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CITY OF D'IBERVILLE

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

MAYOR: RUSTY QUAVE
CITY MANAGER: BOBBY ELEUTERIUS
COUNCIL MEMBERS:
RANDALL PELOUS, WARD 1
HENRY TONCREY JR., WARD 2
CRAIG "BOOTS" DIAZ, WARD 3
ROBBY ELLIS, WARD 4
JOEY BOSARGE, COUNCILMAN-AT-LARGE

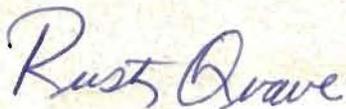
April 7, 2016

Office of the State Auditor
P.O. Box 956
Jackson, MS 39505

RE: Annual Municipal Audit

Accompanying this letter is a copy of the annual audit of the City of D'iberville, Mississippi for the fiscal year ended September 30, 2015. In connection with the audit, a separate management letter was written to the City. Enclosed you will find a copy of this management letter with the audit report.

Sincerely,



Rusty Quave
Mayor

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

FISCAL YEAR ENDED SEPTEMBER 30, 2015

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CITY OF D'IBERVILLE, MISSISSIPPI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
SEPTEMBER 30, 2015
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SECTION I
INTRODUCTORY SECTION

1

**CITY OF D'IBERVILLE, MISSISSIPPI
LISTING OF CITY OFFICIALS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

ELECTED OFFICIALS

Mayor	Rusty Quave
Councilman - Ward 1	Randall Pelous
Councilman - Ward 2	Henry Toncrey, Jr.
Councilman - Ward 3	Craig "Boots" Diaz
Councilman - Ward 4	Robby Ellis
Councilman - At Large	Joey Bosarge

APPOINTED OFFICIALS

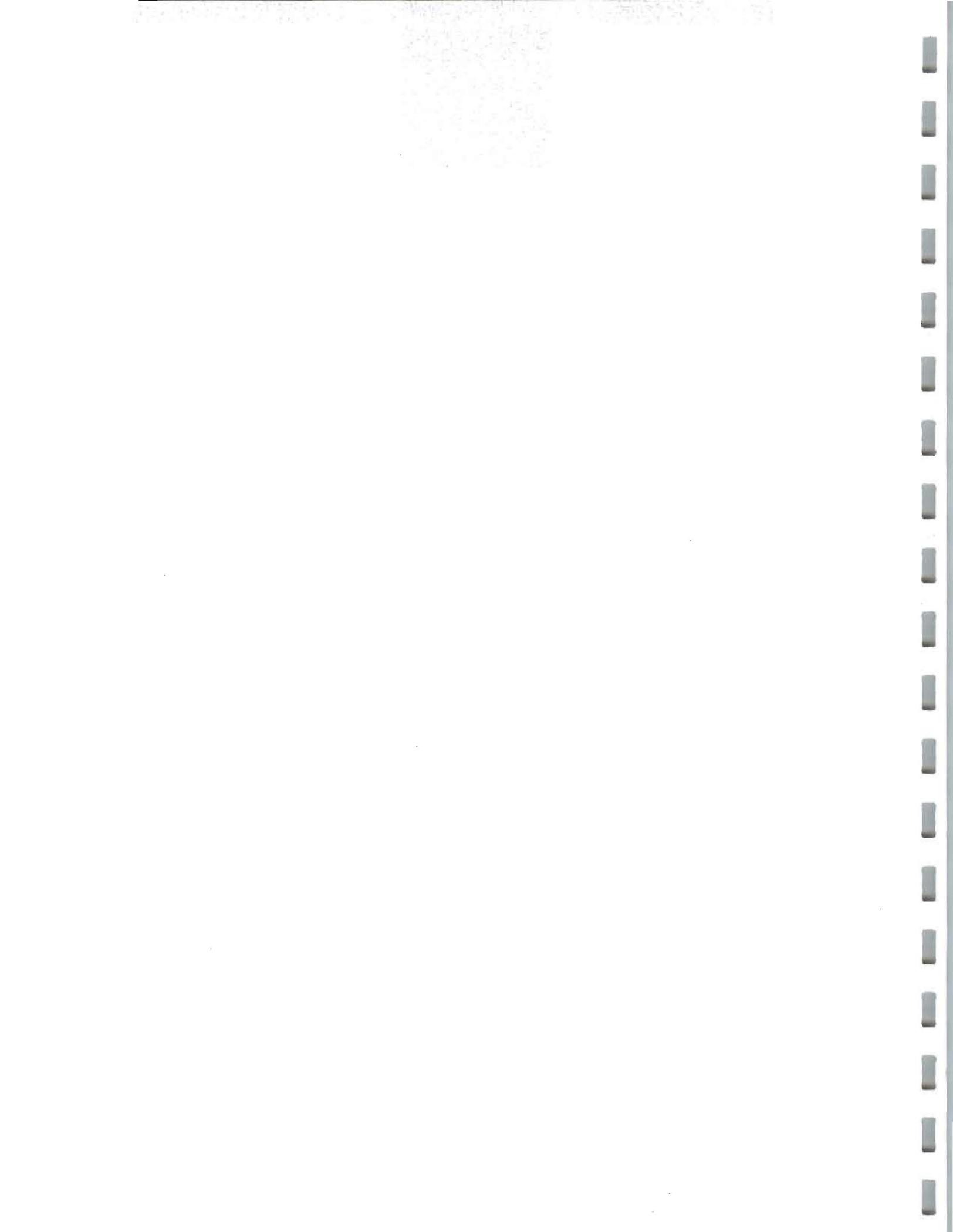
City Manager	Bobby Eleuterius
City Clerk	Jodi Weise
Finance Director	Sharron Perkins
Police Chief	Wayne Payne
Fire Chief	Gerald Smith
Public Works and Facilities Director	Michael Mullins
Building Official	David "Hank" Rogers
Municipal Court Clerk	Patti Jackson
Planning and Zoning Director	Cindy Feranda

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LETTER OF TRANSMITTAL



CITY OF D'IBERVILLE

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

MAYOR: RUSTY QUAVE
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COUNCIL MEMBERS:
RANDALL PELOUS, WARD 1
HENRY TONCREY JR., WARD 2
CRAIG "BOOTS" DIAZ, WARD 3
ROBBY ELLIS, WARD 4
JOEY BOSARGÉ, COUNCILMAN-AT-LARGE

March 15, 2016

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, 2015. 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, 2015, 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 their 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 their 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 that 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. 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 in 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 within 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 and 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 ten 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 a three-story addition to the current City Hall in March 2011. The renovation of the existing structure was completed and occupied in February 2013. 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 revenue has increased modestly every year from FY2011 to present. From FY2014 to FY2015, sales tax revenue increased over 6%.

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, Kohl's and many other national chain retailers. Target opened in October 2009, and Kohl's opened in March 2011. The southeast and southwest quadrants are 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. Scarlet Pearl Casino, the City's first casino, opened its doors in December 2015. 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 dropped from 6.8% in September 2014 to 5.6% in September 2015.

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 2015. The City's three largest sources of revenues for general government functions are other intergovernmental revenue, sales tax, and ad valorem tax.

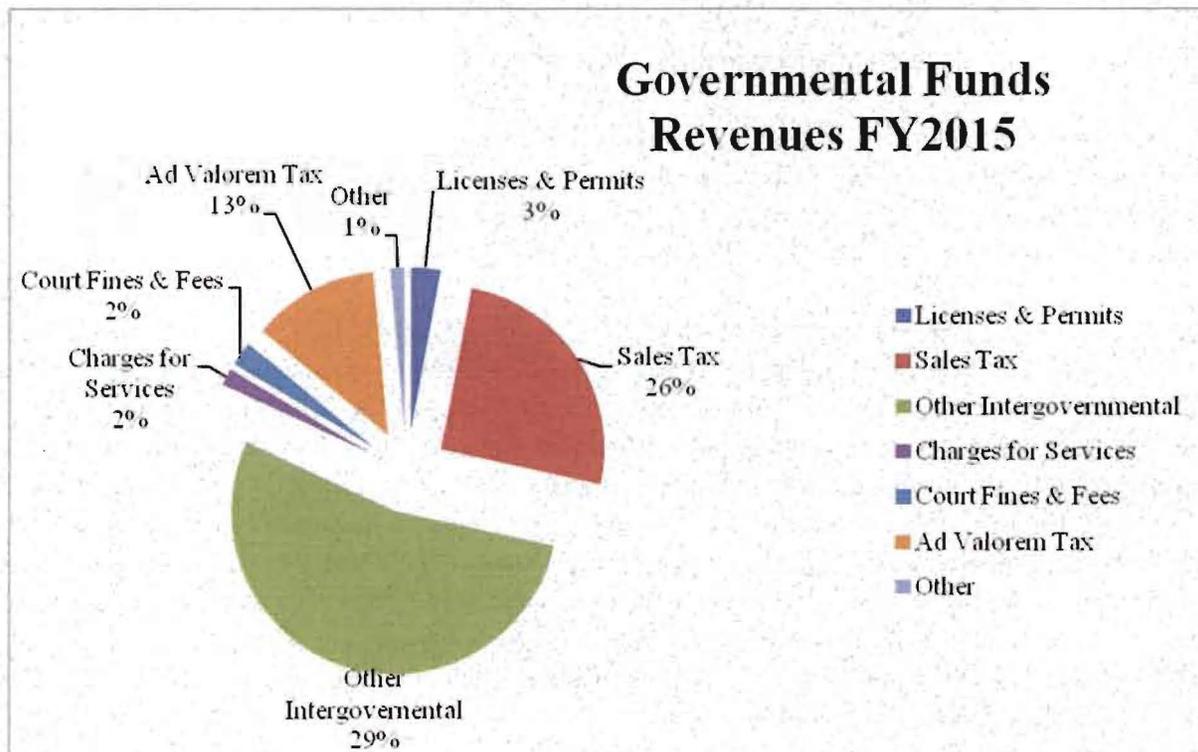


Figure 1

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 2015. Economic development and public safety are the largest expenditure categories of the City's governmental funds in FY2015.

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Governmental Funds Expenditures FY2015

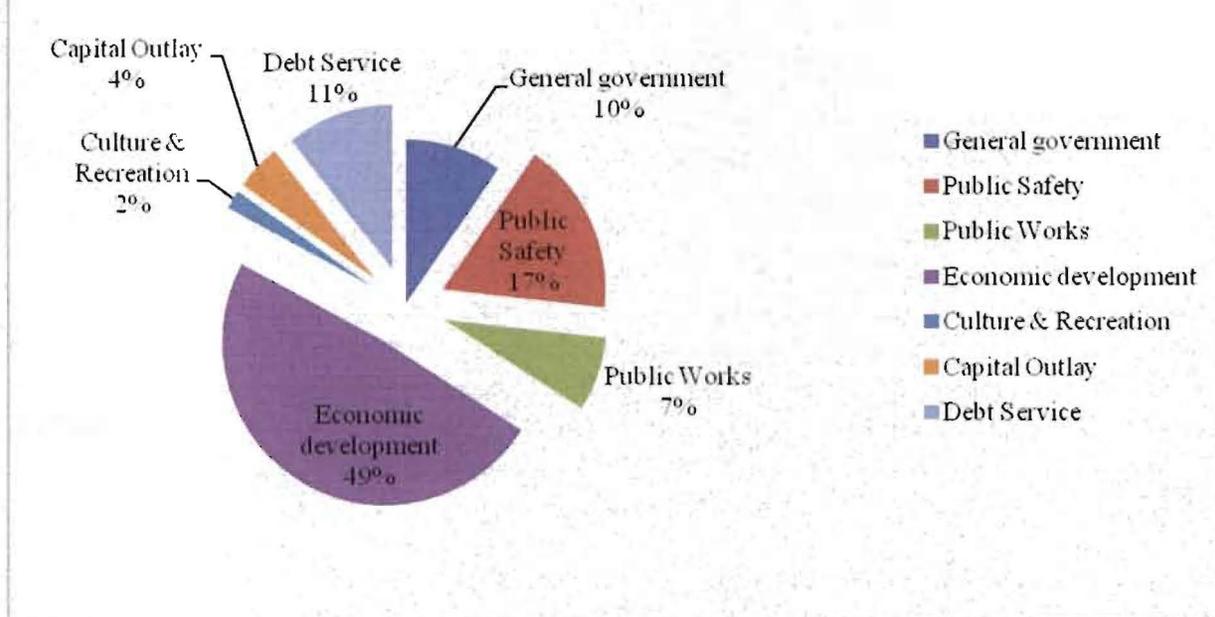


Figure 2

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.

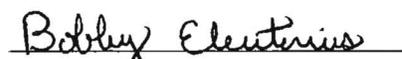
Cash Management

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.

Major Initiatives

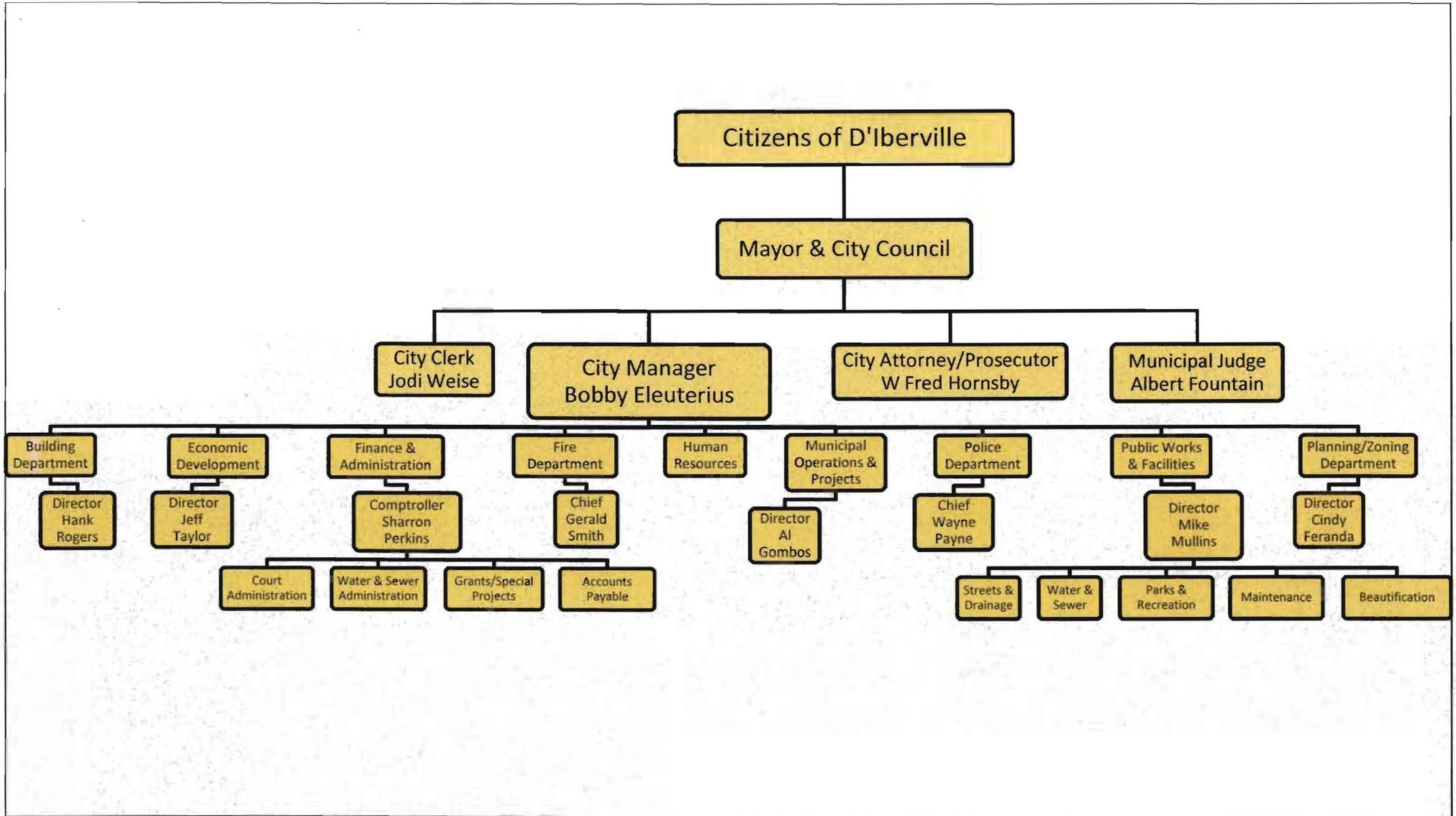
During FY2015, the City spent approximately \$1,200,000 on capital outlay throughout the City, including street paving, equipment, and vehicles

Respectfully submitted,


Bobby Eleuterius, City Manager


Sharron Perkins, Finance Director

CITY OF D'IBERVILLE ORGANIZATIONAL CHART



Mayor – Rusty Quave

Ward 1 – Randall Pelous

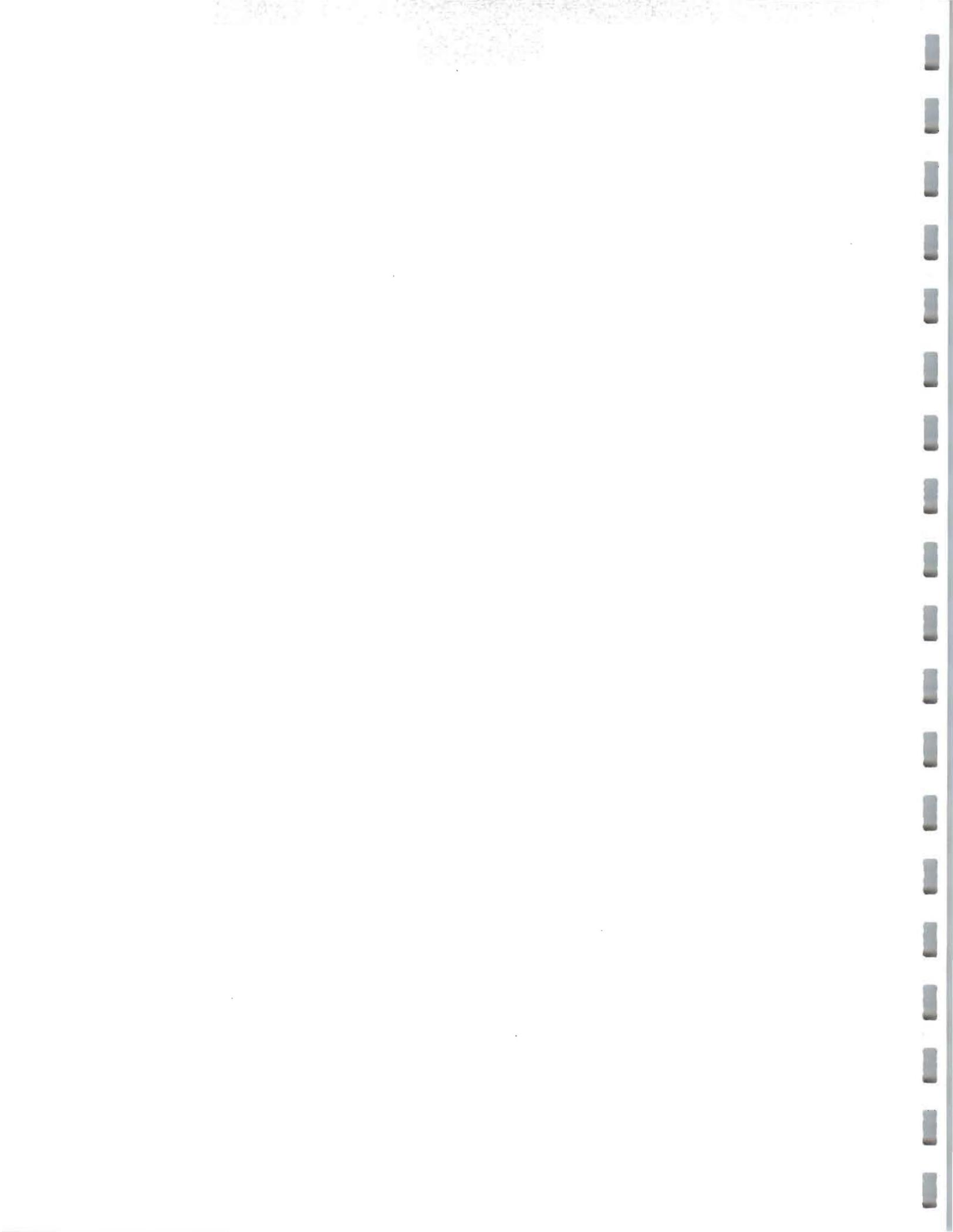
Ward 3 – Craig (Boots) Diaz

Councilman-at-Large – Joey Bosarge

Ward 2 – Henry Toncrey, Jr.

Ward 4 – Robby Ellis

SECTION II
FINANCIAL SECTION



INDEPENDENT AUDITOR'S 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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INDEPENDENT AUDITOR'S REPORT

March 15, 2016

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

Report on the Financial Statements

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, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of D'Iberville, Mississippi, as of September 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the City of D'Iberville, Mississippi adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27*. As a result, net position as of October 1, 2014 has been restated. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 13-20, budgetary comparison information on pages 57-59 and the schedule of changes in the City's net pension and related ratios schedule on pages 60-61 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.

Supplementary and Other Information

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

The combining and individual non-major 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic 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.

In addition, the State of Mississippi requires municipalities submit a schedule of surety bonds maintained for city personnel in compliance with § 21-17-5 of Mississippi Code of 1972. This schedule has been presented on page 77. This schedule is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of surety bonds is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2016, on our consideration of the City of D'Iberville, Mississippi's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of D'Iberville, Mississippi's internal control over financial reporting and compliance.

Other Reporting Required by *State of Mississippi*

In accordance with the State of Mississippi, we have also issued our report dated March 15, 2016, on our consideration of the City of D'Iberville's compliance with state laws and regulations. The purpose of that report is to describe the scope of our testing of internal controls over compliance with state laws and regulations and the result of that testing, and not to provide an opinion on internal controls or compliance. That report is an integral part of an audit performed in accordance with state guidelines in considering the City of D'Iberville's internal control over financial reporting and compliance.

Walter Wood Butler & Assoc

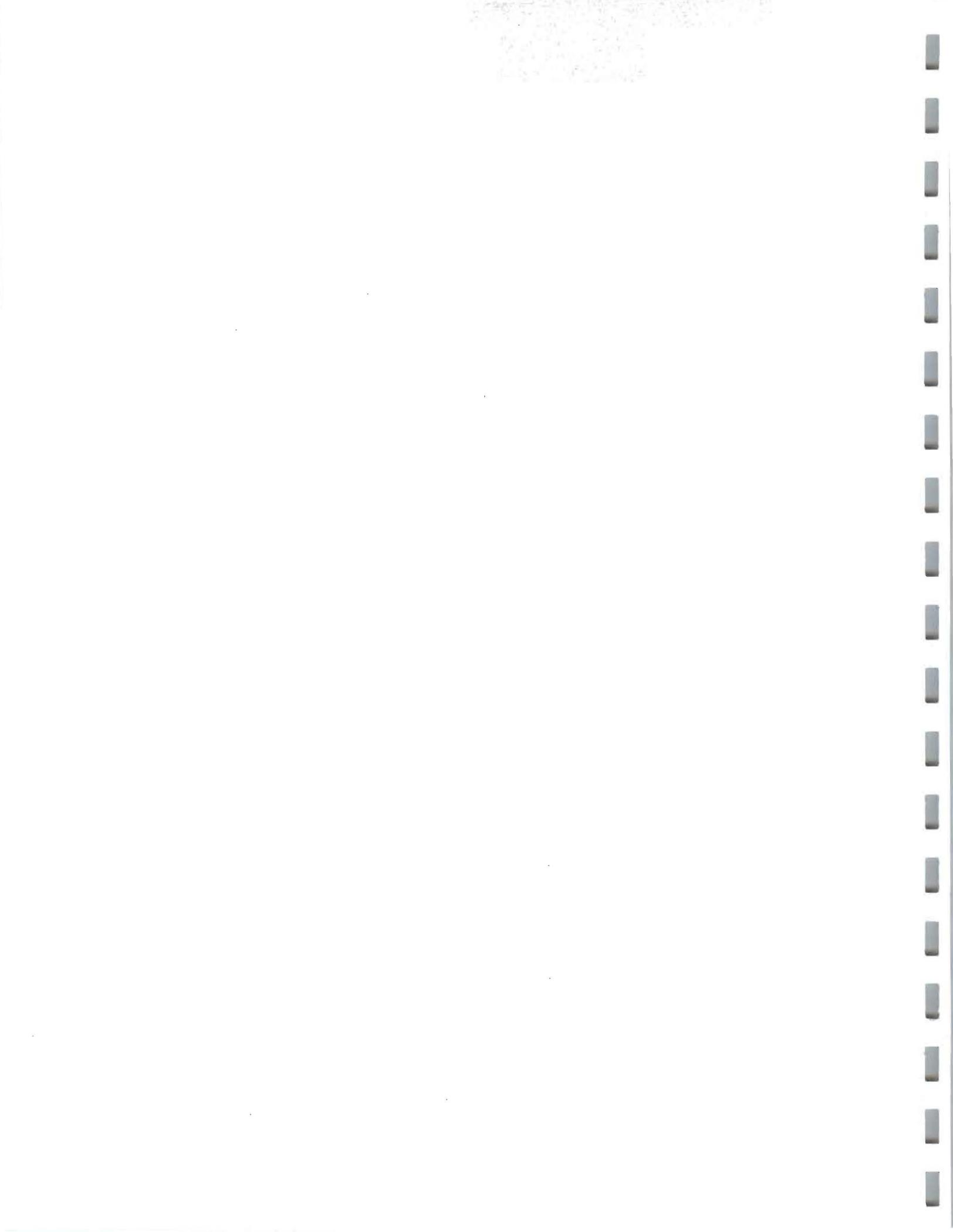
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MANAGEMENT'S DISCUSSION AND ANALYSIS



**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

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, 2015. 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 and deferred outflows of the City exceeded its liabilities and deferred inflows at September 30, 2015, by \$48,913,089. Of this amount unrestricted net position of \$929,838 may be used to meet organizations ongoing obligations to citizens and creditors.
- The total net position increased by \$1,638,079. Of this amount an increase of \$966,494 was associated with governmental activities and an increase of \$671,585 with business-type activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$9,048,759, an increase of \$522,275 in comparison with the prior year's fund balance of \$8,526,484.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,946,533 or 71.7% 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.

**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

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 position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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 parks 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 21-22 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, 2015**

Overview of the Financial Statements (Continued)

The City maintains nine 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 the CDBG 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 23-26 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 position and the proprietary statement of revenues, expenses, and changes in net position for the water and sewer and the waterfront development funds.

The proprietary fund financial statements can be found on pages 27-29 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, 2015**

Government-wide Condensed Data Financial Analysis

City of D'Iberville's Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 14,476,161	\$ 21,536,007	\$ 4,987,920	\$ 4,583,581	\$ 19,464,081	\$ 26,119,588
Noncurrent assets	<u>55,568,473</u>	<u>55,889,691</u>	<u>22,134,657</u>	<u>22,522,857</u>	<u>77,703,130</u>	<u>78,412,548</u>
Total assets	<u>70,044,634</u>	<u>77,425,698</u>	<u>27,122,577</u>	<u>27,106,438</u>	<u>97,167,211</u>	<u>104,532,136</u>
Deferred Outflows of Resources						
Deferred amount on pensions	<u>1,653,222</u>	<u>-</u>	<u>236,822</u>	<u>-</u>	<u>1,890,044</u>	<u>-</u>
Other liabilities	3,777,123	11,777,945	1,410,401	1,481,476	5,187,524	13,259,421
Long-term liabilities	<u>33,755,125</u>	<u>24,364,897</u>	<u>7,579,203</u>	<u>6,753,934</u>	<u>41,334,328</u>	<u>31,118,831</u>
Total liabilities	<u>37,532,248</u>	<u>36,142,842</u>	<u>8,989,604</u>	<u>8,235,410</u>	<u>46,521,852</u>	<u>44,378,252</u>
Deferred Inflows of Resources						
Deferred property tax revenue	3,296,877	3,193,360			3,296,877	3,193,360
Deferred amount on pensions	<u>284,660</u>	<u>-</u>	<u>40,777</u>	<u>-</u>	<u>325,437</u>	<u>-</u>
Total deferred inflows of resources	<u>3,581,537</u>	<u>3,193,360</u>	<u>40,777</u>	<u>-</u>	<u>3,622,314</u>	<u>3,193,360</u>
Net position						
Net investment in capital assets	30,821,910	29,986,677	15,426,369	15,120,132	46,248,279	45,106,809
Restricted	-	1,064,954	-	566,148	-	1,631,102
General government	34,448	-	-	-	34,448	-
Public safety	111,631	-	-	-	111,631	-
Capital projects	1,027,523	-	-	-	1,027,523	-
Debt service	-	-	561,370	-	561,370	-
Unrestricted	<u>(1,411,441)</u>	<u>7,037,865</u>	<u>2,341,279</u>	<u>3,184,748</u>	<u>929,838</u>	<u>10,222,613</u>
Total net position	<u>\$ 30,584,071</u>	<u>\$ 38,089,496</u>	<u>\$ 18,329,018</u>	<u>\$ 18,871,028</u>	<u>\$ 48,913,089</u>	<u>\$ 56,960,524</u>

**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

Government-wide Condensed Data Financial Analysis (Continued)

City of D'Iberville's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program revenues						
Charges for services	\$ 1,438,475	\$ 1,833,834	\$ 3,865,179	\$ 3,869,067	\$ 5,303,654	\$ 5,702,901
Operating grants	625,470	406,321	-	-	625,470	406,321
Capital grants	13,352,125	17,476,121	352,603	232,928	13,704,728	17,709,049
Total program revenues	<u>15,416,070</u>	<u>19,716,276</u>	<u>4,217,782</u>	<u>4,101,995</u>	<u>19,633,852</u>	<u>23,818,271</u>
General revenues						
Property taxes	3,282,355	3,343,675	1,555	2,034	3,283,910	3,345,709
Sales taxes	6,638,041	6,169,723	-	-	6,638,041	6,169,723
Franchise taxes	454,999	397,123	-	-	454,999	397,123
Other	1,303,499	865,800	78	72	1,303,577	865,872
Total general revenues	<u>11,678,894</u>	<u>10,776,321</u>	<u>1,633</u>	<u>2,106</u>	<u>11,680,527</u>	<u>10,778,427</u>
Total revenues	<u>27,094,964</u>	<u>30,492,597</u>	<u>4,219,415</u>	<u>4,104,101</u>	<u>31,314,379</u>	<u>34,596,698</u>
Program expenditures						
General government	2,915,389	2,442,639	-	-	2,915,389	2,442,639
Public safety	5,219,511	4,635,352	-	-	5,219,511	4,635,352
Public works	3,039,357	2,651,389	-	-	3,039,357	2,651,389
Economic development	13,303,726	16,334,236	-	-	13,303,726	16,334,236
Culture and recreation	608,089	574,263	-	-	608,089	574,263
Interest	970,185	1,314,967	-	-	970,185	1,314,967
Waterfront Development	-	-	402,594	341,061	402,594	341,061
Water and sewer	-	-	3,217,449	2,971,015	3,217,449	2,971,015
Total program expenditures	<u>26,056,257</u>	<u>27,952,846</u>	<u>3,620,043</u>	<u>3,312,076</u>	<u>29,676,300</u>	<u>31,264,922</u>
Change before transfers	1,038,707	2,539,751	599,372	792,025	1,638,079	3,331,776
Transfers	(72,213)	(40,523)	72,213	40,523	-	-
Change in net position	<u>966,494</u>	<u>2,499,228</u>	<u>671,585</u>	<u>832,548</u>	<u>1,638,079</u>	<u>3,331,776</u>
<i>Special Item</i> – Small Community						
Disaster Loan	-	1,557,325	-	-	-	1,557,325
Beginning net position	38,089,496	34,032,943	18,871,028	18,038,480	56,960,524	52,071,423
Prior period adjustments	(8,471,919)	-	(1,213,595)	-	(9,685,514)	-
Beginning net position, restated	<u>29,617,577</u>	<u>34,032,943</u>	<u>17,657,433</u>	<u>18,038,480</u>	<u>47,275,010</u>	<u>52,071,423</u>
Ending net position	<u>\$ 30,584,071</u>	<u>\$ 38,089,496</u>	<u>\$ 18,329,018</u>	<u>\$ 18,871,028</u>	<u>\$ 48,913,089</u>	<u>\$ 56,960,524</u>

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**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

Government-wide Condensed Data Financial Analysis (Continued)

At September 30, 2015 and September 30, 2014, the City's assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources by \$48,913,089, and \$56,960,524 respectively. The largest portion of the City's total net position reflects its net investment in capital assets, less any related debt used to acquire or construct those assets. That amount increased in 2015 by \$1,141,470 to \$46,248,279. 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.

Restricted net position, representing resources that are subject to externally imposed restrictions, comprised 3.5% of total net position, as compared to 2.9% in the prior year. The remaining negative balance represented unrestricted net position of \$1,411,441. A negative fund balance means that it would be necessary to convert restricted assets to unrestricted assets if all ongoing obligations were immediately due and payable. The positive balance of \$2,341,279 in the business-type activities may be used to meet ongoing obligations to citizens and creditors; however, internally imposed designations of certain resources further limit the purposes for which unrestricted net position can be used.

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, unreserved 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 \$9,048,759, an increase of \$522,275 in comparison with the prior year. 87% or \$7,875,157 of this combined total is unassigned, while \$1,027,523 is restricted for capital projects, \$111,631 is restricted for public safety and \$34,448 is restricted for unemployment.

- **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 2015, the general fund's unassigned fund balance represents a strong 71.7% 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 Katrina.

**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

Financial Analysis of the Government's Funds (Continued)

- 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 \$2,942,410 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 position totaling \$708,304 at the end of FY2015 and the Waterfront Development fund had a decrease of \$36,719 for the year resulting in a net increase in proprietary funds of \$671,585 for the year ended September 30, 2015.

Budget Variances in the General Fund

Amendments to the original budget increased total appropriations by \$1,464,923 and were a result of an increase in other services and charges in the general government category, along with capital outlay purchases in public safety and culture & recreation during the 2015 fiscal year; however actual expenditures were still under budget by \$1,359,450 at year end, as a result of a conservative fiscal management plan. Refer to the budgetary comparison schedule for the General Fund on page 57 in the RSI section of the annual report.

Capital Asset and Long-Term Debt Activity

Capital Asset Activity

At September 30, 2015, the City reported \$55,568,473 in net capital assets for governmental activities and \$22,134,582 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 40-42 of this report.

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

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 18,576,281	\$ 18,576,281	\$ 356,080	\$ 321,080	\$ 18,932,361	\$ 18,897,361
Buildings & Improvements	14,870,661	15,388,107	2,042,229	2,123,945	16,912,890	17,512,052
Machinery & Equipment	1,891,662	1,198,297	55,516	67,131	1,947,178	1,265,428
Infrastructure & Systems	15,812,353	16,425,864	19,554,386	20,010,626	35,366,739	36,436,490
Construction in progress	4,417,516	4,301,142	126,371	-	4,543,887	4,301,142
Total	<u>\$ 55,568,473</u>	<u>\$ 55,889,691</u>	<u>\$ 22,134,582</u>	<u>\$ 22,522,782</u>	<u>\$ 77,703,055</u>	<u>\$ 78,412,473</u>

**CITY OF D'IBERVILLE, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

Capital Asset and Long-Term Debt Activity (Continued)

Long-Term Debt Activity

At the end of the current fiscal year, the City had \$31,007,761 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 42-47 of this report.

	City of D'Iberville's Outstanding Debt					
	General Obligation, Revenue Bonds and Other Loans					
	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
Tax Increment Bonds	\$ 14,665,000	\$ 15,940,000	\$ -	\$ -	\$ 14,665,000	\$ 15,940,000
Revenue Bonds	-	-	5,645,000	6,095,000	5,645,000	6,095,000
Certificates of Participation	2,460,000	2,610,000	-	-	2,460,000	2,610,000
General Obligation Bond	2,945,000	3,175,000	-	-	2,945,000	3,175,000
Special Obligation Bond	3,535,000	3,695,000	-	-	3,535,000	3,695,000
Notes Payable	-	-	1,004,543	1,244,544	1,004,543	1,244,544
Leases Payable	<u>753,218</u>	<u>60,899</u>	-	-	<u>753,218</u>	<u>60,899</u>
Total	<u>\$24,358,218</u>	<u>\$25,480,899</u>	<u>\$6,649,543</u>	<u>\$7,339,544</u>	<u>\$31,007,761</u>	<u>\$32,820,443</u>

Contact the City's Financial Management

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

Sharron Perkins, Comptroller
City of D'Iberville, Mississippi
P.O. Box 6519
D'Iberville, MS 39540

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF NET POSITION
SEPTEMBER 30, 2015

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 8,236,144	\$ 3,199,788	\$ 11,435,932
Receivables (net)	5,069,477	510,069	5,579,546
Due from other governments	1,024,461	68,500	1,092,961
Restricted assets:			
Cash and cash equivalents	146,079	1,209,563	1,355,642
Capital assets:			
Land and construction in progress	22,993,797	482,451	23,476,248
Other capital assets, net of depreciation	32,574,676	21,652,131	54,226,807
Total capital assets	<u>55,568,473</u>	<u>22,134,582</u>	<u>77,703,055</u>
Deposit on utilities	-	75	75
Total assets	<u>70,044,634</u>	<u>27,122,577</u>	<u>97,167,211</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on pensions	<u>1,653,222</u>	<u>236,822</u>	<u>1,890,044</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	1,341,966	94,008	1,435,974
Retainage payable	20,721	-	20,721
Accrued interest	335,308	149,450	484,758
Sales tax payable	-	2,802	2,802
Accrued wages payable	179,022	19,649	198,671
Unearned revenue	247,844	-	247,844
Long-term debt:			
Bonds payable	1,430,000	465,000	1,895,000
Certificates of participation	155,000	-	155,000
Capital leases payable	67,262	-	67,262
Notes payable	-	180,749	180,749
Payable from restricted assets:			
Customer deposits	-	498,743	498,743
Total current liabilities	<u>3,777,123</u>	<u>1,410,401</u>	<u>5,187,524</u>
Noncurrent Liabilities:			
Long-term debt:			
Bonds payable	19,715,000	5,180,000	24,895,000
Capital leases payable	685,956	-	685,956
Notes payable	-	823,794	823,794
Certificates of participation	2,305,000	-	2,305,000
Bond premiums	409,623	58,670	468,293
Bond discounts	(21,278)	-	(21,278)
Compensated absences	384,759	44,702	429,461
Net pension liability	<u>10,276,065</u>	<u>1,472,037</u>	<u>11,748,102</u>
Total noncurrent liabilities	<u>33,755,125</u>	<u>7,579,203</u>	<u>41,334,328</u>
Total liabilities	<u>37,532,248</u>	<u>8,989,604</u>	<u>46,521,852</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred property tax revenue	3,296,877	-	3,296,877
Deferred amount on pensions	284,660	40,777	325,437
Total deferred inflows of resources	<u>3,581,537</u>	<u>40,777</u>	<u>3,622,314</u>
NET POSITION			
Net investment in capital assets	30,821,910	15,426,369	46,248,279
Restricted for:			
General government	34,448	-	34,448
Public safety	111,631	-	111,631
Capital projects	1,027,523	-	1,027,523
Debt service	-	561,370	561,370
Unrestricted (deficit)	<u>(1,411,441)</u>	<u>2,341,279</u>	<u>929,838</u>
Total net position	<u>\$ 30,584,071</u>	<u>\$ 18,329,018</u>	<u>\$ 48,913,089</u>

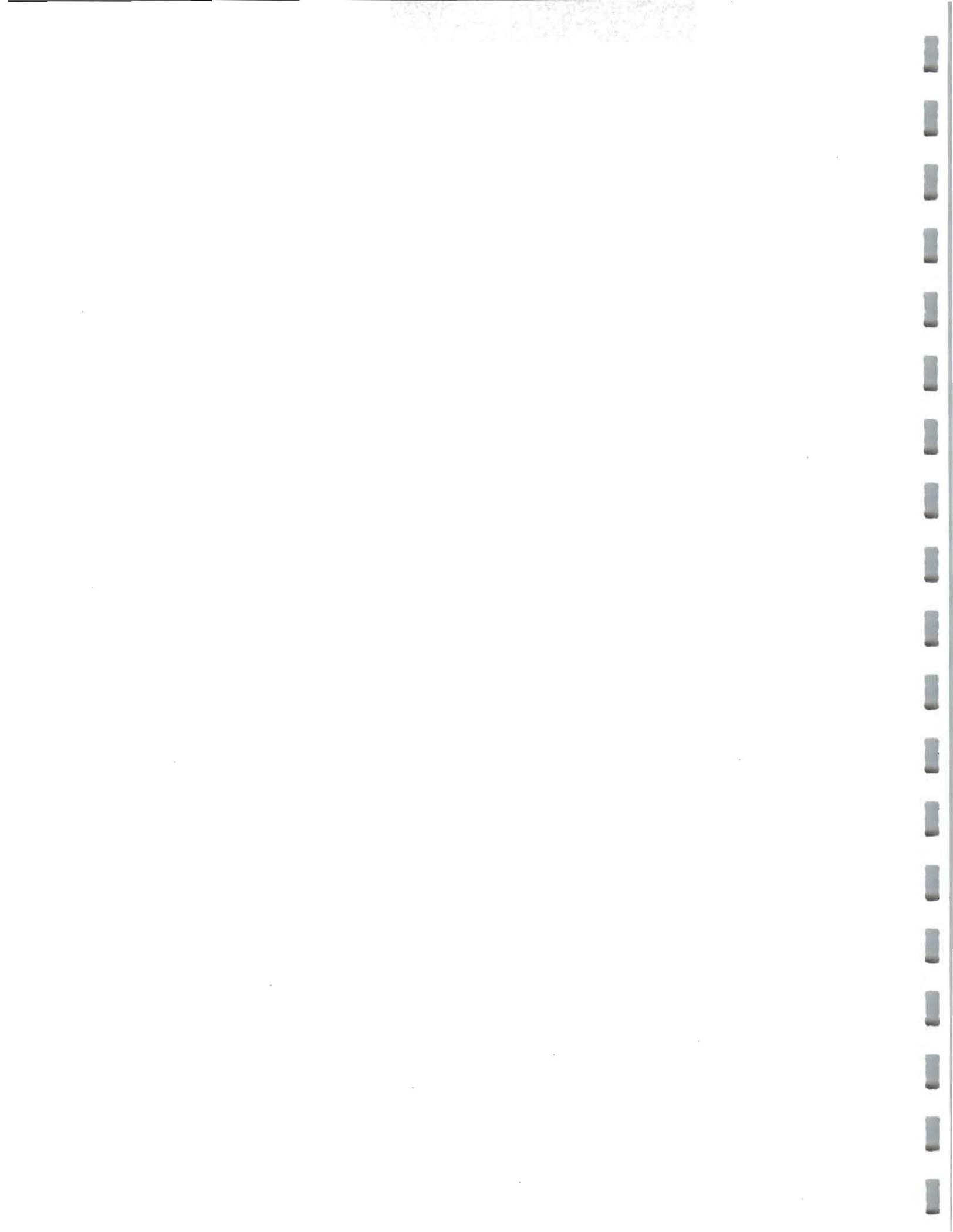
The accompanying notes are an integral part of these financial statements.

**CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 2,915,389	\$ -	\$ 15,532	\$ 51,615	\$ (2,848,242)		\$ (2,848,242)
Public safety	5,219,511	666,907	547,258	276,539	(3,728,807)		(3,728,807)
Public works	3,039,357	433,192	62,680	-	(2,543,485)		(2,543,485)
Economic development	13,303,726	336,656	-	13,023,971	56,901		56,901
Culture and recreation	608,089	1,720	-	-	(606,369)		(606,369)
Interest	970,185	-	-	-	(970,185)		(970,185)
Total governmental activities	<u>26,056,257</u>	<u>1,438,475</u>	<u>625,470</u>	<u>13,352,125</u>	<u>(10,640,187)</u>		<u>(10,640,187)</u>
Business-type activities:							
Water and sewer	3,217,449	3,851,907	-	-		\$ 634,458	634,458
Waterfront Development	402,594	13,272	-	352,603		(36,719)	(36,719)
Total business-type activities	<u>3,620,043</u>	<u>3,865,179</u>	<u>-</u>	<u>352,603</u>		<u>597,739</u>	<u>597,739</u>
Total	<u>\$ 29,676,300</u>	<u>\$ 5,303,654</u>	<u>\$ 625,470</u>	<u>\$ 13,704,728</u>		<u>597,739</u>	<u>(10,042,448)</u>
General revenues:							
Property taxes					3,282,355	1,555	3,283,910
Sales taxes					6,638,041	-	6,638,041
Franchise taxes					454,999	-	454,999
Interest earnings					45,836	78	45,914
Insurance proceeds					21,088	-	21,088
Lease revenues					225,849	-	225,849
British Petroleum settlement					948,027	-	948,027
Other					62,699	-	62,699
Transfers					(72,213)	72,213	-
Total general revenues and transfers					<u>11,606,681</u>	<u>73,846</u>	<u>11,680,527</u>
Change in net position					<u>966,494</u>	<u>671,585</u>	<u>1,638,079</u>
Net position-beginning, previously stated					38,089,496	18,871,028	56,960,524
Prior period adjustment(s)					(8,471,919)	(1,213,595)	(9,685,514)
Net position-beginning, restated					<u>29,617,577</u>	<u>17,657,433</u>	<u>47,275,010</u>
Net position-ending					<u>\$ 30,584,071</u>	<u>\$ 18,329,018</u>	<u>\$ 48,913,089</u>

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

GOVERNMENTAL FUND FINANCIAL STATEMENTS



CITY OF D'IBERVILLE, MISSISSIPPI
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

	General Fund	CDBG Grant Fund	Non-major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 7,290,291	\$ 16,365	\$ 929,488	\$ 8,236,144
Receivables, (net):				
Property tax	3,329,652	-	-	3,329,652
Sales taxes	1,135,849	-	-	1,135,849
Franchise taxes	187,399	-	-	187,399
Intergovernmental receivable	22,897	876,396	125,168	1,024,461
Garbage fees	75,605	-	-	75,605
Court fines & fees	340,972	-	-	340,972
Restricted assets:				
Cash and cash equivalents	146,079	-	-	146,079
Total assets	<u>\$ 12,528,744</u>	<u>\$ 892,761</u>	<u>\$ 1,054,656</u>	<u>\$ 14,476,161</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 442,793	\$ 876,396	\$ 22,777	\$ 1,341,966
Retainage payable	-	-	20,721	20,721
Accrued wages payable	179,022	-	-	179,022
Unearned revenue	176,468	-	71,376	247,844
Total liabilities	<u>798,283</u>	<u>876,396</u>	<u>114,874</u>	<u>1,789,553</u>
Deferred inflows of resources:				
Deferred property tax revenue	3,296,877	-	-	3,296,877
Deferred court fine revenue	340,972	-	-	340,972
Total deferred inflows of resources	<u>3,637,849</u>	<u>-</u>	<u>-</u>	<u>3,637,849</u>
Fund balances:				
Restricted for:				
Unemployment	34,448	-	-	34,448
Public safety	111,631	-	-	111,631
Capital projects	-	16,365	1,011,158	1,027,523
Unassigned	7,946,533	-	(71,376)	7,875,157
Total fund balances	<u>8,092,612</u>	<u>16,365</u>	<u>939,782</u>	<u>9,048,759</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12,528,744</u>	<u>\$ 892,761</u>	<u>\$ 1,054,656</u>	<u>\$ 14,476,161</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 POSITION
SEPTEMBER 30, 2015**

Total governmental funds balance (Exhibit C)	\$	9,048,759
Amounts reported for governmental activities in the statement of net position 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		70,830,202
Less: accumulated depreciation	<u>(15,261,729)</u>	55,568,473
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds:		
Net pension liability		(10,276,065)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds:		
Deferred outflows of resources related to pensions		1,653,222
Deferred inflows of resources related to pensions		(284,660)
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		(24,358,218)
Compensated absences		(384,759)
Other long term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		340,972
Accrued interest not due and payable in the current period expenditures and, therefore, not reported in the funds.		(335,308)
Governmental funds report the effect of discounts, premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		<u>(388,345)</u>
Net position of governmental activities (Exhibit A)	\$	<u>30,584,071</u>

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

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	General Fund	CDBG Grant Fund	Non-major Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$3,282,355	\$ -	\$ -	\$ 3,282,355
Sales tax	6,638,041	-	-	6,638,041
Franchise taxes	454,999	-	-	454,999
Licenses and permits	314,199	-	-	314,199
Intergovernmental	628,632	13,023,971	273,661	13,926,264
Charges for services	435,298	-	-	435,298
Fines and fees	629,460	-	-	629,460
Interest income	45,621	-	214	45,835
Lease revenue	225,849	-	-	225,849
Miscellaneous	106,197	-	-	106,197
Total revenues	<u>12,760,651</u>	<u>13,023,971</u>	<u>273,875</u>	<u>26,058,497</u>
EXPENDITURES				
Current:				
General government	2,510,919	94,180	-	2,605,099
Public safety	4,510,424	-	165,241	4,675,665
Public works	1,979,247	-	11,413	1,990,660
Economic development	338,218	12,929,791	-	13,268,009
Culture and recreation	512,493	-	-	512,493
Capital outlay	1,230,367	-	-	1,230,367
Debt service:				
Principal	-	-	1,875,899	1,875,899
Interest	-	-	1,031,286	1,031,286
Total expenditures	<u>11,081,668</u>	<u>13,023,971</u>	<u>3,083,839</u>	<u>27,189,478</u>
Excess (deficiency) of revenues over expenditures	<u>1,678,983</u>	<u>-</u>	<u>(2,809,964)</u>	<u>(1,130,981)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	2,942,410	2,942,410
Transfers out	(2,879,142)	-	(135,481)	(3,014,623)
Loan proceeds	753,218	-	-	753,218
Proceeds from sale of assets	3,136	-	-	3,136
Insurance proceeds	21,088	-	-	21,088
British Petroleum settlement	948,027	-	-	948,027
Total other financing sources (uses)	<u>(1,153,673)</u>	<u>-</u>	<u>2,806,929</u>	<u>1,653,256</u>
Net change in fund balances	525,310	-	(3,035)	522,275
Fund balances--beginning	7,567,302	16,365	942,817	8,526,484
Fund balances--ending	<u>\$8,092,612</u>	<u>\$ 16,365</u>	<u>\$ 939,782</u>	<u>\$ 9,048,759</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, 2015

Net change in fund balances - total governmental funds (Exhibit D) \$ 522,275

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	1,230,367	
Depreciation	<u>(1,551,585)</u>	(321,218)

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:

Debt retirement	1,875,899	
Debt issuance	(753,218)	
Bond discount amortization	(1,340)	
Bond premiums amortization	<u>35,110</u>	1,156,451

Fine revenue recognized on the modified accrual basis in the funds during the current year is reduced because prior year recognition would have been required on the Statement of Activities under the full accrual basis of accounting. 64,216

The statement of activities reports pension expense and other activity related to net pension liability:

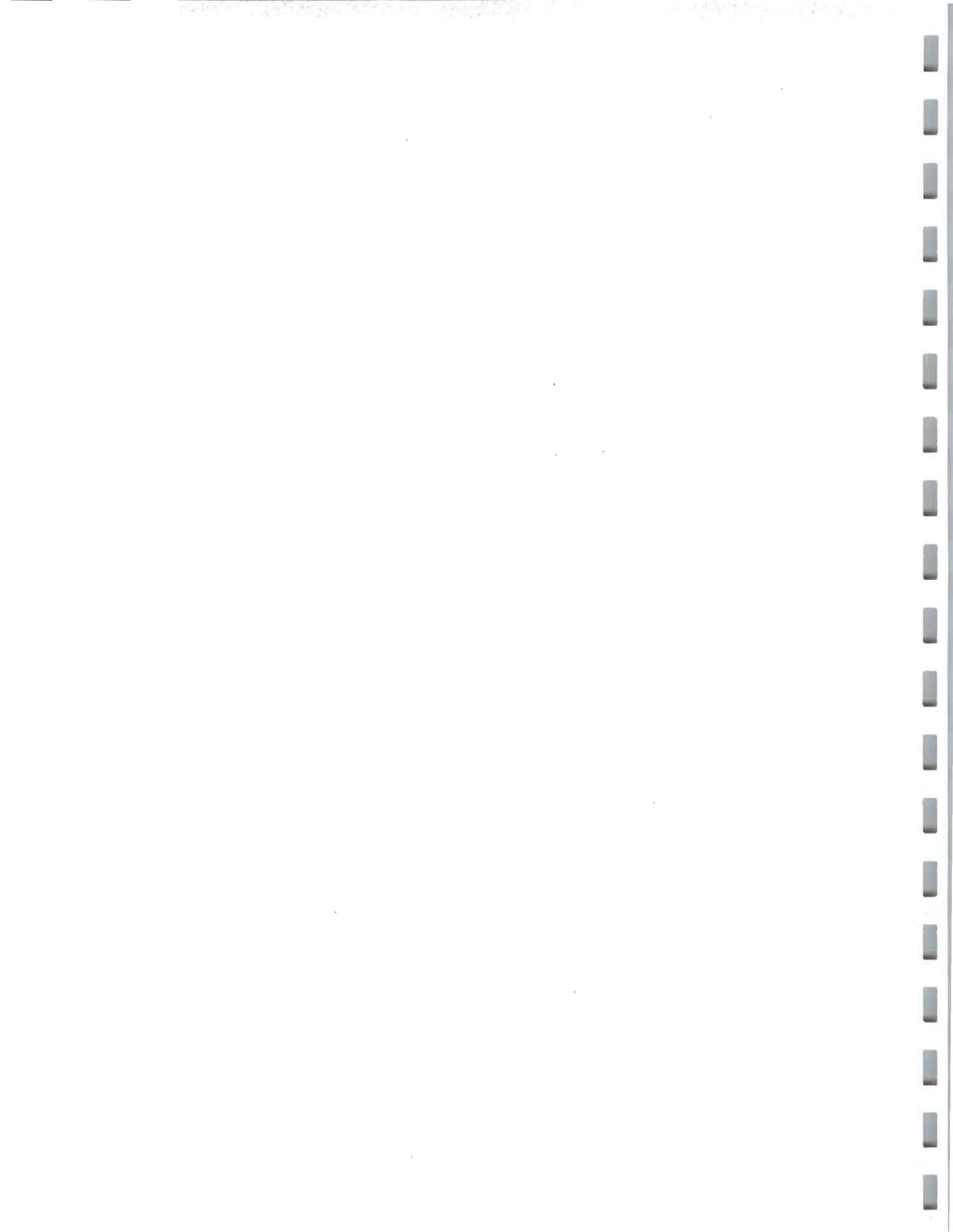
Pension expense	(1,103,187)	
Contributions made after the measurement date	<u>667,603</u>	(435,584)

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		27,331
Compensated absences		<u>(46,977)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 966,494</u>

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

PROPRIETARY FUND FINANCIAL STATEMENTS



CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2015

	<u>Water & Sewer Fund</u>	<u>Waterfront Development Fund</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 3,183,531	\$ 16,257	\$ 3,199,788
Accounts receivable, net	509,101	968	510,069
Grant receivable	-	68,500	68,500
Restricted assets:			
Cash and cash equivalents	1,207,061	2,502	1,209,563
Total current assets	<u>4,899,693</u>	<u>88,227</u>	<u>4,987,920</u>
Noncurrent assets:			
Capital assets:			
Land	33,880	322,200	356,080
Construction in progress	126,371	-	126,371
Buildings	140,470	203,472	343,942
Machinery and equipment	278,606	-	278,606
Boat slips and pier	-	3,128,466	3,128,466
Water and Sewer system	29,177,501	-	29,177,501
Less: accumulated depreciation	<u>(9,927,737)</u>	<u>(1,348,647)</u>	<u>(11,276,384)</u>
Net property, plant and equipment	19,829,091	2,305,491	22,134,582
Deposit on utilities	75	-	75
Total noncurrent assets	<u>19,829,166</u>	<u>2,305,491</u>	<u>22,134,657</u>
Total assets	<u>24,728,859</u>	<u>2,393,718</u>	<u>27,122,577</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on pensions	236,822	-	236,822
Total deferred outflows of resources	<u>236,822</u>	<u>-</u>	<u>236,822</u>
LIABILITIES			
Current liabilities:			
Accounts payable	60,203	33,805	94,008
Accrued interest	149,450	-	149,450
Sales tax payable	2,737	65	2,802
Wages payable	19,649	-	19,649
Bonds payable	465,000	-	465,000
Notes payable	180,749	-	180,749
Customer deposits	496,241	2,502	498,743
Total current liabilities	<u>1,374,029</u>	<u>36,372</u>	<u>1,410,401</u>
Noncurrent Liabilities			
Bonds payable	5,180,000	-	5,180,000
Notes payable	823,794	-	823,794
Bond premium	58,670	-	58,670
Compensated absences	44,702	-	44,702
Net pension liability	1,472,037	-	1,472,037
Total noncurrent liabilities	<u>7,579,203</u>	<u>-</u>	<u>7,579,203</u>
Total liabilities	<u>8,953,232</u>	<u>36,372</u>	<u>8,989,604</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred amount on pensions	40,777	-	40,777
NET POSITION			
Net investment in capital assets	13,120,878	2,305,491	15,426,369
Restricted for debt service	561,370	-	561,370
Unrestricted	2,289,424	51,855	2,341,279
Total net position	<u>\$ 15,971,672</u>	<u>\$ 2,357,346</u>	<u>\$ 18,329,018</u>

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 POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Water & Sewer Fund	Waterfront Development Fund	Total
OPERATING REVENUES			
Charges for services	\$ 3,851,907	\$ 13,272	\$ 3,865,179
Total operating revenues	<u>3,851,907</u>	<u>13,272</u>	<u>3,865,179</u>
OPERATING EXPENSES			
Salaries and related expenses	927,363	-	927,363
Supplies	125,823	585	126,408
Repairs and maintenance	230,820	4,582	235,402
Contractual services	955,256	250,117	1,205,373
Other services and charges	192,872	28,409	221,281
Depreciation expense	504,384	118,901	623,285
Total operating expenses	<u>2,936,518</u>	<u>402,594</u>	<u>3,339,112</u>
Operating income (loss)	<u>915,389</u>	<u>(389,322)</u>	<u>526,067</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest income	78	-	78
Ad-valorem receipts	1,555	-	1,555
Grant revenues	-	352,603	352,603
Interest expense	(280,931)	-	(280,931)
Total non-operating revenues (expenses)	<u>(279,298)</u>	<u>352,603</u>	<u>73,305</u>
Income (loss) before transfers	636,091	(36,719)	599,372
Transfers in	72,213	-	72,213
Change in net position	<u>708,304</u>	<u>(36,719)</u>	<u>671,585</u>
Net position-beginning, previously stated	16,476,963	2,394,065	18,871,028
Prior period adjustment(s)	<u>(1,213,595)</u>	<u>-</u>	<u>(1,213,595)</u>
Net position-beginning, restated	15,263,368	2,394,065	17,657,433
Net position-ending	<u>\$ 15,971,672</u>	<u>\$ 2,357,346</u>	<u>\$ 18,329,018</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, 2015

	Water & Sewer Fund	Waterfront Development Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 3,895,446	\$ 14,031	\$ 3,909,477
Payments to employees	(857,704)	-	(857,704)
Payments to suppliers	(125,823)	(585)	(126,408)
Payments for contractual services	(987,360)	(379,493)	(1,366,853)
Payments for other goods and services	(423,552)	(32,991)	(456,543)
Net cash provided (used) by operating activities	<u>1,501,007</u>	<u>(399,038)</u>	<u>1,101,969</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Ad-valorem receipts	1,555	-	1,555
Grant revenues	-	488,911	488,911
Transfers in	72,213	-	72,213
Net cash provided by non-capital activities	<u>73,768</u>	<u>488,911</u>	<u>562,679</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal payments on debt	(690,001)	-	(690,001)
Acquisition of capital assets	(161,471)	(73,616)	(235,087)
Interest expense	(280,510)	-	(280,510)
Net cash (used) by capital activities and related financing activities	<u>(1,131,982)</u>	<u>(73,616)</u>	<u>(1,205,598)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	78	-	78
Net cash provided by investing activities	<u>78</u>	<u>-</u>	<u>78</u>
Net increase in cash and cash equivalents	442,871	16,257	459,128
Balances-beginning of the year	3,947,721	2,502	3,950,223
Balances-end of the year	<u>\$ 4,390,592</u>	<u>\$ 18,759</u>	<u>\$ 4,409,351</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 915,389	\$ (389,322)	\$ 526,067
Adjustments to reconcile operating income to net cash provided by operating activities:			
Cash flows reported in other categories:			
Depreciation expense	504,384	118,901	623,285
(Increase) decrease in assets:			
Accounts receivable	27,545	759	28,304
Increase (decrease) in liabilities:			
Accounts payable	(32,104)	(19,553)	(51,657)
Wages payable	66,134	-	66,134
Due to other funds	-	(109,823)	(109,823)
Compensated absences	3,525	-	3,525
Sales tax payable	140	-	140
Customer deposits	15,994	-	15,994
Net cash provided (used) by operating activities	<u>\$ 1,501,007</u>	<u>\$ (399,038)</u>	<u>\$ 1,101,969</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the statement of net position			
	Current Assets	Current Restricted Assets	Total
Cash and cash equivalents-beginning	\$ 2,756,730	\$ 1,193,493	\$ 3,950,223
Net increase	443,058	16,070	459,128
Cash and cash equivalents-ending	<u>\$ 3,199,788</u>	<u>\$ 1,209,563</u>	<u>\$ 4,409,351</u>

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

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NOTES TO THE FINANCIAL STATEMENTS

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**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

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 council-manager form of government, and is authorized to provide various services under State law.

The City of D'Iberville is a municipal corporation governed by an elected five member council and mayor. Each of the council members and the mayor serves 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, 2015.

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 members of the school board, and the property taxes that are collected from residents within 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 System). 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 position 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 are normally 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.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

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 segment is 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 within the fund financial statements.

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

(A) Basis of Accounting

The City's financial statements are prepared in accordance with accounting principles generally accepted in the U.S. (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

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.

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

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 funds:

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 are 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.

V. Assets, Liabilities, and Net Position or Equity

(A) Cash and Cash Equivalents

For purposes of the statement of cash flows, the City's cash and cash equivalents are primarily considered to be cash on hand, amounts held in demand deposits, all certificates of deposits and cash equivalents, which are short-term highly liquid investments that are readily convertible into cash (including restricted assets) in generally three months or less.

CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(B) Inter-fund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements and transactions that have not resulted in the actual transfer of cash at the end of the fiscal year are referred to as 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). 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/Resources

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 utility fund represent principal payments due for the repayment of the 2010 series and 2011 series of the Mississippi Development Bank's water and sewer special obligation bonds (as required by the debt covenant). The amounts that are designated as utility customer meter deposits are classified as restricted as well.

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

(D) Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns within the government-wide financial statements. Capital assets, other than buildings, improvements other than buildings and 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. Capital assets used in proprietary fund operations are accounted for as they are in the government-wide financial statements.

The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend the life of that asset 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 constructed assets. No interest cost was capitalized during the current fiscal year.

CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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 statement of net position.

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

(F) Compensated Absences

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

- *Vacation* – Full time employees are granted 9 to 27 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 is computed using the specific identification method whereby the actual number of vacation hours is multiplied by the employee's hourly rate at September 30, 2015.

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.

(G) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial element, deferred outflows of resources, represents consumption of net position that applies to a future period or periods and so will, not be recognized as an

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

outflow of resources (expense/expenditure) until then. As of September 30, 2015, the City reported deferred outflows pertaining to pensions of \$1,890,044.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period or periods and so, will not be recognized as an inflow of resources (revenue) until that time. As of September 30, 2015, the City reported deferred inflows pertaining to pensions of \$325,437 and deferred property tax revenue of \$3,296,877.

(H) 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 23). As discussed in Note 1: V. (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 totaling \$146,079. This balance is comprised of \$69,055 for the certificates of participation debt principal payments, \$34,448 for unemployment compensation, \$40,983 for Department of Justice Forfeiture purchases, and \$1,593 for the Municipal State Fire Code purchases.

The remaining fund balance in the general fund of \$7,946,533 is classified as unassigned at September 30, 2015.

CDBG Grant Fund

The CDBG Grant Fund has a restricted fund balance of \$16,365 for federally grant funded capital projects at September 30, 2015.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Funds

The following non-major funds have a restricted fund balance designated for specific purposes:

MDOT Sangani Widening Grant Fund – Special revenue: \$45,577
2004 TIF Fund - Capital project: \$965,581

The following non-major fund has an unassigned balance at September 30, 2015:

MDOT Sangani Utilities Grant Fund – Special revenue: (\$71,376)

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.

(I) Net Position

Net position represents the difference between assets, deferred outflows of resources and liabilities and deferred inflows of resources.

Net investment in capital assets consists 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 position is 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.

(J) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(K) New Accounting Pronouncements

In June 2012, the GASB issued GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit pensions, note disclosure and required supplementary information requirements about pensions also are addressed. This statement is effective for fiscal years beginning after June 15, 2014. The impact of this statement is discussed in detail in Note 7.

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CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In February 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. The requirements of this statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This statement will also enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. This Statement is effective for financial statements for periods beginning after June 15, 2015. Management is currently evaluating the impact of the adoption of this statement on the City's financial statements.

In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this statement improve financial reporting by allowing governments to apply financial reporting guidance with less variation, which will improve the usefulness of financial statement information for making decisions and assessing accountability and enhance the comparability of financial statement information among governments. This Statement is effective for financial statements for periods beginning after June 15, 2015. Management is currently evaluating the impact of the adoption of this statement on the City's financial statements.

NOTE 2: CASH AND CASH EQUIVALENTS

A summary of cash and cash equivalents (including restricted deposits) as of September 30, 2015, is as follows:

Government activities:		
Unrestricted cash	\$	8,236,144
Restricted cash		146,079
Business-type activities:		
Unrestricted cash		3,199,788
Restricted cash		1,209,563
	\$	<u>12,791,574</u>

The carrying amount of the City's total deposits with financial institutions at September 30, 2015, was \$12,791,574 and the bank balance was \$12,213,406. Of this amount \$1,355,642 is restricted for unemployment, capital projects, public safety purchases, utility debt service, and utility customer deposits.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of the failure of a financial institution, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City does not have a formal policy for custodial credit risk. However, the City follows state statutes that 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

CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

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, excluding grant receivables, at September 30, 2015, consist of the following:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		Total Business- Type Activities
	General Fund	Total Governmental Activities	Water & Sewer Fund	Waterfront Development Fund	
Receivables:					
Property tax	\$3,329,652	\$3,329,652	\$ -	\$ -	\$ -
Sales tax	1,135,849	1,135,849	-	-	-
Franchise tax	187,399	187,399	-	-	-
Garbage	75,605	75,605	-	-	-
Court fees	340,972	340,972	-	-	-
Other receivables, net	-	-	509,101	968	510,069
Total receivables	<u>\$5,069,477</u>	<u>\$5,069,477</u>	<u>\$509,101</u>	<u>\$ 968</u>	<u>510,069</u>

Governmental funds report unearned 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. The City has \$247,844 reported as unearned revenue on the Statement of Net Position as of September 30, 2015. Please refer to Note 10 Commitments and Contingencies – *Contingencies*- (B) Grants and Awards for additional information on page 55.

(B) Utility Accounts Receivable

Utility customer receivables consist of the following at September 30, 2015:

Water and sewer utility charges billed but uncollected	\$ 1,013,426
Water and sewer utility charges accrued but unbilled at year end	207,694
Less: Allowance for uncollectible accounts	<u>(712,019)</u>
Utility accounts receivable	<u>\$ 509,101</u>

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 3: RECEIVABLES AND REVENUES (Continued)

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 those receivables are determined to be uncollectible, they are written off through a charge against an existing allowance account.

(C) Due from Other Governments

The City reported the following amounts as due from other governments as of September 30, 2015:

	Governmental Activities			Business- Type Activities	Total Government- wide
	General Fund	CDBG Grant Fund	Non-major Governmental Funds	Waterfront Development Fund	
Due from other governments:					
CDBG	\$ -	\$ 876,396	\$ -	\$ -	\$ 876,396
MDOT	-	-	76,195	-	76,195
CIAP	-	-	-	47,934	47,934
Tidelands Grant	-	-	-	20,566	20,566
Other Public Safety Grants	<u>22,897</u>	<u>-</u>	<u>48,973</u>	<u>-</u>	<u>71,870</u>
Total	<u>\$ 22,897</u>	<u>\$ 876,396</u>	<u>\$ 125,168</u>	<u>\$ 68,500</u>	<u>\$ 1,092,961</u>

NOTE 4: INTERFUND RECEIVABLES AND PAYABLES

The following transfers were made between funds during the year ended September 30, 2015:

	Transfers Out	Transfers In
	Transfer to Other Funds	Transfer from Other Funds
Major Funds:		
General Fund	2,879,142	-
Water & Sewer Fund	-	72,213
Non-major Funds	<u>135,481</u>	<u>2,942,410</u>
Totals	<u>\$ 3,014,623</u>	<u>\$ 3,014,623</u>

Transfers are indicative of the City's matching portion of various capital projects, lease payments, debt service, subsidies of various City operations, and re-allocations of special revenues. The transfers from the general fund were primarily transferred to the debt service fund for principal and interest payments. The general fund also made transfers to the non-major funds for the City's match requirements for certain federal and state grants. The balance non-major funds transfers were for reimbursements for expenditures between funds for grant/capital projects.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 5: CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2015, is as follows:

	Balance October 1	Additions	Disposals/ Adjustments	Balance September 30
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 18,576,281	\$ -	\$ -	\$ 18,576,281
Construction in progress	4,301,142	116,374	-	4,417,516
Total capital assets not being depreciated	<u>22,877,423</u>	<u>116,374</u>	<u>-</u>	<u>22,993,797</u>
Capital assets being depreciated:				
Buildings	12,148,442	-	-	12,148,442
Machinery and equipment	2,196,348	76,673	-	2,273,021
Improvements other than Buildings	7,641,575	33,833	-	7,675,408
Infrastructure	21,510,579	-	-	21,510,579
Vehicles	2,709,483	250,269	515,985	3,475,737
Leased Property under capital leases	515,985	753,218	(515,985)	753,218
Total capital assets being depreciated	<u>46,722,412</u>	<u>1,113,993</u>	<u>-</u>	<u>47,836,405</u>
Less accumulated depreciation:				
Buildings	878,417	242,871	-	1,121,288
Machinery and equipment	1,598,359	159,837	-	1,758,196
Improvements other than Buildings	3,523,493	308,408	-	3,831,901
Infrastructure	5,084,715	613,511	-	5,698,226
Vehicles	2,160,774	175,359	464,386	2,800,519
Leased property under capital leases	464,386	51,599	(464,386)	51,599
Total accumulated depreciation	<u>13,710,144</u>	<u>1,551,585</u>	<u>-</u>	<u>15,261,729</u>
Total capital assets being depreciated, net	<u>33,012,268</u>	<u>(437,592)</u>	<u>-</u>	<u>32,574,676</u>
Governmental activities capital assets, net	<u>\$ 55,889,691</u>	<u>\$(321,218)</u>	<u>\$ -</u>	<u>\$ 55,568,473</u>

The adjustment for leased property represents the capital lease with Hancock Bank that has been paid in full as of January 2015. This fire truck has been reclassified from the leased category to the vehicles category.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 5: CAPITAL ASSETS (Continued)

	Balance October 1	Additions	Disposals/ Adjustments	Balance September 30
<u>Business - type activities:</u>				
Capital assets not being depreciated:				
Land	\$ 321,080	\$ 35,000	\$ -	\$ 356,080
Construction in progress	-	126,371	-	126,371
Total capital assets not being depreciated	<u>321,080</u>	<u>161,371</u>	<u>-</u>	<u>482,451</u>
Capital assets being depreciated:				
Buildings	305,326	38,616	-	343,942
Machinery and equipment	171,155	-	-	171,155
Water, sewer and gas systems	29,142,401	35,100	-	29,177,501
Boat slips and piers	3,128,466	-	-	3,128,466
Vehicles	107,451	-	-	107,451
Total capital assets being depreciated	<u>32,854,799</u>	<u>73,716</u>	<u>-</u>	<u>32,928,515</u>
Less accumulated depreciation:				
Buildings	105,801	4,995	-	110,796
Machinery and equipment	152,629	2,147	-	154,776
Water, sewer and gas systems	9,131,776	491,339	-	9,623,115
Boat slips and piers	1,204,046	115,337	-	1,319,383
Vehicles	58,847	9,467	-	68,314
Total accumulated depreciation	<u>10,653,099</u>	<u>623,285</u>	<u>-</u>	<u>11,276,384</u>
Total capital assets being depreciated, net	<u>22,201,700</u>	<u>(549,569)</u>	<u>-</u>	<u>21,652,131</u>
Business-type activities capital assets, net	<u>\$ 22,522,780</u>	<u>\$ (388,198)</u>	<u>\$ -</u>	<u>\$ 22,134,582</u>

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 Blvd Widening	\$ 2,479,039	\$ 86,257
Sportsplex	1,217,807	-
Road Improvements	774,828	-
Lamey Utility Relocation	72,213	166,445
	<u>\$ 4,543,887</u>	<u>\$ 252,702</u>

The Sportsplex and Road Improvements projects are fully funded through the City. The initial architectural and design process for the Sportsplex have been completed, but the construction contracts associated with this project have not been awarded as of September 30, 2015. In regards to the Road Improvements project, there are no outstanding construction contracts, and the work has been temporarily been put on hold. Therefore, the Roadway Improvements and Sportsplex projects have no remaining financial commitments as of September 30, 2015.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 5: CAPITAL ASSETS (Continued)

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

Governmental activities:	
General government	\$ 209,045
Public safety	270,756
Public works	990,070
Culture and recreation	81,714
Total governmental activities	<u>\$ 1,551,585</u>
Business-type activities:	
Utility Fund	\$ 504,384
Waterfront Development Fund	118,901
Total business - type activities	<u>\$ 623,285</u>

NOTE 6: LONG-TERM DEBT

	Payable at October 1	Additions	Reductions	Payable at September 30	Due in one year
<u>Governmental Activities</u>					
General obligation bonds	\$ 3,175,000	\$ -	\$ 230,000	\$ 2,945,000	\$ 240,000
Special obligation bonds	3,695,000	-	160,000	3,535,000	175,000
Limited obligation bonds	15,940,000	-	1,275,000	14,665,000	1,015,000
Certificates of participation	2,610,000	-	150,000	2,460,000	155,000
Capital leases payable	60,899	753,218	60,899	753,218	67,262
Compensated absences	337,782	374,596	327,619	384,759	-
	<u>25,818,681</u>	<u>1,127,814</u>	<u>2,203,518</u>	<u>24,742,977</u>	<u>1,652,262</u>
Less: bond discount	22,618	-	1,340	21,278	-
Add: bond premium	444,733	-	35,110	409,623	-
Total governmental activities	<u>26,240,796</u>	<u>1,127,814</u>	<u>2,237,288</u>	<u>25,131,322</u>	<u>1,652,262</u>
<u>Business-type Activities</u>					
Revenue refunding bonds	6,095,000	-	450,000	5,645,000	465,000
Notes payable	1,244,544	-	240,001	1,004,543	180,749
Compensated absences	41,175	50,529	47,002	44,702	-
	<u>7,380,719</u>	<u>50,529</u>	<u>737,003</u>	<u>6,694,245</u>	<u>645,749</u>
Add: bond premium	63,106	-	4,436	58,670	-
Total business-type activities	<u>7,443,825</u>	<u>50,529</u>	<u>741,439</u>	<u>6,752,915</u>	<u>645,749</u>
Total government	<u>\$ 33,684,621</u>	<u>\$ 1,178,343</u>	<u>\$ 2,978,727</u>	<u>\$ 31,884,237</u>	<u>\$ 2,298,011</u>

General Obligation Bond

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

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 6: LONG-TERM DEBT (Continued)

Grant programs. The amount of the bond issued was \$4,000,000 with a varying interest rate of 3.0-4.25% and principal maturing in December 2024.

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

Year Ending	Principal	Interest	Total
2016	240,000	96,200	336,200
2017	250,000	86,400	336,400
2018	260,000	77,500	337,500
2019	275,000	69,475	344,475
2020	285,000	60,933	345,933
2021-2025	1,635,000	148,538	1,783,538
	<u>\$ 2,945,000</u>	<u>\$ 539,046</u>	<u>\$ 3,484,046</u>

Special Obligation Bonds

In August 2011, the City authorized and issued Special Obligation Bond, Series 2011 for the purpose of purchasing approximately 6.4 acres of property. The amount of the bond issued was \$4,000,000 with a varying interest rate of 2.0-5.375% and principal maturing September 2031.

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

Year Ending	Principal	Interest	Total
2016	\$ 175,000	\$ 159,369	\$ 334,369
2017	165,000	154,994	319,994
2018	170,000	150,044	320,044
2019	175,000	144,094	319,094
2020	185,000	137,094	322,094
2021-2025	1,035,000	564,175	1,599,175
2026-2030	1,325,000	293,094	1,618,094
2031-2033	305,000	16,394	321,394
	<u>\$ 3,535,000</u>	<u>\$ 1,619,258</u>	<u>\$ 5,154,258</u>

Limited Obligation/Tax Increment Financing Bonds

The City issues Tax Increment Financing (TIF) bonds to encourage economic development within certain areas of the City. The original amount of TIF bonds issued from April 1999 to December 2008 was \$7,020,000. The City's outstanding balance for these bonds was \$3,625,000 as of September 30, 2015.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 6: LONG-TERM DEBT (Continued)

On January 15, 2013, the City issued \$12,000,000 in TIF limited obligation refunding bonds, Series 2013 for the Gulf Coast Promenade Project. These bonds have a varying interest rate of 2.0-4.75% with principal maturing April 2033.

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 Position.

Tax increment financing bonds currently outstanding are as follows:

	Interest Rates	Amount
TIF Bond 1999	4.5 - 6.25%	\$ 430,000
TIF Bond 2004	4.84%	1,385,000
TIF Bond 2008	4.76%	1,810,000
TIF Bond 2013	2.0 - 4.75%	<u>11,040,000</u>
		<u>\$ 14,665,000</u>

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

Year Ending	Principal	Interest	Total
2016	\$ 1,015,000	\$ 635,831	\$ 1,650,831
2017	1,070,000	600,764	1,670,764
2018	1,110,000	562,648	1,672,648
2019	1,155,000	521,599	1,676,599
2020	1,075,000	477,306	1,552,306
2021-2025	3,755,000	1,854,338	5,609,338
2026-2030	3,390,000	1,009,575	4,399,575
2030-2033	2,095,000	210,213	2,305,213
	<u>\$ 14,665,000</u>	<u>\$ 5,872,274</u>	<u>\$20,537,274</u>

Certificates of Participation

In accordance with Section 31-8-1 et seq. Mississippi Code Ann., (1972), the City issued Certificates of Participation in the amount of \$2,755,000 and transferred the proceeds to the Southern Mississippi Investment Company, Inc. The funds were issued to construct a fire station. The Corporation has entered into a twenty year lease with the City. The City is obligated to pay the principal and interest on the debt. The interest on the certificates is 3.17%, and they mature April 1, 2028. At the completion of the lease, the City will assume ownership of the facility. This obligation is not a general obligation and does not constitute a pledge of full faith and credit of the City.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 6: LONG-TERM DEBT (Continued)

Annual debt service requirements to maturity for certificates of participation are as follows:

Year Ending	Principal	Interest	Total
2016	\$ 155,000	\$ 77,982	\$ 232,982
2017	160,000	73,069	233,069
2018	165,000	67,997	232,997
2019	170,000	62,766	232,766
2020	175,000	57,377	232,377
2021-2025	975,000	198,918	1,173,918
2026-2028	660,000	42,160	702,160
	<u>\$ 2,460,000</u>	<u>\$ 580,269</u>	<u>\$ 3,040,269</u>

Capital Leases Payable

In August 2015, the City entered into a lease agreement with Hancock Bank for the purchase of a ladder fire truck with accessories in the amount of \$753,218. This lease has a ten year maturity with an interest rate of 2.49%.

Year Ending	Principal	Interest	Total
2016	\$ 67,262	\$ 18,755	\$ 86,017
2017	68,937	17,080	86,017
2018	70,654	15,363	86,017
2019	72,413	13,604	86,017
2020	74,216	11,801	86,017
2021-2025	399,736	30,349	430,085
	<u>\$ 753,218</u>	<u>\$ 106,952</u>	<u>\$ 860,170</u>

Special Obligation Bonds

The City also issues bonds in which 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 May 2010, the City issued Revenue refunding bonds in the amount of \$4,835,000. These bonds have a varying interest rate of 2.0-4.125% with principal maturing July 2023.

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 bonds have a varying interest rate of 4.5-5.25% with principal maturing July 2030.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 6: LONG-TERM DEBT (Continued)

Revenue bonds outstanding recorded in the utility fund at year-end are as follows:

	Interest rate	Amount
2010 Revenue Refunding Bond	2.0 - 4.125%	\$ 3,160,000
2011 Revenue Bond	4.5 - 5.25%	2,485,000
		\$ 5,645,000

Revenue bond debt service requirements to maturity are as follows:

Year Ending	Principal	Interest	Total
2016	\$ 465,000	\$ 240,512	\$ 705,512
2017	480,000	224,262	704,262
2018	500,000	205,662	705,662
2019	520,000	186,675	706,675
2020	540,000	165,969	705,969
2021-2025	2,110,000	491,133	2,601,133
2026-2030	1,030,000	165,794	1,195,794
	\$ 5,645,000	\$ 1,680,007	\$ 7,325,007

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 Position.

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 Position.

Special Community Disaster Loans

The City obtained a loan from the Federal Emergency Management Agency in the amount of \$348,563 for water and sewer operations under the Community Disaster Loan program. This loan is reported in the Business-Type Activities section of the financial statements. The payments on this loan are deferred for several years maturing in fiscal year ending 2035 and bear interest at 2.70%.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 6: LONG-TERM DEBT (Continued)

Annual debt service requirements for the notes/loans are as follows:

Year Ending	Business - Type Activities		
	Principal	Interest	Total
2016	\$ 180,749	\$ 15,212	\$ 195,961
2017	111,901	10,501	122,402
2018	60,423	7,384	67,807
2019	46,844	6,052	52,896
2020	43,321	4,834	48,155
2021-2025	105,886	16,353	122,239
2026-2030	106,856	5,245	112,101
2031-2035	348,563	87,846	436,409
	\$ 1,004,543	\$ 153,427	\$ 1,157,970

Compensated Absences

The City's policies relative to compensated absences and the method of computing accrued liabilities and reporting are discussed in Note 1 V. (F) on page 34.

NOTE 7: RETIREMENT PLANS

(A) Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description

The City contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Plan provisions and the Board of Trustees' authority to determine contribution rates are established by Miss. Code Ann. Section 25-11-1 et seq., (1972, as amended) and may be amended only by the Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employees' Retirement System of Mississippi, PERS Building, 429 Mississippi Street, Jackson, MS 39201 or by calling (601) 359-3589 or 1-800-444-PERS.

Benefits provided

Membership in PERS is a condition of employment granted upon hiring for qualifying employees and officials of the State of Mississippi, state universities, community and junior colleges, and teachers and employees of the public Cities. For those persons employed by political subdivisions and instrumentalities of the State of Mississippi, membership is contingent upon approval of the entity's participation in PERS by the PERS' Board of Trustees. If approved, membership for the entity's employees is a condition of employment and eligibility is granted to those who qualify upon hiring. Participating members who are vested and retire

CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 7: RETIREMENT PLANS (Continued)

at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5 percent for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. A Cost-of-Living Adjustment (COLA) payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3.0 percent compounded for each fiscal year thereafter. Plan provisions are established and may be amended only by the State of Mississippi Legislature.

Contributions

PERS members are required to contribute 9.00% of their annual covered salary, and the City is required to contribute at an actuarially determined rate. The employer's rate as of September 30, 2015, was 15.75% of annual covered payroll. The contribution requirements of PERS members and employers are established and may be amended only by the State of Mississippi Legislature. The City's contributions to PERS for the fiscal years ending September 30, 2015, 2014 and 2013 were \$757,323, \$701,613 and \$625,596, respectively, which equaled the required contributions for each year.

Pension liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2015, the City reported a liability of \$10,276,065 in the governmental activities and \$1,472,037 in the business-type activities for a total of \$11,748,102 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contribution to the pension plan relative to projected contributions of all participating entities, actuarially determined. At June 30, 2015, the City's proportion was .076 percent. For the year ended September 30, 2015, the City recognized pension expense for governmental activities of \$1,103,187 and \$158,030 for business-type activities. At September 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 7: RETIREMENT PLANS (Continued)

	Deferred Outflows of Resources		
	Governmental	Business-Type	Total
	Activities	Activities	
Differences between expected and actual experience	\$ 80,597	\$ 11,544	\$ 92,141
Net difference between projected and actual earnings on pension plan investments	158,143	22,654	180,797
Changes of assumptions	885,248	126,811	1,012,059
Changes in proportion and differences between City contributions and proportionate share on contributions	350,695	50,237	400,932
City's contributions subsequent to the measurement date	<u>178,539</u>	<u>25,576</u>	<u>204,115</u>
Total deferred outflows related to pensions	<u>\$ 1,653,222</u>	<u>\$ 236,822</u>	<u>\$ 1,890,044</u>

	Deferred Inflows of Resources		
	Governmental	Business-Type	Total
	Activities	Activities	
Differences between expected and actual experience	\$ 877,258	\$ 125,667	\$1,002,925
Net difference between projected and actual earnings on pension plan investments	(601,260)	(86,131)	(687,391)
Changes of assumptions	-	-	-
Changes in proportion and differences between City contributions and proportionate share on contributions	765	110	875
City's contributions subsequent to the measurement date	<u>7,897</u>	<u>1,131</u>	<u>9,028</u>
Total deferred inflows related to pensions	<u>\$ 284,660</u>	<u>\$ 40,777</u>	<u>\$ 325,437</u>

Within the deferred outflows and inflows, a net amount of \$195,087 of deferred outflows of resources is related to pensions resulting from the City's contributions subsequent to the measurement date and will be recognized as a reduction to the net pension liability in the year ended September 30, 2016. Other amounts reported as deferred outflow of resource and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2016	\$ 471,443
2017	460,166
2018	257,035
2019	<u>171,848</u>
	<u>\$1,360,492</u>

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 7: RETIREMENT PLANS (Continued)

Actuarial assumptions

The total pension liability in the June 30, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation 3.0 percent

Salary increases 3.75-19.0 percent, including inflation

Investment rate of return 7.75 percent, (net of pension plan investment expense, including inflation)

For PERS, the table for post-retirement mortality rates used in evaluating allowances to be paid was the RP-2014 Healthy Annuitant Blue Collar Table projected with Scale BB to 2016 with male rates set forward one year. The RP-Disabled Retiree Table set forward five years for males and four years for females, was used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2015, valuation were based on the results of an actuarial experience study for the four-year period ending June 30, 2014. The experience report is dated May 4, 2015.

The long-term expected rate of return on the PERS investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of the plans investment expense and the assumed rate of inflation) were developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Broad	34.00 %	5.20 %
International Equity	19.00	5.00
Emerging Markets Equity	8.00	5.45
Fixed Income	20.00	0.25
Real Assets	10.00	4.00
Private Equity	8.00	6.15
Cash	1.00	(0.50)
Total	<u>100.00 %</u>	

Discount rate

The discount rate used to measure the total pension liability for PERS was 7.75 percent, which was based on the future long-term expected rate of return of 7.75 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and

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**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 7: RETIREMENT PLANS (Continued)

that employer contributions for PERS will be made at rates set in the Board's Funding Policy. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return investments was applied to all periods of projected benefit payments to determine each plan's total pension liability.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate

The following table presents the City's proportionate share of the PERS net pension liability calculated using the discount rate of 7.75 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.75 percent) or one percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
City's proportionate share of the net pension liability	\$ 10,202,298	\$ 11,748,102	\$ 13,293,904

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report which can be obtained at www.pers.ms.gov.

(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.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 8: PRIOR PERIOD ADJUSTMENTS

A summary of significant net position adjustments is as follows:

<u>Exhibit B - Statement of Activities</u>	<u>Governmental Activities Amount</u>	<u>Business- Type Amount</u>
Implementation of GASB 68 and 71:		
Net pension liability (measurement date)	\$ (7,644,425)	\$ (1,095,057)
Deferred outflows/inflows - contributions made during fiscal year 2015	(827,494)	(118,538)
Total prior period adjustments related to GASB 68 and 71	<u>(8,471,919)</u>	<u>(1,213,595)</u>
Total	<u>\$ (8,471,919)</u>	<u>\$ (1,213,595)</u>

NOTE 9: RELATED PARTY COMMITMENTS

Joint Governance

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 \$116,157 for the year ended September 30, 2015. 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 located in Harrison County and two members from the Harrison County Board of Supervisors.

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.

As of the date of this report, the Authority has not completed the annual audit of their FY 2015 financial statements. The following is a synopsis of the Authority's financial statements as of and for the year ended September 30, 2014, a complete copy of which is on file at the administrative offices of the Authority.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 9: RELATED PARTY COMMITMENTS (Continued)

Harrison County Utility Authority Synopsis

Statement of Net Position

Assets	
Current assets	\$ 8,031,944
Restricted assets	28,629,163
Property, plant and equipment, net	283,300,419
Total assets	<u>319,961,526</u>
Deferred outflow of resources	<u>19,505,379</u>
Liabilities	
Current, unrestricted	\$ 6,655,328
Current, restricted	15,247,921
Long-term liabilities	103,959,175
Interest rate swap	19,505,379
Total liabilities	<u>145,367,803</u>
Net position	
Net investment in capital assets	173,834,898
Restricted for debt service and reserves	20,675,116
Unrestricted	(410,912)
Total net position	<u>\$ 194,099,102</u>

Statement of Revenues, Expenses, and Changes in Net Position

Operating revenues	\$ 19,035,621
Operating expenses	(19,443,106)
Depreciation	(8,591,598)
Non-operating revenues and expenses	<u>12,395,705</u>
Change in net position	<u>\$ 3,396,622</u>

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 9: RELATED PARTY COMMITMENTS (Continued)

The following financial transactions concerning transactions with the Authority have been included within 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 charges)	\$ 469,609
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Water and Sewer Enterprise Fund

Statement of revenues, expenses and changes in net position:

Contracted services (wastewater treatment) which includes a payable at year-end in the amount of \$74,634	\$ 895,604
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NOTE 10: COMMITMENTS AND CONTINGENCIES

Commitments

(A) Harrison County Inter-local Agreement

The Council approved an inter-local agreement with Harrison County, Mississippi to provide for certain services in connection with the City's roads, bridges, highways, approach and related drainage, and parks and recreational facilities. This agreement is for the period of 2016 through December 31, 2015.

On July 22, 2013, the Council also approved 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 July 1, 2013 through December 31, 2016. 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. In fiscal year 2015, the City paid \$275,318 to Harrison County for these services. Per the inter-local agreement, the City's reimbursement to Harrison County for these services shall not exceed \$300,000 each year.

(B) Matching Funds – USM Advanced Education Center

In 1997, the City 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 \$5,081 annually through September 2016.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 10: COMMITMENTS AND CONTINGENCIES (Continued)

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 materially adverse effect on the financial condition of the City.

(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 of D'Iberville has been notified by the Mississippi Department of Environmental Quality (MDEQ) of the repayment of monies that were awarded to the City in FY 2012. The City received \$2.7 million during FY 2012, and the City has partially spent the award on allowable expenditures.

Management has reported \$176,468 as unearned revenue, a liability, to reflect any amount due to MDEQ as of September 30, 2015. In the non-major funds, the City has an unearned revenue amount of \$71,376 which is due to an expenditure related to the MDOT Sangani Utilities project that was incurred after the project had been closed out. The City is currently pursuing reimbursement from MDOT for this expenditure.

NOTE 11: 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; injuries to employees; and natural disasters. During the year ended September 30, 2015, the City carried insurance through various commercial carriers to cover all risks of losses. The government has had no settled claims resulting from these risks that exceeded its commercial coverage in any of the past three fiscal years.

NOTE 12: SUBSEQUENT EVENTS

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

Management of the City of D'Iberville, Mississippi evaluated the activity of the City through March 15, 2016, (the date the financial statements were available to be issued), and determined that the following noteworthy subsequent events:

On October 29, 2015, an Academy Sports & Outdoors retail store opened in D'Iberville which will bring in additional sales tax revenue to the City.

**CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 12: SUBSEQUENT EVENTS (Continued)

On November 3, 2015, the City purchased a new ladder truck and accessories for the Fire Department from Sunbelt Fire for \$1,192,624.14. The City purchased this fire truck out of the general fund with the option to reimburse the general fund for this purchase through a future Tax Increment Financing (TIF) bond.

On December 9, 2015, the City opened its first casino, the Scarlet Pearl, which has a 300 room hotel, and it is anticipated that the casino will employ approximately 1,200 people. As of December, the City will begin to receive monthly gaming revenue and additional sales tax from the opening of the casino.

On January 26, 2016, the City closed on a real estate transaction with Ramco Real Estate, LLC (Ramco). The agreement states that the City received: \$3,141,100 in cash, the real property and building located at 11011 Automall Parkway, and a reduction of \$800,000 in the \$2,469,660 promissory note that was issued in fiscal year 2011. In exchange, Ramco will receive 3 parcels of land on McAlpine Street. The City plans to move the public works department to the newly acquired building on Automall Parkway.

On March 2, 2016, the City executed a new debt agreement for a \$2,400,000 Tax Increment Financing Bond which will be used for additional work on the Lakeview Development Infrastructure Project.

On March 2, the City signed an agreement with a nonprofit company, Project Green Leaf, for the installation, maintenance, and operation of a solar power generating plant. The City will also have use of 70 electric BMW cars that requires a commitment from the City to purchase solar power from the co-op. Phase I of this project is projected to be a \$20 million investment.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that this is crucial for ensuring the integrity of the financial statements and for providing a clear audit trail. The text also mentions that proper record-keeping is essential for identifying and correcting errors in a timely manner.

2. The second part of the document focuses on the role of internal controls in preventing fraud and misstatements. It highlights that a strong internal control system is necessary to ensure that all transactions are properly authorized, recorded, and reviewed. The document also notes that internal controls should be designed to be effective and efficient, and should be regularly evaluated and updated as needed.

3. The third part of the document discusses the importance of transparency and communication in financial reporting. It states that providing clear and concise information to stakeholders is essential for building trust and confidence in the organization's financial performance. The text also mentions that transparency is a key component of corporate governance and is necessary for ensuring the long-term success of the organization.

Page 12

4. The fourth part of the document discusses the importance of compliance with applicable laws and regulations. It states that organizations must ensure that they are fully compliant with all relevant laws and regulations, including those related to financial reporting, taxation, and anti-fraud. The text also mentions that compliance is a key component of risk management and is necessary for ensuring the long-term success of the organization.

5. The fifth part of the document discusses the importance of continuous improvement in financial reporting. It states that organizations should regularly evaluate their financial reporting processes and make improvements as needed. The text also mentions that continuous improvement is a key component of corporate governance and is necessary for ensuring the long-term success of the organization.

REQUIRED SUPPLEMENTARY INFORMATION

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This ensures transparency and allows for easy verification of the data.

In the second section, the author details the various methods used to collect and analyze the data. This includes both manual and automated processes. The goal is to ensure that the information gathered is both reliable and comprehensive.

The third part of the report focuses on the results of the analysis. It shows a clear upward trend in the data over the period studied. This suggests that the implemented measures are having a positive impact on the overall performance.

Finally, the document concludes with a series of recommendations for future work. It suggests that further research should be conducted to explore the long-term effects of the current strategies. Additionally, it recommends regular audits to ensure that the data remains accurate and up-to-date.



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, 2015

	Original Budget	Final Budget	Actual	Variance with final budget Positive (Negative)
REVENUES				
Taxes:				
Property	\$ 3,169,791	\$ 3,213,791	\$ 3,278,904	\$ 65,113
Sales	6,100,000	6,500,000	6,501,964	1,964
Franchise	340,000	400,000	400,313	313
Licenses and permits	256,300	287,200	314,399	27,199
Intergovernmental	743,969	620,193	605,150	(15,043)
Charges for services	444,402	454,720	439,220	(15,500)
Fines and forfeits	605,000	610,000	619,273	9,273
Interest	35,000	45,000	45,592	592
Lease revenue	110,000	162,000	225,849	63,849
British Petroleum settlement	-	-	948,027	948,027
Miscellaneous	18,000	223,609	189,122	(34,487)
Total revenues	<u>11,822,462</u>	<u>12,516,513</u>	<u>13,567,813</u>	<u>1,051,300</u>
EXPENDITURES				
General government:				
Personnel Services	1,031,306	1,038,710	1,004,996	33,714
Supplies	44,400	84,800	29,932	54,868
Other Services & Charges	1,400,900	1,740,500	1,630,694	109,806
Debt Service	20,000	21,000	20,247	753
Capital Outlay	103,000	102,000	100,587	1,413
Total General Government	<u>2,599,606</u>	<u>2,987,010</u>	<u>2,786,456</u>	<u>200,554</u>
Public safety:				
Personnel Services	3,901,560	3,901,560	3,696,534	205,026
Supplies	319,499	427,300	379,088	48,212
Other Services & Charges	412,500	442,900	420,466	22,434
Capital Outlay	262,000	1,048,018	1,046,883	1,135
Total Public Safety	<u>4,895,559</u>	<u>5,819,778</u>	<u>5,542,971</u>	<u>276,807</u>
Public works:				
Personnel Services	795,360	795,360	754,357	41,003
Supplies	103,500	112,000	106,568	5,432
Other Services & Charges	918,602	944,102	875,391	68,711
Capital Outlay	838,000	838,000	183,830	654,170
Total Public Works	<u>2,655,462</u>	<u>2,689,462</u>	<u>1,920,146</u>	<u>769,316</u>
Economic development:				
Personnel Services	270,428	270,428	260,787	9,641
Supplies	11,000	11,000	6,915	4,085
Other Services & Charges	74,500	78,700	70,991	7,709
Total Economic Development	<u>355,928</u>	<u>360,128</u>	<u>338,693</u>	<u>21,435</u>
Culture and recreation:				
Personnel Services	282,970	282,970	260,289	22,681
Supplies	93,500	93,500	50,716	42,784
Other Services & Charges	220,000	220,100	195,713	24,387
Capital Outlay	100,000	215,000	213,514	1,486
Total Culture & Recreation	<u>696,470</u>	<u>811,570</u>	<u>720,232</u>	<u>91,338</u>
Total Expenditures	<u>11,203,025</u>	<u>12,667,948</u>	<u>11,308,498</u>	<u>1,359,450</u>
Excess (deficiency) of revenues over expenditures	<u>619,437</u>	<u>(151,435)</u>	<u>2,259,315</u>	<u>2,410,750</u>
OTHER FINANCING SOURCES (USES)				
Insurance Proceeds	-	13,000	21,088	8,088
Sale of assets	-	3,000	3,136	136
Loan proceeds	-	753,218	753,218	-
Transfers out	(2,866,185)	(2,888,017)	(2,843,917)	44,100
Total other financing sources (uses)	<u>(2,866,185)</u>	<u>(2,118,799)</u>	<u>(2,066,475)</u>	<u>52,324</u>
Excess of revenues and other sources over expenditures	<u>\$ (2,246,748)</u>	<u>\$ (2,270,234)</u>	<u>192,840</u>	<u>\$ 2,463,074</u>

Fund balances - October 1 - GAAP basis, restated

7,567,302

Receivable/revenue adjustments
Payable/expenditure adjustments

RECEIVED

140,865
191,605

Fund balances - September 30 - GAAP basis

APR 13 2016

\$ 8,092,612

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, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 17,823,015	\$ 17,823,015	\$ 20,561,968	\$ 2,738,953
Total revenues	<u>17,823,015</u>	<u>17,823,015</u>	<u>20,561,968</u>	<u>2,738,953</u>
EXPENDITURES				
GENERAL GOVERNMENT				
Other Contractual Services	96,680	96,680	129,490	(32,810)
Total General Government	<u>96,680</u>	<u>96,680</u>	<u>129,490</u>	<u>(32,810)</u>
ECONOMIC DEVELOPMENT				
Capital Outlay	17,726,335	17,726,335	20,432,478	(2,706,143)
Total Economic Development	<u>17,726,335</u>	<u>17,726,335</u>	<u>20,432,478</u>	<u>(2,706,143)</u>
Total Expenditures	<u>17,823,015</u>	<u>17,823,015</u>	<u>20,561,968</u>	<u>(2,738,953)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - October 1 - GAAP basis			16,365	
Receivable/revenue adjustments			-	
Payable/expenditure adjustments			<u>-</u>	
Fund balance - September 30 - GAAP basis			<u>\$ 16,365</u>	

CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
BUDGETARY BASIS
SEPTEMBER 30, 2015

NOTE A: BUDGETARY INFORMATION

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 funds' 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.

CITY OF D'IBERVILLE, MISSISSIPPI
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY
AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

*Last 10 Fiscal Years	<u>2015</u>
Total pension liability	
Service cost	\$ 511,956
Interest	2,179,436
Changes of benefit terms	-
Differences between expected and actual experience	247,267
Changes of assumptions	1,384,139
Change in beginning balance proportionate share	485,528
Benefit payments, including refunds of employee contributions	<u>(1,777,333)</u>
Net change in total pension liability	3,030,993
Total pension liability-beginning	<u>26,651,007</u>
Total pensions liability-ending	<u><u>\$29,682,000</u></u>
Plan fiduciary net position	
Contributions-employer	\$ 757,323
Contributions-employee	424,011
Net investment income	629,026
Benefit payments, including refunds of employee contributions	(1,777,333)
Administrative expense	(10,277)
Other costs	<u>(378)</u>
Net change in plan fiduciary net position	22,372
Plan fiduciary net position-beginning	<u>17,911,526</u>
Plan fiduciary net position-ending	<u><u>\$17,933,898</u></u>
City's net pension liability-ending	<u><u>\$11,748,102</u></u>
Plan fiduciary net position as a percentage of the total pension liability	60.4%
Covered-employee payroll	\$ 4,845,927
City's net pension liability as a percentage of covered employee payroll	242.4%

Notes to Schedule: *This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 68 was implemented in FYE June 30, 2015, and, until a full 10-year trend is compiled, the City has only presented information for the years in which information is available.

Changes of assumptions: In 2015, amounts reported as changes of assumptions resulted primarily from revisions from price and wage inflation, withdrawal, pre-retirement mortality, disability, and retirement rates for active members. Changes were also made to the post-retirement mortality tables and salary scale.

Other costs: Primarily, the amounts in other costs resulted from an increase in the City's proportionate share of the collective net pension's liability of .0720% at June 30, 2014 to .0760% at June 30, 2015.

**CITY OF D'IBERVILLE, MISSISSIPPI
SCHEDULE OF CITY CONTRIBUTIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	2015
Actuarially determined contribution	\$ 757,323
Contributions in relation to the actuarially determine contribution	757,323
Contribution deficiency (excess)	\$ -
 Covered-employee payroll	 4,809,925
Contributions as a percentage of covered- employee payroll	15.75%

Notes to Schedule: Valuation date: Actuarially determined contribution rates in the Schedules of Employer Contributions are calculated as of Jun 30, 2013, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, open
Remaining amortization period	32.2 years
Asset valuation method	5 year smoothed market
Inflation	3.5%
Salary increases	4.25-19.5%
Investment rate of return	8.0%
Retirement age	Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5 percent for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less.

Mortality In 2015, the expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB, rather than the RP-2000 Mortality Table that was used prior to 2015.

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SUPPLEMENTAL INFORMATION

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COMBINING FINANCIAL STATEMENTS

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APR 13 2016

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MAY 19 1964
U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C.

**CITY OF D'IBERVILLE, MISSISSIPPI
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2015**

	Special Revenue Funds	Debt Service Fund	Capital Project Fund	Total
ASSETS				
Cash and cash equivalents	\$ (36,093)	\$ -	\$ 965,581	\$ 929,488
Intergovernmental receivable	125,168	-	-	125,168
Total assets	\$ 89,075	\$ -	\$ 965,581	\$ 1,054,656
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 22,777	\$ -	\$ -	\$ 22,777
Retainage payable	20,721	-	-	20,721
Unearned revenue	71,376	-	-	71,376
Total liabilities	114,874	-	-	114,874
Fund balances:				
Restricted for:				
Capital projects	45,577	-	965,581	1,011,158
Unassigned	(71,376)	-	-	(71,376)
Total fund balances	(25,799)	-	965,581	939,782
Total liabilities and fund balances	\$ 89,075	\$ -	\$ 965,581	\$ 1,054,656

CITY OF D'IBERVILLE, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Special Revenue Funds	Debt Service Fund	Capital Project Fund	Total
REVENUES				
Intergovernmental	\$ 273,661	\$ -	\$ -	\$ 273,661
Interest income	214	-	-	214
Total revenues	<u>273,875</u>	<u>-</u>	<u>-</u>	<u>273,875</u>
EXPENDITURES				
Public safety	165,241	-	-	165,241
Public works	11,413	-	-	11,413
Debt service:				
Principal	-	1,875,899	-	1,875,899
Interest	-	1,031,286	-	1,031,286
Total expenditures	<u>176,654</u>	<u>2,907,185</u>	<u>-</u>	<u>3,083,839</u>
Excess (deficiency) of revenues over expenditures	<u>97,221</u>	<u>(2,907,185)</u>	<u>-</u>	<u>(2,809,964)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	35,225	2,907,185	-	2,942,410
Transfers out	(135,481)	-	-	(135,481)
Total other financing sources (uses)	<u>(100,256)</u>	<u>2,907,185</u>	<u>-</u>	<u>2,806,929</u>
Net change in fund balances	(3,035)	-	-	(3,035)
Fund balances-beginning	(22,764)	-	965,581	942,817
Fund balances-ending	<u>\$ (25,799)</u>	<u>\$ -</u>	<u>\$ 965,581</u>	<u>\$ 939,782</u>

CITY OF D'IBERVILLE, MISSISSIPPI
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2015

	Special Revenue Funds							Total
	Municipal Fire Rebate Fund	Lamey Bridge Utility Relocation Fund	Bulletproof Vest Grant Fund	DUI Grant Fund	JAG Hotspot Grant	MDOT Sangani Utilities Grant Fund	MDOT Sangani Widening Grant Fund	
ASSETS								
Cash and cash equivalents	\$ -	\$ 6,224	\$ (3,868)	\$ (26,179)	\$ (18,926)	\$ (38,921)	\$ 45,577	\$ (36,093)
Intergovernmental receivable	-	12,797	3,868	26,179	18,926	38,921	24,477	125,168
Total assets	<u>\$ -</u>	<u>\$ 19,021</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,054</u>	<u>\$ 89,075</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ -	\$ 15,410	\$ -	\$ -	\$ -	\$ -	\$ 7,367	\$ 22,777
Retainage payable	-	3,611	-	-	-	-	17,110	20,721
Unearned revenue	-	-	-	-	-	71,376	-	71,376
Total liabilities	<u>-</u>	<u>19,021</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,376</u>	<u>24,477</u>	<u>114,874</u>
Fund balances:								
Restricted for capital projects	-	-	-	-	-	-	45,577	45,577
Unassigned	-	-	-	-	-	(71,376)	-	(71,376)
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(71,376)</u>	<u>45,577</u>	<u>(25,799)</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 19,021</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,054</u>	<u>\$ 89,075</u>

CITY OF D'IBERVILLE, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Special Revenue Funds							Total
	Municipal Fire Rebate Fund	Lamey Bridge Utility Relocation Fund	Bulletproof Vest Grant Fund	DUI Grant Fund	JAG Hotspot Grant	MDOT Sangani Utilities Grant Fund	MDOT Sangani Widening Grant Fund	
REVENUES								
Intergovernmental	\$ 51,615	\$ 72,213	\$ 3,868	\$ 58,688	\$ 79,113	\$ -	\$ 8,164	\$273,661
Interest income	-	-	-	-	-	-	214	214
Total revenues	<u>51,615</u>	<u>72,213</u>	<u>3,868</u>	<u>58,688</u>	<u>79,113</u>	<u>-</u>	<u>8,378</u>	<u>273,875</u>
EXPENDITURES								
Public safety	-	-	11,441	71,032	82,768	-	-	165,241
Public works	-	-	-	-	-	-	11,413	11,413
Total expenditures	<u>-</u>	<u>-</u>	<u>11,441</u>	<u>71,032</u>	<u>82,768</u>	<u>-</u>	<u>11,413</u>	<u>176,654</u>
Excess (deficiency) of revenues over expenditures	<u>51,615</u>	<u>72,213</u>	<u>(7,573)</u>	<u>(12,344)</u>	<u>(3,655)</u>	<u>-</u>	<u>(3,035)</u>	<u>97,221</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	11,653	-	7,573	12,344	3,655	-	-	35,225
Transfers out	<u>(63,268)</u>	<u>(72,213)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(135,481)</u>
Total other financing sources (uses)	<u>(51,615)</u>	<u>(72,213)</u>	<u>7,573</u>	<u>12,344</u>	<u>3,655</u>	<u>-</u>	<u>-</u>	<u>(100,256)</u>
Net change in fund balances	-	-	-	-	-	-	(3,035)	(3,035)
Fund balances-beginning	-	-	-	-	-	(71,376)	48,612	(22,764)
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (71,376)</u>	<u>\$ 45,577</u>	<u>\$ (25,799)</u>

**CITY OF D'IBERVILLE, MISSISSIPPI
 COMBINING BALANCE SHEET
 OTHER NON-MAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2015**

	Debt Service Fund	Promenade TIF Capital Project Fund	Total
ASSETS			
Cash and cash equivalents	\$ -	\$ 965,581	\$ 965,581
Total assets	\$ -	\$ 965,581	\$ 965,581
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Total liabilities	-	-	-
Fund balances			
Restricted for capital projects	-	965,581	965,581
Total fund balances	-	965,581	965,581
Total liabilities and fund balances	\$ -	\$ 965,581	\$ 965,581

CITY OF D'IBERVILLE, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OTHER NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Debt Service Fund	Promenade TIF Capital Project Fund	Total
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Total revenue	-	-	-
EXPENDITURES			
Debt service:			
Principal	1,875,899	-	1,875,899
Interest	1,031,286	-	1,031,286
Total expenditures	2,907,185	-	2,907,185
Excess (deficiency) of revenues over expenditures	(2,907,185)	-	(2,907,185)
OTHER FINANCING SOURCES (USES)			
Transfers in	2,907,185	-	2,907,185
Total other financing sources (uses)	2,907,185	-	2,907,185
Net change in fund balances	-	-	-
Fund balances-beginning	-	965,581	965,581
Fund balances-ending	\$ -	\$ 965,581	\$ 965,581

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
MUNICIPAL FIRE REBATE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 50,000	\$ 51,615	\$ 51,615	\$ -
Total revenues	<u>50,000</u>	<u>51,615</u>	<u>51,615</u>	<u>-</u>
EXPENDITURES				
PUBLIC SAFETY				
Contractual Services	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>50,000</u>	<u>51,615</u>	<u>51,615</u>	<u>-</u>
OTHER FINANCING SOURCES				
Transfers in	13,268	11,653	-	(11,653)
Transfers out	(63,268)	(63,268)	-	63,268
Total other financing sources	<u>(50,000)</u>	<u>(51,615)</u>	<u>-</u>	<u>51,615</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	51,615	<u>\$ 51,615</u>
Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustments			11,653	
Payable/expenditure adjustments			<u>(63,268)</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
LAMEY BRIDGE UTILITY RELOCATION GRANT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Original Budget	Final Budget	Actual	Variance with final budget Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ 74,000	\$ 59,417	\$ (14,583)
Total revenues	-	74,000	59,417	(14,583)
EXPENDITURES				
PUBLIC WORKS				
Contractual services	-	74,000	53,193	20,807
Total Expenditures	-	74,000	53,193	20,807
Excess (deficiency) of revenues over expenditures	-	-	6,224	6,224
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Excess of revenues and other sources over expenditures	\$ -	\$ -	6,224	\$ 6,224
Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustments			12,796	
Payable/expenditure adjustments			(19,020)	
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
BULLETPROOF VEST GRANT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ 5,721	\$ -	\$ (5,721)
Total revenues	<u>-</u>	<u>5,721</u>	<u>-</u>	<u>(5,721)</u>
EXPENDITURES				
PUBLIC SAFETY				
Supplies	-	11,441	11,441	-
Total Expenditures	<u>-</u>	<u>11,441</u>	<u>11,441</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(5,720)</u>	<u>(11,441)</u>	<u>(5,721)</u>
OTHER FINANCING SOURCES				
Transfers in	-	5,720	-	(5,720)
Total other financing sources	<u>-</u>	<u>5,720</u>	<u>-</u>	<u>(5,720)</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(11,441)</u>	<u>\$ (11,441)</u>
Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustments			11,441	
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
DUI GRANT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Original Budget	Final Budget	Actual	Variance with final budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 65,864	\$ 55,624	\$ 32,929	\$ (22,695)
Total revenues	65,864	55,624	32,929	(22,695)
EXPENDITURES				
PUBLIC SAFETY				
Personnel Services	70,235	72,995	68,970	4,025
Supplies	3,602	-	2,061	(2,061)
Other contractual services	1,027	4,629	605	4,024
Total Expenditures	74,864	77,624	71,636	5,988
Excess (deficiency) of revenues over expenditures	(9,000)	(22,000)	(38,707)	(16,707)
OTHER FINANCING SOURCES				
Transfers in	9,000	22,000	-	(22,000)
Total other financing sources	9,000	22,000	-	(22,000)
Excess of revenues and other sources over expenditures	\$ -	\$ -	(38,707)	\$ (38,707)
Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustments			38,103	
Payable/expenditure adjustments			604	
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
JAG HOTSPOT GRANT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ 79,000	\$ 60,188	\$ (18,812)
Total revenues	<u>-</u>	<u>79,000</u>	<u>60,188</u>	<u>(18,812)</u>
EXPENDITURES				
PUBLIC SAFETY				
Personnel Services	-	27,897	27,682	215
Capital Outlay	-	55,103	55,086	17
Total Expenditures	<u>-</u>	<u>83,000</u>	<u>82,768</u>	<u>232</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(4,000)</u>	<u>(22,580)</u>	<u>(18,580)</u>
OTHER FINANCING SOURCES				
Transfers in	-	4,000	-	(4,000)
Total other financing sources	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>(4,000)</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(22,580)</u>	<u>\$ (22,580)</u>
Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustments			22,580	
Payable/expenditure adjustments			<u>-</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
SANGANI UTILITIES GRANT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
PUBLIC WORKS				
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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>-</u>	<u>\$ -</u>
Fund balance - October 1 - GAAP basis			(71,376)	
Receivable/revenue adjustments			-	
Payable/expenditure adjustments			<u>-</u>	
Fund balance - September 30 - GAAP basis			<u>\$ (71,376)</u>	

CITY OF D'IBERVILLE, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -BUDGETARY BASIS
SANGANI WIDENING FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Original Budget	Final Budget	Actual	Variance with final budget Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ 2,906	\$ 2,906	\$ -
Interest income	-	197	215	18
Total revenues	-	3,103	3,121	18
EXPENDITURES				
PUBLIC WORKS				
Capital Outlay	-	3,633	3,633	-
Total Expenditures	-	3,633	3,633	-
Excess (deficiency) of revenues over expenditures	-	(530)	(512)	18
OTHER FINANCING SOURCES				
Transfers in	-	727	-	(727)
Total other financing sources	-	727	-	(727)
Excess of revenues and other sources over expenditures	\$ -	\$ 197	(512)	\$ (709)
Fund balance - October 1 - GAAP basis			48,612	
Receivable/revenue adjustments			5,257	
Payable/expenditure adjustments			(7,780)	
Fund balance - September 30 - GAAP basis			\$ 45,577	

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, 2015

	Original Budget	Final Budget	Actual	Variance with final budget Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
DEBT SERVICE				
Principal payments	1,875,899	1,875,899	1,875,899	-
Interest payments	1,031,286	1,031,286	1,031,286	-
Total Expenditures	2,907,185	2,907,185	2,907,185	-
Excess (deficiency) of revenues over expenditures	(2,907,185)	(2,907,185)	(2,907,185)	-
OTHER FINANCING SOURCES				
Transfers in	2,907,185	2,907,185	-	(2,907,185)
Total other financing sources	2,907,185	2,907,185	-	(2,907,185)
Excess of revenues and other sources over expenditures	\$ -	\$ -	(2,907,185)	\$ (2,907,185)
Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustments			2,907,185	
Payable/expenditure adjustments			-	
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
PROMENADE TIF FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Original Budget	Final Budget	Actual	Variance with final budget Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
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>-</u>	<u>\$ -</u>
Fund balance - October 1 - GAAP basis			965,581	
Receivable/revenue adjustments			-	
Payable/expenditure adjustments			<u>-</u>	
Fund balance - September 30 - GAAP basis			<u>\$ 965,581</u>	

**CITY OF D'IBERVILLE, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR PUBLIC OFFICIALS
SEPTEMBER 30, 2015**

Name	Position	Surety	Bond
Rusty Quave	Mayor	Harford Fire Insurance Co.	\$ 100,000
Randall Pelous	Councilperson	Harford Fire Insurance Co.	\$ 100,000
Joey Bosarge	Councilperson	Harford Fire Insurance Co.	\$ 100,000
Robby Ellis	Councilperson	Harford Fire Insurance Co.	\$ 100,000
Craig Diaz	Councilperson	Harford Fire Insurance Co.	\$ 100,000
Henry Toncrey	Councilperson	Harford Fire Insurance Co.	\$ 100,000
Bobby Eleuterius	City Manager	Harford Fire Insurance Co.	\$ 100,000
Jodi Weise	City Clerk	Harford Fire Insurance Co.	\$ 50,000
Sharron Perkins	Comptroller	Harford Fire Insurance Co.	\$ 50,000
Monica Puzs	Deputy City Clerk	Harford Fire Insurance Co.	\$ 50,000
Patti Jackson	Court Clerk	Harford Fire Insurance Co.	\$ 50,000
Melissa York	Deputy Court Clerk	Western Surety Co.	\$ 50,000
Wendy Fayard	Administrative Asst	Western Surety Co.	\$ 50,000
Cindy Feranda	Deputy City Clerk	Western Surety Co.	\$ 50,000
Cassi Thompson	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
Shelly Burklow	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
Becky Hasse	Deputy City Clerk	Western Surety Co.	\$ 50,000
Christy Burns	Deputy City Clerk	Western Surety Co.	\$ 50,000
Vicki Watkins	Deputy City Clerk	Western Surety Co.	\$ 50,000
Wayne Payne	Police Chief	Harford Fire Insurance Co.	\$ 50,000

SECTION III
STATISTICAL SECTION

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1. The first part of the report deals with the general situation of the country and the progress of the work during the year. It is followed by a detailed account of the work done in each of the various departments.

2. The second part of the report deals with the financial position of the organization and the results of the various projects. It is followed by a detailed account of the work done in each of the various departments.

3. The third part of the report deals with the personnel and the results of the various projects. It is followed by a detailed account of the work done in each of the various departments.

4. The fourth part of the report deals with the general situation of the country and the progress of the work during the year. It is followed by a detailed account of the work done in each of the various departments.



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
<i>Financial Trends</i>	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	79-84
<i>Revenue Capacity</i>	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	85-88
<i>Debt Capacity</i>	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the government's ability to issue additional debt.	89-91
<i>Demographic and Economic Information</i>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	92-94
<i>Operating Information</i>	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the service the City provides and the activities it performs.	95-96

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 POSITION BY COMPONENT
Last ten fiscal years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Invested in capital assets, net of related debt	\$ 2,513,525	\$ 4,737,189	\$ 4,873,620	\$ 11,184,759	\$ 12,266,211	\$ 19,453,860	\$ 23,552,829	\$ 27,113,673	\$ 29,986,677	\$ 30,821,910
Restricted							13	34,345	1,064,954	1,173,602
Unrestricted	5,059,135	6,691,430	6,580,913	3,964,747	4,901,718	3,238,907	6,564,527	6,884,925	7,037,865	(1,411,441)
Total governmental activities net position	<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>	<u>\$ 30,117,369</u>	<u>\$ 34,032,943</u>	<u>\$ 38,089,496</u>	<u>\$ 30,584,071</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 5,304,983	\$ 7,776,824	\$ 8,063,220	\$ 14,308,417	\$ 14,762,097	\$ 13,879,151	\$ 14,468,775	\$ 15,068,711	\$ 15,120,132	\$ 15,426,369
Restricted				622,095	469,960	735,540	712,083	571,056	566,148	561,370
Unrestricted	1,362,388	658,267	2,057,411	1,285,022	1,217,073	2,579,513	2,758,476	2,733,713	3,184,748	2,341,279
Total business-type activities net position	<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>	<u>\$ 17,939,334</u>	<u>\$ 18,373,480</u>	<u>\$ 18,871,028</u>	<u>\$ 18,329,018</u>
Primary government										
Invested in capital assets, net of related debt	\$ 7,818,508	\$ 12,514,013	\$ 12,936,840	\$ 25,493,176	\$ 27,028,308	\$ 33,333,011	\$ 38,021,604	\$ 42,182,384	\$ 45,106,809	\$ 46,248,279
Restricted				622,095	469,960	735,540	712,096	605,401	1,631,102	1,734,972
Unrestricted	6,421,523	7,349,697	8,638,324	5,249,769	6,118,791	5,818,420	9,323,003	9,618,638	10,222,613	929,838
Total primary government net position	<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>	<u>\$ 48,056,703</u>	<u>\$ 52,406,423</u>	<u>\$ 56,960,524</u>	<u>\$ 48,913,089</u>

CITY OF D'IBERVILLE, MISSISSIPPI
CHANGES IN NET POSITION
Last Ten Fiscal Years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	\$ 1,698,731	\$ 2,056,479	\$ 3,300,774	\$ 3,955,407	\$ 3,773,443	\$ 3,006,599	\$ 2,636,424	\$ 2,894,304	\$ 2,442,639	\$ 2,915,389
Public safety	2,046,296	2,500,973	3,910,276	4,413,359	4,550,491	3,783,045	4,038,219	4,333,026	4,635,352	5,219,511
Public works	13,775,793	3,549,016	2,110,843	1,847,908	2,030,646	2,011,478	2,821,096	4,597,636	2,651,389	3,039,357
Economic development	266,433	233,518	140,666	449,588	521,426	627,794	491,902	966,759	16,334,236	13,303,726
Culture and recreation	471,538	411,053	955,351	1,019,707	1,043,907	698,496	670,948	500,332	574,263	608,089
Interest	401,592	368,244	336,868	598,116	499,316	578,276	681,159	903,741	1,314,967	970,185
Total governmental activities	18,660,383	9,119,283	10,754,778	12,284,085	12,419,229	10,705,688	11,339,748	14,195,798	27,952,846	26,056,257
Business-type activities:										
Water and Sewer	2,271,588	2,251,776	2,771,144	2,607,693	3,251,561	2,814,652	3,078,738	3,327,429	2,971,015	3,217,449
Waterfront Development	349,306	164,621	170,645	139,341	135,745	136,762	185,511	221,874	341,061	402,594
Total business-type activities	2,620,894	2,416,397	2,941,789	2,747,034	3,387,306	2,951,414	3,264,249	3,549,303	3,312,076	3,620,043
Total primary government	\$21,281,277	\$11,535,680	\$13,696,567	\$15,031,119	\$15,806,535	\$13,657,102	\$14,603,997	\$17,745,101	\$31,264,922	\$ 29,676,300
Program Revenues										
Governmental activities:										
Charges for services:										
General government	452,255	-	-	-	-	-	-	-	-	-
Public safety	-	478,094	389,147	542,378	562,981	761,096	759,943	870,924	735,771	666,907
Public works	351,254	366,771	403,018	452,410	388,814	425,154	455,630	343,914	456,287	433,192
Economic Development	221,178	255,046	388,103	411,740	194,818	231,488	404,051	342,811	639,975	336,656
Culture and recreation	-	1,070	-	-	-	10,305	24,378	23,535	1,801	1,720
Operating grants and contributions	13,468,006	2,268,587	2,007,504	751,053	309,162	582,624	625,290	2,725,906	406,321	625,470
Capital grants and contributions	-	143,183	507,955	8,088,553	4,042,455	5,729,042	5,557,628	4,718,631	17,476,121	13,352,125
Total governmental activities	14,492,693	3,512,751	3,695,727	10,246,134	5,498,230	7,739,709	7,826,920	9,025,721	19,716,276	15,416,070
Business-type activities:										
Charges for services:										
Water and sewer	2,109,633	2,663,471	3,828,174	3,344,445	3,279,790	3,432,932	3,641,661	3,789,078	3,856,318	3,851,907
Waterfront Development	-	7,549	20,302	21,958	24,188	19,962	15,560	6,586	12,749	13,272
Operating grants and contributions	-	-	479,208	-	-	-	73,728	106,123	-	-
Capital grants and contributions	229,681	1,155,139	162,177	3,402,263	167,787	-	-	-	232,928	352,603
Total business-type activities	2,339,314	3,826,159	4,489,861	6,768,666	3,471,765	3,452,894	3,730,949	3,901,787	4,101,995	4,217,782
Total primary government	16,832,007	7,338,910	8,185,588	17,014,800	8,969,995	11,192,603	11,557,869	12,927,508	23,818,271	19,633,852
Net Revenue/(Expense)										
Governmental activities	(4,167,690)	(5,606,532)	(7,059,051)	(2,037,951)	(6,920,999)	(2,965,979)	(3,512,828)	(5,170,077)	(8,236,570)	(10,640,187)
Business-type activities	(281,580)	1,409,762	1,548,072	4,021,632	84,459	501,480	466,700	352,484	789,919	597,739
Total primary government net revenue/(expense)	\$ (4,449,270)	\$ (4,196,770)	\$ (5,510,979)	\$ 1,983,681	\$ (6,836,540)	\$ (2,464,499)	\$ (3,046,128)	\$ (4,817,593)	\$ (7,446,651)	\$ (10,042,448)

(Continued)

CITY OF D'IBERVILLE, MISSISSIPPI
CHANGES IN NET POSITION
Last Ten Fiscal Years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Revenues and Other										
Changes in Net Position										
Governmental activities										
Taxes										
Property taxes	\$ 1,900,830	\$ 1,797,926	\$ 1,738,561	\$ 2,151,388	\$ 2,286,520	\$ 2,603,311	\$ 2,739,560	\$ 2,838,888	\$ 3,343,675	\$ 3,282,355
Sales taxes	5,484,802	4,888,068	4,528,094	4,400,504	5,546,989	5,605,223	5,728,228	5,960,425	6,169,723	6,638,041
Franchise taxes	233,447	248,205	294,500	311,371	345,495	335,954	319,186	330,753	397,123	454,999
Unrestricted investment earnings	94,277	190,394	179,844	107,704	127,758	37,607	20,538	44,735	43,702	45,836
Insurance proceeds	511,999	49,585	-	18,668	11,970	10,724	27,584	35,385	26,013	21,088
Lease revenue	91,875	92,627	132,921	142,357	113,965	95,317	95,195	112,545	85,983	225,849
British Petroleum settlement	-	-	-	-	-	-	-	-	-	948,027
Miscellaneous	281,187	6,849	20,430	449,877	629,890	23,552	2,470,010	357,583	710,102	62,699
Gain on asset disposal	-	-	6,190	-	-	-	-	-	-	-
Transfers	-	-	(193,848)	(2,079,006)	(123,165)	(220,871)	(212,172)	-	(40,523)	(72,213)
Total governmental activities	<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>	<u>11,188,129</u>	<u>9,680,314</u>	<u>10,735,798</u>	<u>11,606,681</u>
Business-type activities:										
Property taxes	17,014	11,340	17,834	26,474	25,804	22,658	31,679	36,790	2,034	1,555
Investment earnings	42,547	52,421	47,605	1,034	168	65	74	73	72	78
Transfers	-	-	-	-	-	-	-	-	40,523	72,213
Miscellaneous	-	-	193,848	2,079,006	123,165	220,871	246,677	5,406	-	-
Total business-type activities	<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>	<u>278,430</u>	<u>42,269</u>	<u>42,629</u>	<u>73,846</u>
Total primary government	<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>	<u>\$ 11,466,559</u>	<u>\$ 9,722,583</u>	<u>\$ 10,778,427</u>	<u>\$ 11,680,527</u>
Change In Net Position										
Governmental activities	8,598,417	7,273,654	6,706,692	5,502,863	8,939,422	8,490,817	11,188,129	9,680,314	10,735,798	11,606,681
Business-type activities	59,561	63,761	259,287	2,106,514	149,137	243,594	278,430	42,269	42,629	73,846
Special Item - Small Community Disaster Loan Forgiveness	-	-	-	-	-	-	-	-	1,557,325	-
Total primary government	<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>	<u>\$ 11,466,559</u>	<u>\$ 9,722,583</u>	<u>\$ 12,335,752</u>	<u>\$ 11,680,527</u>

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General fund										
Reserved	\$ 1,193,239	\$ 555,048	\$ -	\$ -	\$ -	\$ 197,031	\$ 34,151	\$ 34,345	\$ 34,396	\$ 146,079
Unreserved	4,130,000	7,682,079	7,307,438	5,058,465	6,169,669	3,674,328	7,668,305	7,867,755	7,532,906	7,946,533
Total General fund	<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>	<u>\$ 7,702,456</u>	<u>\$ 7,902,100</u>	<u>\$ 7,567,302</u>	<u>\$ 8,092,612</u>
All other governmental funds										
Reserved	\$ -	\$ -	\$ 636,085	\$ 534,225	\$ 535,027	\$ 535,741	\$ 536,198	\$ 1,289,218	\$ 1,030,558	\$ 1,027,523
Unreserved, reported in										
Special revenue funds	(92,089)	(72,357)	-	-	-	-	(71,376)	(70,617)	(71,376)	(71,376)
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ (92,089)</u>	<u>\$ (72,357)</u>	<u>\$ 636,085</u>	<u>\$ 534,225</u>	<u>\$ 535,027</u>	<u>\$ 535,741</u>	<u>\$ 464,822</u>	<u>\$ 1,218,601</u>	<u>\$ 959,182</u>	<u>\$ 956,147</u>

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

	2006	2007	2008	2009	2010
Revenues					
Taxes					
Property	\$1,900,830	\$1,797,926	\$1,738,561	\$ 2,151,388	\$2,286,520
Sales	5,484,802	4,888,068	4,528,094	4,400,504	5,546,989
Franchise	233,447	248,205	294,500	311,371	345,495
Licenses and Permits	221,178	255,046	388,103	411,740	194,818
Intergovernmental	13,468,006	2,411,770	2,515,459	8,839,606	4,351,617
Other grant	-	-	-	-	-
Charges for services	351,254	403,844	403,018	493,328	430,292
Fines	452,255	442,091	389,147	501,460	521,503
Interest	94,277	190,394	179,845	107,704	127,758
Lease revenue	91,875	92,627	132,921	142,357	113,965
Miscellaneous	281,187	6,849	17,433	449,877	629,889
Total revenues	<u>22,579,111</u>	<u>10,736,820</u>	<u>10,587,081</u>	<u>17,809,335</u>	<u>14,548,846</u>
Expenditures					
General government	1,569,045	2,118,234	3,189,838	3,408,716	3,686,946
Public safety	2,087,249	2,543,618	3,761,008	3,956,533	4,198,555
Public works	13,904,413	3,545,009	2,110,959	1,586,540	1,343,439
Economic Development	266,433	227,413	2,614,578	472,525	490,613
Culture and recreation	465,682	494,735	958,734	983,889	964,359
Capital outlay	-	-	-	6,671,174	5,480,578
Debt Service:					
Principal	645,695	730,109	703,709	747,207	766,744
Interest	401,592	382,082	351,766	423,222	411,830
Other	-	-	-	-	-
Total expenditures	<u>19,340,109</u>	<u>10,041,200</u>	<u>13,690,592</u>	<u>18,249,806</u>	<u>17,343,064</u>
Excess of revenues over (under) expenditures	<u>3,239,002</u>	<u>695,620</u>	<u>(3,103,511)</u>	<u>(440,471)</u>	<u>(2,794,218)</u>
Other Financing Sources (Uses)					
Insurance proceeds	511,999	49,585	2,849	18,668	11,970
Sale of property	-	-	9,990	4,092	17,419
Issuance of bonds	-	-	2,685,000	-	4,000,000
Issuance of notes	1,755,715	-	-	-	-
British Petroleum settlement	-	-	-	-	-
Transfers in	1,047,287	1,112,191	1,434,083	1,653,147	3,333,600
Transfers out	<u>(1,047,287)</u>	<u>(1,112,191)</u>	<u>(1,627,931)</u>	<u>(3,732,153)</u>	<u>(3,456,765)</u>
Total other financing sources (uses)	<u>2,267,714</u>	<u>49,585</u>	<u>2,503,991</u>	<u>(2,056,246)</u>	<u>3,906,224</u>
Net change in fund balances	<u>\$5,506,716</u>	<u>\$ 745,205</u>	<u>\$ (599,520)</u>	<u>\$ (2,496,717)</u>	<u>\$ 1,112,006</u>
Debt service as a percentage of noncapital expenditures	5.41%	11.08%	7.71%	11.25%	11.03%

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)

	2011	2012	2013	2014	2015
Revenues					
Taxes					
Property	\$ 2,603,312	\$2,740,164	\$ 2,838,888	\$3,343,675	\$3,282,355
Sales	5,605,223	5,728,228	5,960,425	6,169,723	6,638,041
Franchise	335,954	319,186	330,753	397,123	454,999
Licenses and Permits	231,488	404,051	321,498	618,794	314,199
Intergovernmental	5,750,221	8,350,273	7,465,850	17,903,625	13,928,393
Other grant	561,444	-			
Charges for services	473,838	504,461	396,383	458,324	435,298
Fines	712,412	710,508	774,394	686,726	629,460
Interest	37,606	20,538	44,735	43,702	45,835
Lease revenue	105,622	117,712	134,280	85,983	225,849
Miscellaneous	23,552	54,082	112,949	702,534	104,068
Total revenues	<u>16,440,672</u>	<u>18,949,203</u>	<u>18,380,155</u>	<u>30,410,209</u>	<u>26,058,497</u>
Expenditures					
General government	3,114,571	2,327,986	2,670,504	2,211,797	2,605,099
Public safety	3,504,730	3,745,186	4,010,037	4,395,297	4,675,665
Public works	1,400,956	2,143,274	3,865,061	1,713,601	1,990,660
Economic Development	605,323	482,970	963,795	16,337,163	13,268,009
Culture and recreation	590,895	548,560	393,878	476,667	512,493
Capital outlay	11,699,838	4,162,095	16,051,236	5,724,164	1,230,367
Debt Service:					
Principal	1,086,539	1,108,472	1,136,424	3,080,081	1,875,899
Interest	577,849	641,087	901,869	1,371,039	1,031,286
Other					
Total expenditures	<u>22,580,701</u>	<u>15,159,630</u>	<u>29,992,804</u>	<u>35,309,809</u>	<u>27,189,478</u>
Excess of revenues over (under) expenditures	<u>(6,140,029)</u>	<u>3,789,573</u>	<u>(11,612,649)</u>	<u>(4,899,600)</u>	<u>(1,130,981)</u>
Other Financing Sources (Uses)					
Insurance proceeds	10,724	27,584	35,385	26,013	21,088
Sale of property	52,580	250,434	244,522	7,568	3,136
Issuance of bonds	4,000,000		12,468,141		
Issuance of notes	-	-	-	2,755,000	753,218
British Petroleum settlement	-	-	-	-	948,027
Transfers in	3,913,267	2,200,605	2,194,779	2,956,044	2,942,410
Transfers out	(4,134,138)	(2,412,777)	(2,194,779)	(2,996,567)	(3,014,623)
Total other financing sources (uses)	<u>3,842,433</u>	<u>65,846</u>	<u>12,748,048</u>	<u>2,748,058</u>	<u>1,653,256</u>
Special Item - SCDL Forgiveness				1,557,325	
Net change in fund balances	<u><u>\$(2,297,596)</u></u>	<u><u>\$3,855,419</u></u>	<u><u>\$ 1,135,399</u></u>	<u><u>\$(594,217)</u></u>	<u><u>\$ 522,275</u></u>
Debt service as a percentage of noncapital expenditures	18.06%	18.92%	17.12%	17.71%	11.97%

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

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Total
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	2,603,312	5,605,223	335,954	8,544,489
2012	2,740,164	5,728,228	319,186	8,787,578
2013	2,838,888	5,960,425	330,753	9,130,066
2014	3,343,675	6,169,723	397,123	9,910,521
2015	3,282,355	6,638,041	454,999	10,375,395

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

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Promenade	\$ 5,146,146	1	4.61%			
Mississippi Power Company	2,965,996	2	2.66%	\$ 1,596,545	1	2.63%
Wal-Mart Real Estate Bus. Trust	1,972,793	3	1.77%			
Landmark of D'Iberville	1,887,433	4	1.69%	1,572,346	2	2.59%
Arbor View II, LLC	1,868,449	5	1.68%	1,487,186	3	2.45%
Land Holdings I, LLC	1,658,912	6	1.49%	1,290,874	5	2.13%
Wal-Mart Supercenter #2715	1,470,664	7	1.32%			
Target Corporation	1,382,795	8	1.24%			
EPT Biloxi Inc.	1,259,634	9	1.13%	1,274,232	6	2.10%
Encore D'Iberville Hotel, LLC	1,165,364	10	1.04%			
Bell South Telecommunications				1,307,847	4	2.16%
Arbor View IV LLC				1,134,477	7	1.87%
30 West Perishing LLC				996,481	8	1.64%
Lowes Home Centers				847,618	9	1.40%
Biloxi Lodge LP				480,233	10	0.79%
Total	20,778,186		18.63%	11,987,839		19.76%
Other Taxpayers	90,760,766		81.37%	48,664,563		80.24%
Total All Taxpayers	\$ 111,538,952		100.00%	\$ 60,652,402		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
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%
2011	2,552,491	2,740,164	107.35%
2012	2,622,030	2,838,888	108.27%
2013	3,159,500	3,343,675	105.83%
2014	3,068,791	3,282,355	106.96%

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

Year Ended June 30,

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Automotive			\$ 88,058	\$ 52,228	\$ 51,970	\$ 46,606	\$ 59,994	\$ 71,578	\$ 73,559	\$ 87,556
Machinery, Equipment, and Supplies			10,148	10,138	6,491	4,578	4,807	6,038	5,378	4,626
Accommodation & Food Services	69,576	68,721	90,193	88,164	87,640	82,237	68,799	69,013	68,788	56,634
Furniture and Fixtures			20,078	20,491	20,180	16,560	4,689	7,451	8,463	6,468
Public Utilities			18,402		-	-	-	-	-	-
Apparel and General Merchandise			181,793	185,269	185,924	163,310	133,095	124,232	135,968	140,898
Lumber and Building Materials			30,942	31,341	35,132	36,196	40,335	47,661	70,504	85,471
Miscellaneous Retail			30,078	28,296	26,216	25,792	17,963	16,396	20,270	19,310
Miscellaneous Services	14,930	11,924	11,810	11,987	14,655	13,477	11,139	12,655	12,135	14,107
Construction	1,814	1,501	1,332	1,204	1,611	1,960	2,236	6,008	2,611	3,212
Manufacturing	3,191	3,354								
Wholesale Trade	3,662	3,097								
Retail Trade	418,106	393,380								
Information		18,221								
Real Estate, Rental, & Leasing	2,234	2,443								
Professional, Scientific, Technical Services	247	82								
Arts, Entertainment, & Recreation	2,311	1,798	9,041	9,363	9,220	-	-	-	-	-
Total	\$516,071	\$504,521	\$491,875	\$438,481	\$439,039	\$390,716	\$343,057	\$361,032	\$397,676	\$418,282

Source: Department of Revenue

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	Certificates of Participation	General Obligation Bonds	Special Obligation Bonds	Revenue Bonds	Notes Payable	Capital Leases			
2005	6,969,160	703,190	1,754,250	-	-	-	5,560,000	2,665,900	90,417	17,742,917	14.08%	2,512
2006	6,469,160	517,958	1,709,373	-	-	-	5,340,000	2,466,664	73,586	16,576,741	10.97%	1,997
2007	8,644,160	725,744	1,281,462	-	-	-	5,110,000	2,302,494	56,151	18,120,011	10.93%	2,183
2008	8,094,160	528,536	1,281,462	-	-	-	4,870,000	2,126,843	38,090	16,939,091	12.32%	2,135
2009	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
2010	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
2011	5,880,000	175,942	1,281,462	-	3,605,000	4,000,000	6,955,000	1,696,860	-	23,594,264	12.61%	2,392
2012	17,160,000	119,518	1,281,462	-	3,395,000	3,850,000	6,530,000	1,475,187	-	33,811,167	13.57%	2,959
2013	15,940,000	60,899	-	2,610,000	3,175,000	3,695,000	6,095,000	1,244,544	-	32,820,443	14.69%	2,905
2015	14,665,000	-	-	2,460,000	2,945,000	3,535,000	5,645,000	1,004,543	753,218	31,007,761	9.77%	2,613

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**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$9,098,000	\$9,145,000	\$9,145,000	\$11,864,508	\$ 12,283,204	\$13,915,807	\$13,769,765	\$14,122,353	\$ 16,540,205	\$16,730,843
Net debt applicable to limit	1,281,462	1,281,462	1,281,462	1,281,462	5,281,462	5,086,462	4,886,462	4,676,462	3,175,000	2,945,000
Net debt applicable to the limit as a percentage of debt limit	14.09%	14.01%	14.01%	10.80%	43.00%	36.55%	35.49%	33.11%	19.20%	17.60%

Legal Debt Margin Calculation for Fiscal Year 2014

Total assessed value	\$111,538,952
Debt limit (15% of total assessed value)	16,730,843
Debt applicable to limit:	
General obligation bonds	2,945,000
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	<u>2,945,000</u>
Legal debt margin	<u>\$ 13,785,843</u>

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

Fiscal Year	Sewer Revenue Bonds					
	Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
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%
2012	3,641,661	2,728,244	913,417	395,000	293,013	132.76%
2013	3,789,078	2,665,421	1,123,657	425,000	282,863	158.74%
2014	3,856,318	2,660,909	1,195,409	435,000	271,363	169.23%
2015	3,851,907	2,936,518	915,389	450,000	256,213	129.62%

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.

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

Fiscal Year	Population	Personal Income (expressed in thousands)	Per Capita Personal Income	Unemployment Rate	Median Age
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
2012	9,865	187,119	18,968	8.6%	33.0
2013	11,426	249,212	21,811	7.8%	33.0
2014	11,638	230,165	19,777	7.1%	33.0
2015	11,870	317,594	26,756	5.6%	33.6

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 2000 and 2010 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.

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

Employer	2015			2006		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Wal-Mart Supercenter	475	1	8.6%	500	1	12.8%
Target	150	2	2.7%			
Lowes	133	3	2.4%	90	5	2.3%
City of D'Iberville	120	4	2.2%			
D'Iberville High School	115	5	2.1%			
Kohl's	100	6	1.8%			
D'Iberville Middle School	97	7	1.8%			
D'Iberville Elementary School	95	8	1.7%			
Olive Garden	85	9	1.5%			
Bed Bath & Beyond	70	10	1.3%			
VFW# 6731				250	2	6.4%
Winn Dixie				105	3	2.7%
Ruby Tuesday				100	4	2.6%
Astro Ford				75	6	1.9%
Bayside Chrysler				70	7	1.8%
Mandal Pontiac				65	8	1.6%
Chili's Grill & Bar				55	9	1.4%
DNP, In.				50	10	1.3%
Total	1,440		26.1%	1,360		34.8%
Other Employers	4,067		73.9%	2,546		65.2%
Total Employment	5,507		100.0%	3,906		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 ten calendar years

Function	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General government										
City Management	3	3	2	2	2	2	2	1	2	2
Finance	1	1	3	3	4	3	3	2	4	4
Building	3	6	6	6	6	4	4	4	5	5
Judicial	4	5	5	4	3	2	4	4	4	4
Planning					5	4	4	4	3	4
Public Safety										
Police ¹	0	1	7	26	28	29	30	35	36	37
Fire	24	23	28	28	26	25	24	25	30	30
Highways & Streets										
Maintenance	9	8	10	9	16	13	17	16	16	19
Culture & Recreation	6	10	11	19	6	6	5	7	7	7
Water	10	11	13	12	12	14	12	12	13	13
TOTAL	<u>60</u>	<u>68</u>	<u>85</u>	<u>109</u>	<u>108</u>	<u>102</u>	<u>105</u>	<u>110</u>	<u>120</u>	<u>125</u>

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

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

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Fire										
Number of calls answered	1030	1091	901	1062	1086	1126	1209	1244	1546	1706
Highways and streets										
Street resurfacing (miles) ¹	5.67	30.38	2.84	2.90	5.60	1.80	3.00	1.40	0.00	0.00
Water										
New connections	58	104	97	75	74	111	30	30	35	31
Waters main breaks	142	81	117	71	21	43	57	48	7	8
Average daily consumption (thousands of gallons)	744	853	964	949	917	845	777	916	863	849
Wastewater ²										
Average daily sewage treatment (thousands of gallons)	746.63	855.75	907.47	836.41	1,057.73	917.40	995.26	1,061.10	1,074.66	1,095.23

¹ Data not available until 2006

² Data provided by Harrison County Wastewater Utility Authority

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

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety										
Police:										
Patrol units	26	28	31	33	44	42	41	43	41	45
Fire stations	1	1	1	1	1	1	1	1	1	1
Highways and streets										
Streets (miles)	55.93	56.33	56.72	58.05	58.05	58.05	58.05	62.62	62.62	62.62
Streetlights	1250	1250	1250	1250	1250	1250	1330	1392	1392	1452
Traffic signals	20	20	20	20	20	20	20	24	24	26
School signals	8	8	8	8	8	8	8	10	10	10
Culture and recreation										
Parks acreage	55	55	55	55	55	55	55	117	117	117
Parks	5	5	5	5	5	5	5	4	4	4
Tennis courts	10	10	10	10	10	10	10	8	8	8
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	56.69	56.69	56.69	57.65	57.72	57.72	57.72	82.99	82.99	82.99
Fire hydrants	443	452	461	506	531	535	675	706	716	747
Number of water wells	6	6	6	6	6	6	6	5	5	5
Maximum daily capacity (thousands of gallons)	5270	5270	5270	5270	5270	5270	5270	5270	5270	5270
Sewer										
Sanitary sewers (miles)	51.71	52.23	52.74	72.81	70.75	70.75	71.31	84.89	84.89	84.89
Maximum daily treatment capacity (thousands of gallons)	1120	1120	1120	1120	1120	1120	2620	2620	2620	2620

**SECTION IV
COMPLIANCE SECTION**

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**CITY OF D'IBERVILLE, MISSISSIPPI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2015**

Grantor Federal Agency/Pass-Through Agency/Program Title	Federal CFDA Number	Grant No. / Pass-Through Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
Passed through Mississippi Development Authority			
Community Development Block Grant - Entitlement Grants	14.228	R109-166-04-KCR	* \$13,023,971
Total U.S. Department of Housing and Urban Development			<u>13,023,971</u>
U.S. Department of Interior, Fish and Wildlife Services			
Passed through Mississippi Department of Marine Resources			
Coastal Impact Assistance Program	15.668	MS R 701	* 240,138
Total U.S. Department of the Interior			<u>240,138</u>
U.S. Department of Justice			
Bulletproof Vest Partnership Program	16.607	2014-BUBX14072833	3,868
Equitable Sharing Program	16.922	MS0240800	27,214
Division of Public Safety Planning			
Public Safety Partnership & Community Policing Grants	16.710	2012-UM-WX-0117	29,059
Edward Byrne Memorial Justice Assistance Grant	16.738	12-LB-269-1	5,375
MS Justice Assistance Grant	16.738	2014-MU-BX-0984	79,113
Total U.S. Department of Justice			<u>144,629</u>
U.S. Department of Transportation			
Passed through Mississippi Department of Public Safety			
Occupants Restraint Grant	20.600	15-TP-269-1	20,051
Alcohol Open Container Requirements Grant	20.607	15-ST-269-1	59,108
Total U.S. Department of Transportation			<u>79,159</u>
Executive Office of the President			
High Intensity Drug Trafficking Area	95.001	G14GC003A	23,915
Total Executive Office of the President			<u>23,915</u>
Total Federal Financial Assistance			<u>\$13,511,812</u>

* Denotes major federal award program

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CITY OF D'IBERVILLE, MISSISSIPPI
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

NOTE A: SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS INFORMATION

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards is included in the federal grant activity of the City of D'Iberville, Mississippi and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirement of OMB A-133, *Audits of States, Local Governments, and Non-Profits Organizations*.

2. RECONCILIATION TO GRANT REVENUE

The following reconciles the total expenditures of federal awards to grant revenue recognized in the state of activities for the year ended September 30, 2015.

Total expenditures of federal awards	<u>\$13,511,812</u>
Operating grants and contributions	625,470
Capital grants and contributions	13,704,728
Less: state grants	(112,466)
Less: state government contributions	(194,098)
Less: county government contributions	<u>(511,822)</u>
Total federal revenues	<u>\$13,511,812</u>

Federal grant revenues are included in program revenues (operating and capital grants and contributions) in the statement of activities (exhibit B) for the year ended September 30, 2015.

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

March 15, 2016

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, 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, 2015, and the related notes to the financial statements, which collectively comprise City of D'Iberville, Mississippi's basic financial statements, and have issued our report thereon dated March 15, 2016.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

March 15, 2016

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

Report on Compliance for Each Major Federal Program

We have audited City of D'Iberville, Mississippi's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of City of D'Iberville, Mississippi's major federal programs for the year ended September 30, 2015. City of D'Iberville, Mississippi's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of D'Iberville, Mississippi's major federal programs based on our audit of the types of compliance requirements referred to above. 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 City of D'Iberville, Mississippi'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 on compliance for each major federal program. However, our audit does not provide a legal determination of City of D'Iberville, Mississippi's compliance.

Opinion on Each Major Federal Program

In our opinion, City of D'Iberville, Mississippi, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2015.

Report on Internal Control over Compliance

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

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

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

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

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

March 15, 2016

Mayor and City Council
City of D'Iberville, Mississippi

We have audited the basic financial statements of the City of D'Iberville, Mississippi as of and for the year ended September 30, 2015 and have issued our report dated March 15, 2016. 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.

The results of our procedures performed to test compliance with certain state laws and regulations and our audit of the financial statements did not result in any material instances of noncompliance with state laws and regulations

The instance of noncompliance of the prior year has been corrected by management.

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

**CITY OF D'IBERVILLE, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

SECTION I – SUMMARY OF AUDITORS' RESULTS

Type of Auditors' Report Issued Unmodified

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: Unmodified

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>
14.228	U. S. Department of Housing and Urban Development Community Development Block Grant Entitlement Grant
15.668	U. S. Department of Interior – Fish and Wildlife Services Coastal Impact Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs: \$405,354

Auditee qualified as low risk auditee? No

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? Yes

**CITY OF D'IBERVILLE, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

SECTION II – FINANCIAL STATEMENT FINDINGS

There are no financial statement findings.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

There are no federal awards findings.

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SUMMARY OF PRIOR AUDIT FINDINGS

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**CITY OF D'IBERVILLE, MISSISSIPPI
SUMMARY OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

Finding 2014-001: U.S. Department of Interior – Fish and Wildlife Service – Coastal Impact Assistance Program Grant – CFDA # 15.668

Reporting and Grant Oversight – *Significant deficiency*

Condition

During our testing of the above mentioned federal program, we noted that in almost every instance the reimbursement requests for expenditures under the program had to be corrected due to calculation errors or omission of information on the original reimbursement request submitted. We also noted that supporting documents for the expenditures for this federal program were not maintained by City personnel nor provided to them by the grant administrator for verification of the grant expenditures claimed for reimbursement.

Recommendation

We recommend that management implement policies and procedures to ensure that all federal grant programs are monitored by City personnel within the finance department and that all supporting documentation is adequately reviewed prior to submission for reimbursement to the federal granting agency. Communication of grant compliance requirements should be communicated to all City employees involved in grant programs and outside independent parties responsible for oversight on federally funded projects.

Current Status

The City's finance department currently reviews all disbursement requests as well as supporting documentation prior to submission to the federal granting agency. The City maintains a file at City Hall with all supporting documentation for easy access.

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March 15, 2016

To the Honorable Mayor and City Council

City of D'Iberville, Mississippi
10383 Automall Parkway
D'Iberville, Mississippi 39540-6519

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of D'Iberville, Mississippi for the year ended September 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 13, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

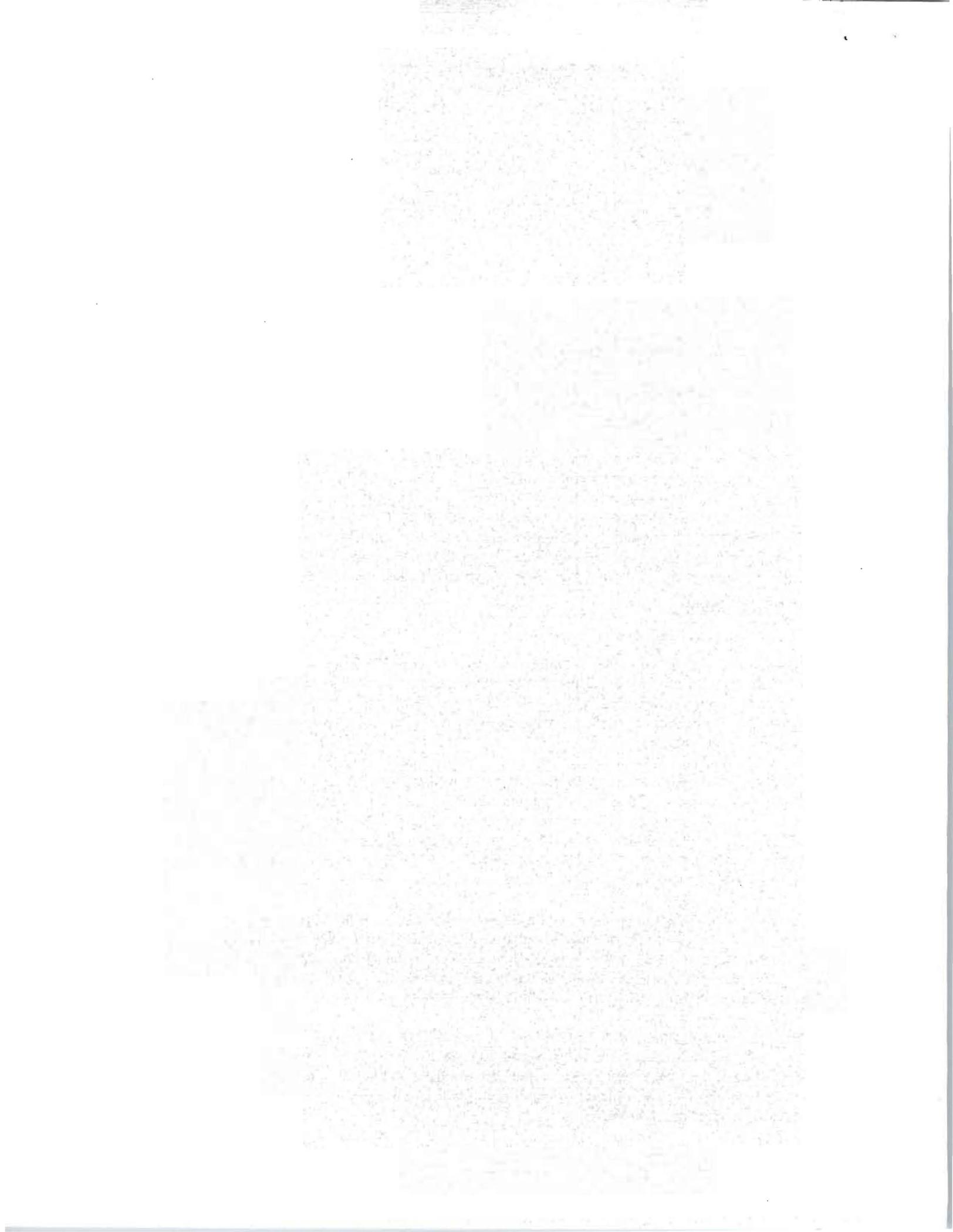
Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of D'Iberville, Mississippi are described in Note 1 to the financial statements. We noted no transactions entered into by City of D'Iberville, Mississippi during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

As described in Note 7 to the financial statements, the City of D'Iberville, Mississippi changed accounting policies related to Accounting and Financial Reporting for Pensions by adopting Statement of Governmental Accounting Standards (GASB Statement No. 68) in 2015. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is report in the Statement of Activities (Exhibit B) and the Statement of Revenues Expenses and Change in fund Net Position for Proprietary Funds (Exhibit F).

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the government-wide's financial statements were:

Management's estimate of the useful lives of capital assets is based on historical data as well as the guidelines set forth in the Mississippi Municipal Audit and Accounting Guide prescribed by the Office of the Mississippi State Auditor. We evaluated the key factors and assumptions used to develop the useful life estimate in determining that it is reasonable in relation to the financial statements taken as a whole.



Management's estimate of the allowance for doubtful accounts is based on historical water and sewer revenues and an analysis of the collectability of the individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users: The most sensitive disclosures affecting the financial statements were:

The disclosure of long-term debt in Note 6 to the financial statements is particularly sensitive due to the nature of the various debt types and the total amount of debt of the City.

The disclosure of commitments and contingencies in Note 9 is particularly sensitive due to the nature of the commitments and contingencies of the City.

The disclosure of retirement plans-pension plan is particularly sensitive since all governmental entities within the State of Mississippi beginning in fiscal year 2015 must report their proportionate share of the net pension liability expense. This number is significant in relation to the City's financial statements as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 15, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to City of D'Iberville, Mississippi's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as City of D'Iberville, Mississippi's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. During the audit of the City of D'Iberville, Mississippi, we noted certain other matters that are worthy of mention to management. The following items are issues that we feel need improvement or correction:

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1. The first part of the document discusses the importance of maintaining accurate records in a business setting. It highlights how proper record-keeping can lead to better decision-making and operational efficiency.

2. In the second section, the author explores various methods for organizing and storing data. This includes both physical and digital solutions, emphasizing the need for security and accessibility.

3. The third section focuses on the role of technology in modern record management. It discusses how cloud storage and data analytics tools have revolutionized the way businesses handle their information.

4. Finally, the document concludes by stressing the long-term benefits of a robust record-keeping system. It notes that such systems are essential for compliance, legal protection, and overall business growth.

Court Fees and Assessments

The City is calculating State court assessments and fines based on the violation date as opposed to the disposition date. Section 99-19-73, Miss. Code Ann (1972) states "there shall be imposed and collected the following state assessment from each person upon whom a court imposes a fine or other penalty for any violation" which indicates that the assessments and fines should be assessed upon conviction or plea of guilt.

In regards to the State Appearance Bond Fee Assessment (ABF), Section 83-39-31, Miss. Code Ann (1972) states "Upon every defendant charged with a criminal offense who posts a cash bail bond, a surety bail bond, a property bail bond or a guaranteed arrest bond certificate conditioned for his appearance at trial, there is imposed a fee equal to two percent (2%) of the face value of each bond or Twenty Dollars (\$ 20.00), whichever is greater, to be collected by the clerk of the court when the defendant appears in court for final adjudication or at the time the defendant posts cash bond. The City has been charging a flat \$20.00 fee as opposed to the greater of \$20 or 2% of the cash bond.

We recommend that the City assess all fees and fines based on the disposition date or plea of guilty and that the City update their court software annually based on the "State Assessment and Fine Procedures – All Courts" guide that is issued by the Mississippi's Office of the State Auditor at the Municipal Court Clerks Association Meetings with an effective date of July 1 of each year.

Building Permit Fees

In some instances, permit fees were charged that were inconsistent with the most current City ordinance. We also noted that the City undercharged applicants due to clerical inputting errors.

We recommend that the City review the most current permit fee ordinance and ensure that these fees are properly entered into the permit computer software program. We also recommend that the City have a permit department supervisor review and verify that fees are properly calculated based on the details of the permit application and that the permit clerks have properly calculated, input and collected all fees in accordance with the City's ordinance.

Utility Department Collections

The City has not effectively pursued collections for customers with past due garbage balances. Certain residents receive only garbage services from the City, and it appears that these citizens are not paying their garbage bills knowing that the City cannot terminate garbage services due to sanitation issues.

We recommend that the City issue letters detailing payment expectations from these customers with the ultimate recourse being a property lien that is attached through Harrison County's Chancery Clerk's Department.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis, Major Funds' Budgetary Schedules, the Schedule of Changes in the City's Net Pension Liability and Related Ratios Schedule, and the Schedule of City's Pension Contributions which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Expenditures of Federal Awards, Major Funds' Budgetary Schedules, the Schedule of Changes in the City's Net Pension Liability and Related Ratios, and the Schedule of

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the City's Pension Contributions which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on Non-Major Funds Combining Statements and Budgetary Schedules, Surety Bond Schedule of Public Officials, Introductory Section, and the Statistical Section, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Mayor and City Council and management of City of D'Iberville, Mississippi and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Walter Ward Withers & Sons

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This ensures transparency and allows for easy verification of the data.

Additionally, it is noted that regular audits are essential to identify any discrepancies or errors early on. This proactive approach helps in maintaining the integrity of the financial statements and prevents any potential issues from escalating.

The second section focuses on the implementation of robust internal controls. These controls are designed to minimize the risk of fraud and ensure that all assets are properly safeguarded. Key elements include segregation of duties, which prevents any single individual from having too much control over a process.

Furthermore, the document highlights the need for a strong culture of ethics and integrity within the organization. This involves providing regular training and clear communication of the company's values and expectations. By fostering an environment where honesty and accountability are prioritized, the organization can significantly reduce the risk of unethical behavior.

Finally, the text concludes by stating that continuous improvement is a must. Regularly reviewing and updating policies and procedures ensures that the organization remains compliant with the latest regulations and industry standards. This commitment to excellence is what sets successful organizations apart from the rest.