.71	52.23	52.74	72.81	70.75	70.75
Maximum daily treatment capacity (thousands of gallons)	1120	1120	1120	1120	1120	1120	1120	1120

COMPLIANCE SECTION

CITY OF D'IBERVILLE, MISSISSIPPI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended September 30, 2011

Grantor Federal Agency/Pass-Through Agency/Program Title	Federal CFDA Number	Grant No. / Pass-Through Number	Federal Expenditures
Department of Housing and Urban Development			
Passed through Mississippi Development Authority			
Community Development Block Grant - Entitlement Grants	14.218	R109-166-02-KCR	\$ 602,342
Community Development Block Grant - Entitlement Grants	14.218	R109-166-03-KCR	1,850,228
Community Development Block Grant - Entitlement Grants	14.218	R103-166-01-KCR	2,601,908
Community Development Block Grant - Entitlement Grants	14.218	R103-166-01-KED	10,917
Community Development Block Grant - Entitlement Grants	14.218	R103-166-01-KP	18,500
Sub-total			<u>5,083,895</u>
U.S. Department of Justice			
Passed through Harrison County, Mississippi			
Weed & Seed - Community Capacity Development Office	16.595		5,497
Passed through Mississippi Department of Public Safety			
Division of Public Safety Planning			
Bulletproof Vest Partnership Program	16.607	2009BUBX09047397	1,993
ARRA - Edward Byrne Memorial Justice Assistance Grant	16.803	09ZC2691	45,541
Edward Byrne Memorial State & Local Law Enforcement Assistance			
Discretionary Grant Program	16.580		13,112
Passed through the City of Gulfport, Mississippi			
Edward Byrne Memorial Justice Assistance Grant	16.738		21,199
Sub-total			<u>87,342</u>
U.S. Department of Transportation			
Passed through Mississippi Department of Transportation			
Highway Planning and Construction Grant	20.205	STP-9045-00 (001)	54,334
Highway Planning and Construction Grant	20.205	NHS-0010-01(134)	155,459
ARRA - Highway Planning and Construction Grant	20.205	STP -9183-00	23,497
Passed through Mississippi Department of Public Safety			
Alcohol Traffic Safety - DUI Grant	20.600	10-TA-269-1	74,133
Occupants Restraint Grant	20.600	11-OP-269-1	15,000
Sub-total			<u>322,423</u>
U. S. Department of Energy			
Passed through Mississippi Development Authority			
ARRA - Energy Efficiency and Conservation Block Grant Program	81.128	GT-11-0810-0028	14,331
Sub-total			<u>14,331</u>
Department of Homeland Security			
Hazard Mitigation Grant Program	97.039		93,866
Sub-total			<u>93,866</u>
Passed through Mississippi Department of Public Safety Office of Homeland Security			
Homeland Security Grant Program	97.067	09LE166	22,082
Sub-total			<u>22,082</u>
Total Federal Financial Assistance			<u>\$ 5,623,939</u>

NOTES TO SCHEDULE:

1. This schedule was prepared using the same basis of accounting and the same significant policies, as applicable, used for the financial statements.
2. The City has \$1,630,025 in outstanding FEMA Special Community Disaster Loans which payment on these loans is deferred until FYE 2016.

WRIGHT, WARD, HATTEN & GUEL

PROFESSIONAL LIMITED LIABILITY COMPANY

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

April 18, 2012

To the Mayor and City Council
City of D'Iberville, Mississippi

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of D'Iberville, Mississippi, as of and for the year ended September 30, 2011, which collectively comprise the City D'Iberville, Mississippi's basic financial statements and have issued our report thereon dated April 18, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and

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grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of City of D'Iberville, Mississippi, in a separate letter dated April 18, 2012.

This report is intended solely for the information and use of management, City Council, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Wright Ward Hatten & Guel

Wright, Ward, Hatten & Guel, PLLC
Gulfport, Mississippi

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

April 18, 2012

Mayor and City Council
City of D'Iberville, Mississippi

Compliance

We have audited the compliance of the City of D'Iberville, Mississippi, the (City), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended September 30, 2011. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2011. The results of our tests disclosed no instances on noncompliance.

Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs.

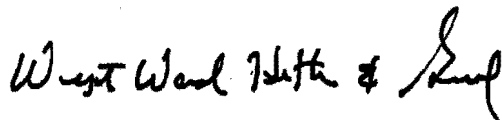
In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City's internal control over compliance.

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City's responses and, accordingly we express no opinion on the responses.

This report is intended solely for the information and use of management, City council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



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Gulfport, Mississippi

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

April 18, 2012

Mayor and City Council
City of D'Iberville, Mississippi

We have audited the general purpose financial statements of the City of D'Iberville, Mississippi as of and for the year ended September 30, 2011 and have issued our report dated April 18, 2012. We have conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*.

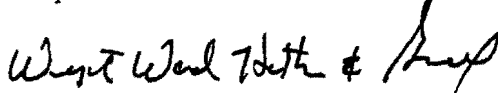
As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

In connection with our audit, an instance of noncompliance came to our attention that caused us to believe that the City of D'Iberville is not in compliance with the requirements of the State Department of Audit, as set forth in the Municipal Compliance Questionnaire. Our finding is as follows:

Municipal Compliance Questionnaire

During our audit we noted that the City did not spread the Municipal Compliance Questionnaire on the board minutes in a timely manner. State code requires the questionnaire to be placed upon the board minutes at the first meeting in October of each year.

This report is intended for the information of the City's management and the Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



Wright, Ward, Hatten & Guel, PLLC
Gulfport, Mississippi

**CITY OF D'IBERVILLE, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

SECTION 1 – SUMMARY OF AUDITORS' RESULTS

Type of Auditors' Report Issued Unqualified

Internal Control over Financial Reporting:

Material weakness(es) identified No

Significant deficiency(ies) identified not considered to be
material weaknesses? No

Noncompliance material to financial statements noted? No

Federal Awards

Type of auditors' report issued on compliance for major programs: Unqualified

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiency(ies) identified not considered to be
material weaknesses? No

Any audit findings disclosed that are required to be
reported in accordance with OMB Circular A-133,
Section .510(a)? No

Identification of major programs:

<u>CFDA Number</u>	<u>Agency/Program Title</u>
14.218	Community Development Block Grant – Entitlement Grant
20.205	ARRA -Department of Transportation – Highway Planning & Construction Grant

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low risk auditee? Yes

Prior fiscal year audit finding(s) and questioned costs relative to
federal awards which would require the auditee to prepare
a summary schedule of prior audit findings as discussed
in Section 315(b) of OMB Circular A-133? No

**CITY OF D'IBERVILLE, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

**THE CITY OF D'IBERVILLE, MISSISSIPPI
SUMMARY OF PRIOR AUDIT FINDINGS
For the Year Ended September 30, 2011**

There were no prior audit findings relative to federal awards.

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