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

**FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**RECEIVED**  
**MAR 26 2019**



CITY OF D'IBERVILLE, MISSISSIPPI  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 SEPTEMBER 30, 2018  
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SECTION I  
INTRODUCTORY SECTION



CITY OF D'IBERVILLE, MISSISSIPPI  
LISTING OF CITY OFFICIALS

ELECTED OFFICIALS

Mayor

Rusty Quave

Councilperson – Ward 1  
Councilperson – Ward 2  
Councilperson – Ward 3  
Councilperson – Ward 4  
Councilperson – At Large

Randall Pelous  
Henry Toncrey, Jr.  
Craig "Boots" Diaz  
Robby Ellis  
Joey Bosarge

APPOINTED OFFICIALS

City Manager  
City Clerk  
Comptroller  
Police Chief  
Fire Chief  
Municipal Court Clerk  
Economic Development Director  
Public Works Director  
Building Director  
Parks & Recreation Superintendent  
Planning & Zoning Director

Clay Jones  
Jodi Weise  
Sharron Perkins  
Wayne Payne  
Gerald Smith  
Patti Jackson  
Kimberly Compton  
Michael Mullins  
Mark Seymour  
Troy Saucier  
Cindy Feranda





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  
CITY MANAGER: CLAY JONES

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

March 13, 2019

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, 2018. 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, 2018 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.

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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 & 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 thirteen 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 FY2013 to present.

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.

Scarlet Pearl Casino, the City's first casino, opened its doors in December 2015. D'Iberville's share of gaming revenue for the first two full years that Scarlet Pearl was open was \$1,633,000 and \$1,776,000 . More casinos are on the horizon for D'Iberville. 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 4.5% in September 2017 to 4.4% in September 2018.

### 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 2018. The City's three largest sources of revenues for general government functions are sales tax, gaming tax, and ad valorem tax.

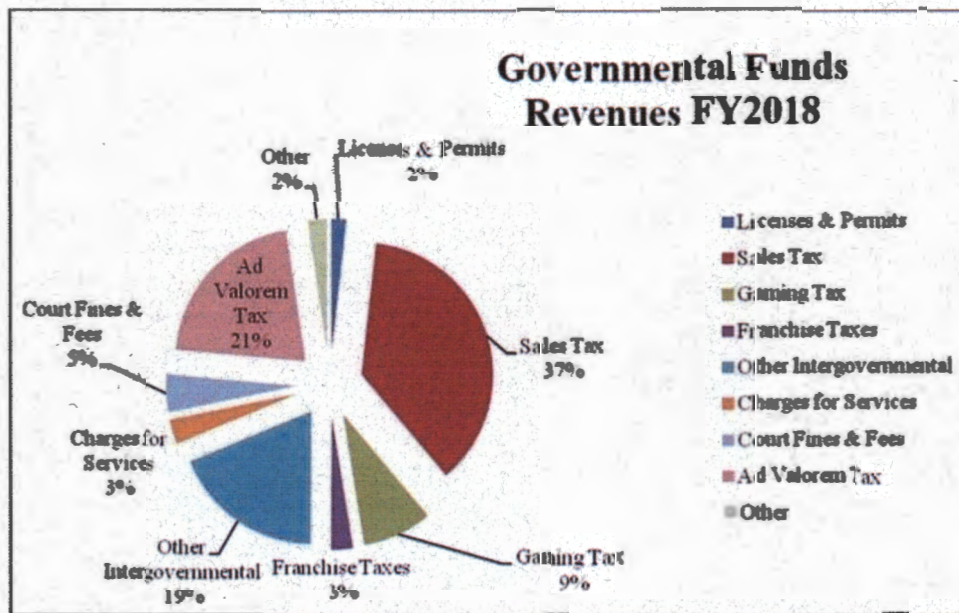


Figure 1

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.

Class of Property	Ratio
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 2018. Capital outlay and public safety are the largest expenditure categories of the City's governmental funds in FY2018.

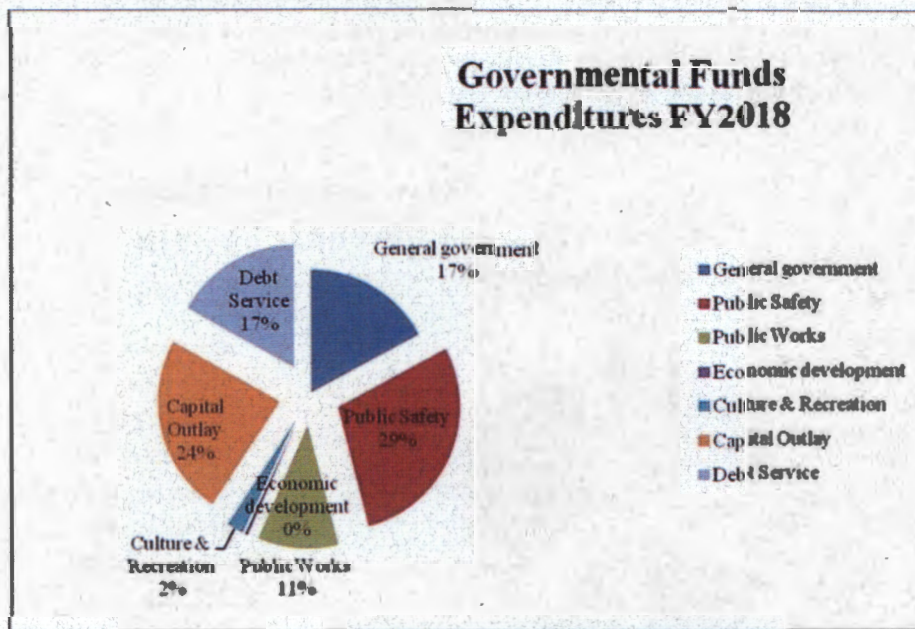


Figure 2

### 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.

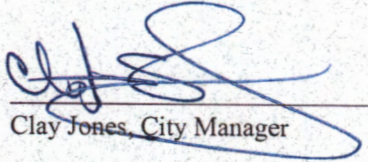
### Cash Management

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 FY2018, the City spent just over \$5,100,000 on capital outlay throughout the City, including a new community club as well as a major road construction project on D'Iberville Blvd. Over \$1,300,000 of that amount was spent to complete the construction of the new sports complex on Hwy 15.

Respectfully submitted,



Clay Jones, City Manager



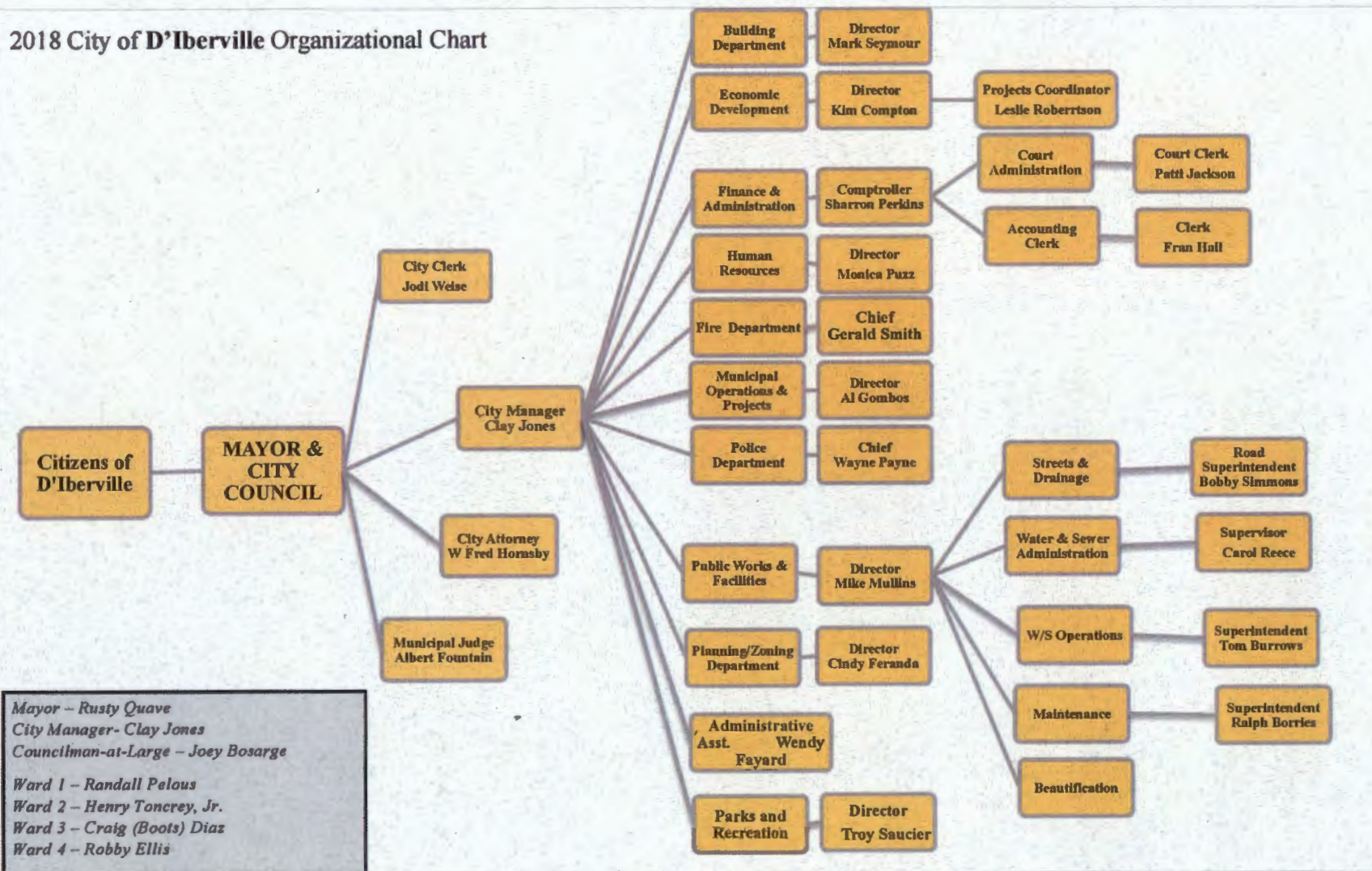
Sharron Perkins, Finance Director

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# 2018 City of D'Iberville Organizational Chart



SECTION II  
FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT





# WRIGHT, WARD, HATTEN & GUEL

PROFESSIONAL LIMITED LIABILITY COMPANY

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

*Certified Public Accountants*

HANCOCK BANK BUILDING

2510 - 14TH STREET

P.O. BOX 129

GULFPORT, MISSISSIPPI 39502

MICHAEL E. GUEL, CPA, CVA, PFS, CFP®, CFE  
SANDE W. HENTGES, CPA, CFE

CHRIS TAYLOR, CPA  
CHARLENE KERKOW, CPA

MEMBERS  
AMERICAN INSTITUTE OF CPAS  
MISSISSIPPI SOCIETY OF CPAS

TELEPHONE (228) 863-6501 FAX  
NUMBER (228) 863-6544  
EMAIL: OFFICE@WWHGCPA.COM

## INDEPENDENT AUDITORS' REPORT

March 13, 2019

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, 2018, 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.

### ***Auditors' 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 Auditors' 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, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11-18, budgetary comparison information on pages 55-56 and the schedule of changes in the City's net pension and related ratios schedule on pages 57-59 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 combining and individual non-major fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures 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 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 93. 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 13, 2019, 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 13, 2019, 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 Heth # 1





**MANAGEMENT'S DISCUSSION AND ANALYSIS**





**CITY OF D'IBERVILLE, MISSISSIPPI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**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, 2018. 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, 2018, by \$48,960,173.
- Net position of the City's governmental activities increased by 12 percent, from \$24 million to nearly \$27 million. *Unrestricted* net position changed from a \$17 million deficit at September 30, 2017, to a \$21 million deficit at the end of this year. *Unrestricted net* position reflects the component of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements.

The \$20,801,505 deficit in unrestricted governmental net position can largely be explained by the City's unfunded net pension liability of \$14,211,211.

- The total net position increased by \$3,161,731. Of this amount an increase of \$2,916,345 was associated with governmental activities and an increase of \$245,386 with business-type activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$6,992,198, a decrease of \$846,693 in comparison with the prior year's fund balance of \$7,838,891.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,858,045 or 12.9% of total general fund expenditures.

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**CITY OF D'IBERVILLE, MISSISSIPPI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City'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.

*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.

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

*Fund Financial Statements*

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

**CITY OF D'IBERVILLE, MISSISSIPPI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**Overview of the Financial Statements (Continued)**

- **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.

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 21-24 of this report.

- **Proprietary Fund**

The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains two enterprise funds. Information is presented in the proprietary statement of net 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 25-27 of this report.

**Notes to the Financial Statements**

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

**Other Information**

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



**CITY OF D'IBERVILLE, MISSISSIPPI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**Government-wide Condensed Data Financial Analysis**

**Condensed Statement of Net Position  
September 30, 2018 and 2017**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>Assets</b>						
Current and other assets	\$ 14,011,327	\$ 14,070,581	\$ 5,192,487	\$ 4,802,936	\$ 19,203,814	\$ 18,873,517
Noncurrent assets	65,054,295	62,058,448	24,025,081	24,612,567	89,079,376	86,671,015
Total assets	<u>79,065,622</u>	<u>76,129,029</u>	<u>29,217,568</u>	<u>29,415,503</u>	<u>108,283,190</u>	<u>105,544,532</u>
<b>Deferred Outflows</b>						
Deferred amount on refunding	45,538	52,284	361,145	391,880	406,683	444,164
Deferred amount on pensions	1,506,665	2,131,636	186,218	263,461	1,692,883	2,395,097
Total deferred outflows	<u>1,552,203</u>	<u>2,183,920</u>	<u>547,363</u>	<u>655,341</u>	<u>2,099,566</u>	<u>2,839,261</u>
<b>Liabilities</b>						
Other liabilities	5,114,615	4,094,535	1,415,959	1,420,300	6,530,574	5,514,835
Long-term liabilities	43,780,004	45,387,358	6,286,345	6,832,132	50,066,349	52,219,490
Total liabilities	<u>48,894,619</u>	<u>49,481,893</u>	<u>7,702,304</u>	<u>8,252,432</u>	<u>56,596,923</u>	<u>57,734,325</u>
<b>Deferred Inflows</b>						
Deferred property tax revenue	4,306,912	4,321,631	-	-	4,306,912	4,321,631
Deferred amount on pensions	461,686	471,160	57,062	58,233	518,748	529,393
Total deferred inflows	<u>4,768,598</u>	<u>4,792,791</u>	<u>57,062</u>	<u>58,233</u>	<u>4,825,660</u>	<u>4,851,024</u>
<b>Net position</b>						
Net investment in capital assets	47,312,931	40,595,730	19,264,305	18,949,964	66,577,236	59,545,694
Restricted - nonspendable	56,071	72,803	3,445	2,289	59,516	75,092
Restricted						
General government	45,097	37,446	-	-	45,097	37,446
Public safety	342,014	78,599	-	-	342,014	78,599
Unrestricted	(20,801,505)	(16,746,315)	2,737,815	2,807,926	(18,063,690)	(13,938,389)
Total net position	<u>\$ 26,954,608</u>	<u>\$ 24,038,263</u>	<u>\$ 22,005,565</u>	<u>\$ 21,760,179</u>	<u>\$ 48,960,173</u>	<u>\$ 45,798,442</u>

**CITY OF D'IBERVILLE, MISSISSIPPI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**Government-wide Condensed Data Financial Analysis (Continued)**

Condensed Statement of Net Position  
For the Years Ended September 30, 2018 and 2017

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 1,701,561	\$ 1,610,077	\$ 4,079,142	\$ 4,142,199	\$ 5,780,703	\$ 5,752,276
Operating grants	581,049	422,380	-	-	581,049	422,380
Capital grants	3,397,310	880,117	18,416	322,894	3,415,726	1,203,011
Total program revenues	<u>5,679,920</u>	<u>2,912,574</u>	<u>4,097,558</u>	<u>4,465,093</u>	<u>9,777,478</u>	<u>7,377,667</u>
General revenues						
Property taxes	4,391,570	4,268,682	1,616	1,537	4,393,186	4,270,219
Sales taxes	7,696,612	7,365,967	-	-	7,696,612	7,365,967
Franchise taxes	557,077	459,140	-	-	557,077	459,140
Other	2,495,304	2,190,667	6,195	3,432	2,501,499	2,194,099
Total general revenues	<u>15,140,563</u>	<u>14,284,456</u>	<u>7,811</u>	<u>4,969</u>	<u>15,148,374</u>	<u>14,289,425</u>
Total revenues	<u>20,820,483</u>	<u>17,197,030</u>	<u>4,105,369</u>	<u>4,470,062</u>	<u>24,925,852</u>	<u>21,667,092</u>
<b>Program expenditures</b>						
General government	4,206,963	2,294,228	-	-	4,206,963	2,294,228
Public safety	7,691,727	5,836,069	-	-	7,691,727	5,836,069
Public works	3,603,483	3,752,304	-	-	3,603,483	3,752,304
Economic development	100,000	5,011,319	-	-	100,000	5,011,319
Culture and recreation	714,908	1,865,884	-	-	714,908	1,865,884
Interest	1,587,057	1,890,499	-	-	1,587,057	1,890,499
Waterfront Development	-	-	196,648	177,710	196,648	177,710
Water and sewer	-	-	3,663,335	3,487,286	3,663,335	3,487,286
Total program expenditures	<u>17,904,138</u>	<u>20,650,303</u>	<u>3,859,983</u>	<u>3,664,996</u>	<u>21,764,121</u>	<u>24,315,299</u>
Change in net position before transfers	2,916,345	(3,453,273)	245,386	805,066	3,161,731	(2,648,207)
Transfers	-	(1,591,305)	-	1,591,305	-	-
Change in net position	<u>2,916,345</u>	<u>(5,044,578)</u>	<u>245,386</u>	<u>2,396,371</u>	<u>3,161,731</u>	<u>(2,648,207)</u>
Beginning net position	24,038,263	29,959,632	21,760,179	19,363,808	45,798,442	49,323,440
Prior period adjustments	-	(876,791)	-	-	-	(876,791)
Beginning net position, restated	<u>24,038,263</u>	<u>29,082,841</u>	<u>21,760,179</u>	<u>19,363,808</u>	<u>45,798,442</u>	<u>48,446,649</u>
Ending net position	<u>\$ 26,954,608</u>	<u>\$ 24,038,263</u>	<u>\$ 22,005,565</u>	<u>\$ 21,760,179</u>	<u>\$ 48,960,173</u>	<u>\$ 45,798,442</u>

At September 30, 2018 and 2017 the City's assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources by \$48,960,173, and \$45,798,442 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 2018 by \$7,031,542 to \$66,577,236. 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.



**CITY OF D'IBERVILLE, MISSISSIPPI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**Government-wide Condensed Data Financial Analysis (Continued)**

Restricted net position, representing resources that are subject to externally imposed restrictions, comprised .91% of total net position, as compared to .42% in the prior year. The remaining negative balance in the governmental activities represented unrestricted net position of \$20,801,505. 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 \$2,737,815 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 \$6,992,198, a decrease of \$846,693 in comparison with the prior year. 26% or \$1,786,669 of this combined total is unassigned, while \$3,248,993 is restricted for capital projects, \$1,855,465 is restricted for debt service, \$45,000 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 2018, the general fund's unassigned fund balance represents 12.9% of total general fund expenditures.

- **Racetrack Road Redevelopment Fund**

This fund is used by the City to account for funds received by the City from the Tax Increment Financing Limited Obligation Bonds for the Racetrack Road Redevelopment Project. This project is for equipment and infrastructure improvements necessary for the construction and continued operation of the casino around Racetrack Road.

- **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 \$427,052 from the general fund represent the portion of the project costs that is the City's match.



**CITY OF D'IBERVILLE, MISSISSIPPI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**Financial Analysis of the Government's Funds (Continued)**

*Proprietary Funds*

The Water & Sewer fund had an increase in net position totaling \$422,413 at the end of FY2018 and the Waterfront Development fund had a decrease of \$177,027 for the year resulting in a net increase in proprietary funds of \$245,386 for the year ended September 30, 2018.

**Budget Variances in the General Fund**

Amendments to the original budget increased total appropriations by \$959,948 and were a result of an increase in personnel services in public safety and public works as well as increases in capital outlay in general government and culture and recreation during the 2018 fiscal year; however actual expenditures were still under budget by \$859,401 at year end, as a result of a conservative fiscal management plan. Refer to the budgetary comparison schedule for the General Fund on page 55 in the RSI section of the annual report.

**Capital Asset and Long-Term Debt Activity**

*Capital Asset Activity*

At September 30, 2018, the City reported \$65,054,295 in net capital assets for governmental activities and \$24,025,080 in capital assets for business-type activities. Additional information on the City's capital assets can be found in Note 5: Capital Assets on pages 38-40 of this report.

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

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Land	\$ 15,818,957	\$ 15,604,919	\$ 465,207	\$ 465,207	\$ 16,284,164	\$ 16,070,126
Buildings & Improvements	23,938,809	15,721,344	1,845,555	1,971,561	25,784,364	17,692,905
Machinery & Equipment	2,204,249	2,620,808	243,099	279,055	2,447,348	2,899,863
Infrastructure & Systems	18,754,509	19,501,415	21,471,219	20,907,990	40,225,728	40,409,405
Construction in progress	4,337,771	8,609,962	-	988,754	4,337,771	9,598,716
Total	<u>\$ 65,054,295</u>	<u>\$ 62,058,448</u>	<u>\$ 24,025,080</u>	<u>\$ 24,612,567</u>	<u>\$ 89,079,375</u>	<u>\$ 86,671,015</u>

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**CITY OF D'IBERVILLE, MISSISSIPPI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**Capital Asset and Long-Term Debt Activity (Continued)**

*Long-Term Debt Activity*

At the end of the current fiscal year, the City had \$36,881,730 in outstanding debt principal excluding bond discounts, premiums, compensated absences and net pension liability. Additional information on the City long-term debt can be found in Note 6: Long-Term Debt on pages 40-45 of this report.

**City of D'Iberville's Outstanding Debt Principal**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Tax Increment Bonds	\$ 24,065,000	\$ 25,640,000	\$ -	\$ -	\$ 24,065,000	\$ 25,640,000
Revenue Bonds	-	-	4,405,000	4,980,000	4,405,000	4,980,000
Certificates of Participation	1,980,000	2,145,000	-	-	1,980,000	2,145,000
General Obligation Bond	2,210,000	2,480,000	-	-	2,210,000	2,480,000
Special Obligation Bond	3,025,000	3,195,000	-	-	3,025,000	3,195,000
Notes Payable	-	-	650,365	711,809	650,365	711,809
Leases Payable	<u>546,365</u>	<u>617,019</u>	<u>-</u>	<u>-</u>	<u>546,365</u>	<u>617,019</u>
Total	<u>\$ 31,826,365</u>	<u>\$ 34,077,019</u>	<u>\$ 5,055,365</u>	<u>\$ 5,691,809</u>	<u>\$ 36,881,730</u>	<u>\$ 39,768,828</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**





CITY OF D'IBERVILLE, MISSISSIPPI  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2018

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 3,912,947	\$ 3,561,666	\$ 7,474,613
Receivables			
Taxes receivable	5,743,176	-	5,743,176
Due from other governments	1,313,391	9,177	1,322,568
Accounts receivable, net of allowances for uncollectible	673,150	493,121	1,166,271
Prepaid items	56,071	3,445	59,516
Restricted cash and cash equivalents	2,312,592	1,125,078	3,437,670
Capital assets:			
Non-depreciable	20,156,728	465,207	20,621,935
Depreciable, net of accumulated depreciation	44,897,567	23,559,874	68,457,441
Total assets	<u>79,065,622</u>	<u>29,217,568</u>	<u>108,283,190</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount on refunding	45,538	361,145	406,683
Deferred amount on pension	1,506,655	186,218	1,692,883
Total deferred outflows of resources	<u>1,552,203</u>	<u>547,363</u>	<u>2,099,566</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	1,621,636	40,054	1,661,690
Accrued wages payable	256,866	27,265	284,131
Accrued interest	526,276	139,273	665,549
Unearned revenue	250,063	-	250,063
Long-term liabilities (due within one year)			
Bonds payable	2,120,000	590,000	2,710,000
Certificates of participation payable	170,000	-	170,000
Capital leases payable	72,413	-	72,413
Notes payable	-	45,739	45,739
Compensated absences	97,361	12,674	110,035
Payable from restricted assets:			
Customer deposits	-	560,954	560,954
Total current liabilities	<u>5,114,615</u>	<u>1,415,959</u>	<u>6,530,574</u>
Noncurrent liabilities:			
Long-term debt:			
Bonds payable	26,914,665	3,881,556	30,796,221
Certificates of participation payable	1,810,000	-	1,810,000
Capital leases payable	473,952	-	473,952
Notes payable	-	604,626	604,626
Compensated absences	370,176	43,721	413,897
Net pension liability	14,211,211	1,756,442	15,967,653
Total noncurrent liabilities	<u>43,780,004</u>	<u>6,286,345</u>	<u>50,066,349</u>
Total liabilities	<u>48,894,619</u>	<u>7,702,304</u>	<u>56,596,923</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred property tax revenue	4,306,912	-	4,306,912
Deferred amount on pension	461,686	57,062	518,748
Total deferred inflows of resources	<u>4,768,598</u>	<u>57,062</u>	<u>4,825,660</u>
<b>NET POSITION</b>			
Net investment in capital assets	47,312,931	19,264,305	66,577,236
Restricted - nonspendable	56,071	3,445	59,516
Restricted for:			
General government	45,097	-	45,097
Public safety	342,014	-	342,014
Unrestricted	(20,801,505)	2,737,815	(18,063,690)
TOTAL NET POSITION	<u>\$ 26,954,608</u>	<u>\$ 22,005,565</u>	<u>\$ 48,960,173</u>

CITY OF D'IBERVILLE, MISSISSIPPI  
STATEMENT OF ACTIVITIES  
FOR YEAR ENDED SEPTEMBER 30, 2018

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
<b>Governmental activities:</b>							
General government	\$ 4,206,963	\$ 1,017,196	\$ -	\$ -	\$ (3,189,767)	\$ -	\$ (3,189,767)
Public safety	7,691,727	684,365	581,049	-	(6,426,313)	-	(6,426,313)
Public works	3,603,483	-	-	3,397,310	(206,173)	-	(206,173)
Economic development	100,000	-	-	-	(100,000)	-	(100,000)
Culture and recreation	714,908	-	-	-	(714,908)	-	(714,908)
Interest and bond costs	1,587,057	-	-	-	(1,587,057)	-	(1,587,057)
Total governmental activities	17,904,138	1,701,561	581,049	3,397,310	(12,224,218)	-	(12,224,218)
<b>Business-type activities:</b>							
Water and sewer	3,663,335	4,077,937	-	-		414,602	414,602
Waterfront Development	196,648	1,205	-	18,416		(177,027)	(177,027)
Total business-type activities	3,859,983	4,079,142	-	18,416		237,575	237,575
<b>Total</b>	<b>\$ 21,764,121</b>	<b>\$ 5,780,703</b>	<b>\$ 581,049</b>	<b>\$ 3,415,726</b>		<b>237,575</b>	<b>(11,986,643)</b>
<b>General revenues:</b>							
Property taxes, general purpose					4,391,570	-	4,391,570
Property taxes, special purpose					-	1,616	1,616
Sales taxes					7,696,612	-	7,696,612
Franchise taxes					557,077	-	557,077
Grants and contributions not restricted					292,963	-	292,963
Gaming revenue					1,776,224	-	1,776,224
Interest earnings					108,830	6,195	115,025
Lease revenues					163,975	-	163,975
Other					153,312	-	153,312
Total general revenues					15,140,563	7,811	15,148,374
Change in net position					2,916,345	245,386	3,161,731
Net position-beginning					24,038,263	21,760,179	45,798,442
Net position-ending					\$ 26,954,608	\$ 22,005,565	\$ 48,960,173

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



**FUND FINANCIAL STATEMENTS**

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## EXHIBIT C

CITY OF D'IBERVILLE, MISSISSIPPI  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2018

	General Fund	Debt Service Fund	Non-major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,119,123	\$ -	\$ 793,824	\$ 3,912,947
Receivables, net, where applicable:				
Property taxes	4,337,495	-	-	4,337,495
Sales taxes	1,229,801	-	-	1,229,801
Franchise taxes	175,880	-	-	175,880
Due from other governments	267,408	-	1,045,983	1,313,391
Garbage fees	89,498	-	-	89,498
Court fines & fees	583,652	-	-	583,652
Due from other funds	57,919	-	-	57,919
Prepaid items	54,964	-	1,107	56,071
Restricted assets:				
Cash and cash equivalents	115,208	1,855,370	342,014	2,312,592
Total assets	<u>10,030,948</u>	<u>1,855,370</u>	<u>2,182,928</u>	<u>14,069,246</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	585,412	-	1,036,224	1,621,636
Accrued wages payable	256,866	-	-	256,866
Due to other funds	-	-	57,919	57,919
Unearned revenue	178,687	-	71,376	250,063
Total liabilities	<u>1,020,965</u>	<u>-</u>	<u>1,165,519</u>	<u>2,186,484</u>
Deferred inflows of resources:				
Deferred property tax revenue	4,306,912	-	-	4,306,912
Deferred court fine revenue	583,652	-	-	583,652
Total deferred inflows of resources	<u>4,890,564</u>	<u>-</u>	<u>-</u>	<u>4,890,564</u>
Fund balances:				
Nonspendable:				
Prepaid items	54,964	-	1,107	56,071
Restricted for:				
Unemployment	45,000	-	-	45,000
Debt service	95	1,855,370	-	1,855,465
Capital projects	2,161,315	-	1,087,678	3,248,993
Unassigned	1,858,045	-	(71,376)	1,786,669
Total fund balances	<u>4,119,419</u>	<u>1,855,370</u>	<u>1,017,409</u>	<u>6,992,198</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,030,948</u>	<u>\$ 1,855,370</u>	<u>\$ 2,182,928</u>	<u>\$ 14,069,246</u>



CITY OF D'IBERVILLE, MISSISSIPPI  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
 TO THE STATEMENT OF NET POSITION  
 SEPTEMBER 30, 2018

Total governmental funds balance (Exhibit C)		\$ 6,992,198
Amounts reported for governmental activities in the statement of net		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Governmental capital assets	85,605,523	
Less: accumulated depreciation	<u>(20,551,228)</u>	65,054,295
Premium on bonds issued are capitalized and amortized on the statement of net position		(404,118)
Discount on bonds issued are deferred and amortized on the statement of net position		669,453
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		(31,826,365)
Compensated absences		(467,537)
Net pension liability		(14,211,211)
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds		583,652
Accrued interest is not due and payable in the current period and, therefore, is not reported in the governmental funds		(526,276)
Deferred outflows and inflows of resources related to long-term liabilities are applicable to future periods and, therefore, are not reported in the governmental funds:		
Pension		1,044,979
Advance bond refunding		45,538
Net position of governmental activities (Exhibit A)		<u>\$ 26,954,608</u>

## EXHIBIT D

CITY OF D'IBERVILLE, MISSISSIPPI  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	General Fund	Debt Service Fund	Non-major Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Property taxes	\$ 4,391,570	\$ -	\$ -	\$ 4,391,570
Sales tax	7,696,612	-	-	7,696,612
Franchise taxes	557,077	-	-	557,077
Gaming fees and taxes	1,776,224	-	-	1,776,224
Licenses and permits	375,789	-	-	375,789
Intergovernmental	922,229	-	2,959,263	3,881,492
Charges for services	622,800	-	-	622,800
Fines and fees	644,178	-	314,929	959,107
Interest income	87,434	19,895	1,499	108,828
Lease revenue	171,925	-	-	171,925
Miscellaneous	211,146	-	-	211,146
Total revenues	17,456,984	19,895	3,275,691	20,752,570
<b>EXPENDITURES</b>				
Current:				
General government	3,722,330	-	-	3,722,330
Public safety	5,922,771	-	295,343	6,218,114
Public works	2,311,918	-	-	2,311,918
Economic development	-	-	100,000	100,000
Culture and recreation	495,110	-	-	495,110
Capital outlay	1,993,361	-	3,131,962	5,125,323
Debt service:				
Principal	-	2,250,654	-	2,250,654
Interest	-	1,406,051	-	1,406,051
Total expenditures	14,445,490	3,656,705	3,527,305	21,629,500
Excess (deficiency) of revenues over expenditures	3,011,494	(3,636,810)	(251,614)	(876,930)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	3,656,705	427,052	4,083,757
Transfers out	(4,031,197)	-	(52,560)	(4,083,757)
Proceeds from sale of assets	22,943	-	-	22,943
Insurance proceeds	7,294	-	-	7,294
Total other financing sources (uses)	(4,000,960)	3,656,705	374,492	30,237
Net change in fund balances	(989,466)	19,895	122,878	(846,693)
Fund balances--beginning	5,108,885	1,835,475	894,531	7,838,891
Fund balances--ending	\$ 4,119,419	\$ 1,855,370	\$ 1,017,409	\$ 6,992,198

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, 2018

Net change in fund balances - total governmental funds (Exhibit D) \$ (846,693)

Amounts reported for governmental activities in the statement of

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	5,125,323	
Depreciation	<u>(2,069,960)</u>	3,055,363

In the statement of activities, only the gain or loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the assets sold.

Net loss on sale/donation of capital assets		(59,516)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds

Net change in court fine revenues		60,617
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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 position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Repayment of principal		2,250,654
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The amortization of the discount and premium are treated as a reduction to expense on the statement of activities

		(3,283)
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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.

Change in net pension liability	(747,924)	
Change in compensated absences	347	
Change in accrued interest payable	(170,977)	
Change in deferred inflows and outflows of resources		
Deferred amount on refunding	(6,746)	
Deferred amounts on pension	<u>(615,497)</u>	<u>(1,540,797)</u>

Change in net position of governmental activities (Exhibit B)	\$	<u>2,916,345</u>
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**PROPRIETARY FUND FINANCIAL STATEMENTS**



CITY OF D'IBERVILLE, MISSISSIPPI  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2018

	Water & Sewer Fund	Waterfront Development Fund	Total
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 3,558,000	\$ 3,666	\$ 3,561,666
Accounts receivable, net	492,548	573	493,121
Due from other governments	-	9,177	9,177
Prepaid items	3,445	-	3,445
Restricted assets:			
Cash and cash equivalents	1,124,078	1,000	1,125,078
Total current assets	<u>5,178,071</u>	<u>14,416</u>	<u>5,192,487</u>
Noncurrent assets			
Capital assets:			
Nondepreciable	33,880	431,327	465,207
Depreciable, net of accumulated depreciation	<u>21,768,954</u>	<u>1,790,920</u>	<u>23,559,874</u>
Total noncurrent assets	<u>21,802,834</u>	<u>2,222,247</u>	<u>24,025,081</u>
Total assets	<u>26,980,905</u>	<u>2,236,663</u>	<u>29,217,568</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount on refunding	361,145	-	361,145
Deferred amount on pensions	186,218	-	186,218
Total deferred outflows of resources	<u>547,363</u>	<u>-</u>	<u>547,363</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	38,000	2,054	40,054
Accrued interest	139,273	-	139,273
Accrued wages payable	27,265	-	27,265
Long-term debt:			
Bonds payable	590,000	-	590,000
Notes payable	45,739	-	45,739
Compensated absences	12,674	-	12,674
Payable from restricted assets:			
Customer deposits	559,954	1,000	560,954
Total current liabilities	<u>1,412,905</u>	<u>3,054</u>	<u>1,415,959</u>
Noncurrent Liabilities			
Bonds payable	3,881,556	-	3,881,556
Notes payable	604,626	-	604,626
Compensated absences	43,721	-	43,721
Net pension liability	1,756,442	-	1,756,442
Total noncurrent liabilities	<u>6,286,345</u>	<u>-</u>	<u>6,286,345</u>
Total liabilities	<u>7,699,250</u>	<u>3,054</u>	<u>7,702,304</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred amount on pensions	57,062	-	57,062
<b>NET POSITION</b>			
Net investment in capital assets	17,042,058	2,222,247	19,264,305
Nonspendable	3,445	-	3,445
Unrestricted	2,726,453	11,362	2,737,815
Total net position	<u>\$ 19,771,956</u>	<u>\$ 2,233,609</u>	<u>\$ 22,005,565</u>



CITY OF D'IBERVILLE, MISSISSIPPI  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Water & Sewer Fund	Waterfront Development Fund	Total
<b>OPERATING REVENUES</b>			
Charges for services	\$ 4,077,937	\$ 1,205	\$ 4,079,142
Total operating revenues	<u>4,077,937</u>	<u>1,205</u>	<u>4,079,142</u>
<b>OPERATING EXPENSES</b>			
Personnel services	870,270	-	870,270
Pension expense	276,031	-	276,031
Professional fees	35,879	47,162	83,041
Contract services -water and sewer treatment	1,105,209	-	1,105,209
Office expenses and utilities	182,123	3,711	185,834
Repairs and maintenance	296,264	2,787	299,051
Other services and charges	147,739	18,416	166,155
Total operating expenses	<u>2,913,515</u>	<u>72,076</u>	<u>2,985,591</u>
Operating income (loss) before depreciation	1,164,422	(70,871)	1,093,551
Depreciation expense	<u>609,641</u>	<u>124,572</u>	<u>734,213</u>
Operating income (loss)	<u>554,781</u>	<u>(195,443)</u>	<u>359,338</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Property tax revenue	1,616	-	1,616
Interest income	6,195	-	6,195
Grant revenue	-	18,416	18,416
Interest expense	(140,179)	-	(140,179)
Total non-operating revenues (expenses)	<u>(132,368)</u>	<u>18,416</u>	<u>(113,952)</u>
Change in net position	422,413	(177,027)	245,386
Net position-beginning	19,349,543	2,410,636	21,760,179
Net position-ending	<u>\$ 19,771,956</u>	<u>\$ 2,233,609</u>	<u>\$ 22,005,565</u>

CITY OF D'IBERVILLE, MISSISSIPPI  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Water & Sewer Fund	Waterfront Development Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 4,173,110	\$ 3,195	\$ 4,176,305
Payments to employees	(988,330)	-	(988,330)
Payments to suppliers	(206,004)	(48,130)	(254,134)
Payments for other goods and services	(1,585,091)	(22,128)	(1,607,219)
Net cash from operating activities	<u>1,393,685</u>	<u>(67,063)</u>	<u>1,326,622</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Property taxes	1,616	-	1,616
Receipt of grant revenues	-	12,725	12,725
Net cash from non-capital financing activities	<u>1,616</u>	<u>12,725</u>	<u>14,341</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of capital assets	(146,726)	-	(146,726)
Bond principal payments	(636,444)	-	(636,444)
Interest and amortization expense	(108,726)	-	(108,726)
Net cash from capital and related financing activities	<u>(891,896)</u>	<u>-</u>	<u>(891,896)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	6,195	-	6,195
Net cash from investing activities	<u>6,195</u>	<u>-</u>	<u>6,195</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>509,600</u>	<u>(54,338)</u>	<u>455,262</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	<u>4,172,478</u>	<u>59,004</u>	<u>4,231,482</u>
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	<u><u>\$ 4,682,078</u></u>	<u><u>\$ 4,666</u></u>	<u><u>\$ 4,686,744</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 554,781	\$ (195,443)	\$ 359,338
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	609,641	124,572	734,213
(Increase) decrease in:			
Receivables	69,819	2,740	72,559
Prepaid items	(1,156)	-	(1,156)
Increase (decrease) in:			
Accounts payable	(22,725)	1,818	(20,907)
Accrued wages payable	(15,778)	-	(15,778)
Pension items	168,512	-	168,512
Compensated absences payable	5,237	-	5,237
Customer deposits	25,354	(750)	24,604
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u><u>\$ 1,393,685</u></u>	<u><u>\$ (67,063)</u></u>	<u><u>\$ 1,326,622</u></u>





NOTES TO THE FINANCIAL STATEMENTS



CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**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, 2018.

**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, 2018

**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.

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.

CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**(B) Fund Types and Major Funds**

**Governmental Funds**

The City reports the following major governmental 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.

*Capital Projects Fund* – The capital projects fund is used by the City to account for funds designated by law for capital projects (such as proceeds of any bond issue).

**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.

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.



CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(D) Reporting Changes and New Accounting Pronouncements for Future Implementation**

*Reporting Changes*

Effective for fiscal year 2018 reporting, the City adopted the following new standards issued by the Governmental Accounting Standards Board (GASB):

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement establishes standards of accounting and financial reporting for defined benefit other postemployment benefits (OPEB) and defined contribution OPEB that are provided to the employees of state and local government employers.

Statement No. 81, *Irrevocable Split-Interest Agreements*. This statement establishes standards of accounting and financial reporting for irrevocable split-interest agreements in which a government is a beneficiary. When receiving resources pursuant to an irrevocable split-interest agreement, a government must recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement and to recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party.

Statement No. 85, *Omnibus 2017*. This statement addresses practice issues identified during implementation and application of certain GASB Statements. It addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)).

Statement No. 86, *Certain Debt Extinguishment Issues*. This statement establishes accounting and financial reporting for transactions in which cash and other monetary assets acquired with only existing resources, resources other than the proceeds of refunding debt, are placed in an irrevocable trust for the sole purpose of extinguishing debt. It also provides guidance relating to prepaid insurance on debt that is extinguished.

*New Accounting Pronouncements for Future Implementation*

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. The provisions of GASB 83 are effective for financial statements for fiscal years beginning after June 15, 2018. The requirements of this Statement will enhance comparability of financial statements by establishing uniform criteria for governments to recognize and measure certain asset retirement obligations (ARO's), including obligations that may not have been previously reported. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring disclosures related to those ARO's.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The provisions of GASB 84 are effective for fiscal years beginning after December 15, 2018. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities.



CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

In June 2017, the GASB issued Statement No. 87, *Leases*. The provisions of GASB 87 are effective for financial statements for fiscal years beginning after December 15, 2019. The requirements of this Statement establish a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement will enhance the relevance and consistency of information about a governments' leasing activities, as well as, the decision-usefulness of the information provided to financial statement users by requiring notes to the financial statements related to the timing, significance, and purpose of a government's leasing arrangements.

In March 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This statement will improve the information that is disclosed in notes of governmental financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The requirements of this statement are effective for reporting periods beginning after June 15, 2018.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This statement will enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and will simplify accounting for interest cost incurred before the end of a construction period. The requirements of this statement are effective for reporting periods beginning after December 15, 2019.

The City is assessing the impact that the new GASB pronouncements will have on the City's financial statements.

**(E) Comparative Data and Reclassifications**

Comparative data for the prior year has been presented in certain sections of the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. Also, certain amounts presented in the prior year have been reclassified in order to be consistent with the current year's presentation.

**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.

**(B) Interfund Transactions**

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."

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CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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 2016 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.

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

Buildings and improvements	20-40 years
Infrastructure	20-50 years
Heavy equipment	10 years
Furniture and fixtures	7 years
Vehicles and equipment	5 years
Computer equipment and peripherals	3 years

CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(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, 2018.

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 outflow of resources (expense/expenditure) until then. As of September 30, 2018, the City reported deferred outflows pertaining to pensions of \$1,692,883 and deferred outflows on advance refunding in the amount of \$406,683.

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, 2018, the City reported deferred inflows pertaining to pensions of \$518,748 and deferred property tax revenue of \$4,306,912.



CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(H) Postemployment Benefits Other than Pensions (OPEB)**

*COBRA*

In compliance with federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the state offers health and dental benefits on a temporary basis to qualified beneficiaries whose benefit coverage would otherwise end because of a qualifying event such as loss of employment. COBRA coverage is available on a self-paid basis and is the same medical and dental coverage available to state employees.

*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.

**(I) Fund Balances**

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

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.

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.

CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(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.

**NOTE 2: CASH**

A summary of cash (including restricted deposits) as of September 30, 2018, is as follows:

	Unrestricted	Restricted	Total
<b>Governmental activities:</b>			
General fund	\$ 3,119,123	\$ 115,208	\$ 3,234,331
Debt Service Fund	-	1,855,370	1,855,370
Non-major funds	793,824	342,014	1,135,838
	<u>3,912,947</u>	<u>2,312,592</u>	<u>6,225,539</u>
<b>Business-type activities:</b>			
Water & Sewer fund	3,558,000	1,124,078	4,682,078
Waterfront development fund	3,666	1,000	4,666
	<u>3,561,666</u>	<u>1,125,078</u>	<u>4,686,744</u>
	<u>\$ 7,474,613</u>	<u>\$ 3,437,670</u>	<u>\$ 10,912,283</u>

The carrying amount of the City's total deposits with financial institutions at September 30, 2018, was \$10,912,281 and the bank balance was \$11,387,843. The \$3,437,670 restricted amount is composed of: \$45,000 for unemployment; \$342,014 for public safety purchases; \$70,111 unspent loan proceeds; \$2,449,591 for debt service reserves; and customer deposits for \$530,954.

**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 Mississippi State Legislature and is governed by §27-105-5 of the Mississippi Code of 1972, Annotated. 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.



CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 3: RECEIVABLES**

**(A) Due from other governments**

The City reported the following amounts as due from other governments as of September 30, 2018:

	Governmental Activities			Business-Type	Total
	General	Non-major	Total	Waterfront	Government-
	Fund	Funds	Governmental	Dev. Fund	Wide
Harrison County - SRO	\$ 55,825	\$ -	\$ 55,825	\$ -	\$ 55,825
State of Mississippi - Gaming	199,493	-	199,493	-	199,493
State of Mississippi - MDOT	-	38,921	38,921	-	38,921
State of Mississippi - CDBG	-	988,064	988,064	9,177	997,241
Other Public Safety Grants	12,090	18,998	31,088	-	31,088
Total due from other governments	\$ 267,408	\$ 1,045,983	\$ 1,313,391	\$ 9,177	\$ 1,322,568

**(B) Business-type Accounts Receivable**

Customer receivables consist of the following at September 30, 2018:

	Governmental activities		Business-type activities		
	Court	Garbage	Water &	Waterfront	
	Fines	Collections	Sewer	Development	Total
	Fund	Fund	Fund	Fund	
Charges billed but uncollected	\$ 3,891,009	\$ 113,605	\$ 1,132,827	\$ 13,449	\$ 5,150,890
Charges accrued but unbilled at year end	-	36,342	150,173	-	186,515
Less: Allowance for uncollectible accounts	(3,307,357)	(60,449)	(790,452)	(12,876)	(4,171,134)
Total accounts receivable	\$ 583,652	\$ 89,498	\$ 492,548	\$ 573	\$ 1,166,271

**NOTE 4: INTERFUND ASSETS/LIABILITIES**

**(A) Interfund Transfers**

The following transfers were made between funds during the year ended September 30, 2018:

Transfers From	Transfers To	Amount
General	CDBGfund	\$ 370,694
General	Bulletproof Vest fund	3,657
General	DUI Grant fund	29,357
General	JAG Grant fund	23,344
General	Debt Service fund	3,604,145
Municipal Fire Rebate fund	Debt Service fund	52,560
Total		\$ 4,083,757

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 \$4,031,197 of transfers from the general fund was primarily transferred to the debt service fund for principal and interest payments and transfers to capital projects for road improvements. The general fund also made transfers to the non-major funds for the City's match requirements for certain federal and state grants. The Municipal Fire Rebate Fund transferred a net \$52,560 to the debt service fund to reimburse these funds for capital expenditures incurred.



CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 4: INTERFUND ASSETS/LIABILITIES (Continued)**

**(B) Due To/From Other Funds/Advances**

Receivable Fund	Payable Fund	Amount
General	Bulletproof Vest Fund	\$ 2,269
General	DUI Grant Fund	8,555
General	JAG Grant Fund	8,174
General	MDOT Sangani Utilities Fund	38,921
Total		<u>\$ 57,919</u>

**NOTE 5: CAPITAL ASSETS**

Capital asset activity governmental activities for the year ended September 30, 2018, is as follows:

	Balance October 1	Additions	Disposals/ Adjustments	Balance September 30
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 15,604,919	\$ 214,038	\$ -	\$ 15,818,957
Construction in progress	8,609,962	4,028,076	(8,300,267)	4,337,771
Total capital assets not being depreciated	<u>24,214,881</u>	<u>4,242,114</u>	<u>(8,300,267)</u>	<u>20,156,728</u>
Capital assets being depreciated:				
Buildings	14,148,442	608,182	(50,500)	14,706,124
Machinery and equipment	2,524,414	150,300	(25,077)	2,649,637
Improvements other than Buildings	7,662,508	-	8,300,267	15,962,775
Infrastructure	26,647,132	46,931	-	26,694,063
Vehicles	4,724,071	77,796	(118,889)	4,682,978
Leased Property under capital leases	753,218	-	-	753,218
Total capital assets being depreciated	<u>56,459,785</u>	<u>883,209</u>	<u>8,105,801</u>	<u>65,448,795</u>
Less accumulated depreciation:				
Buildings	1,673,697	286,929	(5,303)	1,955,323
Machinery and equipment	1,883,079	160,170	(22,658)	2,020,591
Improvements other than Buildings	4,415,909	358,858	-	4,774,767
Infrastructure	7,145,717	793,837	-	7,939,554
Vehicles	3,204,061	334,587	(106,989)	3,431,659
Leased property under capital leases	293,755	135,579	-	429,334
Total accumulated depreciation	<u>18,616,218</u>	<u>2,069,960</u>	<u>(134,950)</u>	<u>20,551,228</u>
Total capital assets being depreciated, net	<u>37,843,567</u>	<u>(1,186,751)</u>	<u>8,240,751</u>	<u>44,897,567</u>
Governmental activities capital assets, net	<u>\$ 62,058,448</u>	<u>\$ 3,055,363</u>	<u>\$ (59,516)</u>	<u>\$ 65,054,295</u>

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

<b>Governmental activities:</b>	
General government	\$ 214,131
Public safety	562,108
Public works	1,128,461
Culture and recreation	165,260
Total	<u>\$ 2,069,960</u>

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CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 5: CAPITAL ASSETS (Continued)**

Capital asset activity business-type activities for the year ended September 30, 2018, is as follows:

	Balance October 1	Additions	Disposals/ Adjustments	Balance September 30
<u>Business - type activities:</u>				
Capital assets not being depreciated:				
Land	\$ 465,207	\$ -	\$ -	\$ 465,207
Construction in progress	988,754	118,391	(1,107,145)	-
Total capital assets not being depreciated	1,453,961	118,391	(1,107,145)	465,207
Capital assets being depreciated:				
Buildings	343,942	-	-	343,942
Machinery and equipment	308,146	28,335	-	336,481
Water, sewer and gas systems	31,526,585	1,107,145	-	32,633,730
Boat slips and piers	3,303,162	-	-	3,303,162
Vehicles	252,997	-	-	252,997
Total capital assets being depreciated	35,734,832	1,135,480	-	36,870,312
Less accumulated depreciation:				
Buildings	121,560	5,382	-	126,942
Machinery and equipment	168,763	28,630	-	197,393
Water, sewer and gas systems	10,618,595	543,916	-	11,162,511
Boat slips and piers	1,553,983	120,624	-	1,674,607
Vehicles	113,325	35,661	-	148,986
Total accumulated depreciation	12,576,226	734,213	-	13,310,439
Total capital assets being depreciated, net	23,158,606	401,267	-	23,559,873
Business-type activities capital assets, net	\$ 24,612,567	\$ 519,658	\$ (1,107,145)	\$ 24,025,080

Depreciation expense was charged to functions/programs of the business-type activities as follows:

Utility Fund	\$ 609,641
Waterfront Development Fund	124,572
Total business-type activities depreciation expense	<u>\$ 734,213</u>



CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 5: CAPITAL ASSETS (Continued)**

Construction work in progress for the governmental and business-type activities of the City is composed of the following:

Project	Money Spent to Date	Remaining Commitment
<b>Governmental Activities:</b>		
Police station	\$ 140,620	\$ 212,880
Concession stand design	24,300	7,200
Road improvements	<u>4,172,851</u>	<u>2,958,802</u>
	<u>4,337,771</u>	<u>3,178,882</u>
<b>Business-type Activities</b>		
Mariana repairs	-	197,555
Fountain Pier repairs	-	<u>53,828</u>
	-	<u>251,383</u>
<b>Total Commitments</b>	<u><b>\$4,337,771</b></u>	<u><b>\$ 3,430,265</b></u>

**NOTE 6: LONG-TERM DEBT**

*Governmental Activities –*

Transactions for the year ended September 30, 2018 for the governmental activities are summarized as follows:

Governmental Activities	Payable at October 1	Additions	Reductions	Payable at September 30	Due in one year
<b>Long-term debt:</b>					
General obligation bonds	\$ 2,480,000	\$ -	\$ 270,000	\$ 2,210,000	\$ 285,000
Special obligation bonds	3,195,000	-	170,000	3,025,000	175,000
Limited obligation bonds	25,640,000	-	1,575,000	24,065,000	1,660,000
Certificates of participation	2,145,000	-	165,000	1,980,000	170,000
Capital leases payable	617,019	-	70,654	546,365	72,413
Total long-term debt principal	<u>34,077,019</u>	-	<u>2,250,654</u>	<u>31,826,365</u>	<u>2,362,413</u>
Less: bond discount	705,731	-	36,278	669,453	-
Add: bond premium	<u>437,113</u>	-	<u>32,995</u>	<u>404,118</u>	-
Total long-term debt	<u>33,808,401</u>	-	<u>2,247,371</u>	<u>31,561,030</u>	<u>2,362,413</u>
<b>Other liabilities:</b>					
Compensated absences	467,884	420,948	421,295	467,537	97,361
Net pension liability (beg. restated)	<u>13,463,287</u>	<u>747,924</u>	-	<u>14,211,211</u>	-
Total governmental activities	<u><b>\$ 47,739,572</b></u>	<u><b>\$ 1,168,872</b></u>	<u><b>\$ 2,668,666</b></u>	<u><b>\$ 46,239,778</b></u>	<u><b>\$ 2,459,774</b></u>

**General Obligation Bonds – Advance Refunding**

In June 2016, the City issued \$2,480,000 of General Obligation Public Improvement Refunding Bonds, Series 2016, with an average interest rate of 2.5%. The net proceeds of \$2,490,916 (after issuance costs of \$52,572, plus premium of \$86,289) were used to advance refund the General Obligation Public Improvement Bonds, Series 2009, with a total principal amount of \$2,455,000 with interest rates from 3.0% to 3.6%.



CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 6: LONG-TERM DEBT (Continued)**

*Governmental Activities –*

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

Year Ending	Principal	Interest	Total
2019	\$ 285,000	\$ 49,938	\$ 334,938
2020	290,000	42,750	332,750
2021	305,000	35,313	340,313
2022	320,000	27,500	347,500
2023	325,000	19,438	344,438
2024-2025	685,000	14,688	699,688
	<u>\$ 2,210,000</u>	<u>\$ 189,627</u>	<u>\$ 2,399,627</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
2019	\$ 175,000	\$ 144,094	\$ 319,094
2020	185,000	137,094	322,094
2021	190,000	129,694	319,694
2022	200,000	122,094	322,094
2023	205,000	113,594	318,594
2024-2028	1,190,000	413,508	1,603,508
2029-2031	880,000	94,776	974,776
	<u>\$ 3,025,000</u>	<u>\$ 1,154,854</u>	<u>\$ 4,179,854</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.

Tax increment financing bonds currently outstanding are as follows:

	Interest Rates	Amount
TIF Bond 1999	4.5 - 6.25%	\$ 120,000
TIF Bond 2004	4.84%	600,000
TIF Bond 2008	4.76%	1,215,000
TIF Bond 2013	2.0 - 4.75%	9,535,000
TIF Bond 2015	3.95%	2,080,000
TIF Bond 2017A	5.00%	6,470,000
TIF Bond 2017B	4.75 - 5.0%	4,045,000
		<u>\$ 24,065,000</u>

CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 6: LONG-TERM DEBT (Continued)**

*Governmental Activities –*

The original amount of TIF bonds issued from April 1999 to December 2013 was \$19,020,000. The City's outstanding balance for these bonds was \$11,470,000 as of September 30, 2018.

On March 2, 2016, the City issued \$2,400,000 in TIF limited obligation refunding bonds, Series 2016 for the Academy Sports Project. These bonds have an average interest rate of 3.95% with principal maturing March 2031.

On June 13, 2017, the City issued \$10,820,000 in TIF limited obligation refunding bonds, Series 2017A and Series 2017B for the Racetrack Road Redevelopment Project. Series 2017A has an interest rate of 5% and Series 2017B has a variable interest rate of 4.75% to 5%. Series 2017A has principal maturing May 2037 and Series 2017B has principal maturing May 2028. In addition, the City is required to maintain a Debt Service Reserve Fund in the amount of \$871,250 for the duration of these bonds. This amount is reflected in reserved cash and cash equivalents.

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 activity's column of the Statement of Net Position.

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

Year Ending	Principal	Interest	Total
2019	\$ 1,660,000	\$ 1,122,624	\$ 2,782,624
2020	1,600,000	1,055,623	2,655,623
2021	1,340,000	990,056	2,330,056
2022	1,385,000	936,680	2,321,680
2023	1,440,000	880,697	2,320,697
2024-2028	6,650,000	3,440,814	10,090,814
2029-2033	6,910,000	1,787,541	8,697,541
2034-2037	3,080,000	394,250	3,474,250
	<u>\$ 24,065,000</u>	<u>\$ 10,608,285</u>	<u>\$ 34,673,285</u>

Certificates of Participation

In accordance with §31-8-1 et seq. of the Mississippi Code of 1972, Annotated), 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, 2018

**NOTE 6: LONG-TERM DEBT (Continued)**

*Governmental Activities –*

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

Year Ending	Principal	Interest	Total
2019	\$ 170,000	\$ 62,766	\$ 232,766
2020	175,000	57,377	232,377
2021	185,000	51,830	236,830
2022	190,000	45,965	235,965
2023	195,000	39,942	234,942
2024-2028	1,065,000	103,344	1,168,344
	<u>\$ 1,980,000</u>	<u>\$ 361,224</u>	<u>\$ 2,341,224</u>

Capital Leases Payable

In August 2016, the City entered into a lease agreement with Hancock Bank for the purchase of two pumper fire trucks 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
2019	\$ 72,413	\$ 13,604	\$ 86,017
2020	74,216	11,801	86,017
2021	76,064	9,953	86,017
2022	77,958	8,059	86,017
2023	79,899	6,118	86,017
2024-2025	165,815	6,219	172,034
	<u>\$ 546,365</u>	<u>\$ 55,754</u>	<u>\$ 602,119</u>

*Business-type Activities –*

Transactions for the year ended September 30, 2018 for the business-type activities are summarized as follows:

Business-type Activities	Payable at October 1	Additions	Reductions	Payable at September 30	Due in one year
Long-term debt:					
Revenue refunding bonds	\$ 4,980,000	\$ -	\$ 575,000	\$ 4,405,000	\$ 590,000
Notes payable	711,809	-	61,444	650,365	45,739
Total long-term debt principal	5,691,809	-	636,444	5,055,365	635,739
Add: bond premium	72,216	-	5,660	66,556	-
Total long-term debt	5,764,025	-	642,104	5,121,921	635,739
Other liabilities:					
Compensated absences	51,158	58,674	53,437	56,395	12,674
Net pension liability	1,664,002	92,440	-	1,756,442	-
Total business-type activities	<u>\$ 7,479,185</u>	<u>\$ 151,114</u>	<u>\$ 695,541</u>	<u>\$ 6,934,758</u>	<u>\$ 648,413</u>



CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 6: LONG-TERM DEBT (Continued)**

*Business-type Activities –*

Revenue Refunding Bonds – Advance Refunding

In July 2016, the City issued \$5,545,000 of Combined Water and Sewer System Revenue Refunding Bonds, Series 2016, with a varying interest rate of 2.0% to 2.5%. The net proceeds of \$5,610,192 (after issuance costs of \$115,128, plus premium of \$79,298) were used to advance refund the Mississippi Development Bank Water and Sewer Special Obligation Bonds, Series 2010 and Series 2011, with a total principal amount of \$5,180,000 with interest rates from 2.0% to 5.25%. In addition, the City is required to maintain a Debt Service Reserve Fund in the amount of \$554,500 for the duration of these bonds. This amount is reflected in reserved cash and cash equivalents.

Annual debt service requirements to maturity for the revenue refunding bond are as follows:

Year Ending	Principal	Interest	Total
2019	\$ 590,000	\$ 90,862	\$ 680,862
2020	600,000	79,063	679,063
2021	615,000	67,062	682,062
2022	620,000	54,763	674,763
2023	635,000	42,362	677,362
2024-2028	935,000	111,138	1,046,138
2029-2030	410,000	15,250	425,250
	<u>\$ 4,405,000</u>	<u>\$ 460,500</u>	<u>\$ 4,865,500</u>

Notes Payable

*State Revolving Loans*

The City is currently participating in the State Revolving Loan Program to provide funds for water and sewer system upgrades and improvements. These loans are granted with a 20-year maturity with equal amounts of principal maturing each year. The interest rates on these loans vary from 0% to 4.5%. These loans are reflected in the Business-Type Activities column of the Statement of Net 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, 2018

**NOTE 6: LONG-TERM DEBT (Continued)**

*Business-type Activities –*

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

Year Ending	Principal	Interest	Total
2019	\$ 45,739	\$ 6,052	\$ 51,791
2020	43,321	4,834	48,155
2021	20,339	4,108	24,447
2022	20,750	3,698	24,448
2023	21,169	3,279	24,448
2024-2028	112,427	9,810	122,237
2029-2032	386,620	110,782	497,402
	<u>\$ 650,365</u>	<u>\$ 142,563</u>	<u>\$ 792,928</u>

Compensated Absences

The City's policies relative to compensated absences and the method of computing accrued liabilities and reporting are discussed in Note 1 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 §25-11-1 et seq of the Mississippi Code of 1972, Annotated 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.

CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 7: RETIREMENT PLANS (Continued)**

**A - Defined Benefit Pension Plan**

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 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, 2018, 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, 2018, 2017 and 2016 were \$962,796, \$910,223, and \$848,531, 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, 2018, the City reported a liability of \$14,211,211 in the governmental activities and \$1,756,442 in the business-type activities for a total of \$15,967,653 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, 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, 2017, the City's proportion was .096 percent. For the year ended September 30, 2018, the City recognized pension expense for governmental activities of \$2,233,340 and \$276,031 for business-type activities.

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CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 7: RETIREMENT PLANS (Continued)**

**A - Defined Benefit Pension Plan**

At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		
	Governmental Activities	Business-Type Activities	Total
Differences between expected and actual experience	\$ 62,301	\$ 7,700	\$ 70,001
Changes of assumptions	8,384	1,036	9,420
Changes in proportion and differences between City contributions and proportionate share on contributions	1,245,573	153,949	1,399,522
City's contributions subsequent to the measurement date	190,407	23,533	213,940
Total deferred outflows related to pensions	<u>\$ 1,506,665</u>	<u>\$ 186,218</u>	<u>\$ 1,692,883</u>

	Deferred Inflows of Resources		
	Governmental Activities	Business-Type Activities	Total
Differences between expected and actual experience	\$ 59,907	\$ 7,404	\$ 67,311
Net difference between projected and actual earnings on pension plan investments	282,500	34,916	317,416
Changes of assumptions	7,849	970	8,819
Changes in proportion and differences between City contributions and proportionate share on contributions	111,430	13,772	125,202
Total	<u>\$ 461,686</u>	<u>\$ 57,062</u>	<u>\$ 518,748</u>

Within the deferred outflows, \$213,940 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, 2018. Other amounts, netting to \$960,195, 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:	
2019	\$ 184,703
2020	679,825
2021	(17,926)
2022	113,593
	<u>\$ 960,195</u>

CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 7: RETIREMENT PLANS (Continued)**

**A - Defined Benefit Pension Plan**

*Actuarial assumptions*

The total pension liability in the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.75-18.50 percent, including inflation
Investment rate of return	7.75 percent, (net of pension plan investment expense, including inflation)

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 2022 with male rates set forward one year.

The actuarial assumptions used in the June 30, 2018, valuation was based on the results of an actuarial experience study for the four-year period ending June 30, 2016. The experience report is dated April 18, 2017.

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	27.00 %	4.60 %
International Equity	18.00	4.50
Emerging Markets Equity	4.00	4.75
Global	12.00	4.75
Fixed Income	18.00	0.75
Real Assets	10.00	3.50
Private Equity	8.00	5.10
Emerging Debt	2.00	2.25
Cash	1.00	0.00
Total	<u>100.00 %</u>	



CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 7: RETIREMENT PLANS (Continued)**

**A - Defined Benefit Pension Plan**

*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 (9.0%) and that employer contribution rate (15.75%) through June 30, 2019 and at the current contribution rate (17.4%) thereafter. 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	\$ 21,024,816	\$ 15,967,653	\$ 11,764,481

*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](http://www.pers.ms.gov).

**B - Deferred Compensation Plan**

The City, through VOYA, 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, 2018

**NOTE 8: 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 \$155,932 for the year ended September 30, 2018. 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 §49-17-701 of the Mississippi Code of 1972, Annotated 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 2018 financial statements. The following is a synopsis of the Authority's financial statements as of and for the year ended September 30, 2017, 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, 2018

**NOTE 8: RELATED PARTY COMMITMENTS (Continued)**

The following is a synopsis of the Authority's financial statements as of and for the year ended September 30, 2017:

<b>CONDENSED STATEMENT OF NET POSITION</b>	
<b><u>ASSETS AND DEFERRED OUTFLOWS</u></b>	
Current assets	\$ 8,832,283
Restricted assets	16,219,458
Capital assets, net	262,306,129
Deferred outflows	19,316,330
Total assets and deferred outflows	<u>306,674,200</u>
<b><u>LIABILITIES AND DEFERRED INFLOWS</u></b>	
Current liabilities	7,152,759
Current liabilities from restricted assets	8,663,278
Long-term liabilities	113,505,316
Deferred inflows	36,306
Total liabilities and deferred inflows	<u>129,357,659</u>
<b><u>NET POSITION</u></b>	
Invested in capital assets, net of related debt	164,345,220
Restricted	15,226,391
Unrestricted	(2,255,070)
Total net assets	<u>177,316,541</u>
Total liabilities, deferred outflows and net assets	<u>\$ 306,674,200</u>

<b>CONDENSED STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION</b>	
Operating revenue	\$ 20,247,285
Operating expenses	(20,898,517)
Depreciation and amortization	(14,661,657)
Nonoperating revenues, net	3,204,594
Change in net position	<u>\$ (12,108,295)</u>

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) includes a payable at year-end in the amount of \$9,559	\$ 590,757
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**Water and Sewer Enterprise Fund**

Statement of revenues, expenses and changes in net position:

Contracted services (wastewater treatment) which	\$ 1,076,235
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CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 9: COMMITMENTS AND CONTINGENCIES**

*Commitments*

**(A) Economic Development**

The City has the authority to enter into various agreements in an effort to promote economic development and re-development within the City. These agreements offer reductions in sales tax, property taxes, and business licensing fees.

The City derives authority for tax abatement under the Tax Increment Financing Act, §21-45-1 through §21-45-21 of the Mississippi Code of 1972, Annotated. Under these statutes, any municipality may enter into agreements with any developer whereby the developer will agree to construct, operate and maintain buildings or other facilities or improvements included within such projects as are provided in a redevelopment plan. In addition, §17-21-5 of the Mississippi Code of 1972, Annotated, allows cities to exempt any or all municipal ad valorem taxes, excluding school districts, to any privately owned new or improvements to structures within a designated business district, historic landmark/preservation district, urban renewal or redevelopment district. In 2013, the City adopted Ordinance No. 141 to address these tax abatements.

The City may agree to either forego a portion of its sales and/or property tax or pay a portion of its sales and/or property tax in order to reimburse the property owners for construction and maintenance of public improvements. In an effort to promote immediate economic development, property owners have paid for and installed the improvements in advance. In each project area, the revenues to the City were either zero or declining. As such, the City was in a position to both enhance its economic base and improve overall economic vitality in areas surrounding the specific projects.

Parties to the incentive agreements and the various components therein are different, however each financial agreement is set to expire at either a date certain, or when a given amount of funds have been paid to reimburse the project developers, whichever occurs first.

The City has no tax abatements as of September 30, 2018.

**(B) 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 January 2017 through January 2020.

On May 11, 2016, 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, 2016 through December 31, 2020. The City pays \$67,537 per quarter which represents a portion 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 2017, the City paid \$270,154 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.



CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 9: 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 included \$176,468 as unearned revenue, a liability, in the general fund to reflect amount due to MDEQ as of September 30, 2018. In the non-major funds, the City has included 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 10: NET POSITION**

The detail of net position – governmental activities as of September 30, 2018, is as follows:

Governmental Activities:

Net investment in capital assets:

Net capital assets	65,054,295
Less: outstanding balances of borrowings for capital asset acquisition:	(16,743,477)
Add: deferred outflows of resources attributable to capital asset acquisition	45,538
Less: accounts and retainage payable on construction in process	(1,043,425)
Net investment in capital assets	<u>47,312,931</u>

Restricted net position

Restricted cash and cash equivalents	2,312,592
Less: liabilities related to restricted assets	(1,925,481)
Add: nonspendable - prepaid insurance	56,071
Restricted net position	<u>443,182</u>

Unrestricted net position	(20,801,505)
Total governmental activities net position	<u><u>26,954,608</u></u>

The \$20,801,505 deficit in unrestricted governmental net position can largely be explained by the City's unfunded net pension liability of \$14,211,211.

CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2018

**NOTE 10: NET POSITION (Continued)**

The detail of net position – business-type activities as of September 30, 2018, is as follows:

**Business-type Activities:**

Net investment in capital assets:	
Net capital assets	24,025,081
Less: outstanding balances of borrowings for capital asset acquisition:	(5,121,921)
Add: deferred outflows of resources attributable to capital asset acquisition	361,145
Net investment in capital assets	<u>19,264,305</u>
 Restricted net position	
Restricted cash and cash equivalents	1,125,078
Less: liabilities related to restricted assets:	(1,125,078)
Nonspendable - prepaid insurance	3,445
Restricted net position	<u>3,445</u>
 Unrestricted net position	<u>2,737,815</u>
Total business-type net position	<u>22,005,565</u>

A deficit unassigned fund balance of \$71,376 exists in the MDOT Sangani Utilities special revenue fund. The deficit relates to a dispute that began in fiscal year 2012, between the City and MDOT regarding payment to a contractor above the amount allocated for construction. The City is still pursuing reimbursement as of September 30, 2018.

**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, 2018, 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 13, 2019, (the date the financial statements were available to be issued), and determined the following noteworthy subsequent event:

On December 18, 2018, the city completed the placement of \$1,897,000 of Tax Increment Financing for the Galleria Automotive project. The Term 1 coupon in the amount of \$946,000 matures 11/01/2030 with an interest rate of 4.25%, the Term 2 coupon in the amount of \$951,000 matures 11/01/2038 with an interest rate of 4.55%. The bonds were issued at a discount of \$63,139. The cost of the bond issuance was \$37,940.





REQUIRED SUPPLEMENTARY INFORMATION



**CITY OF D'IBERVILLE, MISSISSIPPI**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY BASIS**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with final budget</b>
<b>REVENUES</b>				
Property taxes	\$ 4,162,553	\$ 4,235,563	\$ 4,357,613	\$ 122,050
Sales tax	7,300,000	7,600,000	7,696,612	96,612
Franchise taxes	460,000	480,000	557,077	77,077
Licenses and permits	276,100	354,900	375,789	20,889
Due from other governments	2,408,459	2,763,700	2,763,621	(79)
Charges for services	666,800	622,825	627,508	4,683
Fines and fees	545,000	561,600	644,178	82,578
Interest income	40,000	85,000	87,434	2,434
Lease revenue	189,000	180,000	188,425	8,425
Miscellaneous	20,000	143,000	145,977	2,977
Total revenues	16,067,912	17,026,588	17,444,234	417,646
<b>EXPENDITURES</b>				
General Government:				
Personnel services	1,340,060	1,349,032	1,271,391	77,641
Supplies	49,500	51,500	38,176	13,324
Other services & charges	1,630,000	1,749,000	1,547,172	201,828
Capital outlay	10,500	830,500	825,392	5,108
Total General Government	3,030,060	3,980,032	3,682,131	297,901
Public safety:				
Personnel services	5,143,754	5,159,730	5,017,381	142,349
Supplies	443,300	425,200	383,897	41,303
Other services & charges	551,500	559,500	560,291	(791)
Capital outlay	79,000	79,000	73,381	5,619
Total Public Safety	6,217,554	6,223,430	6,034,950	188,480
Public works:				
Personnel services	1,065,500	1,110,000	949,004	160,996
Supplies	151,000	157,000	143,546	13,454
Other services & charges	1,232,500	947,000	1,207,447	(260,447)
Capital outlay	507,000	507,000	100,574	406,426
Total Public Works	2,956,000	2,721,000	2,400,571	320,429
Culture and recreation:				
Personnel services	360,340	361,940	331,499	30,441
Supplies	97,500	97,500	81,236	16,264
Other services & charges	345,000	358,500	330,008	28,492
Capital outlay	1,392,000	1,616,000	1,638,606	(22,606)
	2,194,840	2,433,940	2,381,349	52,591
Total Expenditures	14,398,454	15,358,402	14,499,001	859,401
Excess of revenues over expenditures	1,669,458	1,668,186	2,945,233	1,277,047
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance proceeds	-	6,000	7,294	1,294
Sale of assets	-	6,000	6,443	443
Transfers in	-	-	-	-
Transfers out	(4,267,646)	(4,105,225)	(4,031,197)	74,028
Total other financing sources (uses)	(4,267,646)	(4,093,225)	(4,017,460)	75,765
Net Change in Fund Balance	\$ (2,598,188)	\$ (2,425,039)	(1,072,227)	\$ 1,352,812



CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION –  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEARS ENDED SEPTEMBER 30, 2018

**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.

**Reconciliation of Cash-basis Budget to  
Statement of Revenues, Expenditures and Changes in Fund Balance**

Net Change in fund balance - Budget-Cash Basis		\$ (1,072,227)
Revenues and other financing sources per Budget-Cash-basis	\$ 17,457,971	
Additional accrued revenues	29,250	29,250
Revenues and other financing sources per Fund Financial Statements	<u>17,487,221</u>	
Expenditures and other financing uses per Cash-basis Budget	18,530,198	
Additional accrued expenses	(53,511)	53,511
Expenditures and other financing uses per Fund Financial Statement	<u>\$ 18,476,687</u>	
Net Change in fund balance - Fund Financials		<u>\$ (989,466)</u>

CITY OF D'IBERVILLE, MISSISSIPPI  
 SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY  
 AND RELATED RATIOS<sup>2</sup>  
 Last 10 Fiscal Years<sup>1</sup>

	2018	2017	2016	2015
City's proportion of the net pension liability	0.096%	0.091%	0.082%	0.076%
City's proportionate share of the net pension liability	\$ 15,967,653	\$ 15,127,289	\$ 14,647,248	\$ 11,748,101
City's covered-employee payroll	\$ 6,107,505	\$ 5,786,737	\$ 5,395,046	\$ 4,845,927
City's proportionate share of the net pension liability as a percentage of its covered payroll	261.4%	261.4%	271.5%	242.4%
Plan fiduciary net position as a percentage of the total pension liability	62.5%	61.5%	57.5%	61.7%

<sup>1</sup> GASB 68 was implemented in fiscal year 2015, information is not available to present a full ten years.  
 The City has presented information for the years in which it is available.

<sup>2</sup> The amounts presented were determined as of the measurement date of June 30 of the fiscal year presented.

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CITY OF D'IBERVILLE, MISSISSIPPI  
SCHEDULE OF CITY CONTRIBUTIONS<sup>2</sup>  
Last 10 Fiscal Years<sup>1</sup>

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 961,932	\$ 924,055	\$ 837,434	\$ 757,323
Contributions in relation to the actuarially determine contribution	<u>961,932</u>	<u>924,055</u>	<u>837,434</u>	<u>757,323</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	6,107,505	5,867,015	5,317,041	4,809,925
Contributions as a percentage of covered- employee payroll	15.75%	15.75%	15.75%	15.75%

<sup>1</sup> GASB 68 was implemented in fiscal year 2015, information is not available to present a full ten years.  
The City has presented information for the years in which it is available.

<sup>2</sup> The amounts presented were determined as of the measurement date of June 30 of the fiscal year presented.



**CITY OF D'IBERVILLE, MISSISSIPPI  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION –  
PENSION SCHEDULES  
FOR THE YEARS ENDED SEPTEMBER 30**

***Changes of assumptions.***

- 2017
  - The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Mortality Table projected with Scale BB to 2022. Small adjustments were also made to the Mortality Table for disabled lives.
  - The wage inflation assumption was reduced from 3.75% to 3.25%.
  - Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.
  - The percentage of active member disabilities assumed to be in the line of duty was increased from 6% to 7%.
- 2016
  - The assumed rate of interest credited to employee contributions was changed from 3.50% to 2.00%.
- 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, which was used prior to 2015.
  - The expectation of disabled mortality was changed to the RP-2014 Disabled Retiree Table, rather than the RP-2000 Disabled Mortality Table, which was used prior to 2015.
  - Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.
  - Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
  - The price inflation and investment rate of return assumptions were changed from 3.50% to 3.00% and 8.00% to 7.75%, respectively.

***Changes in benefit provisions***

- 2016
  - Effective July 1, 2016, the interest rate on employee contributions shall be calculated based on the money market rate as published by the Wall Street Journal on December 31 of each preceding year with a minimum rate of one percent and a maximum rate of five percent.

***Methods and assumptions used in calculations of actuarially determined contributions***

The actuarially determined contribution rates in the schedule of employer contributions are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported (June 30, 2016 valuation for the June 30, 2018 fiscal year end). The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, open
Remaining amortization period	36.6 years
Asset valuation method	5-year smoothed market
Price inflation	3.00 percent
Salary increase	3.75 percent to 19.00 percent, including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation



OTHER SUPPLEMENTARY INFORMATION





COMBINING FINANCIAL STATEMENTS





CITY OF D'IBERVILLE, MISSISSIPPI  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2018

	Special Revenue Funds					Capital Project Funds					Total Non-major Funds
	CDBG Fund	Municipal Fire Rebate Fund	Bulletproof Vest Grant Fund	DUI Grant Fund	JAG Hotspot Grant	COPS Technology Grant Fund	MDOT Sangani Utilities Grant Fund	Racetrack Road Development Fund	Capital Projects Fund	Promenade TIF Capital Projects Fund	
<b>ASSETS</b>											
Cash and cash equivalents	\$ 35,366	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 707,376	\$ 41,582	\$ 9,500	\$ 793,824
Due from other governments	988,064	-	2,269	8,555	8,174	-	38,921	-	-	-	1,045,983
Prepaid expenses	-	-	-	372	735	-	-	-	-	-	1,107
Restricted cash	-	1,589	-	-	-	340,425	-	-	-	-	342,014
<b>Total assets</b>	<b>1,023,430</b>	<b>1,589</b>	<b>2,269</b>	<b>8,927</b>	<b>8,909</b>	<b>340,425</b>	<b>38,921</b>	<b>707,376</b>	<b>41,582</b>	<b>9,500</b>	<b>2,182,928</b>
<b>LIABILITIES AND FUND BALANCES</b>											
<b>Liabilities:</b>											
Accounts payable	1,023,064	-	-	-	-	13,160	-	-	-	-	1,036,224
Accrued wages payable	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	2,269	8,555	8,174	-	38,921	-	-	-	57,919
Unearned revenue	-	-	-	-	-	-	71,376	-	-	-	71,376
<b>Total liabilities</b>	<b>1,023,064</b>	<b>-</b>	<b>2,269</b>	<b>8,555</b>	<b>8,174</b>	<b>13,160</b>	<b>110,297</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,165,519</b>
<b>Fund balances:</b>											
Non-spendable	-	-	-	372	735	-	-	-	-	-	1,107
Restricted:	366	1,589	-	-	-	327,265	-	707,376	41,582	9,500	1,087,678
Capital projects	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(71,376)	-	-	-	(71,376)
<b>Total fund balances</b>	<b>366</b>	<b>1,589</b>	<b>-</b>	<b>372</b>	<b>735</b>	<b>327,265</b>	<b>(71,376)</b>	<b>707,376</b>	<b>41,582</b>	<b>9,500</b>	<b>1,017,409</b>
<b>Total liabilities fund balances</b>	<b>\$ 1,023,430</b>	<b>\$ 1,589</b>	<b>\$ 2,269</b>	<b>\$ 8,927</b>	<b>\$ 8,909</b>	<b>\$ 340,425</b>	<b>\$ 38,921</b>	<b>\$ 707,376</b>	<b>\$ 41,582</b>	<b>\$ 9,500</b>	<b>\$ 2,182,928</b>

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**CITY OF D'IBERVILLE, MISSISSIPPI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2018**

	Special Revenue Funds					Capital Projects Funds					Total Non-major Funds
	CDBG Fund	Municipal Fire Rebate Fund	Bulletproof Vest Grant Fund	DUI Grant Fund	JAG Hotspot Grant	COPS Technology Grant Fund	MDOT Sangani Utilities Grant Fund	Racetrack Road Development Fund	Capital Projects Fund	Promenade TIF Capital Projects Fund	
<b>REVENUES</b>											
Intergovernmental	\$ 2,761,268	\$ 54,149	\$ 3,657	\$ 25,140	\$ 115,049	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,959,263
Fines and fees	-	-	-	-	-	314,929	-	-	-	-	314,929
Interest income	-	-	-	-	-	1,302	-	-	197	-	1,499
Total revenues	2,761,268	54,149	3,657	25,140	115,049	316,231	-	-	197	-	3,275,691
<b>EXPENDITURES</b>											
Public safety	-	-	7,314	54,424	137,658	95,947	-	-	-	-	295,343
Public works	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	100,000	-	-	100,000
Capital outlay	3,131,962	-	-	-	-	-	-	-	-	-	3,131,962
Debt service:											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	3,131,962	-	7,314	54,424	137,658	95,947	-	100,000	-	-	3,527,305
Excess (deficiency) of revenues over expenditures	(370,694)	54,149	(3,657)	(29,284)	(22,609)	220,284	-	(100,000)	197	-	(251,614)
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfers in	370,694	-	3,657	29,357	23,344	-	-	-	-	-	427,052
Transfers out	-	(52,560)	-	-	-	-	-	-	-	-	(52,560)
Total other financing sources (uses)	370,694	(52,560)	3,657	29,357	23,344	-	-	-	-	-	374,492
Net change in fund balances	-	1,589	-	73	735	220,284	-	(100,000)	197	-	122,878
Fund balances-beginning	366	-	-	299	-	106,981	(71,376)	807,376	41,385	9,500	894,531
Fund balances-ending	\$ 366	\$ 1,589	\$ -	\$ 372	\$ 735	\$ 327,265	\$ (71,376)	\$ 707,376	\$ 41,582	\$ 9,500	\$ 1,017,409

**INDIVIDUAL NON-MAJOR GOVERNMENTAL FUNDS  
BUDGETARY COMPARISON SCHEDULES**





CITY OF D'IBERVILLE  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 BUDGET AND ACTUAL - BUDGETARY BASIS  
 CDBG GRANT FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$6,330,500	\$6,185,000	\$2,761,268	\$ (3,423,732)
Total revenues	<u>6,330,500</u>	<u>6,185,000</u>	<u>2,761,268</u>	<u>(3,423,732)</u>
<b>EXPENDITURES</b>				
<b>PUBLIC WORKS</b>				
Capital outlay	<u>6,952,500</u>	<u>6,574,000</u>	<u>3,131,962</u>	<u>3,442,038</u>
Total expenditures	<u>6,952,500</u>	<u>6,574,000</u>	<u>3,131,962</u>	<u>3,442,038</u>
Excess (deficiency) of revenues over expenditures	<u>(622,000)</u>	<u>(389,000)</u>	<u>(370,694)</u>	<u>18,306</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>622,000</u>	<u>389,000</u>	<u>370,694</u>	<u>(18,306)</u>
Total other financing sources (uses)	<u>622,000</u>	<u>389,000</u>	<u>370,694</u>	<u>(18,306)</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - October 1 - GAAP basis			366	
Receivable/revenue adjustments			-	
Payable/expenditure adjustments			-	
Fund balance - September 30 - GAAP basis			<u>\$ 366</u>	

CITY OF D'IBERVILLE  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 BUDGET AND ACTUAL - BUDGETARY BASIS  
 MUNICIPAL FIRE REBATE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$ 50,000	\$ 52,563	\$ 54,149	\$ 1,586
Total revenues	<u>50,000</u>	<u>52,563</u>	<u>54,149</u>	<u>1,586</u>
Excess (deficiency) of revenues over expenditures	<u>50,000</u>	<u>52,563</u>	<u>54,149</u>	<u>1,586</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	36,017	33,454	31,868	(1,586)
Transfers out	<u>(86,017)</u>	<u>(86,017)</u>	<u>(84,428)</u>	<u>1,589</u>
Total other financing sources (uses)	<u>(50,000)</u>	<u>(52,563)</u>	<u>(52,560)</u>	<u>3</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	1,589	<u>\$ 1,589</u>
Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustments			-	
Payable/expenditure adjustments			<u>-</u>	
Fund balance - September 30 - GAAP basis			<u>\$ 1,589</u>	



CITY OF D'IBERVILLE  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - BUDGETARY BASIS  
BULLETPROOF VEST GRANT FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$ 3,707	\$ 4,400	\$ 3,657	\$ (743)
Total revenues	<u>3,707</u>	<u>4,400</u>	<u>3,657</u>	<u>(743)</u>
<b>EXPENDITURES</b>				
PUBLIC SAFETY				
Contractual services	<u>7,414</u>	<u>8,800</u>	<u>7,314</u>	<u>1,486</u>
Total expenditures	<u>7,414</u>	<u>8,800</u>	<u>7,314</u>	<u>1,486</u>
Excess (deficiency) of revenues over expenditures	<u>(3,707)</u>	<u>(4,400)</u>	<u>(3,657)</u>	<u>743</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>3,707</u>	<u>4,400</u>	<u>3,657</u>	<u>(743)</u>
Total other financing sources (uses)	<u>3,707</u>	<u>4,400</u>	<u>3,657</u>	<u>(743)</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - October 1 - GAAP basis			-	
Receivable/revenue adjustments			-	
Payable/expenditure adjustments			<u>-</u>	
Fund balance - September 30 - GAAP basis			<u>\$ -</u>	

CITY OF D'IBERVILLE  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - BUDGETARY BASIS  
DUI GRANT FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$41,484	\$25,163	\$25,140	\$ (23)
Total revenues	<u>41,484</u>	<u>25,163</u>	<u>25,140</u>	<u>(23)</u>
<b>EXPENDITURES</b>				
PUBLIC SAFETY				
Personnel services	65,932	53,997	53,997	-
Other services & charges	<u>587</u>	<u>500</u>	<u>500</u>	<u>-</u>
Total expenditures	<u>66,519</u>	<u>54,497</u>	<u>54,497</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(25,035)</u>	<u>(29,334)</u>	<u>(29,357)</u>	<u>(23)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>25,035</u>	<u>29,334</u>	<u>29,357</u>	<u>23</u>
Total other financing sources	<u>25,035</u>	<u>29,334</u>	<u>29,357</u>	<u>23</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - October 1 - GAAP basis			299	
Receivable/revenue adjustments			-	
Payable/expenditure adjustments			<u>73</u>	
Fund balance - September 30 - GAAP basis			<u>\$ 372</u>	

CITY OF D'IBERVILLE  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 BUDGET AND ACTUAL - BUDGETARY BASIS  
 JAG HOTSPOT GRANT FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual	Variance with final budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 128,603	\$ 115,000	\$ 115,049	\$ 49
Total revenues	<u>128,603</u>	<u>115,000</u>	<u>115,049</u>	<u>49</u>
<b>EXPENDITURES</b>				
<b>PUBLIC SAFETY</b>				
Personnel services	<u>138,803</u>	<u>138,349</u>	<u>138,394</u>	<u>(45)</u>
Total expenditures	<u>138,803</u>	<u>138,349</u>	<u>138,394</u>	<u>(45)</u>
Excess (deficiency) of revenues over expenditures	<u>(10,200)</u>	<u>(23,349)</u>	<u>(23,345)</u>	<u>4</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>10,200</u>	<u>23,349</u>	<u>23,345</u>	<u>(4)</u>
Total other financing sources (uses)	<u>10,200</u>	<u>23,349</u>	<u>23,345</u>	<u>(4)</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - October 1 - GAAP basis				-
Receivable/revenue adjustments				-
Payable/expenditure adjustments				-
Fund balance - September 30 - GAAP basis			<u>\$ -</u>	

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CITY OF D'IBERVILLE  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - BUDGETARY BASIS  
COPS TECHNOLOGY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 313,000	\$ 314,929	\$ 1,929
Total revenues	-	313,000	314,929	1,929
<b>EXPENDITURES</b>				
<b>PUBLIC SAFETY</b>				
Other services & charges	-	84,000	95,947	(11,947)
Total expenditures	-	84,000	95,947	(11,947)
Excess (deficiency) of revenues over expenditures	-	229,000	218,982	(10,018)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Excess of revenues and other sources over expenditures	\$ -	\$ 229,000	218,982	\$ (10,018)
Fund balance - October 1 - GAAP basis			106,981	
Receivable/revenue adjustments			-	
Payable/expenditure adjustments			1,302	
Fund balance - September 30 - GAAP basis			<u>\$ 327,265</u>	

CITY OF D'IBERVILLE  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 BUDGET AND ACTUAL - BUDGETARY BASIS  
 RACETRACK ROAD DEVELOPMENT  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
<b>EXPENDITURES</b>				
ECONOMIC DEVELOPMENT				
Other services & charges	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$(100,000)</u>	<u>(100,000)</u>	<u>\$ -</u>
Fund balance - October 1 - GAAP basis			807,736	
Receivable/revenue adjustments			-	
Payable/expenditure adjustments			<u>-</u>	
Fund balance - September 30 - GAAP basis			<u>\$707,736</u>	

CITY OF D'IBERVILLE  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 BUDGET AND ACTUAL - BUDGETARY BASIS  
 CAPITAL PROJECT FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with final budget Positive (Negative)</u>
<b>REVENUES</b>				
Interest Income	\$ -	\$ 180	\$ 197	\$ 17
Total revenues	-	180	197	17
Excess (deficiency) of revenues over expenditures	-	180	197	17
 Fund balance - October 1 - GAAP basis			41,385	
 Receivable/revenue adjustments			-	
Payable/expenditure adjustments			-	
 Fund balance - September 30 - GAAP basis			<u>\$ 41,385</u>	



SECTION III  
STATISTICAL SECTION  
(UNAUDITED)



**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 1 (UNAUDITED)**  
**NET POSITION BY COMPONENT**  
**Last ten fiscal years**  
**(accrual basis of accounting)**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>Governmental activities</b>										
Net investment in capital assets	\$ 47,312,931	\$ 40,595,730	\$ 33,618,225	\$ 30,821,910	\$ 29,986,677	\$ 27,113,673	\$ 23,552,829	\$ 19,453,860	\$ 12,266,211	\$ 11,184,759
Restricted	443,182	188,848	135,048	1,173,602	1,064,954	34,345	13	-	-	-
Unrestricted	(20,801,505)	(16,746,315)	(3,793,641)	(1,411,441)	7,037,865	6,884,925	6,564,527	3,238,907	4,901,718	3,964,747
<b>Total governmental activities net position</b>	<b>\$ 26,954,608</b>	<b>\$ 24,038,263</b>	<b>\$ 29,959,632</b>	<b>\$ 30,584,071</b>	<b>\$ 38,089,496</b>	<b>\$ 34,032,943</b>	<b>\$ 30,117,369</b>	<b>\$ 22,692,767</b>	<b>\$ 17,167,929</b>	<b>\$ 15,149,506</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 19,264,305	\$ 18,949,964	\$ 15,982,785	\$ 15,426,369	\$ 15,120,132	\$ 15,068,711	\$ 14,468,775	\$ 13,879,151	\$ 14,762,097	\$ 14,308,417
Restricted	3,445	2,289	3,417	561,370	566,148	571,056	712,083	735,540	469,960	622,095
Unrestricted	2,737,815	2,807,926	3,377,606	2,341,279	3,184,748	2,733,713	2,758,476	2,579,513	1,217,073	1,285,022
<b>Total business-type activities net position</b>	<b>\$ 22,005,565</b>	<b>\$ 21,760,179</b>	<b>\$ 19,363,808</b>	<b>\$ 18,329,018</b>	<b>\$ 18,871,028</b>	<b>\$ 18,373,480</b>	<b>\$ 17,939,334</b>	<b>\$ 17,194,204</b>	<b>\$ 16,449,130</b>	<b>\$ 16,215,534</b>
<b>Primary government</b>										
Net investment in capital assets	\$ 66,577,236	\$ 59,545,694	\$ 49,601,010	\$ 46,248,279	\$ 45,106,809	\$ 42,182,384	\$ 38,021,604	\$ 33,333,011	\$ 27,028,308	\$ 25,493,176
Restricted	446,627	191,137	138,465	1,734,972	1,631,102	605,401	712,096	735,540	469,960	622,095
Unrestricted	(18,063,690)	(13,938,389)	(416,035)	929,838	10,222,613	9,618,638	9,323,003	5,818,420	6,118,791	5,249,769
<b>Total primary government net position</b>	<b>\$ 48,960,173</b>	<b>\$ 45,798,442</b>	<b>\$ 49,323,440</b>	<b>\$ 48,913,089</b>	<b>\$ 56,960,524</b>	<b>\$ 52,406,423</b>	<b>\$ 48,056,703</b>	<b>\$ 39,886,971</b>	<b>\$ 33,617,059</b>	<b>\$ 31,365,040</b>

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**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 2 (UNAUDITED)**  
**CHANGES IN NET POSITION**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>Expenses</b>										
Governmental activities:										
General government	\$ 4,206,963	\$ 2,675,596	\$ 2,644,455	\$ 2,915,389	\$ 2,442,639	\$ 2,894,304	\$ 2,636,424	\$ 3,006,599	\$ 3,773,443	\$ 3,955,407
Public safety	7,691,727	7,200,959	6,197,523	5,219,511	4,635,352	4,333,026	4,038,219	3,783,045	4,550,491	4,413,399
Public works	3,603,483	3,154,330	3,388,586	3,039,357	2,651,389	4,597,636	2,821,096	2,011,478	2,030,646	1,847,908
Economic development	100,000	5,011,319	2,385,859	13,303,726	16,334,236	966,759	491,902	627,794	521,426	449,588
Culture and recreation	714,908	717,600	597,596	608,089	574,263	500,332	670,948	698,496	1,043,907	1,019,707
Interest and bond issue costs	1,587,057	1,890,499	912,093	970,185	1,314,967	903,741	681,159	578,276	499,316	598,116
Total governmental activities	<u>17,904,138</u>	<u>20,650,303</u>	<u>16,126,112</u>	<u>26,056,257</u>	<u>27,952,846</u>	<u>14,195,798</u>	<u>11,339,748</u>	<u>10,705,688</u>	<u>12,419,229</u>	<u>12,284,085</u>
Business-type activities:										
Water and sewer	3,663,335	3,487,286	3,613,821	3,217,449	2,971,015	3,327,429	3,078,738	2,814,652	3,251,561	2,607,693
Waterfront development	196,648	177,710	272,627	402,594	341,061	221,874	185,511	136,762	135,745	139,341
Total business-type activities	<u>3,859,983</u>	<u>3,664,996</u>	<u>3,886,448</u>	<u>3,620,043</u>	<u>3,312,076</u>	<u>3,549,303</u>	<u>3,264,249</u>	<u>2,951,414</u>	<u>3,387,306</u>	<u>2,747,034</u>
Total primary government	<u>\$ 21,764,121</u>	<u>\$ 24,315,299</u>	<u>\$ 20,012,560</u>	<u>\$ 29,676,300</u>	<u>\$ 31,264,922</u>	<u>\$ 17,745,101</u>	<u>\$ 14,603,997</u>	<u>\$ 13,657,102</u>	<u>\$ 15,806,535</u>	<u>\$ 15,031,119</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	1,017,196	615,633	400,022	-	-	-	-	-	-	-
Public safety	684,365	681,509	737,913	694,121	735,771	870,924	759,943	761,096	562,981	542,378
Public works	-	310,748	444,116	433,192	456,287	343,914	455,630	425,154	388,814	452,410
Economic development	-	2,187	5,216	336,656	639,975	342,811	404,051	231,488	194,818	411,740
Culture and recreation	-	-	1,840	1,720	1,801	23,535	24,378	10,305	-	-
Operating grants and contributions	581,049	422,380	446,028	600,385	406,321	2,725,906	625,290	582,624	309,162	751,053
Capital grants and contributions	3,397,310	880,117	1,093,470	13,352,125	17,476,121	4,718,631	5,557,628	5,729,042	4,042,455	8,088,553
Total governmental activities	<u>5,679,920</u>	<u>2,912,574</u>	<u>3,128,605</u>	<u>15,418,199</u>	<u>19,716,276</u>	<u>9,025,721</u>	<u>7,826,920</u>	<u>7,739,709</u>	<u>5,498,230</u>	<u>10,246,134</u>
Business-type activities:										
Charges for services:										
Water and sewer	4,077,937	4,131,322	4,121,564	3,851,907	3,856,318	3,789,078	3,641,661	3,432,932	3,279,790	3,344,445
Waterfront development	1,205	10,877	14,445	13,272	12,749	6,586	15,560	19,962	24,188	21,958
Operating grants and contributions	-	-	-	-	-	106,123	73,728	-	-	-
Capital grants and contributions	18,416	322,894	155,411	352,603	232,928	-	-	-	167,787	3,402,263
Total business-type activities	<u>4,097,558</u>	<u>4,465,093</u>	<u>4,291,420</u>	<u>4,217,782</u>	<u>4,101,995</u>	<u>3,901,787</u>	<u>3,730,949</u>	<u>3,452,894</u>	<u>3,471,765</u>	<u>6,768,666</u>
Total primary government	<u>9,777,478</u>	<u>7,377,667</u>	<u>7,420,025</u>	<u>19,635,981</u>	<u>23,818,271</u>	<u>12,927,508</u>	<u>11,557,869</u>	<u>11,192,603</u>	<u>8,969,995</u>	<u>17,014,800</u>
<b>Net Revenue/(Expense)</b>										
Governmental activities	(12,224,218)	(17,737,729)	(12,997,507)	(10,638,058)	(8,236,570)	(5,170,077)	(3,512,828)	(2,965,979)	(6,920,999)	(2,037,951)
Business-type activities	<u>237,575</u>	<u>800,097</u>	<u>404,972</u>	<u>597,739</u>	<u>789,919</u>	<u>352,484</u>	<u>466,700</u>	<u>501,480</u>	<u>84,459</u>	<u>4,021,632</u>
Total primary government net revenue/(expense)	<u>\$ (11,986,643)</u>	<u>\$ (16,937,632)</u>	<u>\$ (12,592,535)</u>	<u>\$ (10,040,319)</u>	<u>\$ (7,446,651)</u>	<u>\$ (4,817,593)</u>	<u>\$ (3,046,128)</u>	<u>\$ (2,464,499)</u>	<u>\$ (6,836,540)</u>	<u>\$ 1,983,681</u>

(Continued)

**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 2 (UNAUDITED) Continued**  
**CHANGES IN NET POSITION**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>General Revenues and Other</b>										
<b>Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 4,391,570	\$ 4,268,682	\$ 3,298,107	\$ 3,282,355	\$ 3,343,675	\$ 2,838,888	\$ 2,739,560	\$ 2,603,311	\$ 2,286,520	\$ 2,151,388
Sales taxes	7,696,612	7,365,967	7,384,265	6,638,041	6,169,723	5,960,425	5,728,228	5,605,223	5,546,989	4,400,504
Franchise taxes	557,077	459,140	466,922	454,999	397,123	330,753	319,186	335,954	345,495	311,371
Grants and contributions not restricted	292,963	153,081	146,874	-	-	-	-	-	-	-
Gaming revenue	1,776,224	1,633,949	1,391,924	-	-	-	-	-	-	-
Unrestricted investment earnings	108,830	101,857	60,042	45,836	43,702	44,735	20,538	37,607	127,758	107,704
Insurance proceeds	-	-	18,537	21,088	26,013	35,385	27,584	10,724	11,970	18,668
Lease revenue	163,975	210,872	160,607	225,849	85,983	112,545	95,195	95,317	113,965	142,357
British Petroleum settlement	-	-	-	948,027	-	-	-	-	-	-
Miscellaneous	153,312	90,908	73,729	60,570	710,102	357,583	2,470,010	23,552	629,890	449,877
Transfers	-	(1,591,305)	(627,939)	(72,213)	(40,523)	-	(212,172)	(220,871)	(123,165)	(2,079,006)
Special items <sup>1</sup>	-	-	-	-	1,557,325	-	-	-	-	-
Total governmental activities	<u>\$ 15,140,563</u>	<u>\$ 12,693,151</u>	<u>\$ 12,373,068</u>	<u>\$ 11,604,552</u>	<u>\$ 12,293,123</u>	<u>\$ 9,680,314</u>	<u>\$ 11,188,129</u>	<u>\$ 8,490,817</u>	<u>\$ 8,939,422</u>	<u>\$ 5,502,863</u>
Business-type activities:										
Property taxes	1,616	1,537	1,522	1,555	2,034	36,790	31,679	22,658	25,804	26,474
Investment earnings	6,195	3,432	357	78	72	73	74	65	168	1,034
Transfers	-	1,591,305	627,939	72,213	40,523	-	-	-	-	-
Miscellaneous	-	-	-	-	-	5,406	246,677	220,871	123,165	2,079,006
Total business-type activities	<u>7,811</u>	<u>1,596,274</u>	<u>629,818</u>	<u>73,846</u>	<u>42,629</u>	<u>42,269</u>	<u>278,430</u>	<u>243,594</u>	<u>149,137</u>	<u>2,106,514</u>
Total primary government	<u>\$ 15,148,374</u>	<u>\$ 14,289,425</u>	<u>\$ 13,002,886</u>	<u>\$ 11,678,398</u>	<u>\$ 12,335,752</u>	<u>\$ 9,722,583</u>	<u>\$ 11,466,559</u>	<u>\$ 8,734,411</u>	<u>\$ 9,088,559</u>	<u>\$ 7,609,377</u>
<b>Change in Net Position</b>										
Governmental activities	2,916,345	(5,044,578)	(624,439)	966,494	4,056,553	4,510,237	7,675,301	5,524,838	2,018,423	3,464,912
Business-type activities	245,386	2,396,371	1,034,790	671,585	832,548	394,753	745,130	745,074	233,596	6,128,146
Total primary government	<u>\$ 3,161,731</u>	<u>\$ (2,648,207)</u>	<u>\$ 410,351</u>	<u>\$ 1,638,079</u>	<u>\$ 4,889,101</u>	<u>\$ 4,904,990</u>	<u>\$ 8,420,431</u>	<u>\$ 6,269,912</u>	<u>\$ 2,252,019</u>	<u>\$ 9,593,058</u>

<sup>1</sup> Special Items include \$1,557,325 Special Community Disaster Loan Forgiveness

**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 3 (UNAUDITED)**  
**FUND BALANCES OF GOVERNMENTAL FUNDS<sup>1</sup>**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>General fund</b>										
Nonspendable	\$ 54,964	\$ 72,504	\$ 65,217	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Restricted	2,206,410	106,839	138,678	146,079	34,396	34,345	34,151	197,031	-	N/A
Unassigned	1,858,045	4,929,542	10,592,170	7,946,533	7,532,906	7,867,755	7,668,305	3,674,328	6,169,669	N/A
Reserved	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-
Unreserved	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5,058,465
Total General fund	<u>\$ 4,119,419</u>	<u>\$ 5,108,885</u>	<u>\$ 10,796,065</u>	<u>\$ 8,092,612</u>	<u>\$ 7,567,302</u>	<u>\$ 7,902,100</u>	<u>\$ 7,702,456</u>	<u>\$ 3,871,359</u>	<u>\$ 6,169,669</u>	<u>\$ 5,058,465</u>
<b>All other governmental funds</b>										
Nonspendable	\$ 1,107	\$ 299	\$ 299	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Restricted	2,943,048	2,801,083	1,023,117	1,027,523	1,030,558	1,289,218	536,198	535,741	535,027	N/A
Unassigned	(71,376)	(71,376)	(71,376)	(71,376)	(71,376)	(70,617)	(71,376)	-	-	N/A
Reserved	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	534,225
Unreserved	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-
Total all other governmental funds	<u>\$ 2,872,779</u>	<u>\$ 2,730,006</u>	<u>\$ 952,040</u>	<u>\$ 956,147</u>	<u>\$ 959,182</u>	<u>\$ 1,218,601</u>	<u>\$ 464,822</u>	<u>\$ 535,741</u>	<u>\$ 535,027</u>	<u>\$ 534,225</u>

<sup>1</sup> Beginning in fiscal year 2010, fund balance categories were reclassified as a result of implementing GASB Statement No. 54. Fund balance was not restated to the new categories for prior years

N/A indicates data not applicable



**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 4 (UNAUDITED)**  
**REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES)**  
**ALL GOVERNMENTAL FUND TYPES**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	2018	2017	2016	2015	2014
<b>Revenues</b>					
Taxes					
Property	\$ 4,391,570	\$ 4,268,682	\$ 3,298,107	\$ 3,282,355	\$ 3,343,675
Sales	7,696,612	7,365,967	7,384,265	6,638,041	6,169,723
Franchise	557,077	459,140	466,922	454,999	397,123
Gaming Fees and Taxes	1,776,224	1,633,949	-	-	-
Licenses and Permits	375,789	437,514	399,882	314,199	618,794
Intergovernmental	3,881,492	1,258,144	3,078,296	13,928,393	17,903,625
Charges for services	622,800	478,428	446,097	435,298	458,324
Fines	959,107	813,063	634,356	629,460	686,726
Interest	108,828	101,857	60,042	45,835	43,702
Lease revenue	171,925	210,872	160,607	225,849	85,983
Miscellaneous	211,146	77,686	115,496	104,068	702,534
Total revenues	<u>20,752,570</u>	<u>17,105,302</u>	<u>16,044,070</u>	<u>26,058,497</u>	<u>30,410,209</u>
<b>Expenditures</b>					
General government	3,722,330	2,145,912	2,349,792	2,605,099	2,211,797
Public safety	6,218,114	5,333,050	5,409,464	4,675,665	4,395,297
Public works	2,311,918	2,072,255	2,293,929	1,990,660	1,713,601
Economic Development	100,000	5,011,319	2,353,432	13,268,009	16,337,163
Culture and recreation	495,110	595,949	526,687	512,493	476,667
Capital outlay	5,125,323	10,848,441	4,600,244	1,230,367	5,724,164
Debt Service:					
Principal	2,250,654	1,623,937	1,652,262	1,875,899	3,080,081
Interest and bond issue costs	1,406,051	1,676,787	1,141,849	1,031,286	1,371,039
Total expenditures	<u>21,629,500</u>	<u>29,307,650</u>	<u>20,327,659</u>	<u>27,189,478</u>	<u>35,309,809</u>
Excess of revenues over (under) expenditures	<u>(876,930)</u>	<u>(12,202,348)</u>	<u>(4,283,589)</u>	<u>(1,130,981)</u>	<u>(4,899,600)</u>
<b>Other Financing Sources (Uses)</b>					
Insurance proceeds	7,294	12,358	18,537	21,088	26,013
Sale of property	22,943	864	5,141,765	3,136	7,568
Issuance of bonds and notes	-	10,820,000	4,855,200	753,218	2,755,000
Payment to bond refunding escrow agent	-	(250,000)	(2,490,917)	-	-
Unamortized premium on refunding bonds	-	-	86,289	-	-
British Petroleum settlement	-	-	-	948,027	-
Original issue discount on bonds issued	-	(698,783)	-	-	-
Transfers in	4,083,757	7,676,269	3,849,718	2,942,410	2,956,044
Transfers out	(4,083,757)	(9,267,574)	(4,477,657)	(3,014,623)	(2,996,567)
Total other financing sources (uses)	<u>30,237</u>	<u>8,293,134</u>	<u>6,982,935</u>	<u>1,653,256</u>	<u>2,748,058</u>
Special Item - SCDL Forgiveness	-	-	-	-	1,557,325
Net change in fund balances	<u>\$ (846,693)</u>	<u>\$ (3,909,214)</u>	<u>\$ 2,699,346</u>	<u>\$ 522,275</u>	<u>\$ (594,217)</u>
Debt service as a percentage of noncapital expenditures	28.47%	16.53%	20.74%	12.61%	17.71%

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**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 4 (UNAUDITED) Continued**  
**REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES)**  
**ALL GOVERNMENTAL FUND TYPES**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	2013	2012	2011	2010	2009
<b>Revenues</b>					
Taxes					
Property	\$ 2,838,888	\$ 2,740,164	\$ 2,603,312	\$ 2,286,520	\$ 2,151,388
Sales	5,960,425	5,728,228	5,605,223	5,546,989	4,400,504
Franchise	330,753	319,186	335,954	345,495	311,371
Gaming Fees and Taxes	-	-	-	-	-
Licenses and Permits	321,498	404,051	231,488	194,818	411,740
Intergovernmental	7,465,850	8,350,273	6,311,665	4,351,617	8,839,606
Charges for services	396,383	504,461	473,838	430,292	493,328
Fines	774,394	710,508	712,412	521,503	501,460
Interest	44,735	20,538	37,606	127,758	107,704
Lease revenue	134,280	117,712	105,622	113,965	142,357
Miscellaneous	112,949	54,082	23,552	629,889	449,877
<b>Total revenues</b>	<b>18,380,155</b>	<b>18,949,203</b>	<b>16,440,672</b>	<b>14,548,846</b>	<b>17,809,335</b>
<b>Expenditures</b>					
General government	2,670,504	2,327,986	3,114,571	3,686,946	3,408,716
Public safety	4,010,037	3,745,186	3,504,730	4,198,555	3,956,533
Public works	3,865,061	2,143,274	1,400,956	1,343,439	1,586,540
Economic Development	963,795	482,970	605,323	490,613	472,525
Culture and recreation	393,878	548,560	590,895	964,359	983,889
Capital outlay	16,051,236	4,162,095	11,699,838	5,480,578	6,671,174
Debt Service:					
Principal	1,136,424	1,108,472	1,086,539	766,744	747,207
Interest	901,869	641,087	577,849	411,830	423,222
<b>Total expenditures</b>	<b>29,992,804</b>	<b>15,159,630</b>	<b>22,580,701</b>	<b>17,343,064</b>	<b>18,249,806</b>
Excess of revenues over (under) expenditures	(11,612,649)	3,789,573	(6,140,029)	(2,794,218)	(440,471)
<b>Other Financing Sources (Uses)</b>					
Insurance proceeds	35,385	27,584	10,724	11,970	18,668
Sale of property	244,522	250,434	52,580	17,419	4,092
Issuance of bonds and notes	12,468,141	-	4,000,000	4,000,000	-
Payment to bond refunding escrow agent	-	-	-	-	-
Unamortized premium on refunding bonds	-	-	-	-	-
British Petroleum settlement	-	-	-	-	-
Original issue discount on bonds issued	-	-	-	-	-
Transfers in	2,194,779	2,200,605	3,913,267	3,333,600	1,653,147
Transfers out	(2,194,779)	(2,412,777)	(4,134,138)	(3,456,765)	(3,732,153)
<b>Total other financing sources (uses)</b>	<b>12,748,048</b>	<b>65,846</b>	<b>3,842,433</b>	<b>3,906,224</b>	<b>(2,056,246)</b>
Special Item - SCDL Forgiveness	-	-	-	-	-
<b>Net change in fund balances</b>	<b>\$ 1,135,399</b>	<b>\$ 3,855,419</b>	<b>\$ (2,297,596)</b>	<b>\$ 1,112,006</b>	<b>\$ (2,496,717)</b>
Debt service as a percentage of noncapital expenditures	17.12%	18.92%	18.06%	11.03%	11.25%

**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 5 (UNAUDITED)**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**Current Fiscal Year & Nine Years Ago**

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Land Holdings I, LLC	\$ 19,932,626	1	13.20%			
Promenade	5,667,982	2	3.75%			
Scarlett Pearl	4,126,541	3	2.73%			
Mississippi Power Company	3,653,800	4	2.42%	\$ 1,464,596	1	5.23%
Landmark of D'Iberville	2,053,688	5	1.36%			
Wal-mart Real Estate Bus. Trust	2,025,794	6	1.34%			
Arbor View II, LLC	1,871,960	7	1.24%			
Target Corporation	1,441,217	8	0.95%			
EPT Biloxi Inc.	1,323,453	9	0.88%			
Ramco Real Estate LLC	1,282,954	10	0.85%			
Carlo Corp.				1,282,358	2	4.58%
Bell South Telecommunications				1,069,712	3	3.82%
Bell South Telecommunications				444,817	4	1.59%
Ireland Biloxi LTD				399,611	5	1.43%
Kmart				396,817	6	1.42%
Greyhound Real Estate Inv.				173,162	7	0.62%
Winn Dixie				168,713	8	0.60%
Carl Dupis				159,153	9	0.57%
F.B. Sue Inc.				125,862	10	0.45%
Total	43,380,015		28.74%	5,684,801		20.31%
Other Taxpayers	107,567,627		71.26%	22,335,982		79.69%
Total All Taxpayers	\$ 150,947,642		100.00%	\$ 28,020,783		100.00%

Source: Office of the County Tax Collector



**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 6 (UNAUDITED)**  
**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
2017	4,155,553	4,391,570	105.68%
2016	4,043,838	4,268,682	105.56%
2015	3,159,123	3,283,388	103.93%
2014	3,068,791	3,282,355	106.96%
2013	3,159,500	3,343,675	105.83%
2012	2,622,030	2,838,888	108.27%
2011	2,552,491	2,740,164	107.35%
2010	2,477,883	2,603,312	105.06%
2009	2,182,284	2,286,520	104.78%
2008	2,061,819	2,151,388	104.34%

**CITY OF D'IBERVILLE, MISSISSIPPI**

**Schedule 7 (UNAUDITED)**

**TAXABLE SALES BY INDUSTRY**

Last ten fiscal years  
(expressed in thousands)

Industry <sup>1</sup>	2018	2017	2016	2015	2014
Accommodation and Food Services	\$ 98,152	\$ 90,591	\$ 91,062	\$ 76,800	\$ 69,011
Administrative Support and Waste Management	329	168	127	198	187
Arts, Entertainment & Recreation	2,960	3,299	2,558	343	309
Construction	2,787	1,819	1,112	1,663	864
Finance and Insurance	-	-	-	19,128	-
Information	21,874	21,059	19,749	15,426	16,803
Other Services (except Public Administration)	22,051	19,094	18,080	2,043	9,180
Real Estate and Rental and Leasing	9,143	14,294	15,706	3,598	1,395
Manufacturing	8,039	8,596	8,178	426,573	-
Retail Trade	508,189	471,591	460,654	7,941	402,977
Utilities	10,219	9,417	9,170	1,135	6,977
Wholesale Trade	3,267	3,079	2,742	2,231	3,439
Total taxable sales	<u>\$ 687,010</u>	<u>\$ 643,007</u>	<u>\$ 629,138</u>	<u>\$ 557,079</u>	<u>\$ 511,142</u>
Gross tax collections	\$ 44,994	\$ 42,443	\$ 41,713	\$ 36,867	\$ 33,923
Average effective rate	6.55%	6.60%	6.63%	6.62%	6.64%

Industry <sup>1</sup>	2013	2012	2011	2010	2009
Automotive	\$ 88,058	\$ 52,228	\$ 51,970	\$ 46,606	\$ 59,994
Machinery, Equipment, and Supplies	10,148	10,138	6,491	4,578	4,807
Accommodation & Food Services	90,193	88,164	87,640	82,237	68,799
Furniture and Fixtures	20,078	20,491	20,180	16,560	4,689
Public Utilities	18,402	-	-	-	-
Apparel and General Merchandise	181,793	185,269	185,924	163,310	133,095
Lumber and Building Materials	30,942	31,341	35,132	36,196	40,335
Miscellaneous Retail	30,078	28,296	26,216	25,792	17,963
Miscellaneous Services	11,810	11,987	14,655	13,477	11,139
Construction	1,332	1,204	1,611	1,960	2,236
Recreation & Amusement	9,041	9,363	9,220	-	-
Total taxable sales	<u>\$ 491,875</u>	<u>\$ 438,481</u>	<u>\$ 439,039</u>	<u>\$ 390,716</u>	<u>\$ 343,057</u>
Gross tax collections	\$ 32,184	\$ 28,723	\$ 29,252	\$ 26,617	\$ 22,879
Average effective rate	6.54%	6.55%	6.66%	6.81%	6.67%

<sup>1</sup> Fiscal year 2014, the Mississippi Department of Revenue converted sales tax collection data from the Standard Industrial Classification (SIC) System to the North American Industry Classification System (NAICS). Due to confidentiality issues, the names of the ten largest tax revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the State's revenue.

Source: Mississippi Department of Revenue

**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 8 (UNAUDITED)**  
**NUMBER OF TAXPAYERS BY INDUSTRY**  
**Current Fiscal Year and Nine Years Ago**

Industry <sup>1</sup>	Fiscal Year Ended September 30, 2018			
	Number of Filers	Percentage of Total	Tax Liability (expressed in thousands)	Percentage of Total
Accommodation and Food Services	907	17.8%	98,152	14.3%
Administrative Support and Waste Management	57	1.1%	329	0.0%
Arts, Entertainment & Recreation	79	1.5%	2,960	0.4%
Construction	287	5.6%	2,787	0.4%
Finance and Insurance	37	0.7%	-	0.0%
Information	652	12.8%	21,874	3.2%
Other Services (except Public Administration)	659	12.9%	22,051	3.2%
Real Estate and Rental and Leasing	84	1.6%	9,143	1.3%
Manufacturing	112	2.2%	8,039	1.2%
Retail Trade	1947	38.1%	508,189	74.0%
Utilities	118	2.3%	10,219	1.5%
Wholesale Trade	167	3.4%	3,267	0.5%
Totals	5106	100.0%	687,010	100.0%

Industry <sup>1</sup>	Fiscal Year Ended September 30, 2009			
	Number of Filers	Percentage of Total	Tax Liability (expressed in thousands)	Percentage of Total
Automotive	398	17.0%	53,174	17.2%
Machinery, Equipment and Supplies	113	4.8%	4,539	1.5%
Food and Beverage	733	31.4%	64,274	20.8%
Furniture	90	3.9%	3,508	1.1%
General Merchandise	100	4.3%	120,546	39.0%
Lumber and Building Materials	120	5.1%	33,527	10.8%
Miscellaneous Rental	578	24.8%	18,177	5.9%
Miscellaneous Services	152	6.5%	10,272	3.3%
Public Utilities	8	0.3%	777	0.3%
Contracting	43	1.9%	590	0.1%
Totals	2335	100.0%	309,384	100.0%

<sup>1</sup> Fiscal year 2014, the Mississippi Department of Revenue converted sales tax collection data from the Standard Industrial Classification (SIC) System to the North American Industry Classification System (NAICS). Due to confidentiality issues, the names of the ten largest tax revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the State's revenue.

Source: Mississippi Department of Revenue



**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 9 (UNAUDITED)**  
**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 Incremental Financing Bonds	Capital Leases	Notes Payable	Certificates of Participation	General Obligation Bonds	Special Obligation Bonds	Revenue Bonds	Notes Payable	Capital Leases			
2018	\$ 24,065,000	\$ 546,365		\$ 1,980,000	\$ 2,210,000	\$ 3,025,000	\$ 4,405,000	\$ 650,365		\$ 36,881,730	13.72%	\$ 3,177
2017	25,640,000	617,019	-	2,145,000	2,480,000	3,195,000	4,980,000	711,809		39,768,828	14.93%	3,457
2016	16,050,000	685,956		2,305,000	2,480,000	3,360,000	5,545,000	883,776		31,309,732	12.24%	2,746
2015	14,665,000	753,218	-	2,460,000	2,945,000	3,535,000	5,645,000	1,004,543		31,007,761	9.77%	2,613
2014	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
2013	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
2012	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
2011	6,734,160	230,254	1,281,462		3,805,000	4,000,000	7,350,000	1,909,922	-	25,310,798	14.09%	2,566
2010	7,479,160	376,793	1,281,462		4,000,000		4,785,000	2,114,723	19,381	20,056,519	11.15%	1,114
2009	8,094,160	528,536	1,281,462				4,870,000	2,126,843	38,090	16,939,091	12.32%	1,135

**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**  
**Schedule 11 (UNAUDITED)**  
**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	
2018	4,077,937	2,913,515	1,164,422	575,000	102,363	171.91%
2017	4,131,322	2,794,946	1,336,376	565,000	109,558	198.11%
2016	4,121,564	2,744,842	1,376,722	465,000	240,513	195.14%
2015	3,851,907	2,936,518	915,389	450,000	256,213	129.62%
2014	3,856,318	2,660,909	1,195,409	435,000	271,363	169.23%
2013	3,789,078	2,665,421	1,123,657	425,000	282,863	158.74%
2012	3,641,661	2,728,244	913,417	395,000	293,013	132.76%
2011	3,432,932	2,433,664	999,268	310,000	210,169	192.10%
2010	3,279,790	2,774,141	505,649	250,000	240,343	103.12%
2009	3,344,445	2,293,747	1,050,698	240,000	251,143	213.93%

**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**  
**Schedule 10 (UNAUDITED)**  
**LEGAL DEBT MARGIN INFORMATION**  
**Last Ten Fiscal Years**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Debt limit	\$ 22,642,146	\$ 22,188,281	\$ 17,376,677	\$ 16,730,843	\$ 16,540,205	\$ 14,122,353	\$ 13,769,765	\$ 13,915,807	\$ 12,283,204	\$ 11,864,508
Net debt applicable to limit	2,210,000	2,480,000	2,480,000	2,945,000	3,175,000	4,676,462	4,886,462	5,086,462	5,281,462	1,281,462
Net debt applicable to the limit as a percentage of debt limit	9.76%	11.18%	14.27%	17.60%	19.20%	33.11%	35.49%	36.55%	43.00%	10.80%

**Legal Debt Margin Calculation for Fiscal Year 2018**

Total assessed value	\$ 156,170,299
Debt limit (15% of total assessed value)	23,425,545
Debt applicable to limit:	
General obligation bonds <sup>2</sup>	2,210,000
Less: Amount set aside for repayment of general obligation debt	
Total net debt applicable to limit	2,210,000
Legal debt margin	<u>\$ 21,215,545</u>

<sup>1</sup> The amount of general obligation bonded debt that can be incurred by the City is limited by state statute. Total outstanding general obligation bonded debt during a year can be no greater than 15% of assessed value of the taxable property within the City, according to the then last completed assessment for taxation. However, the limitation is increased to 20% whenever a city issues bonds to repair or replace washed out or collapsed bridges on the public roads of the city.

<sup>2</sup> The legal debt limit applies to total governmental activities long-term bonded debt.



**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 12 (UNAUDITED)**  
**DEMOGRAPHIC AND ECONOMIC DATA**  
**Last ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (expressed in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>	<u>Median Age</u>
2018	11,610	268,772	23,150	4.4%	36.3
2017	11,503	266,294	23,150	4.5%	36.2
2016	11,400	255,713	22,431	5.6%	35.3
2015	11,870	317,594	26,756	5.8%	33.6
2014	11,638	230,165	19,777	7.1%	33
2013	11,426	249,212	21,811	7.8%	33
2012	9,865	187,119	18,968	8.6%	33
2011	9,865	179,632	18,209	9.6%	32.3
2010	9,486	179,930	18,968	9.2%	36.9
2009	7,928	137,390	17,330	7.5%	33.5

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**  
**Schedule 13 (UNAUDITED)**  
**PRINCIPAL EMPLOYERS**  
**Current Fiscal Year and Nine Years Ago**

<u>Employer</u>	<u>2018</u>			<u>2009</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Scarlett Pearl	971	1	15.3%			
Wal-mart Supercenter	331	2	5.2%	350	1	16.8%
City of D'Iberville	141	3	2.2%	33	10	1.6%
Lowes	135	4	2.1%			
Target	117	5	1.8%			
Olive Garden	116	6	1.8%			
Greenbriar Nursing Home	115	7	1.8%			
Kohl's	112	8	1.8%			
Saad's	88	9	1.4%			
Chick-Fil-A	85	10	1.3%			
Winn Dixie				125	2	6.0%
Kmart				110	3	5.3%
Astro Ford				64	4	3.1%
Bayside Chrysler				53	5	2.5%
Gollott Seafood				50	6	2.4%
Fournier Seafood				50	7	2.4%
Ed Saylor Pontiac				48	8	2.3%
Seymour & Sons				45	9	2.2%
<b>Total</b>	<u>2,211</u>		<u>34.7%</u>	<u>928</u>		<u>44.6%</u>
<b>Other Employers</b>	<u>4,131</u>		<u>65.3%</u>	<u>1,152</u>		<u>55.4%</u>
<b>Total Employment</b>	<u>6,342</u>		<u>100.0%</u>	<u>2,080</u>		<u>100.0%</u>

Total employment estimate information obtained from the Bureau of Labor Statistics

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MAR 26 2019

**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 14 (UNAUDITED)**  
**FULL -TIME EQUIVALENT CITY GOVERNMENT**  
**EMPLOYEES BY FUNCTION/PROGRAM**  
**Last ten calendar years**

Function	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General government										
City Management	2	2	2	2	2	1	2	2	2	2
Finance & Administration	6	5	5	4	4	2	3	3	4	3
Building	4	5	5	5	5	4	4	4	6	6
Judicial	5	5	4	4	4	4	4	2	3	4
Planning	2	2	3	4	3	4	4	4	5	
Public Safety										
Police	40	39	39	37	36	35	30	29	28	26
Fire	34	34	31	30	30	25	24	25	26	28
Highways & Streets										
Maintenance	19	22	21	19	16	16	17	13	16	9
Culture & Recreation	9	5	8	7	7	7	5	6	6	19
Water	13	12	13	13	13	12	12	14	12	12
<b>TOTAL</b>	<b>134</b>	<b>131</b>	<b>131</b>	<b>125</b>	<b>120</b>	<b>110</b>	<b>105</b>	<b>102</b>	<b>108</b>	<b>109</b>



**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 15 (UNAUDITED)**  
**OPERATING INDICATORS BY FUNCTION**  
**Last ten calendar years**

<b>Function</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>Fire</b>										
Number of calls answered	1704	1592	1620	1706	1546	1244	1209	1126	1086	1062
<b>Highways and streets</b>										
Street resurfacing (miles)	1.3	0	3.4	0	0	1.4	3	1.8	5.6	2.9
<b>Water</b>										
New connections	91	105	97	31	35	30	30	111	74	75
Waters main breaks	3	11	7	8	7	48	57	43	21	71
Average daily consumption (thousands of gallons)	1016	970	942	849	863	916	777	845	917	949
<b>Wastewater<sup>1</sup></b>										
Average daily sewage treatment (thousands of gallons)	1180	1160	1116.4	1095.23	1074.66	1061.1	995.26	917.4	1057.73	836.41

<sup>1</sup> Data provided by Harrison County Wastewater Utility Authority

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**CITY OF D'IBERVILLE, MISSISSIPPI**  
**Schedule 16 (UNAUDITED)**  
**CAPITAL ASSET STATISTICS BY FUNCTION**  
**Last ten calendar years**

Function	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>Public Safety</b>										
Police:										
Patrol units	56	54	48	45	41	43	41	42	44	33
Fire stations	1	1	1	1	1	1	1	1	1	1
<b>Highways and streets</b>										
Streets (miles)	112.5	112.5	64.5	62.62	62.62	62.62	58.05	58.05	58.05	58.05
Streetlights	1306	1290	1222	1452	1392	1392	1330	1250	1250	1250
Traffic signals	26	26	26	26	24	24	20	20	20	20
School signals	5	6	10	10	10	10	8	8	8	8
<b>Culture and recreation</b>										
Parks acreage	117	117	117	117	117	117	55	55	55	55
Parks	8	8	8	4	4	4	5	5	5	5
Tennis courts	8	8	8	8	8	8	10	10	10	10
Community centers	2	1	1	1	1	1	1	1	1	1
<b>Water</b>										
Water mains (miles)	85.5	85.5	83.75	82.99	82.99	82.99	57.72	57.72	57.72	57.65
Fire hydrants	785	787	757	747	716	706	675	535	531	506
Number of water wells	3	4	4	5	5	5	6	6	6	6
Maximum daily capacity (thousands of gallons)	5270	5270	5270	5270	5270	5270	5270	5270	5270	5270
<b>Sewer</b>										
Sanitary sewers (miles)	86.5	86.5	85.5	84.89	84.89	84.89	71.31	70.75	70.75	72.81
Maximum daily treatment capacity (thousands of gallons)	2620	2620	2620	2620	2620	2620	2620	1120	1120	1120

SECTION IV  
COMPLIANCE SECTION





# WRIGHT, WARD, HATTEN & GUEL

PROFESSIONAL LIMITED LIABILITY COMPANY

(SUCCESSORS TO A. L. EVANS & COMPANY ESTABLISHED 1928)

*Certified Public Accountants*

HANCOCK BANK BUILDING

2510 - 14TH STREET

P.O. BOX 129

GULFPORT, MISSISSIPPI 39502

MICHAEL E. GUEL, CPA, CVA, RFS, CRPA, CFE  
SANDE W. HENTGES, CPA, CFE

CHRIS TAYLOR, CPA  
CHARLENE KERKOW, CPA

## MEMBERS

AMERICAN INSTITUTE OF CPAS  
MISSISSIPPI SOCIETY OF CPAS

TELEPHONE (228) 863-6501 FAX  
NUMBER (228) 863-6544  
EMAIL: OFFICE@WWHGCPA.COM

## INDEPENDENT AUDITORS' 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 13, 2019

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, 2018, 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 13, 2019.

### 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.

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### **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.

Walter Woodworth & Sons



**WRIGHT, WARD, HATTEN & GUEL**

PROFESSIONAL LIMITED LIABILITY COMPANY

(SUCCESSORS TO A. L. EVANS & COMPANY ESTABLISHED 1928)

*Certified Public Accountants*

HANCOCK BANK BUILDING

2510 - 14TH STREET

P.O. BOX 129

GULFPORT, MISSISSIPPI 39502

MICHAEL E. GUEL, CPA, CVA, PFS, CFP®, CFE  
SANDE W. HENTGES, CPA, CFE

CHRIS TAYLOR, CPA  
CHARLENE KERKOW, CPA

MEMBERS

AMERICAN INSTITUTE OF CPAS  
MISSISSIPPI SOCIETY OF CPAS

TELEPHONE (228) 863-6501 FAX  
NUMBER (228) 863-6544  
EMAIL: OFFICE@WWHGCPA.COM

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

March 13, 2019

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, 2018 and have issued our report dated March 13, 2019. 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

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, 2018

**SECTION I – SUMMARY OF AUDITORS' RESULTS**

Type of Auditors' Report Issued	Unmodified
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Internal Control over Financial Reporting:

Material weakness(es) identified	No
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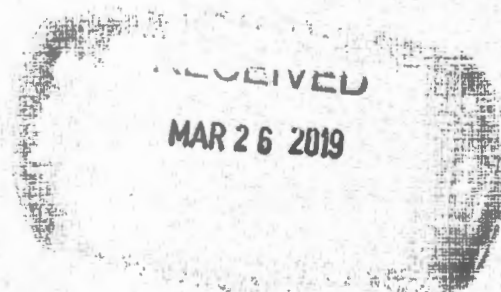
Significant deficiency(ies) identified not considered to be material weaknesses?	No
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Noncompliance material to financial statements noted?	None Noted
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**SECTION II – FINANCIAL STATEMENT FINDINGS**

There are no financial statement findings.

COMPLIANCE  
SUPPLEMENTAL INFORMATION







**CITY OF D'IBERVILLE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARD**  
**SEPTEMBER 30, 2018**

<b>Federal Grantor/ Passed-through Grantor/ Program Title or Cluster</b>	<b>Federal CFDA Number</b>	<b>Grant No. / Pass-Through Number</b>	<b>Federal Expenditures</b>
U.S. Department of Housing and Urban Development Passed through the Mississippi Development Authority Community Development Block Grant	14.228	R-109-166-04-KCR	\$ 2,761,000 *
Total U.S. Department of Housing and Urban Development			<u>2,761,000</u>
U.S. Department of Justice Bulletproof Vest Partnership Program	16.607	2017-BUBX13069332	3,657
Equitable Sharing	16.922	MS0240800	70,688
U.S. Department of Justice - Office of Justice Programs/ Passed through the Mississippi Department of Public Safety Local Law Enforcement Grant	16.738	2016-MU-BX-0179	3,741
Edward Byrne Memorial Justice Assistance Grant	16.738	16-HS-269-1	115,050
Total U.S. Department of Justice			<u>193,136</u>
U.S. Department of Transportation Passed through the Mississippi Department of Public Safety Police Traffic Services	20.600	PT-2018-PT-26-91	14,165
MOHS-Impaired Driving	20.607	154-A-L-ST-2018-ST-26-91	25,163
Total U. S. Department of Transportation			<u>39,328</u>
Executive Office of the President High Intensity Drug Trafficking Area	95.001	G16GC0003A	33,300
Total Executive Office of the President			<u>33,300</u>
Total Expenditures of Federal Awards			<u>\$ 3,026,764</u>

**\* Denotes major fund**

**Notes to the Schedule of Expenditures of Federal Awards**

**Note 1 – General**

The accompanying schedule of Expenditures of Federal Awards (SEFA) presents the activity of all federal award programs of the City of D'Iberville Mississippi (the "City"). All federal awards received directly from federal agencies as well as federal awards passed through other government agencies to the City are included in the accompanying SEFA.

**Note 2 – Basis of Accounting**

With the exception of the Department of Justice – Equity Sharing (CFDA# 16.922), the schedule of expenditures of federal awards includes the federal grant activity of the City and is presented on the modified-accrual basis of accounting. Differences between the granting-agency basis of accounting and the basis of accounting used by the City in preparing its financial fund statements may occur. Equity Sharing is reported on a cash basis of accounting.

CITY OF D'IBERVILLE  
SCHEDULE OF SURETY BONDS FOR PUBLIC OFFICIALS  
SEPTEMBER 30, 2018

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
Clay Jones	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 Puzz	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
Karen Kulp	Deputy Court Clerk	Western Surety Co.	\$ 50,000
Misty Wilson	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



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