

CITY OF KENNER, LOUISIANA

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2020



Submitted by:

Department of Finance

MICHAEL T. WETZEL
Chief Financial Officer

TABLE OF CONTENTS

	<u>PAGE</u>
INTRODUCTORY SECTION	
Letter of Transmittal.....	1-3
GFOA Certificate of Achievement for Excellence in Financial Reporting	4
Selected Officials of the City of Kenner	5
Organizational Chart of the City of Kenner	6
Map of the City of Kenner	7
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	8-10
REQUIRED SUPPLEMENTARY INFORMATION - PART I	
Management’s Discussion and Analysis	11-16
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	17
Statement of Activities.....	18
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	19-20
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	21
Statement of Revenues, Expenditures, and Changes in Fund Balances	22-23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Proprietary Funds:	
Statement of Net Position	25-26
Statement of Revenues, Expenses, and Changes in Fund Net Position	27
Statement of Cash Flows	28-29

TABLE OF CONTENTS (CONTINUED)

PAGE

FINANCIAL SECTION (CONTINUED)

Fiduciary Fund:

Statement of Assets and Liabilities	30
Notes to the Financial Statements	31-65

REQUIRED SUPPLEMENTARY INFORMATION - PART II

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	66
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - One Percent Sales Tax of 1984 Fund	67
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Fire Protection Fund	68
Notes to Budgetary Comparison Schedules	69
Schedule of Changes in Total OPEB Liability and Related Ratios	70
Schedule of Employer's Proportionate Share of the Net Pension Liability	71
Schedule of Employer's Pension Contributions	72
Notes to Required Supplementary Information	73-74

OTHER SUPPLEMENTARY INFORMATION

Governmental Funds:

Nonmajor Fund Descriptions	75
Combining Balance Sheet - Nonmajor Governmental Funds	76-77
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	78-79
Schedule of Revenues - Budget and Actual - General Fund	80-81
Schedule of Expenditures - Budget and Actual - General Fund	82-83
Combining Schedule of Departmental Expenditures - Budget and Actual - General Fund	
General Government Function	84-88
Public Safety Function	89-91
Public Works Function	92-93
Health and Welfare Function	94

TABLE OF CONTENTS (CONTINUED)

PAGE

FINANCIAL SECTION (CONTINUED)

Culture and Recreation Function.....	95-97
Transit Function.....	98
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Community Development Block Grant Fund.....	99-100
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Garbage Collection and Disposal Fund	101
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Streets and Drainage Fund	102
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Debt Fund.....	103
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Ad Valorem Tax Bonds Fund	104
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Firemen's Pension Merger Fund.....	105
Proprietary Funds:	
Enterprise Funds:	
Enterprise Fund Descriptions	106
Schedule of Revenues, Expenses, and Changes in Fund Net Position Budget and Actual - Department of Wastewater Operations Fund.....	107
Schedule of Revenues, Expenses, and Changes in Fund Net Position Budget and Actual - Civic Center Operations Fund.....	108
Internal Service Funds:	
Internal Service Fund Descriptions	109
Combining Statement of Net Position	110
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	111
Combining Statement of Cash Flows	112-113
Fiduciary Fund:	
Fiduciary Fund Description	114
Statement of Changes in Assets and Liabilities.....	115
Schedule of Councilpersons' Compensation	116
Schedule of Compensation, Benefits, and Other Payments to the Mayor	117

TABLE OF CONTENTS (CONTINUED)

PAGE

STATISTICAL SECTION

Statistical Section Descriptions	118
Financial Trends	119-128
Revenue Capacity	129-133
Debt Capacity	134-138
Demographic and Economic Information	139-140
Operating Information	141-143

SINGLE AUDIT SECTION

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	144-145
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance	146-148
Schedule of Expenditures of Federal Awards	149-150
Notes to Schedule of Expenditures of Federal Awards	151
Schedule of Findings and Questioned Costs	152-153
Summary Schedule of Prior Year Findings	154

INTRODUCTORY SECTION



CITY OF KENNER

DEPARTMENT OF FINANCE

E. BEN ZAHN
MAYOR

MICHAEL T. WETZEL
CFO

December 21, 2020

Honorable Mayor and City Councilpersons
City of Kenner, Louisiana
1801 Williams Boulevard
Kenner, Louisiana 70062

The Comprehensive Annual Financial Report of the City of Kenner, Louisiana, for the fiscal year-ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and operating activities of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, including the Schedule of Expenditures of Federal Awards, findings and questioned costs, and auditor's reports on compliance and on internal controls are included in the single audit section of this report.

CITY OF KENNER

The City is the largest incorporated area in Jefferson Parish, a suburban parish (county) in the New Orleans Standard Metropolitan Statistical Area. It is bounded on the north by Lake Pontchartrain, on the south by the Mississippi River, on the east by unincorporated Jefferson Parish, and on the west by St. Charles Parish. The map of the City which is enclosed in this Introductory Section reflects a total area of approximately 15 square miles. Since 1946, the City has contained the site for the New Orleans International Airport.

Major industries located within the City's boundaries or in close proximity include retail, air carriers, gaming, telephone, energy and telecommunications providers, and manufacturing.

REPORTING ENTITY AND ITS SERVICES

The City is a unit of general local government under the Census Bureau's criteria. It is a home rule charter city incorporated under the constitution and laws of the State of Louisiana on July 1, 1974. A seven person council and an elected mayor govern the City, as reflected in the organizational chart of the City's administrative departments included in this introductory section. The City's department directors with the exception of the Police Department, which is governed by an elected chief, report to the Chief Administrative Officer who in turn reports directly to the Mayor.

This report includes government-wide financial statements and fund financial statements of the City. The City provides a full range of services. These services include police and fire protection; sanitation services; the construction and maintenance of highways, streets, and infrastructure; recreational activities; and cultural events. As required by generally accepted accounting principles, the financial statements of the reporting entity present the primary government (the City) and any component units. Component units are defined as legally separate organizations for which the City is financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with the primary government (the City) such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete

The City has no component units currently.

THE REPORT FORM

The authoritative promulgations by the Governmental Accounting Standards Board (GASB) were applied in the preparation of this report.

Users of the Comprehensive Annual Financial Report should also refer to the narrative introduction, overview, and analysis found in the Management's Discussion and Analysis (MD&A) in the financial section of the Comprehensive Annual Financial Report.

FINANCIAL INFORMATION

Internal Accounting Control

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit

As a recipient of federal, state, and parish financial assistance, the City also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management. I believe that the City's internal control structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

As a part of the City's single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's single audit for the fiscal year-ended June 30, 2020 are included in the Single Audit Section of this report.

Budgetary Control

In addition, the government maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the General Fund, Special Revenue Funds, Debt Service Funds and Enterprise Funds are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level, except for the General Fund which is at the departmental level. Any amendments to the total budgeted expenditures of a department require Council approval. The Mayor can approve changes to the budget within a department, as long as the total is not changed. The government also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Besides comparing current year expenditures to the prior year, comparison to budget is of paramount importance in a government's financial reporting. The City Council annually adopts a budget for each governmental fund type (except capital projects are budgeted on a project basis) and proprietary type funds (except for the Internal Service Funds). Budgetary accounting is not used for the Self Insurance and Health Insurance Internal Service Funds because management considers effective budgetary control achieved since their amounts, which are charged back to other funds, are included as expenditures in each Fund's budget. Budgets are adopted by June 15 for the fiscal year which begins the following July 1. Revenues and expenditures are budgeted on the modified accrual or accrual basis as appropriate for the fund type. Encumbrances of the current year are recorded as obligations against budgeted appropriations and are included in the columns titled "budgetary" in the statements in the financial section of this report.

LOCAL ECONOMY

The City's economy has been improving after initial setbacks due to the COVID-19 pandemic. As discussed later in Management's Discussion and Analysis, the City's largest revenue source, Sales Taxes, remain strong. The construction of a new terminal at the Louis Armstrong New Orleans International Airport located in Kenner is a major project which was completed toward the end of calendar 2019. Design of the City's major corridor redevelopment program is complete. These and other potential

developments should provide a major boost to the City's economy by creating jobs and generating additional taxes and fees in the coming years. We expect these anticipated additional revenues to help the City keep pace with ever increasing costs.

LONG TERM FINANCIAL PLANNING

As mentioned in this report, the City's economy remains strong and is expected to continue to improve. The City's principal source of revenues are from sales and property taxes. Major enterprises, such as the airport and a casino will continue to contribute to the City's economy. Two large automotive retail outlets opened during the prior year and are major contributors to the City's economic health. Other significant retail outlets have recently opened near Laketown and along West Esplanade. Dining establishments continue to develop in Rivertown. During the prior fiscal year, the City moved its Recreation Department into Esplanade Mall. The resulting increase in traffic has caused sales taxes generated at the mall to increase. Also, present and planned capital development projects will improve the City's outlook. Issuance of debt has been, and will continue to be a source of financing.

LEGAL COMPLIANCE

The Uniform Guidance, previously Single Audit Act of 1984 (P. L. 98-502) and related 1996 Amendments, requires reports by the Auditors on compliance and on the internal control over financial reporting in accordance with *Government Auditing Standards*, the City's compliance with requirements applicable to each major program and internal control over compliance in accordance with the Uniform Guidance and the Schedule of Expenditures of Federal Awards. These reports, along with the City management's responses to the non-compliance findings, are presented in the Single Audit Section of this report.

INDEPENDENT AUDIT

Louisiana municipalities not audited by the Legislative Auditor are required by La. R.S. 24:517 to have conducted annually an audit of their accounts by a certified public accountant. Moreover, the City Charter (Section 2:28) requires that the Council shall execute a contract each year with a certified public accountant or a firm of certified public accountants for an examination of the accounts of the City to include all funds appropriated by the Council. These requirements have been complied with and the opinion of the firm of Duplantier, Hrapmann, Hogan & Maher, L.L.P., Certified Public Accountants has been included in this report.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) has received our application for a Certificate of Achievement for Excellence in Financial Reporting for the City's annual financial report for the fiscal year-ended June 30, 2019. Due to the effects of COVID-19, there has been a delay in reviewing the application by the GFOA, and our application is still pending as of the date of this report.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report.

I would also like to thank the staff at Duplantier, Hrapmann, Hogan & Maher, L.L.P., Certified Public Accountants, for their invaluable assistance in completing this Comprehensive Annual Financial Report of the City of Kenner.

In closing, without the leadership and support of the Mayor, the Chief Administrative Officer and the City Council, preparation of this report would not have been possible.

Sincerely,

MICHAEL T. WETZEL
Chief Financial Officer

CERTIFICATE OF ACHIEVEMENT



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Kenner
Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

SELECTED OFFICIALS OF THE CITY OF KENNER

CITY COUNCIL

Councilwoman at Large Division A	Kristi McKinney
Councilman at Large Division B	Thomas Willmott
District No. 1	Gregory Carroll
District No. 2	Michael Sigur
District No. 3	Glenn Hayes
District No. 4	George Branigan
District No. 5	Brian Brennan

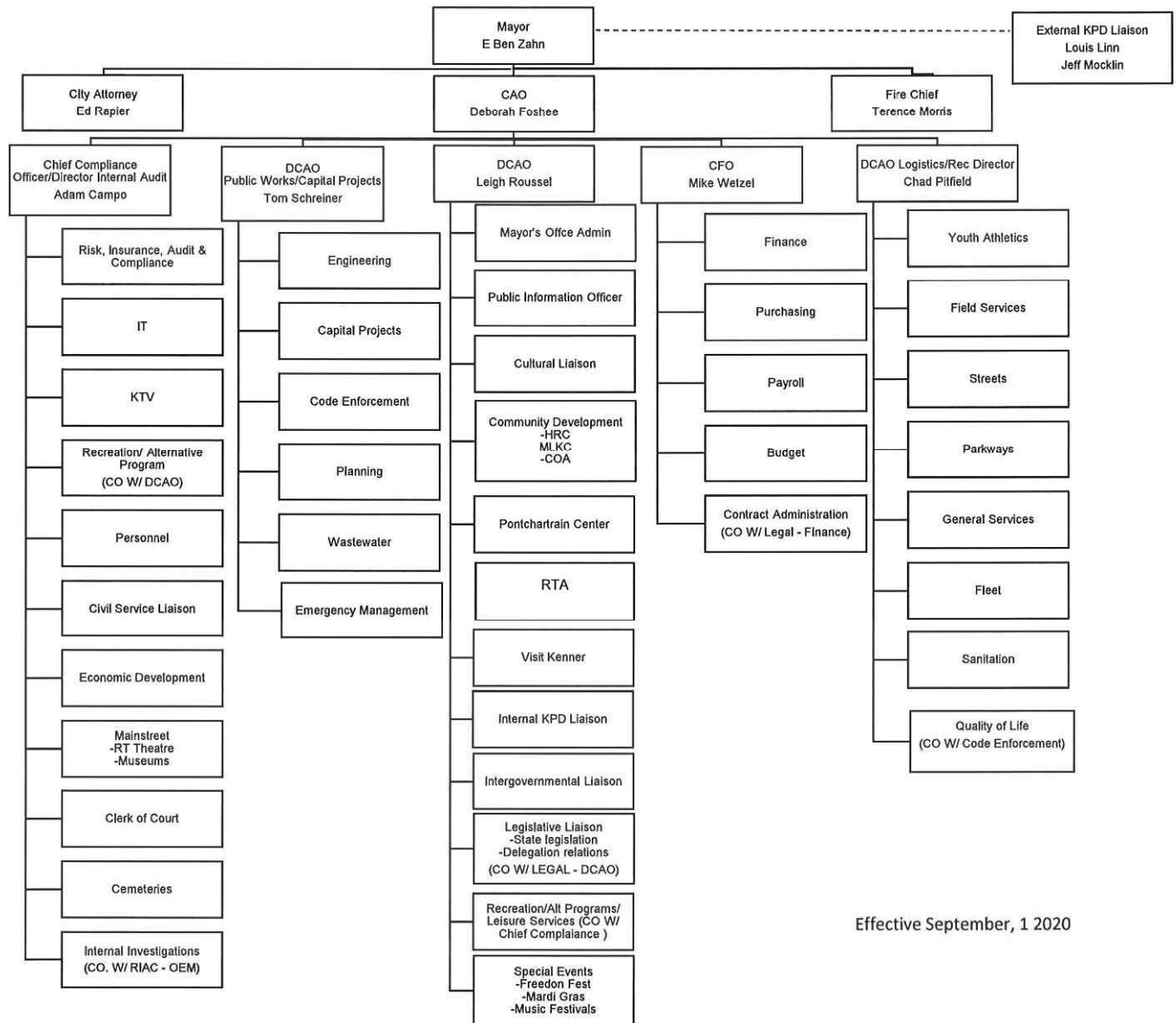
EXECUTIVE STAFF

Mayor	Honorable E. "Ben" Zahn, III
Chief Administrative Officer	Deborah Foshee
Chief of Police	Michael Glaser
City Attorney	Edward Rapier, Jr.
Deputy Chief Administrative Officer	Leigh Roussel
Chief Financial Officer	Michael Wetzell
Public Information Officer	Bob Ross

DEPARTMENT HEADS

Inspection and Code Enforcement	James Mohamad
Community Development	Tamithia Shaw
Parks and Recreation	Chad Pitfield
Personnel	Wendi Folse
Planning	Wendel Dufour
Fire Chief	Terence Morris
Clerk of Court Director	Luis Rodriguez
Information Technology	Colin Sternhell/Solutient
Risk, Insurance, Audit and Compliance	Adam Campo
Council Clerk	Natalie Hall
Civil Service	Todd McDowell
Fleet Management	Sue Ranatza
Public Works	Tom Schreiner
General Services	Mark Glorioso
Economic Development	Candace Watkins
Office of Emergency Management	Doug Dodt
Parkways	Jimmy Dennis

ORGANIZATIONAL CHART OF THE CITY OF KENNER

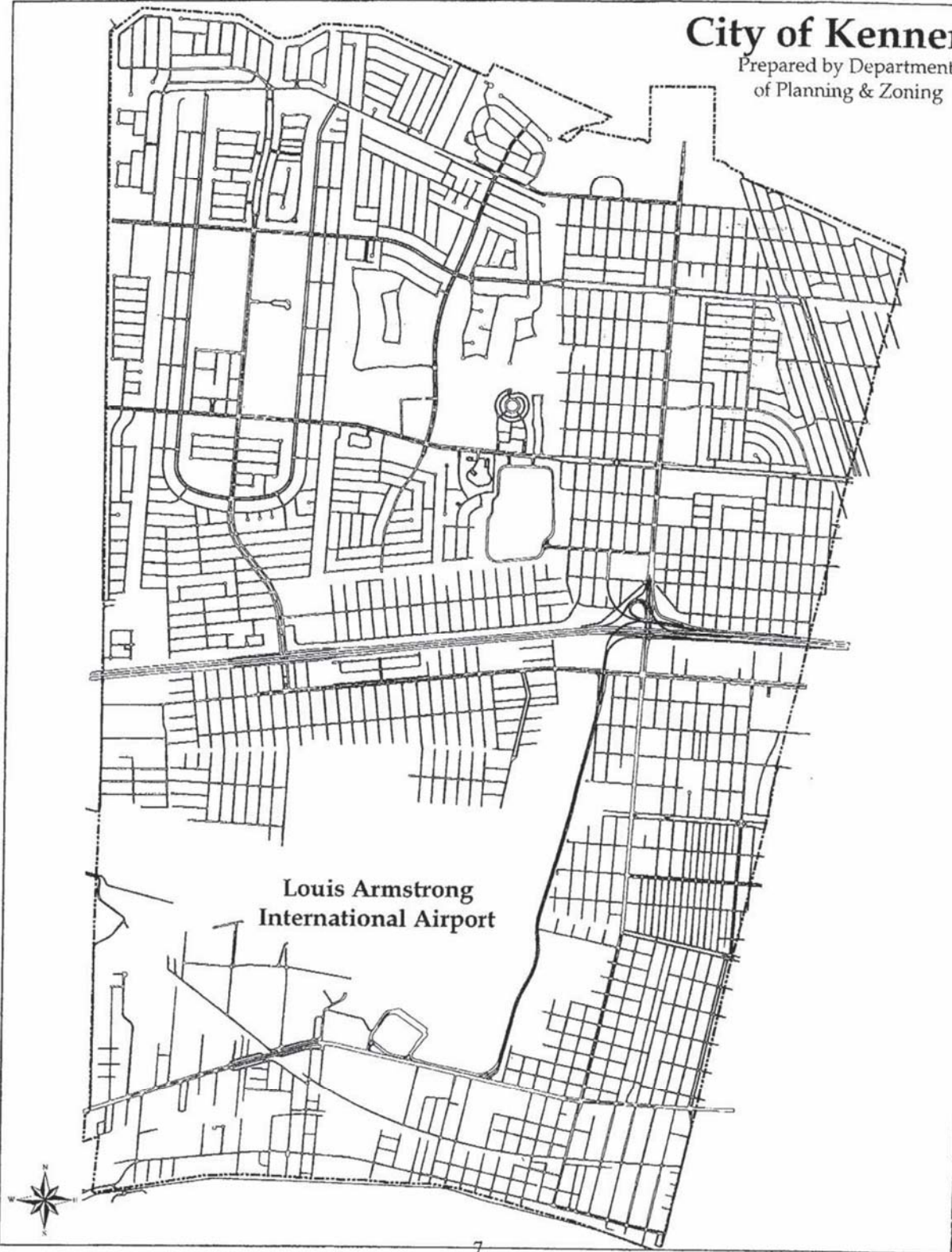


Effective September, 1 2020

POST COVID-19 ORG CHART
September 1, 2020

City of Kenner

Prepared by Department
of Planning & Zoning



FINANCIAL SECTION



Duplantier Hrapmann Hogan & Maher, LLP

A.J. Duplantier, Jr., CPA
(1919-1985)

Felix J. Hrapmann, Jr., CPA
(1919-1990)

William R. Hogan, Jr., CPA
(1920-1996)

James Maher, Jr., CPA
(1921-1999)

INDEPENDENT AUDITOR'S REPORT

Lindsay J. Calub, CPA, LLC
Guy L. Duplantier, CPA
Michelle H. Cunningham, CPA
Dennis W. Dillon, CPA
Grady C. Lloyd, III CPA

Heather M. Jovanovich, CPA
Terri L. Kitto, CPA

Robynn P. Beck, CPA
John P. Butler, CPA
Jason C. Montegut, CPA
Paul M. Novak, CPA, AVB, CVA
Wesley D. Wade, CPA

Michael J. O' Rourke, CPA
David A. Burgard, CPA
Clifford J. Giffin, Jr., CPA
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December 21, 2020

Honorable Mayor and Members of the Council
City of Kenner, Louisiana

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 the City of Kenner, Louisiana, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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Certified Public Accountants
Society of LA CPAs

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

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

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 Kenner, Louisiana, as of June 30, 2020, 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 and the required supplementary information, as listed in the table of contents, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Kenner, Louisiana's basic financial statements. The introductory section, the other supplementary information, as listed in the table of contents, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the budget to actual schedules for the General, nonmajor Special Revenue Funds, and the Proprietary Funds, the combining Internal Service Fund schedules, the Fiduciary Fund statement of changes in assets and liabilities, the schedule of councilperson's compensation, the schedule of compensation, benefits, and other payments to the Mayor, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2020, on our consideration of the City of Kenner, Louisiana'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 the City of Kenner, Louisiana's internal control over financial reporting and compliance.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana

REQUIRED SUPPLEMENTARY INFORMATION - PART I

**CITY OF KENNER, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

This management discussion and analysis is intended to provide the readers of the City's financial statements with an overview and analysis of the financial activities of the City for the year ended June 30, 2020. It should be read in conjunction with the transmittal letter and financial statements including footnotes.

FINANCIAL HIGHLIGHTS

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by approximately \$158.4 million at June 30, 2020.

The City's net investment in capital assets is approximately \$175.0 million. The City's restricted net position is approximately \$18.3 million which is primarily restricted for capital projects and debt service. The City's unrestricted net position is approximately \$(35.0) million.

The City's unrestricted net position in governmental activities is approximately \$(34.7) million, which is an increase of \$5.4 million, primarily due to an increase in operating grants and contributions revenue in fiscal year 2020, mostly related to the receipt of CARES Act money related to the COVID-19 pandemic. Business-type activities' unrestricted net position is approximately \$(0.3) million, which is an increase of \$8.3 million, primarily due to an increase in sewer service charge revenue as well as a decrease in outside services expense and a decrease in loss on disposal of assets.

The City's general fund reported an unassigned fund balance of approximately \$15.3 million, which is a decrease of \$1.2 million.

There was no change in the fund balance of the One Percent Sales Tax of 1984 fund or the Fire Protection fund. The General Capital Projects fund had a decrease in fund balance of \$1.7 million while the Capital Projects funded with Bond Proceeds fund had a decrease in fund balance of \$1.6 million due to expenses incurred in various public works projects.

During the year, the City continued to drawdown funds from low interest loans from LDEQ for additional projects as part of the City's Sewerage Capital Improvement Program. The Sewerage Capital Improvement Program is intended to overhaul the City's sewerage system to address compliance orders from the LDEQ, which the City has been under for a number of years.

The City's debt includes \$67.8 million of net pension liability, OPEB liability of \$16.2 million, capital lease liability of \$0.7 million, and Compensated Absences of \$5.6 million.

The City's other debt consists of bonds and notes payable of \$83.5 million. During the year, the City made principal payments of \$18.2 million and received \$14.5 million of drawdowns and new bond issues.

OVERVIEW OF THE FINANCIAL STATEMENTS

The management discussion and analysis serves as an introduction to the City's basic financial statements, which are the government-wide financial statements, fund financial statements, and notes to the financial statements. Also included in the report is required supplementary information.

Government-wide financial statements. The government-wide financial statements report information about the overall finances of the City similar to a business enterprise. The statements combine and consolidate short-term, spendable resources with capital assets and long-term obligations.

The Statement of Net Position presents information on all of the City's assets and deferred outflows of resources, less liabilities and deferred inflows of resources, which results in net position. The statement is designed to display the financial position of the City. Over time, increases or decreases in net assets help determine whether the City's financial position is improving or deteriorating.

The statement of activities provides information which shows how the City's net position changed as a result of the year's activities. The statement uses the accrual basis of accounting, which is similar to the accounting used by private-sector businesses. All of the revenues and expenses are reported regardless of the timing of when cash is received or paid.

**CITY OF KENNER, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

The Statement of Net Position and the Statement of Activities distinguish functions of the City that are financed primarily by taxes, intergovernmental revenues, and charges for services (governmental activities) from functions where user fees and charges to customers help to cover all or most of the cost of services (business-type activities). The City's governmental activities include general government, public safety, public works, culture and recreation, health and welfare, and transit and urban development. The business-type activities of the City include the City's sewer system and civic center.

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 uses fund accounting to ensure and demonstrate fiscal accountability. The City uses governmental, proprietary, and fiduciary fund financial statements to provide more detailed information about the City's most significant funds rather than the City as a whole.

Governmental funds. Governmental funds are used to report most of the City's basic services. The funds focus on the inflows and outflows of current resources and the balance of spendable resources available at the end of the fiscal year. Governmental fund statements provide a near or short-term view of the City's operations. A reconciliation is prepared of the governmental funds Balance Sheet to the Statement of Net Assets and the Statement of Revenues, Expenditures, and Changes in Fund Balances of governmental funds to the Statement of Activities.

Eleven governmental funds are used by the City. The City has six major governmental funds, which have separately presented information in the governmental fund Balance Sheet, and Statement of Revenues and Expenditures and Changes in Fund Balance. The major funds are the General Fund, One Percent Sales Tax of 1984 Fund, Fire Protection Fund, General Debt Fund, General Capital Projects Fund, and Capital Projects Funded with Bond Proceeds Fund. The five non-major funds are presented in the aggregate in the governmental fund financial statements. The individual fund information is presented in combining statements.

The City adopts an annual budget for its governmental funds with the exception of the Capital Projects Funded with Bond Proceeds Fund. Budgetary comparison statements have been provided for these funds except for the General Capital Projects funds.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its sewer and civic center operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its health care and self-insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Proprietary fund financial statements provide separate information for the sewer and civic center, both of which are considered major funds of the City.

Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements and elsewhere in this report.

The City also adopts an annual budget for its enterprise funds, and budgetary comparison statements are provided for these funds.

Fiduciary funds. Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for others. Activities from fiduciary funds are not included in the government-wide financial statements because the City cannot use these assets for its operations.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**CITY OF KENNER, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

Government-wide Financial Analysis

Net position. The following table reflects condensed information on the City's net position for the current and prior year.

**Condensed Statements of
Net Position
June 30,
(In thousands)**

	Governmental Activities 2020	Business-type Activities 2020	Total 2020	Governmental Activities 2019	Business-type Activities 2019	Total 2019
Assets:						
Current and other assets	\$ 73,055	\$ 9,575	\$ 82,630	\$ 71,411	\$ 9,287	\$ 80,698
Capital assets	<u>156,859</u>	<u>87,500</u>	<u>244,359</u>	<u>159,270</u>	<u>91,102</u>	<u>250,372</u>
Total assets	<u>229,914</u>	<u>97,075</u>	<u>326,989</u>	<u>230,681</u>	<u>100,389</u>	<u>331,070</u>
Deferred Outflows of Resources						
Related to pensions, OPEB, and bond refunding	<u>20,913</u>	<u>290</u>	<u>21,203</u>	<u>17,862</u>	<u>-</u>	<u>17,862</u>
Liabilities:						
Long-term debt	131,151	34,009	165,160	128,313	34,830	163,143
Other liabilities	<u>15,697</u>	<u>3,282</u>	<u>18,979</u>	<u>14,388</u>	<u>3,906</u>	<u>18,294</u>
Total liabilities	<u>146,848</u>	<u>37,291</u>	<u>184,139</u>	<u>142,701</u>	<u>38,736</u>	<u>181,437</u>
Deferred Inflows of Resources						
Related to pensions, OPEB and deferred revenue	<u>5,655</u>	<u>2</u>	<u>5,657</u>	<u>6,513</u>	<u>2</u>	<u>6,515</u>
Net position:						
Net investment in capital assets	123,880	51,168	175,048	129,549	54,030	183,579
Restricted	9,129	9,171	18,300	9,854	16,177	26,031
Unrestricted	<u>(34,685)</u>	<u>(267)</u>	<u>(34,952)</u>	<u>(40,073)</u>	<u>(8,556)</u>	<u>(48,629)</u>
Total net position	<u>\$ 98,324</u>	<u>\$ 60,072</u>	<u>\$ 158,396</u>	<u>\$ 99,330</u>	<u>\$ 61,651</u>	<u>\$ 160,981</u>

CITY OF KENNER, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020

Changes in net position. The City's total revenues and expenses for governmental and business-type activities are reflected in the following chart for the current and prior years.

	Changes in Net Position June 30, (In thousands)					
	Governmental Activities 2020	Business-type Activities 2020	Total 2020	Governmental Activities 2019	Business-type Activities 2019	Total 2019
Revenues:						
Program revenues:						
Charges for services	\$ 17,239	\$ 9,502	\$ 26,741	\$ 19,128	\$ 9,123	\$ 28,251
Operating grants & Contributions	11,229	5	11,234	4,808	-	4,808
Capital grants & Contributions	7,637	491	8,128	10,775	139	10,914
General revenues:						
Property taxes	8,587	575	9,162	8,420	564	8,984
Sales taxes	34,790	-	34,790	36,622	-	36,622
Other taxes	8,888	558	9,446	10,681	573	11,254
Grants & contributions not restricted to specific program	55	-	55	30	-	30
Other	1,151	208	1,359	1,275	287	1,562
Total revenues	<u>89,576</u>	<u>11,339</u>	<u>100,915</u>	<u>91,739</u>	<u>10,686</u>	<u>102,425</u>
Program expenses:						
General government	15,478	-	15,478	12,482	-	12,482
Public safety	38,725	-	38,725	32,024	-	32,024
Public works	26,462	-	26,462	25,521	-	25,521
Health and welfare	808	-	808	465	-	465
Culture and recreation	5,612	-	5,612	5,210	-	5,210
Transit & urban development	2,013	-	2,013	1,367	-	1,367
Interest on long term debt	1,818	-	1,818	1,950	-	1,950
Debt issuance costs	41	-	41	-	-	-
Sewer operations	-	10,190	10,190	-	11,782	11,782
Civic center operations	-	2,556	2,556	-	2,533	2,533
Total expenses	<u>90,957</u>	<u>12,746</u>	<u>103,703</u>	<u>79,019</u>	<u>14,315</u>	<u>93,334</u>
Change in net position before Transfer and Extraordinary Items	<u>(1,381)</u>	<u>(1,407)</u>	<u>(2,788)</u>	<u>12,720</u>	<u>(3,629)</u>	<u>9,091</u>
Gain/(Loss) on disposal of assets	203	-	203	23	(2,000)	(1,977)
Transfers	172	(172)	-	272	(272)	-
Change in net position	<u>(1,006)</u>	<u>(1,579)</u>	<u>(2,585)</u>	<u>13,015</u>	<u>(5,901)</u>	<u>7,114</u>
Net Position-beginning of year	<u>99,330</u>	<u>61,651</u>	<u>160,981</u>	<u>86,315</u>	<u>67,552</u>	<u>153,867</u>
Net position-end of year	<u>\$ 98,324</u>	<u>\$ 60,072</u>	<u>\$ 158,396</u>	<u>\$ 99,330</u>	<u>\$ 61,651</u>	<u>\$ 160,981</u>

**CITY OF KENNER, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets as of June 30, 2020, for its governmental and business-type activities was approximately \$244 million, net of depreciation as reflected in the schedule below:

	Capital Assets June 30, 2020 (Net of depreciation in thousands)		
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Land	\$ 11,593	\$ 3,799	\$ 15,392
Works of art	2,160	-	2,160
Construction in progress	20,201	1,479	21,680
Buildings	19,076	71,420	90,496
Improvements other than buildings	8,342	7,194	15,536
Equipment	6,965	3,608	10,573
Infrastructure	<u>88,522</u>	<u>-</u>	<u>88,522</u>
Total	<u>\$ 156,859</u>	<u>\$ 87,500</u>	<u>\$ 244,359</u>

The majority of the capital additions for the year were for sewerage improvements as the City continued a major program to upgrade the City's sewerage system funded with funds loaned from the Louisiana Department of Environmental Quality and bonds issued and various street improvements. The City also purchased vehicles for several departments and additional equipment needed for Public Works activities. For additional information on capital asset activity see note "H" in the Notes to the Financial Statements section.

Long-term debt. At year-end, the City had approximately \$174 million in long-term debt as shown in the table below.

	Outstanding long-term debt June 30, 2020 (In thousands)		
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Revenue bonds	\$ 47,211	\$ 36,333	\$ 83,544
Capital lease payable	688	-	688
OPEB Liability	16,211	-	16,211
Net Pension Liability	67,846	-	67,846
Compensated Absences	<u>5,618</u>	<u>-</u>	<u>5,618</u>
Total	<u>\$ 137,574</u>	<u>\$ 36,333</u>	<u>\$ 173,907</u>

The City's sales tax bonds have an underlying rating of A+ by Standard and Poor's.

The 2011 Sewer bonds have an underlying rating of A and an insured rating of AA by Standard and Poor's. The 2019 Sewer bonds have an underlying rating of A by Standard and Poor's.

State statutes limit the amount of government obligation debt a municipality may issue at a maximum of 10% of the assessed valuation for any purpose. The maximum may be exceeded if the aggregate issued for all purposes does not exceed 35% of the total assessed valuation. The City's outstanding general obligation debt is below the state limit. Approximately \$235

**CITY OF KENNER, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

Capital Assets and Debt Administration (Continued)

million of additional general obligation bonded debt is available for issuance. See note "I" in the Notes to the Financial Statements section of this report for additional information on the City's Long Term Debt.

Revenues decreased by 1.3% during the year primarily due to a decrease in tax revenue received as a result of the effects of COVID-19.

Total expenses increased due to an increase in expenses relating to public safety and various public works projects around the City.

BUDGETARY HIGHLIGHTS

General Fund revenues came in 3.2% under budget resulting from the decrease in tax revenue as a result of the effects of COVID-19.

General Fund expenditures finished the year 24.7% under budget as a result of the diligent monitoring of the City's expenses.

ECONOMIC OUTLOOK

Sales tax decreased compared to last year as a result of the shutdown related to the COVID-19 coronavirus pandemic that reduced airport operations and impacted most retail locations for the last four months of the fiscal year. As the City's primary source of revenue, it is important to a robust economy. Since the Recession, the City has had to make budget cuts, rededicate capital funds to operations, and use a portion of the City's fund balance to balance the budget as costs have been rising faster than revenues.

For years, the City has experienced reductions in sales tax generated at the Esplanade Mall. However, many small businesses have been opening in Kenner during the past year in conjunction with the newly implemented economic development initiatives. The City also moved its Recreation Department into the Esplanade Mall during the prior fiscal year, resulting in increased traffic and an increase in sales taxes generated at the mall. Seeds are being planted for future prosperity since small businesses are the engine of economic growth. Moreover, increased airport traffic is expected starting in early 2021 as the country recovers from the COVID-19 pandemic and should provide a boost to our sales tax base while the last phases of expansion, including a new parking garage, should increase our hotel/motel tax revenue.

BASIC FINANCIAL STATEMENTS

CITY OF KENNER, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2020

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash	\$ 3,681,154	\$ 249,433	\$ 3,930,587
Equity in pooled cash	21,386,412	816,520	22,202,932
Receivables (net, where applicable, of allowances for uncollectibles)			
Taxes	1,639,626	-	1,639,626
Accounts	2,695,787	-	2,695,787
Intergovernmental	15,509,960	453,203	15,963,163
Special assessments - delinquent	477	-	477
Interest	1,290,392	-	1,290,392
Service charges	-	2,850,579	2,850,579
Other	421,739	28,701	450,440
Internal balances	3,997,288	(3,997,288)	-
Inventory, at cost	12,555	-	12,555
Prepaid items	50,615	-	50,615
Refundable deposits	-	3,669	3,669
Restricted assets:			
Cash	14,345,192	9,170,548	23,515,740
Investments	8,023,953	-	8,023,953
Capital assets not being depreciated	33,954,109	5,277,541	39,231,650
Capital assets being depreciated, net of accumulated depreciation	122,904,427	82,222,756	205,127,183
Total assets	<u>229,913,686</u>	<u>97,075,662</u>	<u>326,989,348</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	104,361	290,328	394,689
Related to pensions	20,115,200	-	20,115,200
Related to OPEB	693,407	-	693,407
Total deferred outflows of resources	<u>20,912,968</u>	<u>290,328</u>	<u>21,203,296</u>
LIABILITIES			
Accounts payable	1,773,265	385,740	2,159,005
Estimated claims payable	5,409,263	-	5,409,263
Accrued liabilities	1,255,271	180,131	1,435,402
Deposits on future events	-	393,334	393,334
Due to other governments	810,448	-	810,448
Other liabilities	25,064	-	25,064
Current portion of long-term liabilities			
Due within one year	6,423,485	2,323,000	8,746,485
Non-current liabilities:			
Due in more than one year	131,150,883	34,009,537	165,160,420
Total liabilities	<u>146,847,679</u>	<u>37,291,742</u>	<u>184,139,421</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue	284,973	2,667	287,640
Related to pensions	4,720,793	-	4,720,793
Related to OPEB	648,991	-	648,991
Total deferred inflows of resources	<u>5,654,757</u>	<u>2,667</u>	<u>5,657,424</u>
NET POSITION			
Net investment in capital assets	123,879,923	51,167,760	175,047,683
Restricted for:			
Capital projects	4,347,447	3,190,667	7,538,114
Debt service	4,436,960	5,979,881	10,416,841
Other	344,604	-	344,604
Unrestricted	(34,684,716)	(266,727)	(34,951,443)
Total net position	<u>\$ 98,324,218</u>	<u>\$ 60,071,581</u>	<u>\$ 158,395,799</u>

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government	\$ 15,477,985	\$ 5,962,627	\$ 6,121,987	\$ -	\$ (3,393,371)	\$ -	\$ (3,393,371)
Public safety	38,724,619	4,667,909	4,660,860	437,588	(28,958,262)	-	(28,958,262)
Public works	26,461,697	5,046,721	165,698	6,635,775	(14,613,503)	-	(14,613,503)
Health and welfare	807,725	56,065	49,275	-	(702,385)	-	(702,385)
Culture and recreation	5,612,076	841,893	50,724	-	(4,719,459)	-	(4,719,459)
Transit and urban development	2,013,063	663,741	180,609	563,643	(605,070)	-	(605,070)
Interest on long-term debt and other charges	1,818,282	-	-	-	(1,818,282)	-	(1,818,282)
Debt issuance costs	41,325	-	-	-	(41,325)	-	(41,325)
Total Governmental Activities	<u>90,956,772</u>	<u>17,238,956</u>	<u>11,229,153</u>	<u>7,637,006</u>	<u>(54,851,657)</u>	<u>-</u>	<u>(54,851,657)</u>
Business-type Activities							
Wastewater Operations	10,189,845	8,588,011	-	491,268	-	(1,110,566)	(1,110,566)
Civic Center Operations	2,556,339	913,598	5,170	-	-	(1,637,571)	(1,637,571)
Total Business-type Activities	<u>12,746,184</u>	<u>9,501,609</u>	<u>5,170</u>	<u>491,268</u>	<u>-</u>	<u>(2,748,137)</u>	<u>(2,748,137)</u>
Total	<u>\$ 103,702,956</u>	<u>\$ 26,740,565</u>	<u>\$ 11,234,323</u>	<u>\$ 8,128,274</u>	<u>(54,851,657)</u>	<u>(2,748,137)</u>	<u>(57,599,794)</u>
General Revenues:							
Taxes:							
Ad valorem					8,587,467	574,499	9,161,966
Hotel/motel					194,796	188,951	383,747
Sales and use					34,790,081	-	34,790,081
Beer tax					59,227	-	59,227
Parking					2,500,818	-	2,500,818
Franchise					6,132,818	369,355	6,502,173
Grants and contributions not restricted to specific programs					54,558	-	54,558
Interest					838,237	207,409	1,045,646
Miscellaneous					313,406	-	313,406
Gain/(Loss) on disposal of capital assets					203,400	-	203,400
Transfers					171,735	(171,735)	-
Total general revenues, transfers, and other					<u>53,846,543</u>	<u>1,168,479</u>	<u>55,015,022</u>
Change in Net Position					<u>(1,005,114)</u>	<u>(1,579,658)</u>	<u>(2,584,772)</u>
Net position - beginning of year					<u>99,329,332</u>	<u>61,651,239</u>	<u>160,980,571</u>
Net position - end of year					<u>\$ 98,324,218</u>	<u>\$ 60,071,581</u>	<u>\$ 158,395,799</u>

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	GENERAL	ONE PERCENT SALES TAX OF 1984	FIRE PROTECTION	GENERAL CAPITAL PROJECTS
ASSETS				
Cash	\$ 2,663,106	\$ -	\$ -	\$ -
Equity in pooled cash	6,624,762	363,729	-	8,083,446
Investments	-	-	-	-
Receivables (net, where applicable, of allowances for uncollectibles)				
Taxes	1,639,626	-	-	-
Accounts	1,406,025	-	28,700	-
Intergovernmental	9,302,305	1,806,538	2,593,910	1,105,741
Special assessments - delinquent	477	-	-	-
Interest	1,290,392	-	-	-
Other	138,257	-	201	282,631
Due from other funds	20,144,984	310,733	788,621	11,904,786
Inventory, at cost	12,555	-	-	-
Prepaid items	50,615	-	-	-
Total assets	\$ 43,273,104	\$ 2,481,000	\$ 3,411,432	\$ 21,376,604
LIABILITIES:				
Accounts payable	\$ 684,926	\$ -	\$ 20,728	\$ 464,431
Accrued liabilities	807,533	-	243,747	-
Due to other funds	13,802,697	2,481,000	2,476,582	3,637,195
Due to other governments	810,448	-	-	-
Other liabilities	25,064	-	-	-
Total liabilities	<u>16,130,668</u>	<u>2,481,000</u>	<u>2,741,057</u>	<u>4,101,626</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	<u>1,580,759</u>	<u>-</u>	<u>670,375</u>	<u>-</u>
FUND BALANCES:				
Nonspendable				
Prepaid items	50,615	-	-	-
Inventory	12,555	-	-	-
Restricted				
Federal grants	-	-	-	-
Debt service	-	-	-	-
Capital projects	-	-	-	142,904
Law Enforcement	2,505,370	-	-	-
Committed				
Other commitments/encumbrances	271,336	-	-	17,132,074
Assigned				
Subsequent year's expenditures	7,406,301	-	-	-
Unassigned	<u>15,315,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>25,561,677</u>	<u>-</u>	<u>-</u>	<u>17,274,978</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ 43,273,104	\$ 2,481,000	\$ 3,411,432	\$ 21,376,604

The accompanying notes are an integral part of this statement.

CAPITAL PROJECTS FUNDED WITH BOND PROCEEDS	GENERAL DEBT	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 5,315,048	\$ 9,021,768	\$ 57,289	\$ 17,057,211
5,575,254	17,669	721,552	21,386,412
8,023,953	-	-	8,023,953
-	-	-	1,639,626
-	-	1,261,062	2,695,787
17,265	684,201	-	15,509,960
-	-	-	477
-	-	-	1,290,392
-	144	506	421,739
2,638,004	-	619,353	36,406,481
-	-	-	12,555
-	-	-	50,615
<u>\$ 21,569,524</u>	<u>\$ 9,723,782</u>	<u>\$ 2,659,762</u>	<u>\$ 104,495,208</u>
\$ 128,538	\$ -	\$ 474,644	\$ 1,773,267
-	-	64,742	1,116,022
2,824,547	5,293,864	1,192,154	31,708,039
-	-	-	810,448
-	-	-	25,064
<u>2,953,085</u>	<u>5,293,864</u>	<u>1,731,540</u>	<u>35,432,840</u>
<u>447,362</u>	<u>-</u>	<u>448,014</u>	<u>3,146,510</u>
-	-	-	50,615
-	-	-	12,555
-	-	344,604	344,604
-	4,429,918	7,042	4,436,960
10,686,028	-	-	10,828,932
-	-	-	2,505,370
7,483,049	-	-	24,886,459
-	-	-	7,406,301
-	-	128,562	15,444,062
<u>18,169,077</u>	<u>4,429,918</u>	<u>480,208</u>	<u>65,915,858</u>
<u>\$ 21,569,524</u>	<u>\$ 9,723,782</u>	<u>\$ 2,659,762</u>	<u>\$ 104,495,208</u>

CITY OF KENNER, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2020

Fund balances - total governmental funds	\$ 65,915,858
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, net, used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	156,858,536
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Deferred outflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the governmental funds	20,115,200
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Deferred outflows of resources related to OPEB are applicable to future reporting periods and, therefore, are not reported in the governmental funds.	693,407
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Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	(5,141,280)
--	-------------

Certain revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	2,861,537
--	-----------

Deferred inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the governmental funds.	(4,720,793)
--	-------------

Deferred inflows of resources related to OPEB are applicable to future reporting periods and, therefore, are not reported in the governmental funds.	(648,991)
--	-----------

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
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Accrued interest payable	(139,249)
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OPEB payable	(16,211,027)
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Compensated absences	(5,618,106)
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Bonds, notes, and loans payable (net of premiums, discounts, and deferred charges)	(47,107,335)
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Capital lease liability	(687,917)
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Net pension liability	(67,845,622)
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Net position of governmental activities	<u>\$ 98,324,218</u>
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The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	GENERAL	ONE PERCENT SALES TAX OF 1984	FIRE PROTECTION	GENERAL CAPITAL PROJECTS
REVENUES				
Taxes	\$ 26,392,427	\$ 12,204,733	\$ 5,427,963	\$ -
Licenses and permits	3,929,419	-	-	-
Intergovernmental	7,482,182	-	3,105,073	4,307,175
Charges for services	1,264,541	-	1,190	-
Fines and forfeitures	1,384,318	-	-	-
Interest	170,519	-	2,491	106,442
Miscellaneous	560,036	-	199	424,661
	<u>41,183,442</u>	<u>12,204,733</u>	<u>8,536,916</u>	<u>4,838,278</u>
EXPENDITURES				
Current:				
General government	11,851,688	-	-	1,538,995
Public safety	20,687,577	-	11,065,062	653,528
Public works	5,511,144	-	-	5,977,475
Health and welfare	148,502	-	-	-
Culture and recreation	3,806,421	-	-	785,248
Transit and urban development	382,027	-	-	799,986
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Agent fees	-	-	-	-
Debt issuance costs	-	-	-	-
Miscellaneous	-	-	-	-
	<u>42,387,359</u>	<u>-</u>	<u>11,065,062</u>	<u>9,755,232</u>
Total expenditures				
	<u>42,387,359</u>	<u>-</u>	<u>11,065,062</u>	<u>9,755,232</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,203,917)</u>	<u>12,204,733</u>	<u>(2,528,146)</u>	<u>(4,916,954)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of property	-	-	-	203,400
Transfers in	11,313,146	-	2,528,146	3,278,111
Transfers out	(6,296,072)	(12,204,733)	-	(664,500)
Increase in obligations under capital lease	-	-	-	403,887
Issuance of long term debt	-	-	-	-
	<u>5,017,074</u>	<u>(12,204,733)</u>	<u>2,528,146</u>	<u>3,220,898</u>
Total other financing sources and uses				
	<u>5,017,074</u>	<u>(12,204,733)</u>	<u>2,528,146</u>	<u>3,220,898</u>
Net change in fund balances	3,813,157	-	-	(1,696,056)
Fund balances - beginning of year	21,748,520	-	-	18,971,034
Fund balances - end of year	<u>\$ 25,561,677</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,274,978</u>

The accompanying notes are an integral part of this statement.

CAPITAL PROJECTS FUNDED WITH BOND PROCEEDS	GENERAL DEBT	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ -	\$ 4,121,335	\$ 3,434,402	\$ 51,580,860
-	-	-	3,929,419
2,793,913	-	150,175	17,838,518
-	-	3,644,968	4,910,699
-	-	-	1,384,318
358,879	119,414	4,723	762,468
607,498	-	-	1,592,394
<u>3,760,290</u>	<u>4,240,749</u>	<u>7,234,268</u>	<u>81,998,676</u>
-	-	-	13,390,683
-	-	-	32,406,167
6,477,647	-	5,884,700	23,850,966
-	-	379,626	528,128
-	-	-	4,591,669
-	-	594,033	1,776,046
-	2,856,000	1,836,220	4,692,220
-	1,629,843	71,591	1,701,434
139,248	-	-	139,248
-	-	41,325	41,325
-	36,000	-	36,000
<u>6,616,895</u>	<u>4,521,843</u>	<u>8,807,495</u>	<u>83,153,886</u>
<u>(2,856,605)</u>	<u>(281,094)</u>	<u>(1,573,227)</u>	<u>(1,155,210)</u>
-	-	-	203,400
1,248,587	1,193,235	1,033,386	20,594,611
-	(357,000)	(1,248,587)	(20,770,892)
-	-	-	403,887
-	-	1,750,000	1,750,000
<u>1,248,587</u>	<u>836,235</u>	<u>1,534,799</u>	<u>2,181,006</u>
(1,608,018)	555,141	(38,428)	1,025,796
<u>19,777,095</u>	<u>3,874,777</u>	<u>518,636</u>	<u>64,890,062</u>
<u>\$ 18,169,077</u>	<u>\$ 4,429,918</u>	<u>\$ 480,208</u>	<u>\$ 65,915,858</u>

CITY OF KENNER, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Net change in fund balances, total governmental funds \$ 1,025,796

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

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

Capital outlays	12,483,519
Depreciation expense	(15,298,516)

Certain governmental revenues will not be collected for several months after year-end and are deferred in the governmental funds.	106,075
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The issuance of long-term debt (bonds, notes, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is issued, whereas the amounts are deferred and amortized in the in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	2,992,028
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Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities; however, interest expense is recognized as the interest accrues, regardless of when it is due.	8,592
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Pension benefit (expense), which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the statement of activities.	(3,491,875)
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The City's proportionate share of non-employer contributions to the pension plans are reported in the statement of activities.	1,643,198
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Payment of compensated absences is reported as expenditures in the governmental funds when actually paid. However, on the statement of activities compensated absences are expensed as they are accrued. This is the change in the compensated absences liability.	(518,413)
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OPEB benefit (expense), which is the change in the OPEB liability adjusted for changes in in deferred outflows and inflows of resources related to OPEB, is reported in the statement of activities.	87,763
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Contracts for long-term capital lease obligations provide current financial resources to governmental funds, while payments on capital lease obligations consume current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This is the change in the capital lease liability.	151,581
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Internal service funds are used by management to charge the costs of insurance to individual funds. The net revenue (expense) of internal service funds are reported with governmental activities.	(194,862)
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Change in net position of governmental activities	<u><u>\$ (1,005,114)</u></u>
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The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			GOVERNMENTAL
	DEPARTMENT OF	CIVIC		ACTIVITIES
	WASTEWATER	CENTER		INTERNAL
	OPERATIONS	OPERATIONS	TOTAL	SERVICE FUNDS
ASSETS				
Current assets:				
Cash	\$ -	\$ 249,433	\$ 249,433	\$ 969,135
Equity in pooled cash	816,520	-	816,520	-
Receivables (net, where applicable, of allowances for uncollectibles)				
Intergovernmental	152,218	300,985	453,203	-
Service charges	2,778,711	71,868	2,850,579	-
Other	-	28,701	28,701	-
Due from other funds	113,377	-	113,377	-
Restricted cash	9,170,548	-	9,170,548	-
Refundable deposits	3,669	-	3,669	-
Total current assets	13,035,043	650,987	13,686,030	969,135
Noncurrent assets:				
Capital assets:				
Land	-	3,798,726	3,798,726	-
Buildings and improvements	136,914,532	20,209,078	157,123,610	-
Improvements other than buildings	-	2,490,052	2,490,052	-
Furniture and fixtures	13,327,417	4,993,289	18,320,706	-
Vehicles and field equipment	1,745,088	-	1,745,088	-
Construction in progress	1,478,815	-	1,478,815	-
Less: accumulated depreciation	(78,631,616)	(18,825,084)	(97,456,700)	-
Total capital assets, net	74,834,236	12,666,061	87,500,297	-
Total noncurrent assets	74,834,236	12,666,061	87,500,297	-
Total assets	\$ 87,869,279	\$ 13,317,048	\$ 101,186,327	\$ 969,135
DEFERRED OUTFLOWS OF RESOURCES	290,328	-	290,328	-

(Continued)

CITY OF KENNER, LOUISIANA
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			GOVERNMENTAL
	DEPARTMENT OF	CIVIC		ACTIVITIES
	WASTEWATER	CENTER		INTERNAL
	OPERATIONS	OPERATIONS	TOTAL	SERVICE FUNDS
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 271,711	\$ 114,029	\$ 385,740	\$ -
Estimated claims payable	-	-	-	5,409,263
Accrued liabilities	51,684	52,328	104,012	-
Accrued bond interest	76,119	-	76,119	-
Deposits on future events	-	393,334	393,334	-
Due to other funds	3,704,209	406,456	4,110,665	701,152
Bonds payable	2,323,000	-	2,323,000	-
Total current liabilities	6,426,723	966,147	7,392,870	6,110,415
NONCURRENT LIABILITIES				
Bonds payable	34,009,537	-	34,009,537	-
Total noncurrent liabilities	34,009,537	-	34,009,537	-
Total liabilities	40,436,260	966,147	41,402,407	6,110,415
DEFERRED INFLOWS OF RESOURCES				
	-	2,667	2,667	-
NET POSITION				
Net investment in capital assets	38,501,699	12,666,061	51,167,760	-
Restricted for capital projects	3,190,667	-	3,190,667	-
Restricted for debt service	5,979,881	-	5,979,881	-
Unrestricted	51,100	(317,827)	(266,727)	(5,141,280)
Total net position	\$ 47,723,347	\$ 12,348,234	\$ 60,071,581	\$ (5,141,280)

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			GOVERNMENTAL
	DEPARTMENT OF	CIVIC		ACTIVITIES
	WASTEWATER	CENTER		INTERNAL
	OPERATIONS	OPERATIONS	TOTAL	SERVICE FUNDS
OPERATING REVENUES				
Charges for services	\$ 8,588,011	\$ 913,598	\$ 9,501,609	\$ 5,821,030
Total operating revenues	8,588,011	913,598	9,501,609	5,821,030
OPERATING EXPENSES				
Personnel services	1,084,674	-	-	-
Supplies and other expenses	63,285	2,709	65,994	-
Building and maintenance expenses	783,495	508,620	1,292,115	-
Outside services	3,020,762	1,317,118	4,337,880	120,390
Insurance claims	-	-	-	1,187,180
Insurance premiums	-	74,017	74,017	5,063,882
Depreciation	4,085,071	630,200	4,715,271	-
Other	80,385	23,675	104,060	-
Total operating expenses	9,117,672	2,556,339	10,589,337	6,371,452
Operating loss	(529,661)	(1,642,741)	(2,172,402)	(550,422)
NON-OPERATING REVENUES				
(EXPENSES)				
Ad valorem taxes	574,499	-	574,499	-
Hotel/motel taxes	-	188,951	188,951	-
Cable television franchise fees	-	369,355	369,355	-
Intergovernmental	136,671	5,170	141,841	-
Amortization of bond premium	(9,796)	-	(9,796)	-
Interest income	206,613	796	207,409	7,544
Interest expense	(801,276)	-	(801,276)	-
Bond issuance expense	(261,101)	-	(261,101)	-
Total non-operating revenues (expense)	(154,390)	564,272	409,882	7,544
Loss before contributions and transfers	(684,051)	(1,078,469)	(1,762,520)	(542,878)
Capital contributions	354,597	-	354,597	-
Transfers out	(528,735)	-	(528,735)	-
Transfers in	357,000	-	357,000	348,016
Change in net position	(501,189)	(1,078,469)	(1,579,658)	(194,862)
Net position - beginning of year	48,224,536	13,426,703	61,651,239	(4,946,418)
Net position - end of year	\$ 47,723,347	\$ 12,348,234	\$ 60,071,581	\$ (5,141,280)

The accompanying notes are an integral part of this statement.

**CITY OF KENNER, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
	DEPARTMENT OF WASTEWATER OPERATIONS	CIVIC CENTER OPERATIONS	TOTAL	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 8,134,336	\$ 1,087,322	\$ 9,221,658	\$ 5,821,030
Payments to suppliers	(5,825,031)	(1,956,906)	(7,781,937)	(6,100,725)
Internal activity - payments (to)/from other funds	-	271,312	271,312	-
Net cash provided (used) by operating activities	2,309,305	(598,272)	1,711,033	(279,695)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Ad valorem taxes	574,499	-	574,499	-
Hotel/motel taxes	-	192,359	192,359	-
Cable television franchise fees	-	371,743	371,743	-
Internal activity - payments to other funds	(9,268,537)	-	(9,268,537)	432,225
Net cash provided (used) by noncapital financing activities	(8,694,038)	564,102	(8,129,936)	432,225
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Intergovernmental	980,443	-	980,443	-
Payments on long-term debt	(13,471,000)	-	(13,471,000)	-
Proceeds from long-term debt	11,658,882	-	11,658,882	-
Interest paid on long-term debt	(550,631)	-	(550,631)	-
Purchases of capital assets	(1,108,795)	(4,939)	(1,113,734)	-
Net cash used by capital and related financing activities	(2,491,101)	(4,939)	(2,496,040)	-
CASH FLOWS FROM INVESTING ACTIVITIES:				
Bond issuance costs	(261,101)	-	(261,101)	-
Interest and dividends received	206,613	796	207,409	7,544
Net cash provided (used) by investing activities	(54,488)	796	(53,692)	7,544
Net increase (decrease) in cash and cash equivalents	(8,930,322)	(38,313)	(8,968,635)	160,074
Cash and cash equivalents, beginning of year	18,917,390	287,746	19,205,135	809,061
Cash and cash equivalents, end of year	\$ 9,987,068	\$ 249,433	\$ 10,236,500	\$ 969,135

(Continued)

CITY OF KENNER, LOUISIANA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			GOVERNMENTAL
	DEPARTMENT OF	CIVIC		ACTIVITIES
	WASTEWATER	CENTER		INTERNAL
	OPERATIONS	OPERATIONS	TOTAL	SERVICE FUNDS
Reconciliation to Statement of Net Position:				
Cash	\$ -	\$ 249,433	\$ 249,433	\$ 969,135
Restricted cash	9,170,548	-	9,170,548	-
Equity in pooled cash	816,520	-	816,520	-
Cash and cash equivalents, end of year	<u>\$ 9,987,068</u>	<u>\$ 249,433</u>	<u>\$ 10,236,501</u>	<u>\$ 969,135</u>
Reconciliation of operating income to net cash provided by (used for) operating activities:				
Operating loss	\$ (529,661)	\$ (1,642,741)	\$ (2,172,402)	\$ (550,422)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	4,085,071	630,200	4,715,271	-
Change in current assets and current liabilities:				
Decrease (increase) in receivables	(453,675)	21,482	(432,193)	-
Decrease (increase) in due from other funds	-	-	-	-
Decrease (increase) in prepaid expenses	-	-	-	-
Increase (decrease) in accounts payable	(844,114)	(37,801)	(881,915)	-
Increase (decrease) in accrued liabilities	51,684	7,034	58,718	-
Increase (decrease) in estimated claims payable	-	-	-	270,727
Increase (decrease) in due to other funds	-	271,312	271,312	-
Increase (decrease) in deferred revenue	-	1,000	1,000	-
Increase (decrease) in deposits on future events	-	151,242	151,242	-
Total adjustments	<u>2,838,966</u>	<u>1,044,469</u>	<u>3,883,435</u>	<u>270,727</u>
Net cash provided by (used for) operating activities	<u>\$ 2,309,305</u>	<u>\$ (598,272)</u>	<u>\$ 1,711,033</u>	<u>\$ (279,695)</u>
Noncash investing, capital, and financing activities:				
Contributions of capital	\$ 354,597	\$ -	\$ 354,597	\$ -
Acquisitions of property, plant and equipment through capital contributions	<u>(354,597)</u>	<u>-</u>	<u>(354,597)</u>	<u>-</u>
Net effect of noncash activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUND
JUNE 30, 2020

	AIRPORT SALES TAX FUND
	<u> </u>
ASSETS	
Equity in pooled cash	\$ 2
Receivables (net, where applicable, of allowance for uncollectibles)	
Intergovernmental	<u> 98,719</u>
Total assets	<u><u> \$ 98,721</u></u>
LIABILITIES	
Due to other governments	<u> \$ 98,721</u>
Total liabilities	<u><u> \$ 98,721</u></u>

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

City of Kenner, Louisiana's (the "City") system of government is established by its Home Rule Charter which became effective in 1974. The City operates under a mayor-council form of government. The financial statements of City of Kenner, Louisiana have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to government units. The Governmental Accounting Standards Board (GASB) promulgates accounting principles generally accepted in the United States of America and reporting standards for state and local governments. The principles are found in the Codification of Governmental Accounting and Financial Reporting Standards, published by GASB. The more significant of the City's accounting policies are described below.

1. REPORTING ENTITY

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

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

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

The Police Chief is an elected official elected by the citizenry in a general, popular election. The City Council approves the annual budget for the Police Department and dedicates portions of the City's revenues to fund this department. The Police Department is not legally separate, and, therefore, is a function of the primary government and its operations are reported as a part of the City's General Fund.

2. GOVERNMENT-WIDE AND FUND 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. Interfund services provided and used are not eliminated in the process of consolidation. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely, to a significant extent, on fees and charges for support.

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. Certain *indirect costs* are included as part of the program expenses reported for individual functions and activities. Interest on long-term debt is considered an indirect expense and is reported separately on the statement of activities. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) 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*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual enterprise funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the *economic measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements (except agency funds which do not have a measurement focus). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. 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. Federal grant revenue is considered available if collected within 150 days after fiscal year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, other postemployment benefits, compensated absences, claims and judgments, and pension costs are recorded only when payment is due.

Those revenues susceptible to accrual are property taxes, franchise taxes, beer taxes, parking taxes, and certain state shared revenues such as tobacco taxes, parish transportation funds, and video poker monies. Property taxes are recorded as deferred inflows of resources if measurable, but not available. Sales taxes collected and held by intermediary collecting governments at year-end on behalf of the City government also are recognized as revenue. Fines and permits are not susceptible to accrual because generally they are not measurable until received in cash. Federal and state grants are recorded as deferred inflows of resources if measurable but not available. Revenues from rentals and leases are recorded when earned. Income on deposits, cash equivalents, and investments is recorded when measurable and available. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure/expense) until that future time.

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources and expenditures of the general government, except those required to be accounted for in another fund.

The *One Percent Sales Tax of 1984 Fund* accounts for the proceeds of sales taxes generated by a 1 percent sales tax increase. These funds are to be used to fund a municipal homestead exemption, police protection, and various other city services.

The *Fire Protection Fund* accounts for the proceeds of ad valorem taxes which are specifically dedicated for the functions performed by this fund.

The *General Capital Projects Fund* accounts for projects originally funded by the General Fund and the Department of Wastewater Operations Fund. Also included are projects funded by riverboat fees as well as Community Development Block Grants.

The *Capital Projects Funded with Bond Proceeds Fund* accounts for projects funded by the 2013A Series Bond proceeds. Also included are projects funded by loans from the Louisiana Department of Environmental Quality (LDEQ) and the Louisiana Local Government Environmental Facilities.

The *General Debt Fund* accounts for the tax levy needed to comply with the interest and principal redemption requirements of bond indentures for the LDEQ Taxable Sewer Revenue Bond, Series 2009, the Sales Tax Bonds Series 2013, and the LDEQ Taxable Sewer Sales Tax Bonds Series 2015.

The City reports the following major enterprise funds:

The *Department of Wastewater Operations Fund* accounts for the sewer services provided to the residents of the City of Kenner.

The *Civic Center Operations Fund* accounts for the operations of the Pontchartrain Civic Center.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION
(CONTINUED)**

The City reports one fiduciary fund, which is an agency fund and it accounts for assets held by the City as an agent for other governmental entities.

The Airport Sales Tax Fund (agency fund) is used to account for the proceeds of sales taxes generated from a special 2% sales tax assessed within the Airport Taxing District, and to distribute to the appropriate taxing bodies. This fund is custodial in nature and does not involve measurement of results of operations. Accordingly, it presents a statement of fiduciary assets and liabilities and a statement of changes in assets and liabilities. The agency fund is reported in the financial statements on the accrual basis of accounting.

Additionally, the City reports the following fund types:

Internal service funds account for health insurance and self-insurance (automobile, property damage, worker's compensation) provided to other departments or agencies of the City on a cost reimbursement basis.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Department of Wastewater Operations Fund, Civic Center Operations Fund, and the City's internal service funds are charges to customers for services. Operating expenses for enterprise funds and internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

The City reports uncollected revenue on its governmental fund balance sheet as deferred inflows of resources. Uncollected revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows of resources also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has legal claim to the resources, the deferred inflows of resources for unavailable revenues are removed from the governmental fund balance sheet and revenue is recognized.

4. BUDGETARY ACCOUNTING

Formal budgetary accounting is employed as a management control device and budgets are legally adopted at the fund level, except for the General Fund for which appropriations are adopted at the department level. Budgets are included as either required supplementary information or other supplementary information for the following funds:

General Fund

Special Revenue Funds

- One Percent Sales Tax of 1984
- Community Development Block Grant
- Garbage Collection and Disposal
- Streets and Drainage
- Fire Protection

Debt Service Funds

- General Debt
- Ad Valorem Tax Bonds
- Firemen's Pension Merger

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. BUDGETARY ACCOUNTING (CONTINUED)

Enterprise Funds
Department of Wastewater Operations
Civic Center Operations

Budgetary data for the Capital Project Funds are not presented since these funds are budgeted over the life of the respective project and not on an annual basis. Budgetary accounting is not used for the Internal Service Funds (Self Insurance and Health Insurance Funds) because management considers effective budgetary control achieved since their amounts, which are charged back to other funds, are included as expenditures in each Fund's budget.

Expenditures may not exceed budgeted appropriations at the fund level, except for the General Fund, which is at the departmental level. Appropriations lapse at year-end.

Budgets for the General, Special Revenue, Debt Service, and Enterprise Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), except that encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase.

5. CASH, INVESTMENTS, AND POOLED ASSETS

The City maintains three cash pools as follows:

- a. General Pool - maintains cash balances for all funds except the paving assessments and sewerage assessments funds.
- b. Paving Assessments Pool - maintains cash balances for the General Fund and Debt Service Fund.
- c. Sewerage Assessments Pool - maintains cash balances for the General Fund and Debt Service Fund.

The City follows the practice of pooling cash of all funds except for Internal Service Funds and restricted funds due to Trust Agreements and Bond Indenture Agreements. Total cash of the Pool is reported in all funds as "Equity in Pooled Cash". Funds with a negative Equity in Pooled Cash report the advance as an interfund payable and the General Fund, which has been determined to be the receivable fund by management, reports an offsetting interfund receivable. Interest earned on pooled cash is allocated to each individual fund based on its month end "Equity in Pooled Cash".

The entire cash balances in the General Pool Cash account, the Capital Projects Funded with Bond Proceeds, the General Capital Projects Fund, and the Enterprise Funds are invested in interest bearing bank accounts. Interest is allocated among funds in the General Pool Cash account on the basis of ending monthly cash balances. The balances not needed for transactions in the other accounts are deposited in individual money market funds earning interest at market rates; minimal checks can be written on these accounts.

For the purpose of the statement of net position, cash includes all demand and money market accounts of the City. For the purpose of the proprietary funds statements of cash flows, all highly liquid investments (including "equity in pooled cash") with maturity of three months or less when purchased are considered to be cash equivalents.

The City is authorized under state law to deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the United States, or laws of the United States. Under state laws, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. State Law R.S. 39:1225 provides that the amount of the security shall at all times be equal to 100% of the amount on deposit to the credit of each depositing authority, except that portion of the deposits insured by any governmental agency insuring bank deposits, which is organized under the laws of the United States.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. CASH, INVESTMENTS, AND POOLED ASSETS (CONTINUED)

State Law R.S. 33:2955 allows the investment in direct United States Treasury obligations; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. government instrumentalities, which are federally sponsored; direct security repurchase agreements of any federal book entry only securities guaranteed by the U.S. government; time certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana; savings accounts or shares of certain savings and loan associations and savings banks; certain accounts of federally or state chartered credit unions; certain mutual or trust fund institutions; certain guaranteed investment contracts; and investment grade commercial paper of domestic United States corporations.

6. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds". Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

7. INVENTORIES

The inventory of materials and supplies acquired by the governmental funds is accounted for under the purchase method. The inventory of parts for vehicle maintenance is accounted for under the consumption method. All inventories are recorded in the General Fund at cost, determined by the first-in, first-out method.

8. CAPITAL ASSETS

Capital assets, which include land and land improvements, works of art, buildings, improvements other than buildings, vehicles, furniture, fixtures and equipment, and infrastructure assets (streets, roads, bridges, canals, and sewer and drainage systems), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. Major additions are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

In the fund 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 in the business-type activities column in the government-wide financial statements.

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

Depreciation on all capital assets, excluding land improvements and construction in progress, is calculated on the straight-line method over the following estimated useful lives:

<u>Asset Description</u>	<u>Asset Life (Years)</u>
Buildings and building improvements	40
Street system	20 to 40
Drainage system	25
Office equipment	5 to 12
Machinery and equipment	10
Vehicles	5
Bridges	40 to 80
Sewerage system	10 to 50
Improvements other than buildings	10 to 30

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

9. INTANGIBLE ASSETS

The City has a policy to capitalize any intangible assets which exceed \$50,000 in accordance with Governmental Accounting Standards Board Statement (GASBS) No. 51, “*Accounting and Financial Reporting for Intangible Assets*”.

10. COMPENSATED ABSENCES

Vacation (annual leave) and sick pay (sick leave) are accrued when earned. Accumulated annual leave and vested sick leave as of the end of the fiscal year is valued using employees’ current rates of pay and the liability for these compensated absences is recorded as long-term debt in the government-wide financial statements.

In the fund financial statements, the governmental funds report a liability for compensated absences for the amount that has matured as a result of employee resignations and retirements. The government-wide financials report the total accumulated unpaid annual and sick leave on the statement of net position and the statement of activities.

11. LONG-TERM OBLIGATIONS

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond and loan premiums and discounts are deferred and amortized over the life of the bonds or loans using the effective interest method. Bonds and loans payable are reported net of the applicable bond premium or discount.

Noncurrent liabilities include estimated amounts for accrued compensated absences, other postemployment benefits, net pension liabilities, and capital lease obligations that will not be paid within the next fiscal year.

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 Municipal Employees’ Retirement System (MERS), Municipal Police Employees’ Retirement System of Louisiana (MPERS), and Firefighters Retirement System (FRS) and additions to/deductions from MERS, MPERS, and FRS fiduciary net position have been determined on the same basis as they are reported by MERS, MPERS, and FRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Information relating to the City’s other postemployment benefits obligation, deferred inflows and deferred outflows of resources, and other post employment benefits expense, was calculated by the City’s actuary, Lewis and Ellis, Inc.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

12. FUND BALANCE/NET POSITION

In the government-wide financial statements, net position comprises the various net earnings from revenues and expenses. Net position is classified in the following components:

- a. *Net investment in capital assets* - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. *Restricted net position* - consists of net positions with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted net position* - all other net positions that do not meet the definition of “restricted” or “net investment in capital assets”.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

12. FUND BALANCE/NET POSITION (CONTINUED)

In the fund financial statements, fund balance is classified in the following components:

- a. *Nonspendable* - amounts that are not in spendable form (such as inventory and prepaids) or are required to be maintained intact.
- b. *Restricted* - amounts constrained for specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- c. *Committed* - amounts constrained for specific purposes that are internally imposed by the City Council itself, using its highest level of decision-making authority through an ordinance. To be reported as committed, amounts cannot be used for any other purpose unless the City Council takes the same highest level action to remove or change the constraint.
- d. *Assigned* - amounts the City intends to use for a specific purpose that are neither considered restricted nor committed. Intent can be expressed by the City or by an official or body to which the City delegates the authority. Under the City's policy, the Mayor and City Council may assign amounts for specific purposes and the City Council can approve.
- e. *Unassigned* - the residual amount of fund balance which does not fall into one of the other components. Positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the City considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the City has provided otherwise in its commitment or assigned actions. The City does not have a formal minimum fund balance policy.

13. INTERFUND SERVICES

Interfund services are accounted for as revenues, expenditures, or expenses. Interfund services that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund services are reported as transfers.

For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

14. ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of proprietary funds and the government-wide financial statements during the reporting period. Actual results could differ from these estimates.

15. ADOPTION OF NEW ACCOUNTING PRINCIPLES

During the year ended June 30, 2020, the following statement was implemented: GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This statement establishes accounting requirements for interest cost incurred before the end of a construction period. The objectives of the standard are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

16. PREPAID ITEMS

Prepaid items are recorded in the year the expenditures are accrued using the consumption method.

NOTE B - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

1. BUDGETARY PROCEDURES

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

- a. On or before May 1 of each year, the Mayor recommends to the City Council proposed operating and capital budgets for the ensuing fiscal year. The budget is prepared by fund, department (for the General Fund), function, and object, and includes information on the past year, current year estimates, and requested appropriations for the ensuing fiscal year.
- b. The proposed budget is summarized and advertised and, by June 15, public hearings are conducted to obtain taxpayer comments.
- c. The operating budget is then legally adopted through council ordinance by June 15.
- d. The Mayor is authorized to transfer budgeted amounts within funds, except for the General Fund which is at the departmental level; however, any revisions that alter the total expenditures of a fund or department in the case of the General Fund must be approved by the City Council.

2. BUDGETARY COMPARISON

The budget data reflected in the schedules of revenues, expenditures, and changes in fund balances - budget and actual includes the effect of such appropriation amendments approved by the City Council during the current year. These amendments may re-appropriate designated and/or reserved funds rolling forward from the previous year as well as amend the distributions of operating funds already appropriated.

Budgetary comparison information is required to be presented for the general fund and each major special revenue fund with a legally adopted budget. The City adopts annual operating budgets for the general fund and all special revenue funds. The major special revenue funds are One Percent Sales Tax of 1984 Fund and the Fire Protection Fund. Since accounting principles applied for the purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with generally accepted accounting principles (GAAP), a reconciliation of the resulting basis and timing differences in the net change in fund balances for the year ended June 30, 2020, is presented as a note in required supplementary information.

NOTE C - DEPOSITS AND INVESTMENTS

Deposits

At June 30, 2020, the City of Kenner has cash (book balances) totaling \$49,649,259 as follows:

Governmental Funds:	
Money market funds	\$ 4,395,061
Demand deposits	34,045,097
Petty cash	3,465
Proprietary Funds:	
Enterprise Funds:	
Petty cash	500
Demand deposits	10,236,001
Internal Service Funds:	
Demand deposits	969,135
	<u>\$ 49,649,259</u>

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE C - DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits (Continued)

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits might not be recovered. The City's deposit policy for custodial credit risk conforms to state law, as described in Note A. At June 30, 2020, the City's demand deposits and money market funds bank balances of \$50,132,719 were entirely secured by federal deposit insurance, pledged securities held by the City's agent, and by letters of credit.

Restricted cash and investments

Certain assets of the Wastewater Fund, the Debt Service Funds, and the Capital Projects Funds are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants and they are maintained in separate bank accounts.

Investments

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the City will not be able to recover the value of its investment. The City is not exposed to custodial credit risk at June 30, 2020, since the investments are held in the name of the City. The City's investment policy conforms to state law, as described in Note A, which has no provision for custodial credit risk.

Concentration of credit risk relates to the amount of investments in any one entity. At June 30, 2020, the City had no investments in any one entity which exceeded 5% of total investments, except obligations of government-sponsored entities, which are implicitly guaranteed by the federal government.

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy conforms to state law, which does not include a policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As required by GASB 72, investments are reported at fair value. Fair value is described as an exit price. GASB 72 requires a government to use valuation techniques that are appropriate under the circumstances and for which sufficient data is available to measure fair value. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. GASB 72 also establishes a hierarchy of inputs to valuation techniques used to measure fair value, which has three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices, included within Level 1 that are observable for the asset or liability, whether directly or indirectly. Finally, Level 3 inputs are unobservable inputs, such as management's assumption of the default rate among underlying mortgages of a mortgage-backed security. This statement requires disclosure to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. These disclosures are organized by type of asset or liability. All of the City's investments are classified in Level 1 of the fair value hierarchy and are valued using prices quoted in active markets for those securities.

As of June 30, 2020, the City had the following investment in debt securities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>Greater Than 10</u>
Obligations of Government-Sponsored Entities	<u>\$ 8,023,953</u>	<u>\$ 8,023,953</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Credit risk is defined as the risk that an insurer or other counterparty to an investment will not fulfill its obligations. The City invested only in obligations of federal agencies or federally sponsored entities in the amount of \$8,023,953, which are rated AAA by Moody's. The type of investments allowed by state law ensures that the City is not exposed to credit risk.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE D - EQUITY IN POOLED CASH

A reconciliation of total equity in pooled cash is presented below.

	General <u>Pool</u>	Paving Assessments <u>Pool</u>	Sewerage Assessments <u>Pool</u>	<u>Total</u>
<u>Equity in Pooled Cash</u>				
Cash	\$ 21,907,855	\$ 289,109	\$ 5,970	\$ 22,202,934
Total Equity in Pooled Cash	<u>\$ 21,907,855</u>	<u>\$ 289,109</u>	<u>\$ 5,970</u>	<u>\$ 22,202,934</u>
<u>Equity in Pool</u>				
General Fund	\$ 6,347,352	\$ 271,440	\$ 5,970	\$ 6,624,762
Sales Tax Fund	363,729	-	-	363,729
Fire Protection Fund	-	-	-	-
Enterprise Funds	816,520	-	-	816,520
Agency Fund	2	-	-	2
General Debt	-	17,669	-	17,669
Consolidated General Capital Projects	8,083,446	-	-	8,083,446
Consolidated Capital Projects w/Bond Proceeds	5,575,254	-	-	5,575,254
Nonmajor Governmental Funds	721,552	-	-	721,552
Total Equity in Pool	<u>\$ 21,907,855</u>	<u>\$ 289,109</u>	<u>\$ 5,970</u>	<u>\$ 22,202,934</u>

Daily operations may occasionally result in minor deficiencies in individual allocations of pooled cash, which are resolved by temporary interfund loans.

NOTE E - ALLOWANCE FOR DOUBTFUL ACCOUNTS

An allowance for estimated uncollectible receivables is established based on historical collection experience and other relevant circumstances. The allowance for estimated uncollectibles at June 30, 2020, consists of the following amounts:

General Fund	<u>\$ 1,007,159</u>
Proprietary Funds:	
Department of Wastewater Operations	<u>\$ 56,755</u>

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE F - SALES TAX

A sales tax of 9.75% for the period of July 1, 2019 through June 30, 2020, was collected on purchases in the City of Kenner (food and drugs are taxed at a 6% rate, and hotel/motel rooms at a 9% rate). Of the 9.75% total, 5.0% is levied by the state and 4.75% by Jefferson Parish, for itself and other local government subdivisions within the Parish. The following table for parish taxes lists the effective year of each authorized tax rate, the Parish-wide tax rate (which includes $\frac{1}{6}\%$ retained by the Parish), the rate collected for the benefit of the Jefferson Parish School Board, and the rate collected for the benefit of the City of Kenner.

Effective Date	Parish-Wide Rate	School Board Rate	City Rate
1954	1%	$\frac{1}{2}\%$	$\frac{1}{2}\%$
1966	1%	$\frac{1}{2}\%$	$\frac{1}{2}\%$
1980	$\frac{1}{2}\%$	$\frac{1}{2}\%$	-
1981	$\frac{1}{2}\%$	-	$\frac{1}{3}\%$
1984	1%	-	1
1993	$\frac{1}{2}\%$	$\frac{1}{2}\%$	-
1994	$\frac{1}{4}\%$	-	$\frac{1}{4}\%$
TOTAL	<u><u>$4\frac{3}{4}\%$</u></u>	<u><u>2%</u></u>	<u><u>$2\frac{7}{12}\%$</u></u>

The Jefferson Parish Sheriff's Office (a separate reporting entity) collects all parish taxes, except on motor vehicle sales, and retains 9.5 to 11% as a collection commission on the share going to local governments. The state collects parish taxes on motor vehicle sales and remits them back to the parish of registration.

The Sheriff prorates this motor vehicle tax back to the municipalities in proportion to the sales tax collected within each municipality. Taxes due on sales in a month must be remitted by the merchants to the Sheriff by the 20th of the following month. The Sheriff distributes these collections to the local governments approximately 30 days later.

NOTE G - AD VALOREM TAX

The ad valorem tax on real property is levied as of November 15th of each year. The tax becomes an enforceable lien on the property on the first day of the month following the filing of the tax rolls by the Assessor with the Louisiana Tax Commission (usually December 1st). The tax bills are mailed by the City in mid-November and are due upon receipt. The taxes become delinquent on January 1st in the year after levy. The taxes are levied on property values determined by the Jefferson Parish Assessor's Office. All land and residential improvements are assessed at 10% of their fair market value and other property at 15% of its fair market value. Ad valorem taxes are levied (per \$1,000 assessed value) in varying amounts for maintenance and operation, debt service and capital improvements for the City. The number of mills levied for 2019, which are collected and reported as revenue for the fiscal year ended June 30, 2020, is as follows:

Fund	2019 MILLS
City of Kenner Municipal Tax	\$ 1.97
Garbage Collection	1.52
Fire Protection	7.01
Sewerage, Collection and Treatment	1.08
Acquiring, Construction, Improving and Maintaining Public Streets	5.59
Total	<u><u>\$ 17.17</u></u>

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE H - CAPITAL ASSETS

1. Capital asset activity for the fiscal year ended June 30, 2020, was as follows:

	June 30, 2019	Additions	Reductions	Completed Construction	June 30, 2020
Governmental Activities					
Capital assets not being depreciated:					
Land	\$ 11,592,898	\$ -	\$ -	\$ -	\$ 11,592,898
Works of art	2,160,128	-	-	-	2,160,128
Construction-in-progress	13,960,001	10,758,558	-	(4,517,476)	20,201,083
 Total capital assets not being depreciated	 27,713,027	 10,758,558	 -	 (4,517,476)	 33,954,109
Capital assets being depreciated:					
Buildings and building improvements	58,963,689	36,995	-	202,330	59,203,014
Improvements other than buildings	13,850,973	353,797	-	311,440	14,516,210
Street system	285,454,542	-	-	2,013,754	287,468,296
Drainage system	376,663,495	-	-	1,989,952	378,653,447
Furniture, fixtures, and equipment	21,229,614	784,383	-	-	22,013,997
Vehicles	17,232,449	953,128	-	-	18,185,577
Bridges	4,283,102	-	-	-	4,283,102
 Total capital assets being depreciated	 777,677,864	 2,128,303	 -	 4,517,476	 784,323,643
	June 30, 2019	Additions	Reductions	Completed Construction	June 30, 2020
Less accumulated depreciation for:					
Buildings and building improvements	39,003,467	1,123,872	-	-	40,127,339
Improvements other than buildings	5,364,193	809,312	-	-	6,173,505
Street system	221,417,480	4,814,449	-	-	226,231,929
Drainage system	346,969,667	6,964,041	-	-	353,933,708
Furniture, fixtures, and equipment	17,748,355	497,561	-	-	18,245,916
Vehicles	14,017,572	970,870	-	-	14,988,442
Bridges	1,599,966	118,411	-	-	1,718,377
 Total accumulated depreciation	 646,120,700	 15,298,516	 -	 -	 661,419,216
 Total capital assets being depreciated, net	 131,557,164	 (13,170,213)	 -	 4,517,476	 122,904,427
Governmental activities capital assets, net	\$ 159,270,191	\$ (2,411,655)	\$ -	\$ -	\$ 156,858,536

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE H - CAPITAL ASSETS (CONTINUED)

	June 30, 2019	Additions	Reductions	Completed Construction	June 30, 2020
Business-Type Activities					
Capital assets not being depreciated:					
Land	\$ 3,798,726	\$ -	\$ -	\$ -	\$ 3,798,726
Capitalized interest	375,919	-	-	(375,919)	-
Construction-in-progress	4,875,926	1,100,823	-	(4,497,934)	1,478,815
Total capital assets not being depreciated	9,050,571	1,100,823	-	(4,873,853)	5,277,541
Capital assets being depreciated:					
Buildings and building improvements	130,807,618	-	-	4,873,853	135,681,471
Improvements other than buildings	23,932,189	-	-	-	23,932,189
Furniture, fixtures, and equipment	18,307,796	12,910	-	-	18,320,706
Vehicles	1,745,088	-	-	-	1,745,088
Total capital assets being depreciated	174,792,691	12,910	-	4,873,853	179,679,454
Less accumulated depreciation for:					
Buildings and building improvements	62,612,443	1,649,067	-	-	64,261,510
Improvements other than buildings	13,997,255	2,741,406	-	-	16,738,661
Furniture, fixtures, and equipment	14,670,961	278,231	-	-	14,949,192
Vehicles	1,460,768	46,567	-	-	1,507,335
Total accumulated depreciation	92,741,427	4,715,271	-	-	97,456,698
Total capital assets being depreciated, net	82,051,264	(4,702,361)	-	4,873,853	82,222,756
Business-type activities capital assets, net	\$ 91,101,835	\$ (3,601,538)	\$ -	\$ -	\$ 87,500,297

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE H - CAPITAL ASSETS (CONTINUED)

2. Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities:	
General government	\$ 335,217
Public safety	1,184,235
Public works	12,475,916
Culture and recreation	1,262,362
Health and welfare	<u>40,786</u>
Total depreciation expense - governmental activities	<u><u>\$ 15,298,516</u></u>
Business-type activities:	
Wastewater Operations	\$ 4,085,071
Civic Center Operations	<u>630,200</u>
Total depreciation expense - business-type activities	<u><u>\$ 4,715,271</u></u>

3. Construction in progress for governmental activities is comprised of the following:

	Authorization June 30, 2020	Expended to June 30, 2020	Committed	Future Financing
General government	\$ -	\$ -	\$ -	\$ -
Public safety	806,462	236,142	570,320	570,320
Public works	29,638,801	19,740,510	9,898,291	9,898,291
Health and welfare	-	-	-	-
Culture and recreation	<u>310,867</u>	<u>224,431</u>	<u>86,436</u>	<u>86,436</u>
Total	<u><u>\$ 30,756,130</u></u>	<u><u>\$ 20,201,083</u></u>	<u><u>\$ 10,555,047</u></u>	<u><u>\$ 10,555,047</u></u>

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE I - LONG-TERM DEBT

1. GENERAL OBLIGATION, SPECIAL TAX, AND EXCESS REVENUE BONDS

Long-term debt at June 30, 2020, includes the following serial bonds and loans:

	<u>Interest Rates</u>	<u>Final Maturity Date</u>	<u>Amount Authorized</u>	<u>Amount Incurred</u>	<u>Amount Outstanding</u>
Governmental Activities					
Sales Tax Bonds, Series 2013	2.00 - 5.00%	6/1/2033	40,980,000	\$ 40,980,000	\$ 30,975,000
LDEQ loan, Sewer Revenue Bonds, Series 2009 - Direct Borrowing	0.95%	11/1/2030	22,000,000	22,000,000	13,902,822
Excess Revenue Certificate of Indebtness	2.97%	3/21/2029	1,750,000	1,750,000	1,582,000
Firemen's Pension Merger Payable #1	7.00%	3/27/2029	1,190,000	1,190,000	-
Firemen's Pension Merger Payable #2	7.00%	3/27/2029	1,770,738	1,770,738	-
Total Governmental Activities				<u>\$ 67,690,738</u>	<u>\$ 46,459,822</u>
Business-Type Activities					
Sewer Revenue Bonds, Series 2011	3.00 - 5.00%	11/1/2021	16,000,000	\$ 16,000,000	\$ 1,090,000
Sewer Revenue Bonds, Series 2019	2.1 - 3.4%	11/1/2036	12,045,000	\$ 12,045,000	\$ 12,045,000
LDEQ loan, Sewer Revenue Bonds, Series 2012 - Direct Borrowing	0.95%	11/1/2034	21,000,000	21,000,000	16,576,000
LDEQ loan, Clean Water Revolving Fund	0.45%	6/1/1937	9,500,000	166,784	166,784
LDEQ loan, Sales Tax Bonds, Series 2015 - Direct Borrowing	0.95%	6/1/2037	15,000,000	6,968,484	6,611,484
Total Business-Type Activities				<u>\$ 56,180,268</u>	<u>\$ 36,489,268</u>
Total Bonds				<u>\$ 123,871,006</u>	<u>\$ 82,949,090</u>

2. FIREMEN'S PENSION MERGER PAYABLE

In March 1998, the required three-fourths vote of the active and inactive members approved the pension merger with the Firefighters Retirement System ("FRS"). Approval of the merger was received from the FRS and the Joint Retirement Committee. The City Council approved the merger in December 1998 and signed an agreement with FRS on March 25, 1999, regarding the payment of the merger liability. The final merger liability as of March 27, 1999, was \$14,050,233, which represented 60% of the accrued liability for active employees, \$6,301,446, and 100% of the accrued liability for retired employees, \$7,748,787. The Fund transferred assets in the amount of \$11,130,143 to the FRS to pay the merger liability. The value of the transferred assets for purposes of the merger as discounted from the date of receipt to the merger date of March 27, 1999, at the system's actuarial valuation interest rate of 7% was \$11,089,495. The remaining liability of \$2,960,738 plus interest at the rate of 7% per annum was assumed by the City of Kenner to be paid over 30 years.

The City has split the liability to be amortized into two components as follows:

\$1,190,000 of the liability is payable monthly at a rate of 7%. No interest was capitalized; interest incurred and expensed during the year was \$665,973. At June 30, 2020, the merger payable for this component had a total outstanding balance of \$-0-.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE I - LONG-TERM DEBT (CONTINUED)

\$1,770,738 of the liability is payable annually at a rate of 7%. No interest was capitalized; interest incurred and expensed during the year was \$1,002,247. At June 30, 2020, the merger payable for this component had a total outstanding balance of \$-0-.

The funding necessary to service this merger payable is provided by the dedication of the fire insurance tax received from the State of Louisiana. There are no events of default with these notes. These notes were paid off with a refinancing in the fiscal year ending June 30, 2020.

On September 17, 2019, the City issued \$1,750,000 of Series 2019 Excess Revenue Certificates of Indebtedness to pay off the two loans with the Firefighters Retirement System. This is a taxable loan and is payable semiannually at a rate of 2.97%. No interest was capitalized; interest incurred and expensed during the year was \$23,678. At June 30, 2020, the outstanding balance on the loan was \$1,582,000. In the event of default, the lender may declare all payments plus a default fee at a rate of 2% immediately due and payable.

4. SALES TAX REVENUE REFUNDING BONDS SERIES 2013

On August 6, 2013, the City issued \$40,980,000 of Series 2013 Sales Tax and Refunding Bonds to a) construct, acquire and equip public improvements for the City; and b) currently refund the outstanding Series 2003 Bonds. No interest was capitalized; interest incurred and expensed during the year was \$1,428,719. As of June 30, 2020, the outstanding balance of this loan was \$31,726,874. The new bonds bear interest from 4.0% to 5.0% and are due in annual installments ranging from \$75,000 to \$3,045,000 through June 1, 2033. The new issue will reduce debt service payments for the City by \$174,050 with an economic gain of \$890,880 or 6.863%. The City has pledged a dedication of sales tax revenue as collateral for these bonds. The City will be in default if it fails to pay principal or interest when due, or fail to comply with any bond covenants for 30 days after notice of failure. The Authority or Trustee may take whatever action necessary to collect the amounts due and thereafter become due. The City would also pay any attorney fees or other costs associated with collection. In the event of default, the Authority or Trustee may declare all payments plus a breakage fee immediately due and payable.

The reacquisition price in the refunding of the Series 2003 bonds by the Series 2013 bonds was \$160,556 more than the net carrying value of the bonds. This difference is reported in the statement of net position of the accompanying financial statements as a deferred amount which increases bonds payable. The deferred amount is being amortized as a reduction of interest expense through fiscal year 2033 using the straight-line method. The deferred amount remaining at June 30, 2020 was \$751,874.

5. SEWER REVENUE BONDS SERIES 2011

On September 15, 2011, the City issued \$16,000,000 of Series 2011 Sewer Bonds to provide for the planning, construction, improvement, maintenance, operation and funding of improvements to the City's wastewater collection, treatment and disposal system. Interest paid during the year was \$305,444. With the implementation of GASB 89, interest is no longer capitalized. As of June 30, 2020, the outstanding balance of this loan was \$1,090,000. \$11,570,000 of these bonds were refunded in association with the 2019 Sewer Bond issue noted below. Interest expense associated with this refunding amounted to \$536,196. Net revenues from the operation of the wastewater system were pledged as collateral for these bonds. The City will be in default if it fails to pay principal or interest when due. In the event of default, the owners of the bonds shall be entitled to exercise all rights and powers for which provision is made under Louisiana law.

6. LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY LOAN

In 2009, the City executed a loan agreement with the Louisiana Department of Environmental Quality (the "LDEQ") for the purpose of providing funding for the rehabilitation of the sewer system within the City. This loan is classified as direct borrowing. The LDEQ Taxable Sewer Bonds Series 2009 authorized a loan amount of \$22,000,000 with an interest rate of 0.95%. As of June 30, 2020, \$13,902,822 was outstanding. The City has drawn a total of \$22,000,000 through June 30, 2020. Total interest and administrative fees paid during the year ended June 30, 2020, were \$65,006 and \$72,229, respectively. Any revenues available to the City for the debt service payment, excluding sales taxes, are pledged as collateral for the loan. The City will be in default if it fails to pay principal, interest or administrative fees when due. In the event of default, the LDEQ has the right to take any action permitted or required pursuant to the agreement and take whatever other action necessary to collect the amounts then due.

In 2012, the City executed another loan agreement with the Louisiana Department of Environmental Quality (the "LDEQ") for the purpose of providing funding for the rehabilitation of the sewer system within the City. This loan is classified as direct borrowing. The LDEQ Taxable Sewer Bonds Series 2012 authorized a loan amount of \$21,000,000 with an interest rate of 0.95%. As of June 30, 2020, \$16,576,000 was outstanding. The City has drawn a total of \$21,000,000 through June 30, 2020. Total interest and administrative fees paid during the year ended June 30, 2020, were \$76,896 and \$85,440, respectively. Net revenues from the operation of the wastewater system are pledged as collateral for this loan. The City will be in default if it fails to pay principal, interest or administrative fees when due or comply with any bond covenants for 30 days after first notice of default. In the event of default,

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE I - LONG-TERM DEBT (CONTINUED)

the LDEQ has the right to take any action permitted or required pursuant to the agreement and take whatever other action necessary to collect the amounts then due.

In 2015, the City executed another loan agreement with the Louisiana Department of Environmental Quality (the "LDEQ") for the purpose of providing funding for the rehabilitation of the sewer system within the City. This loan is classified as direct borrowing.

The LDEQ Taxable Sales Tax Bonds Series 2015 authorized a loan amount of \$15,000,000 with an interest rate of 0.95%. As of June 30, 2020, \$6,611,484 was outstanding. The City has drawn a total of \$6,968,484 through June 30, 2020. Total interest and administrative fees paid during the year ended June 30, 2020, were \$30,493 and \$33,881, respectively. Sales tax revenue was pledged as collateral for this loan. The City will be in default if it fails to pay principal, interest or administrative fees when due. In the event of default, the LDEQ has the right to take any action permitted or required pursuant to the agreement and take whatever other action necessary to collect the amounts then due.

In 2019, the City executed another loan agreement with the Louisiana Department of Environmental Quality (the "LDEQ") for the purpose of providing funding for the rehabilitation of the sewer system within the City. This loan is classified as direct borrowing. The LDEQ Revolving Fund Loan authorized a loan amount of \$9,500,000 with an interest rate of 0.95%. As of June 30, 2020, \$166,784 was outstanding. The City has drawn a total of \$166,784 through June 30, 2020. Total interest and administrative fees paid during the year ended June 30, 2020, were \$156 and \$174, respectively. Sales tax revenue was pledged as collateral for this loan. The City will be in default if it fails to pay principal, interest or administrative fees when due. In the event of default, the LDEQ has the right to take any action permitted or required pursuant to the agreement and take whatever other action necessary to collect the amounts then due.

7. SEWER REFUNDING BONDS SERIES 2019

On December 26, 2019, the City issued \$12,045,000 of Series 2019 Sewer Refunding Bonds to provide for the planning, construction, improvement, maintenance, operation and funding of improvements to the City's wastewater collection, treatment and disposal system, and partially refund the Sewer Revenue Bonds Series 2011. These bonds were issued with a discount of \$166,527, which reduces the balance of the debt, and is being amortized over the life of the bonds. The new issue resulted in net savings of \$722,680 and a deferred amount of \$308,473, which is being amortized over the life of the bonds. Interest paid during the year was \$120,843. As of June 30, 2020, the outstanding balance of this loan was \$11,888,269. \$12,274,447, which included \$615,565 of prior debt service funds, was placed in escrow to pay off the 2011 Sewer Bonds. Net revenues from the operation of the wastewater system were pledged as collateral for these bonds. The City will be in default if it fails to pay principal or interest when due. In the event of default, the owners of the bonds shall be entitled to exercise all rights and powers for which provision is made under Louisiana law.

8. CAPITAL LEASES

On September 15, 2017, the City entered into a lease-purchase finance agreement with a vendor for vehicles under a five-year capital lease. The original net present value of this capital lease was \$672,594, with a corresponding interest rate of 2.90%. Under the terms of the agreement, the titles of the vehicles may be turned over to the City at the conclusion of the lease, if the City exercises its purchase option. The vehicles, valued at \$672,594, are included in capital assets.

On March 2, 2020, the City entered into a lease-purchase finance agreement with a vendor for vehicles under a four-year capital lease. The original net present value of this capital lease was \$188,589, with a corresponding interest rate of 4.75%. Under the terms of the agreement, the titles of the vehicles may be turned over to the City at the conclusion of the lease, if the City exercises its purchase option. The vehicles, valued at \$188,044, are included in capital assets.

On February 12, 2020, the City entered into a lease-purchase finance agreement with a vendor for radios under a seven-year capital lease. The original net present value of this capital lease was \$215,298, with a corresponding interest rate of 3.94%. Under the terms of the agreement, the ownership of the radios may be turned over to the City at the conclusion of the lease, if the City exercises its purchase option. The radios, valued at \$215,298, are included in capital assets.

9. COMPENSATED ABSENCES

General

All employees, except police and fire employees, earn sick leave at the following rates:

Full time employees:	1 day/month not to exceed 12 days/year
Regular part time employees:	1/2 day/month not to exceed 6 days/year

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE I - LONG-TERM DEBT (CONTINUED)

9. COMPENSATED ABSENCES (CONTINUED)

Employees earn annual leave in varying amounts according to years of service as follows:

<u>Service (years)</u>	<u>Amount</u>
Full time employees:	
0 - 5	1 day/month
5 - 10	1 1/2 day/month
over 10	2 days/month

General

Regular part time employees:	
0 - 5	1/2 day/month
5 - 10	3/4 day/month
over 10	1 day/month

Employees can take their annual leave as soon as it is accrued. Annual leave not used by December 31 of the calendar year is determined for each employee. Employees retain all annual leave up to a maximum of 45 days to be paid upon separation of service or may be used in lieu of sick leave once sick leave has been exhausted. This carry forward time is not available to be taken as annual leave in future periods. Annual leave is payable upon separation of service. Sick leave is accumulated without time limitation and is payable up to a maximum of 90 days upon retirement or death.

In accordance with Statement No. 16 of the Governmental Accounting Standards Board, "Accounting for Compensated Absences," an additional liability is recorded for salary related payments associated with the future payment of compensated absences. Such salary related payments consist of the City's portion of Medicare tax expense.

Fire Department

Firefighters receive 18 days of annual leave after one year of service. After 10 years of service, employees receive one additional day of annual leave for each additional year of service up to a maximum of 30 days per year. Vacation time not used by December 31 is lost.

Firefighters receive 720 hours of sick leave when they join the Department. No additional hours are earned. At retirement, the employee is paid for any unused sick leave up to a maximum of 90 days. In addition, firefighters can receive 365 days of sick leave with medical determination.

Police Department

Police personnel earn annual leave in varying amounts according to years of service as follows:

<u>Service (years)</u>	<u>Civil Service Amount</u>
0 - 1 Year	0 Days
1 - 10 Years	15 Days
10 - 20 Years	20 Days
Over 20 Years	25 Days

Non-civil service employees earn annual leave as previously detailed for general employees of the City.

These hours are accrued on January 1st and are for use only in the calendar year. Hours not taken by December 31st are lost. If an employee terminates employment, he or she is paid for the annual leave remaining on the books.

Police personnel earn sick leave at the following rates:

Full time employees:	8 hours/month not to exceed 12 days (96 hours)/year
Regular part time employees:	1/2 day (4 hours)/month not to exceed 6 days (48 hours)/year

Upon retirement, employees are entitled to receive pay for accrued, unused sick leave days up to a maximum of 90 days.

The General Fund, CDBG Fund, Streets and Drainage Fund, and the Fire Protection Fund have typically been used in prior years to liquidate the liability for compensated absences, net pension obligation, and other postemployment benefits.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

10. CHANGES IN LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2020:

	Balance <u>6/30/2019</u>	Issue or <u>Additions</u>	Payments or <u>Expenditures</u>	Discount/ <u>(Premium)</u>	Balance <u>6/30/2020</u>	Net of Unamortized Premium/ Discount <u>6/30/2020</u>	Due Within <u>One Year</u>
Governmental Activities:							
Sales Tax							
Revenue Bonds	\$ 33,554,710	\$ -	\$ 1,770,000	\$ (57,836)	\$ 31,726,874	\$ 30,975,000	\$ 1,840,000
Note Payable	1,668,221	-	1,668,221	-	-	-	-
LDEQ loan, Sewer Revenue							
Bonds, Series 2009 - Direct							
Borrowing	14,988,822	-	1,086,000	-	13,902,822	13,902,822	1,094,000
Excess Revenue Certificate							
of Indebtness	-	1,750,000	168,000	-	1,582,000	1,582,000	158,000
OPEB Liability (Note O)	14,956,393	2,166,824	912,190	-	16,211,027	16,211,027	-
Net Pension Liability (Note P)	63,421,609	15,633,795	11,209,782	-	67,845,622	67,845,622	-
Capital lease liability	436,157	403,887	152,127	-	687,917	687,917	205,361
Compensated Absences	5,099,690	1,591,097	1,072,681	-	5,618,106	5,618,106	3,126,124
Total							
Governmental Activities	<u>\$ 134,125,602</u>	<u>\$ 21,545,603</u>	<u>\$ 18,039,001</u>	<u>\$ (57,836)</u>	<u>\$ 137,574,368</u>	<u>\$ 136,822,494</u>	<u>\$ 6,423,485</u>
Business-Type Activities:							
Sewer Revenue Bonds 2011	\$ 13,180,000	\$ -	\$ 12,090,000	\$ -	\$ 1,090,000	\$ 1,090,000	\$ 535,000
Sewer Revenue Bonds 2019	-	11,878,473	-	9,796	11,888,269	12,045,000	50,000
LDEQ loan, Sewer Revenue							
Bonds 2012 - Direct Borrowing	17,600,000	-	1,024,000	-	16,576,000	16,576,000	1,034,000
LEDQ loan, Clean Water							
Revolving Fund	-	166,784	-	-	166,784	166,784	-
LDEQ loan, Sales Tax Bonds							
2015 - Direct Borrowing	6,291,497	676,987	357,000	-	6,611,484	6,611,484	704,000
Total							
Business-Type Activities	<u>\$ 37,071,497</u>	<u>\$ 12,722,244</u>	<u>\$ 13,471,000</u>	<u>\$ 9,796</u>	<u>\$ 36,332,537</u>	<u>\$ 36,489,268</u>	<u>\$ 2,323,000</u>

The annual requirements to maturity for sales tax bonds as of June 30, 2020, are as follows:

	Year Ending, <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>
2021		\$ 1,840,000	\$ 1,357,919
2022		1,930,000	1,265,919
2023		2,030,000	1,169,419
2024		2,095,000	1,103,443
2025		2,165,000	1,030,119
2026-2030		12,210,000	3,780,156
2031-2033		8,705,000	884,750
		<u>30,975,000</u>	<u>\$ 10,591,725</u>
Plus Bond Premium		751,874	
Net Debt Service Requirement		<u>\$ 31,726,874</u>	

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE I - LONG-TERM DEBT (CONTINUED)

10. CHANGES IN LONG-TERM DEBT (CONTINUED)

The annual requirements to maturity for the LDEQ Taxable Sewer Bond Series 2009 as of June 30, 2020, are as follows:

Year Ending, June 30,	Principal	Interest
2021	\$ 1,094,000	\$ 60,101
2022	1,103,000	55,158
2023	1,112,000	50,174
2024	1,121,000	45,150
2025	1,130,000	40,085
2026-2030	5,784,000	123,052
2031	2,558,822	5,757
Debt Service Requirement	<u>\$ 13,902,822</u>	<u>\$ 379,477</u>

The annual requirements to maturity for the Sewer Revenue Bonds Series 2011 as of June 30, 2020, are as follows:

Year Ending, June 30,	Principal	Interest
2021	\$ 535,000	\$ 26,062
2022	555,000	9,019
Debt Service Requirement	<u>\$ 1,090,000</u>	<u>\$ 35,081</u>

The annual requirements to maturity for the LDEQ Taxable Sewer Bond Series 2012 as of June 30, 2020, are as follows:

Year Ending, June 30,	Principal	Interest
2021	\$ 1,034,000	\$ 72,266
2022	1,043,000	67,592
2023	1,053,000	62,876
2024	1,063,000	58,115
2025	1,073,000	53,309
2026-2030	5,521,000	192,836
2031-2035	5,789,000	65,617
Debt Service Requirement	<u>\$ 16,576,000</u>	<u>\$ 572,611</u>

The annual requirements to maturity for the LDEQ Taxable Sales Bond Series 2015 as of June 30, 2020, are as follows:

Year Ending, June 30,	Principal	Interest
2021	\$ 704,000	\$ 29,752
2022	711,000	26,584
2023	718,000	23,384
2024	724,000	20,153
2025	731,000	16,895
2026-2030	3,023,484	34,499
Debt Service Requirement	<u>\$ 6,611,484</u>	<u>\$ 151,267</u>

The loan has not been fully disbursed as of June 30, 2020. The annual future payments will change once all of the loan proceeds have been received.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE I - LONG-TERM DEBT (CONTINUED)

10. CHANGES IN LONG-TERM DEBT (CONTINUED)

The annual requirements to maturity for the LDEQ Taxable Sewer Bond Series 2019 as of June 30, 2020, are as follows:

Year Ending, June 30,	Principal	Interest
2021	\$ 158,000	\$ 46,985
2022	163,000	42,293
2023	167,000	37,452
2024	172,000	32,492
2025	178,000	27,383
2026-2029	744,000	55,153
Debt Service Requirement	<u>\$ 1,582,000</u>	<u>\$ 241,758</u>

The annual requirements to maturity for the Sewer Refunding Bonds Series 2019 as of June 30, 2020 are as follows:

Year Ending, June 30,	Principal	Interest
2021	\$ 50,000	\$ 347,278
2022	85,000	345,253
2023	660,000	337,048
2024	670,000	322,748
2025	685,000	307,500
2026-2030	3,710,000	1,258,039
2031-2035	4,280,000	673,504
2036-2037	1,905,000	65,131
Debt Service Requirement	<u>12,045,000</u>	<u>\$ 3,656,501</u>
Less Bond Discount	<u>(156,731)</u>	
	<u>\$ 11,888,269</u>	

The annual requirements to maturity for the LDEQ Cleanwater Revolving Loan as of June 30, 2020 are as follows:

Year Ending, June 30,	Principal	Interest
2021	\$ -	\$ 751
2022	166,784	751
Debt Service Requirement	<u>\$ 166,784</u>	<u>\$ 1,502</u>

The loan has not been fully disbursed as of June 30, 2020. The annual future payments will change once all of the loan proceeds have been received.

Future payments for the capital lease agreements as of June 30, 2020, are as follows:

Year Ending, June 30,	Principal	Interest
2021	\$ 205,361	\$ 22,198
2022	216,263	15,600
2023	102,234	9,362
2024	64,493	5,831
2025	31,892	3,995
2026-2030	67,674	4,099
	<u>\$ 687,917</u>	<u>\$ 61,085</u>

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE I - LONG-TERM DEBT (CONTINUED)

11. COMPLIANCE

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

NOTE J - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

A summary of interfund transfers at June 30, 2020, are as follows:

	Transfer In:									
	General Fund	General Capital Projects	Capital Projects with Bond Proceeds	Fire Protection	General Debt (Major)	Nonmajor Governmental	Department of Wastewater Operations	Internal Service Funds	Total	
Transfer Out:										
General Fund	\$ -	\$ 3,278,111	\$ -	\$ 1,825,871	\$ -	\$ 844,074	\$ -	\$ 348,016	\$ 6,296,072	
One Percent Sales Tax of 1984 Fund	11,313,146	-	-	702,275	-	189,312	-	-	12,204,733	
Fire Protection	-	-	-	-	-	-	-	-	-	
General Debt	-	-	-	-	-	-	-	-	-	
General Capital Projects	-	-	-	-	664,500	-	-	-	664,500	
Nonmajor Governmental	-	-	1,248,587	-	-	-	-	-	1,248,587	
Capital Projects Funded with Bonds Proceeds	-	-	-	-	-	-	-	-	-	
General Debt (Major)	-	-	-	-	-	-	357,000	-	357,000	
Department of Wastewater Operations	-	-	-	-	528,735	-	-	-	528,735	
Total	\$ 11,313,146	\$ 3,278,111	\$ 1,248,587	\$ 2,528,146	\$ 1,193,235	\$ 1,033,386	\$ 357,000	\$ 348,016	\$ 21,299,627	

Transfers are primarily used to move funds from:

General Fund – to the General Capital projects for the gaming revenues dedicated for capital projects, to the Nonmajor Governmental funds (Garbage Collection and Disposal fund), and the Fire Protection fund because dedicated revenues are not sufficient to cover expenditures, to the Community Development Fund to cover the expenditures of the City’s Resource centers, Food Bank and the portion of Community Development’s administrative expenditures not covered by the CDBG grant, and to the Internal Service Funds to cover health insurance costs.

One Percent Sales tax of 1984 Fund – to the General, Nonmajor Governmental fund (Garbage Collection & Disposal fund), and Fire Protection funds to reimburse losses from homestead exemption, to pay expenditures for the Nonmajor Governmental fund (Streets and Drainage Fund) and the remaining funds are transferred to the General Fund.

General Capital Projects – to the Major Governmental fund (Notes and Other Debt) to provide additional funding for debt service of the 2009 LDEQ Loan.

Nonmajor Governmental Funds – from the Roads and Bridges fund to the General Capital Projects Funds with bond proceeds for the funding of future capital projects.

Wastewater Operations – to the Major Governmental funds (General Debt Fund) for debt service on the 2009 LDEQ loan.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE J - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

The composition of interfund balances as of June 30, 2020, is as follows:

Due to/from other funds

Receivable Fund	Payable Fund	Amount
General Fund	One Percent Sales Tax of 1984 Fund	\$ 2,410,200
	General Capital Projects Fund	1,497,118
	General Capital Projects Funded with Bond Proceeds	2,824,547
	Nonmajor Governmental Funds	830,856
	Department of Wastewater Operations	3,704,209
	Internal Service Funds	701,152
	Consolidated General Debt (Major)	5,293,864
	Civic Center Operations	406,456
	Fire Protection	2,476,582
One Percent Sales Tax of 1984 Fund	Nonmajor Governmental Funds	310,733
Fire Protection	One Percent Sales Tax of 1984 Fund	58,190
	Property Tax	730,431
Department of Wastewater Operations	Property Tax	113,377
General Capital Projects Fund	General Fund	11,904,786
General Capital Projects Funded with Bond Proceeds	Property Tax	447,362
	Nonmajor Governmental Funds	50,565
	General Capital Projects Fund	2,140,077
Nonmajor Governmental Funds	General Fund	382,763
	One Percent Sales Tax of 1984 Fund	12,610
	Property Tax	223,980
		<u>\$ 36,519,858</u>

The above due to/from other funds were short-term receivables or payables in the normal course of the City's operations.

NOTE K - TREASURE CHEST RIVERBOAT CASINO AGREEMENT

The City of Kenner and Treasure Chest Casino, L.L.C. entered into a lease of property in Laketown, Kenner on December 3, 1993 for Treasure Chest Casino, L.L.C.'s riverboat gaming operations. The term of the lease is divided into three phases, an Initial Term, a Primary Term, and at the Lessee's option, one or more Renewal Terms. The "Initial Term" of the lease began on the date of execution and continued until July 1, 1994. The "Primary Term" of the lease was for five years beginning on July 1, 1994, and the Lessee had the option to extend the term of this lease for six additional Renewal Terms of five years each. The lease is currently renewed through July 1, 2024. Lease payments to the City include a minimum annual rent ("Base Rent") determined by multiplying the actual number of passengers during the first three quarters of the prior fiscal year by \$2.50. In addition to the Base Rent, the Lessee shall pay to the City an amount equal to \$2.50 for each passenger in excess of the number of passengers used to determine the Base Rent for that particular year ("Per Capita Rent"). In addition to the Base Rent and Per Capita Rent, the Lessee pays the City the "Percentage Rent" in an amount equal to the greater of 1% of its net gaming proceeds and any admission fees in excess of \$10.00 per passenger or the "minimum percentage rent". The Minimum Percentage Rent equals the Percentage Rent for the first three quarters of the preceding base fiscal year. Such Percentage Rent shall be used to subsidize City projects such as City Recreational Facilities, City Playgrounds, Tourism Advertisement and Brochures, Convention Center/Hotel Shuttle, Trolley Transportation, City Museums, Alzheimer's Center Operations, City Sponsored Summer Camps, and City Senior Citizens Activities. Any funds remaining shall be dedicated to City capital projects.

The Kenner Police Department is entitled to 24% of all lease revenues received by the City. Additionally, the lessee agrees to pay to the Kenner Police Department the greater of \$400,000 or 1% of net gaming proceeds.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE L - 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. To account for and finance its uninsured risks of loss, the City has established a Self-Insurance Fund (an internal service fund). Under this program, the Self-Insurance Fund provides coverage for up to a maximum of \$500,000 for each general liability claim, except up to a maximum of \$50,000 for each Law Enforcement general liability claim, with commercial insurance for claims in excess of coverage provided by the fund up to \$5,000,000; \$500,000 for each auto liability claim with commercial insurance for claims in excess of coverage provided by the fund up to \$5,000,000; \$550,000 for each worker's compensation claim, excluding police and fire, with commercial insurance for claims in excess of coverage provided by the fund up to \$1,000,000; and \$550,000 for each police and fire workers compensation claim in with commercial insurance for claims in excess of coverage provided by the fund up to \$1,000,000. The City purchases commercial insurance for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past four fiscal years. Also, the Fund provides coverage for auto/physical damage which requires a \$1,000 deductible per department per occurrence. The remaining balance on the claim is paid by the Fund.

All funds of the City with employees, except for the Department of Wastewater Operations and the Civic Center Operations Funds, participate in the program and make payments to the fund based on an actuarial valuation dated November 2003 adjusted by the actual performance of the programs using historical experience. The claims liability of \$5,409,263 (which includes claims incurred but not reported in the Fund at June 30, 2020) is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the balances of claims liabilities during fiscal years 2018, 2019, and 2020 were as follows:

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
2017 - 2018	\$ 4,236,501	\$ 1,638,797	\$ (639,152)	\$ 5,236,146
2018 - 2019	5,236,146	613,794	(711,405)	5,138,535
2019 - 2020	5,138,535	1,187,162	(916,434)	5,409,263

The amount of estimated claims payable due within one year of these financial statements is \$2,755,371.

HEALTH INSURANCE

The City provides health and accident insurance to its employees through health maintenance organizations (HMO's) and commercial insurance carriers. The City has no additional liability other than the initial premiums.

NOTE M - COMMITMENTS AND CONTINGENCIES

LITIGATION

The City is a defendant in a number of claims and lawsuits resulting principally from personal injury and property damage. The City Attorney and outside counsel have reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the City and to arrive at an estimate, if any, of the amount or range of potential loss to the City. The City's "reasonably possible" loss contingencies have been estimated to be immaterial and have not been accrued in these financial statements. All material probable claims have been accrued as liabilities in the City's Self-Insurance Fund (see Note L for additional details) and General Fund.

FEDERALLY ASSISTED PROGRAMS

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements.

EPA ADMINISTRATIVE ORDER

On November 10, 1990, the United States Environmental Protection Agency (EPA) issued the City an Administrative Order for sewerage effluent violations. Failure to comply with an EPA Administrative Order could result in monetary fines or an EPA administrative penalty. As a result, the city initiated a \$15 million sewer rehabilitation project. See Note I for additional information regarding the financing of the 1990 sewer rehabilitation project.

On August 24, 2009, the Louisiana Department of Environmental Quality (LDEQ) issued the City a Consolidated Compliance Order & Notice of Potential Penalty for sewerage overflow violations which resulted in raw sewerage being discharged into waters of the

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE M - COMMITMENTS AND CONTINGENCIES (CONTINUED)

EPA ADMINISTRATIVE ORDER (CONTINUED)

State. As with the 1990 EPA Administrative Order discussed above, failure to comply with the provisions of the Order could subject the City to substantial administrative penalties or monetary fines.

On June 27, 2014, the Louisiana Department of Environmental Quality (LDEQ) issued the City a Consolidated Compliance Order & Notice of Potential Penalty for sewerage overflow and improper sampling methods and reporting violations which resulted in raw sewerage being discharged into waters of the State. As with the 1990 EPA Administrative Order and the August 24, 2009, LDEQ order discussed above, failure to comply with the provisions of the Order could subject the City to substantial administrative penalties or monetary fines.

EPA CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The LDEQ Compliance Order mandates that the City take all steps necessary to achieve compliance with Water Quality Regulations including but not limited to avoiding overflows and complying with all effluent limitations by properly operating and maintaining the facility. Failure or refusal to comply could subject the City to civil penalties of \$50,000 for each day of continued violation or noncompliance.

Major renovations must be made to the City's sewer treatment and collection system to remedy the problems causing the LDEQ and EPA violations. The required renovations include the replacement or upgrading of lift stations, expansion and upgrading of the City's wastewater treatment plant capacity, repair and replacement of gravity sewer lines, and procuring generators to service the sewer system during emergencies.

The City's engineers estimate that the total costs of the required renovations will be \$65 million. On December 10, 2009, the City entered into an agreement for a \$22 million construction loan at 0.95% interest from the Clean Water State Revolving Fund Loan Program to partially fund the necessary upgrades and improvements. In November of 2011 the City issued \$16 million in bonds and in November of 2012 the City entered into an additional loan of \$21 million at 0.95% interest from the Clean Water State Revolving Fund Loan Program to fund a portion of the required renovations. In September 2015 the City entered into an additional loan of \$15 million at 0.95% interest from the Clean Water State Revolving Fund Loan Program to fund the rest of the required renovations. See Note I for additional information regarding the financing of the 2009 sewer rehabilitation project. In January 2020 the City entered into an additional loan of \$9.5 million at 0.45% interest from the Clean Water State Revolving Fund Loan Program to fund additional renovations.

During the year ended June 30, 2020, the City was released from the LDEQ Compliance Order and were assessed no penalties.

**AGREEMENT FOR OPERATIONS, MAINTENANCE, AND MANAGEMENT SERVICES OF THE KENNER
WASTEWATER COLLECTION AND TREATMENT SYSTEMS**

In July 1995, the City entered into an agreement with Veolia Water North America Operating Services, LLC, (formerly Professional Services Group, Inc. (PSG) and US Filter Operating Services, Inc.) for the management, operation, and maintenance of the Wastewater Collection and Treatment Systems. PSG offered employment to all personnel of Kenner who were currently assigned full-time to the Wastewater Department. In July 1999, the agreement was amended and restated. In accordance with the agreement dated July 1999, compensation from the City of Kenner consisted of an annual fee, \$2,744,264, funding the Kenner Budget Pass-Through Fund, \$817,567, and payment of electrical invoices. The term of this agreement is for 20 years commencing on July 1, 1995 with the option for four, five-year renewal periods. In July 2015, the agreement was amended and restated. The new agreement is effective from July 2015 through December 2019. The compensation from the City of Kenner consists of an annual fee \$5,076,534, paid monthly, and reimbursement of operating expenses. The annual fee and Kenner Budget Pass-Through Fund will be adjusted annually either by negotiation or in accordance with the CPI Adjustment Formula as stipulated in the agreement. Fees incurred to Veolia Water North America Operating Services, LLC during the year ended June 30, 2020 totaled \$2,504,345. This agreement was not renewed beyond December 31, 2019. The City took over operations of the Wastewater facilities beginning January 1, 2020.

CONSTRUCTION

Construction commitments are discussed in Note H.

LEASE COMMITMENTS - GENERAL

Leases are accounted for in accordance with GASB Codification Section L20-Leases, which requires classification of leases as capital or operating leases. Governmental fund assets under capital leases are recorded in the government-wide financial statements. As of June 30, 2020, the City has three capital lease agreements. See Note I for information related to this capital lease.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE M - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Operating Leases

The City is committed under various leases for office equipment. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended June 30, 2020, amounted to \$146,138. Future minimum lease payments for these leases are as follows:

Year Ending June 30,	Amounts
2021	\$ 121,620
2022	110,220
2023	53,220
2024	53,220
2025	8,870
Total minimum lease payments	<u>\$ 347,150</u>

NOTE N - DEFERRED COMPENSATION PLAN

The City offers its employees a 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 funds are held in a trust for the exclusive benefit of participants and their beneficiaries. The City did not make any contributions to the plan during the year ended June 30, 2020.

NOTE O - POSTEMPLOYMENT BENEFITS

PLAN DESCRIPTION

The City provides postemployment health care benefits to all retirees with 20 years or more of service, and life insurance benefits to eligible retirees. The City established a Group Insurance Plan, providing for payment of a portion of health care insurance premiums and life insurance premiums for eligible retired employees. The Group Insurance Plan is a single-employer defined benefit health care plan administered by the City which provides medical and life insurance to eligible retirees and their beneficiaries. The Plan is funded on a pay-as-you go basis and there are no Plan financial statements. The City Council has the authority to establish and amend plan benefit provisions. OPEB benefits are administered by City personnel. At June 30, 2020, 184 retirees were receiving postemployment benefits.

There are no assets accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Statement No. 75, *Postemployment Benefits Other Than Pensions – Reporting for Benefits Not Provided through Trusts That Meet Specified Criteria – Defined Benefit*.

BENEFITS PROVIDED

Retirees are eligible to continue medical and life insurance coverage. To be eligible for retirement, employees must be covered as an active employee in the City health program at the time of retirement and: (1) for municipal employees, have 25 years of continuous service with the City or reach 60th birthday and have 10 years of service; (2) for firefighter or police employees, have 25 years of continuous service with the City or reach 50th birthday and have 20 years of service with the City or reach 55th birthday and have 12 years of service with the City. After becoming eligible based on the aforementioned criteria an employee has the option of remaining an active employee for three additional years in order to qualify for fully-funded benefits for life. The benefits then become available on the day after the employee retires.

Spouses of retirees are eligible for the plan and benefits continue upon the death of the retiree.

Under 65 retirees can continue medical coverage and enrolled in a Base Plan. Retirees 65 and over are enrolled in a Medicare Supplement Plan, and pay any premium that exceeds \$100 per month. Effective January 1, 2019, The City will no longer provide the \$100 supplement for employees hired after March 31, 1986

The retirees' life insurance benefit is equal to \$15,000 and is reduced by 35% at age 70 and reduced by 50% at age 75.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE O - POSTEMPLOYMENT BENEFITS (CONTINUED)

CONTRIBUTIONS

The City offers a single health plan for active and retired under age 65 employees through Blue Cross Blue Shield of Louisiana. The employee/retiree monthly premium is \$100 per month without a health screening and \$30 per month with a health screening. The City's portion is \$474.69 per month for employee/retiree coverage with a health screening and \$544.69 per month without a health screening.

Retired employees eligible for Medicare coverage are excluded from the Blue Cross Healthcare Plan and may choose to be covered by one of the two Medicare Supplement Plans offered through the City of Kenner by People's Health and Humana. The monthly premium is \$210 for People's Health and \$307.73 for Humana. The City pays \$100 per month for retiree-only coverage with Medicare plans for those retirees hired prior to March 31, 1986. All other retirees are responsible for the entire monthly premium.

The City of Kenner also provides eligible retirees Basic Term Life, which is underwritten by Prudential Life Insurance Company. The blended rate for active employees and retirees is \$0.435 per \$1,000 of insurance. The amount of life insurance is reduced by 35% of the original amount at age 70 and 50% of the original amount at age 75.

EMPLOYEES COVERED BY BENEFIT TERMS

At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits payments	184
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>597</u>
Total	<u><u>781</u></u>

TOTAL OPEB LIABILITY

At June 30, 2020, the City reported a total OPEB liability of \$16,211,027. The total OPEB liability was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2019. The total OPEB liability was updated from the actuarial valuation date to the measurement date using standard actuarial roll-forward techniques.

ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The actuarial valuation for postemployment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the City of Kenner and its employee plan members) at the time of the valuation and on the historical pattern of sharing costs between the City of Kenner and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the City of Kenner and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The actuarial assumptions were based on the results of an actuarial experience study performed in 2014.

The total OPEB liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise noted:

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE O - POSTEMPLOYMENT BENEFITS (CONTINUED)

ACTUARIAL METHODS AND ASSUMPTIONS (CONTINUED)

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial cost method	Entry Age Normal, Level Percentage of Pay
Actuarial assumptions:	
Expected remaining service lives	2 years
Inflation rate	2.50%
Salary increase rate	2.00%
Discount rate	2.45%
Mortality rates	<i>Pre-Retirement Mortality</i> : PubG.H-2010 Employee Mortality Table, Generational with Projection Scale MP-2019. <i>Post-Retirement Mortality</i> : PubG.H-2010 Healthy Retiree Mortality Table, Generational with Projection Scale MP-2019.
Healthcare cost trend rates	<i>Pre-65</i> : The healthcare cost trend was 5.8%, initially, and decreases to an ultimate rate of 4.0% in 2075. <i>65 & Over</i> : The healthcare cost trend rate is a flat 2.5%.
Employee turnover rates	An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 10%. The percent turnover for each age range are as follows: 20-25 (17.0%), 26-40 (10.2%), 41-50 (6.8%), and 51+ (5.1%).

CHANGES IN THE TOTAL OPEB LIABILITY

The following is a summary of the changes in the City's total OPEB liability for the year ended June 30, 2020:

Balance at 06/30/2019	\$ 14,956,393
Changes for the year:	
Service cost	316,253
Interest	463,758
Differences between expected and actual experience	78,397
Changes in assumptions/inputs	1,308,416
Changes in benefit terms	-
Benefit payments	(912,190)
Administrative expense	-
Net changes	<u>1,254,634</u>
Balance at 06/30/2020	<u>\$ 16,211,027</u>

OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended June 30, 2020, the City recognized OPEB expense of \$824,427. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 39,199	\$ 189,175
Changes of assumptions or other inputs	654,208	459,816
Employer amounts for OPEB subsequent to the measurement date	-	-
	<u>\$ 693,407</u>	<u>\$ 648,991</u>

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE O - POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB (CONTINUED)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2021	\$ 44,416
	<u>\$ 44,416</u>

SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.45%) or one percentage point higher (3.45%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	<u>\$ 18,059,961</u>	<u>\$ 16,211,027</u>	<u>\$ 14,612,992</u>

SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE HEALTHCARE COST TREND RATES

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB liability	<u>\$ 14,554,839</u>	<u>\$ 16,211,027</u>	<u>\$ 18,210,695</u>

NOTE P - PENSION PLANS

GENERAL

The City reporting entity participates in three defined benefit pension plans. Assets are held separately and may be used only for the payment of benefits to the members of the respective plans, as follows:

Substantially all of the City's full-time, permanent employees, other than classified employees in the Kenner Fire Department and Kenner Police Department are participants in the Municipal Employees' Retirement System, State of Louisiana (MERS), a cost-sharing, multiple-employer defined benefit public employee retirement system.

All full-time classified employees of the Police Department of the City are participants in the Municipal Police Employees' Retirement System (MPERS), a cost-sharing, multiple-employer defined benefit plan.

All full-time classified employees of the Fire Department of the City are participants in the Firefighters' Retirement System (FRS), a cost-sharing, multiple-employer defined benefit plan.

PLAN DESCRIPTIONS

Municipal Employees' Retirement System, State of Louisiana (MERS)

Employees of the City participate in Plan A of MERS, which is controlled and administered by a separate Board of Trustees. The System provides retirement, deferred and disability benefits, survivor's benefits and cost of living adjustments to plan members and beneficiaries. Act 356 of the 1954 Louisiana Legislative Session established the plan. The System is governed by Louisiana Revised Statutes 11:1731 through 11:1866, specifically, and other general laws of the State of Louisiana.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE P - PENSION PLANS (CONTINUED)

PLAN DESCRIPTIONS (CONTINUED)

Under MERS, employees with 10 years of service may retire at age 60 and employees with 25 years of service may retire regardless of age. In addition, employees may also retire with 20 years of service regardless of age; however, the benefits payable to such employees must be actuarially reduced. The monthly amount of the retirement allowance is equal to 3 percent of the member's final compensation multiplied by his years of creditable service. Retirement benefits are payable monthly for the life of the retiree, and upon the retiree's death, under certain conditions, are payable to the surviving spouse.

The MERS retirement information in this Note is provided as of the latest actuarial valuation, June 30, 2019. The Municipal Employees' Retirement System of Louisiana issues a publicly available financial report that includes financial statements and required supplementary information. The financial report may be obtained by writing to Municipal Employees' Retirement System, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809.

Plan members are required to contribute 9.50% of their earnable compensation, and the City is required to contribute at an actuarially determined rate. The current rate is 27.75% of earnable compensation. At July 1, 2020, the employer rate increased to 29.5% for the 2020-2021 fiscal year, while the employee rate increased to 10.0%.

Municipal Police Employees' Retirement System, State of Louisiana (MPERS)

Members of MPERS hired prior to January 1, 2013, are eligible for normal retirement after they have been a member of the plan, if they have 25 years of service at any age or they have 20 years' service and are age 50 or have 12 years' service and are age 55. Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211 - 11:2233. The monthly retirement benefit is equal to 3 ¹/₃ percent of the member's average monthly earnings during the highest consecutive 36 months, multiplied by years of creditable service, not to exceed 100 percent of final salary. Retirement benefits are payable monthly to the retiree, and upon the death of the retiree, under certain conditions, are payable to the surviving spouse and minor children.

Members of MPERS hired on or after January 1, 2013, are eligible for normal retirement based on Hazardous Duty and Non Hazardous Duty sub plans. Under the Hazardous duty sub plan, a member is eligible for regular retirement after he has been a member of the plan and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the plan and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. Under both sub plans, a member is eligible for early retirement after he has been a member of the plan for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55. Under the Hazardous and Non Hazardous Duty sub plans, the benefit rates are 3 percent and 2 ¹/₂ percent, respectively, of the member's average monthly earnings during the highest consecutive 36 months, multiplied by years of creditable service, not to exceed 100 percent of final salary. Retirement benefits are payable monthly to the retiree, and upon the death of the retiree, under certain conditions, are payable to the surviving spouse and minor children.

The MPERS retirement information in this Note is provided as of the latest actuarial valuation, June 30, 2019. The Municipal Police Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. The financial report may be obtained by writing to Municipal Police Employees' Retirement System of Louisiana, 7722 Office Park Boulevard, Suite 200, Baton Rouge, Louisiana 70809.

The employer and employee contribution rates for all members hired prior to January 1, 2013, and Hazardous Duty members hired after January 1, 2013, were 32.5% and 10.0%, respectively. The employer and employee contribution rates for all Non Hazardous Duty members hired after January 1, 2013, were 32.5% and 8.0%, respectively. At July 1, 2020, the employer's contribution rate increased to 33.75%, and the employee rate remained at 10.0% for all members hired prior to January 1, 2013, and Hazardous Duty members hired after January 1, 2013. The employer's contribution rate increased to 33.75% and the employee rate remained at 8.0% for all Non Hazardous duty members hired after January 1, 2013.

The Firefighters' Retirement System (FRS)

Under FRS, employees with 20 or more years of service who have attained age 50 or employees who have 12 years of service who have attained age 55 or 25 years of service at any age are entitled to annual pension benefits equal to 3 ¹/₃% of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Retirement benefits are payable monthly to the retiree, and upon the death of the retiree, under certain circumstances, are payable to the surviving spouse and minor children. Act 434 of the 1979 Louisiana Legislative Session established the Plan. The System is governed by Louisiana Revised Statutes 11:2251 through 11:2269, specifically, and other general laws of the State of Louisiana.

The Firefighters' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. It may be obtained from the Firefighters' Retirement System, 3100 Brentwood Drive, Baton Rouge, Louisiana 70809.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE P - PENSION PLANS (CONTINUED)

PLAN DESCRIPTIONS (CONTINUED)

Plan members are required to contribute 10.0% of their earnable compensation, and the City is required to contribute at an actuarially determined rate. The current rate is 27.75% of annual-covered payroll. Effective July 1, 2020, the employer's contribution rate increased to 32.25% and the employee rate remained at 10.0%.

CURRENT MEMBERSHIP

Total membership data for MERS, MPERS and FRS is available in the separately issued reports, but is not available by individual employer.

CONTRIBUTIONS MADE

The employer contribution rates are established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the system's actuary. Each plan pays a separate actuarially-determined employer contribution rate. However, all assets of each plan are used for the payment of benefits for all classes of members within each system, regardless of their plan membership. Employer contributions to MERS, MPERS, and FRS were \$3,992,614, \$2,702,376, and \$1,986,945, respectively, for the year ended June 30, 2020.

PENSION LIABILITIES, PENSION EXPENSE, CONTRIBUTION REVENUE FROM NON-EMPLOYER CONTRIBUTIONS, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At June 30, 2020, the City of Kenner, Louisiana reported a liability for MERS, MPERS, and FRS of \$28,311,510, \$24,032,591, and \$15,501,521, respectively, for its proportionate share of the net pension liability. The net pension liabilities were measured as of June 30, 2019, and the total pension liabilities used to calculate the net pension liability were determined by actuarial valuations as of that date. The City of Kenner, Louisiana's proportion of the net pension liability for each retirement system was based on a projection of the City of Kenner, Louisiana's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the City of Kenner, Louisiana's proportion for MERS, MPERS, and FRS was 6.775258%, 2.646273%, and 2.475526%, respectively. This reflects a decrease for MERS of 0.042198%, a decrease for MPERS of (0.145393%), and an increase for FRS of 0.460288% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the City of Kenner, Louisiana recognized pension expense and contributions revenue from non-employer contributions as follows:

	Pension Expense/ (Benefit)	Contributions Revenue - Non Employer Contributions
MERS	\$ 1,519,746	\$ 434,775
MPERS	662,471	544,793
FRS	1,309,658	663,630
Total	<u>\$ 3,491,875</u>	<u>\$ 1,643,198</u>

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE P - PENSION PLANS (CONTINUED)

PENSION LIABILITIES, PENSION EXPENSE, CONTRIBUTION REVENUE FROM NON-EMPLOYER CONTRIBUTIONS, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

At June 30, 2020, the City of Kenner, Louisiana reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			
	MERS	MPERS	FRS	Total
Difference between employer contributions and proportionate share of contributions	\$ -	\$ 800	\$ 3,703	\$ 4,503
Differences between expected and actual experience	-	50,426	-	50,426
Changes in proportion	3,461	-	2,490,724	2,494,185
Change of assumptions	715,462	1,346,742	1,410,261	3,472,465
Difference between projected and actual earnings on plan investments	2,807,895	1,561,357	1,042,434	5,411,686
Employer contributions subsequent to the measurement date	3,992,614	2,702,376	1,986,945	8,681,935
Total	\$ 7,519,432	\$ 5,661,701	\$ 6,934,067	\$ 20,115,200

	Deferred Inflows of Resources			
	MERS	MPERS	FRS	Total
Differences between expected and actual experience	\$ 690,773	\$ 739,375	\$ 1,118,191	\$ 2,548,339
Difference between projected and actual earnings on plan investments	-	-	-	-
Difference between employer contributions and proportionate share of contributions	45,311	8,636	6,400	60,347
Change of assumptions	-	-	1,128	1,128
Changes in proportion	99,269	1,586,935	424,775	2,110,979
Total	\$ 835,353	\$ 2,334,946	\$ 1,550,494	\$ 4,720,793

During the year ended June 30, 2020, employer contributions totaling \$3,992,614, \$2,702,376, and \$1,986,945 were made subsequent to the measurement date for MERS, MPERS, and FRS, respectively. These contributions are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

	MERS	MPERS	FRS	Total
Year Ending June 30,				
2021	\$ 1,510,339	\$ 579,288	\$ 851,417	\$ 2,941,044
2022	586,830	(641,587)	283,876	229,119
2023	358,579	296,870	746,667	1,402,116
2024	235,717	389,808	737,989	1,363,514
2025	-	-	368,176	368,176
Thereafter	-	-	408,503	408,503
Total	\$ 2,691,465	\$ 624,379	\$ 3,396,628	\$ 6,712,472

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE P - PENSION PLANS (CONTINUED)

ACTUARIAL ASSUMPTIONS

Total pension liabilities for MERS, MPERS, and FRS in the June 30, 2019, actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

	MERS	MPERS	FRS
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial assumptions:			
Expected Remaining Service Lives	3 Years	4 Years	7 Years
Investment rate of return	7.0%	7.125%, net of investment expense	7.15%
Inflation rate	2.50% per annum	2.50% per annum	2.50% per annum
Projected salary increases	Vary from 6.4% in the first four years of service to 4.5% after four years of service	Salary growth rate based on years of service, ranging from 9.75% for 1-2 years of service to 4.25% for 23 & over years of service.	Vary from 14.75% in the first two years of service to 4.5% after 25 years.
Cost-of-living adjustments	None, since they are not deemed to be substantively automatic.	None, since they are not deemed to be substantively automatic.	None, since they are not deemed to be substantively automatic.
Mortality	PubG-2010(B) Healthy Retiree Table for Annuitant members; PubG-2010(B) Employee Table for Active members; PubNS-2010(B) Disabled Retiree Table for Disabled annuitants	RP-2000 Employee Table for Active members; RP-2000 Combined Healthy Tables for healthy annuitants; RP-2000 Disabled Lives Table for disabled annuitants	Mortality rate assumption was projected based on a five-year (2009-2014) experience study of the System's members.
Termination and disability	Termination, disability and retirement assumptions were projected based on a five year (2013-2018) experience study of the System's members.	Termination, disability and retirement assumptions were projected based on a five year (2009-2014) experience study of the System's members.	Termination, disability and retirement assumptions were projected based on a five year (2009-2014) experience study of the System's members.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are 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 rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE P - PENSION PLANS (CONTINUED)

ACTUARIAL ASSUMPTIONS (CONTINUED)

The target allocation and best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2019, are summarized in the following table:

Asset Class	Target Allocation			Long-Term Expected Real Rate of Return		
	MERS	MPERS	FRS	MERS	MPERS	FRS
Equity	50%	48.5%	49%	2.15%	3.28%	1.90%
Fixed Income	35%	33.5%	31%	1.51%	0.80%	2.17%
Alternatives	15%	18%	10%	0.64%	1.06%	0.67%
Other	0%	0%	10%	0.00%	0.00%	0.45%
Total	100%	100%	100%	4.30%	5.14%	5.19%
Inflation				2.70%	2.75%	2.75%
Expected Arithmetic Nominal Return				7.00%	7.89%	7.94%

DISCOUNT RATES

The discount rate used to measure the total pension liability for MERS, MPERS, and FRS was 7.00%, 7.125%, and 7.15%, respectively. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. 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 active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

SENSITIVITY OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATES

The following table presents the employer's proportionate share of the net pension liability using the actual discount rates used (7.00% for MERS, 7.125% for MPERS, and 7.15% for FRS), as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
MERS	\$ 36,913,145	\$ 28,311,510	\$ 21,039,097
MPERS	33,485,317	24,032,591	16,102,698
FRS	22,447,252	15,501,521	9,671,804
Total	<u>\$ 92,845,714</u>	<u>\$ 67,845,622</u>	<u>\$ 46,813,599</u>

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the pension plans' fiduciary net position is available in the separately issued MERS, MPERS, and FRS 2019 Annual Financial Reports at www.mersla.com, www.lampers.org, and www.lafirefightersret.com, respectively.

PAYABLES TO THE PENSION PLANS

At June 30, 2020, there were no amounts owed to any of the three pension plans for employee and employer legally-required contributions.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE Q – DEFICIT FUND BALANCES/NET POSITION

At June 30, 2020, the Self-Insurance Fund had a deficit in its unrestricted net position of \$5,148,877. This deficit will be eliminated by the City making additional contributions into the fund during future years.

At June 30, 2020, the Civic Center Operations Fund had a deficit in its unrestricted net position of \$317,827. This deficit will be eliminated by the future revenues.

NOTE R – UNCERTAINTIES

In March 2020, the World Health Organization declared the outbreak of novel coronavirus disease (“COVID-19”) as a pandemic. We expect this matter may continue to negatively impact the results of our operations and financial position but the related financial impact cannot be reasonably estimated at this time.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2020

		ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ACTUAL			ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes	\$ 26,392,427	\$ -	\$ 26,392,427	\$ 29,594,242	\$ 26,712,719	\$ (320,292)
Licenses and permits	3,929,419	-	3,929,419	5,249,334	4,039,074	(109,655)
Intergovernmental	7,482,182	(6,091,212)	1,390,970	1,480,788	1,377,101	13,869
Charges for services	1,264,541	-	1,264,541	976,598	670,141	594,400
Fines and forfeitures	1,384,318	-	1,384,318	2,456,671	1,365,272	19,046
Interest	170,519	-	170,519	110,500	110,500	60,019
Miscellaneous	560,036	-	560,036	507,983	386,949	173,087
Total revenues	41,183,442	(6,091,212)	35,092,230	40,376,116	34,661,756	430,474
EXPENDITURES						
General government	11,851,688	65,830	11,917,518	13,328,581	24,259,676	12,342,158
Public safety	20,687,577	(57,889)	20,629,688	21,066,210	20,050,062	(579,626)
Public works	5,511,144	(61,659)	5,449,485	5,913,464	4,949,408	(500,077)
Health and welfare	148,502	(392)	148,110	106,654	109,959	(38,151)
Culture and recreation	3,806,421	(76,399)	3,730,022	4,434,707	3,919,616	189,594
Transit and urban development	382,027	(65,368)	316,659	571,198	386,566	69,907
Total expenditures	42,387,359	(195,877)	42,191,482	45,420,814	53,675,287	11,483,805
Excess (deficiency) of revenues over (under) expenditures	(1,203,917)	(5,895,335)	(7,099,252)	(5,044,698)	(19,013,531)	11,914,279
OTHER FINANCING SOURCES (USES)						
Operating transfers in	11,313,146	1,002,491	12,315,637	12,694,986	14,335,309	(2,019,672)
Operating transfers out	(6,296,072)	(912,595)	(7,208,667)	(7,208,667)	(7,234,808)	26,141
Total other financing sources (uses)	5,017,074	89,896	5,106,970	5,486,319	7,100,501	(1,993,531)
Net change in fund balance	3,813,157	(5,805,439)	(1,992,282)	441,621	(11,913,030)	9,920,748
Fund balance - beginning of year	21,748,520	-	21,748,520	21,748,520	21,748,520	-
Fund balance - end of year	\$ 25,561,677	\$ (5,805,439)	\$ 19,756,238	\$ 22,190,141	\$ 9,835,490	\$ 9,920,748

See accompanying note to budgetary comparison schedules.

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ONE PERCENT SALES TAX OF 1984 FUND
YEAR ENDED JUNE 30, 2020

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes:						
Sales tax	\$ 12,204,733	\$ -	\$ 12,204,733	\$ 13,597,910	\$ 13,597,910	\$ (1,393,177)
Total revenues	12,204,733	-	12,204,733	13,597,910	13,597,910	(1,393,177)
EXPENDITURES						
Personnel	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	12,204,733	-	12,204,733	13,597,910	13,597,910	(1,393,177)
OTHER FINANCING SOURCES (USES)						
Transfers out	(12,204,733)	-	(12,204,733)	(13,597,910)	(13,597,910)	1,393,177
Net change in fund balance	-	-	-	-	-	-
Fund balance - beginning of year	-	-	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See accompanying note to budgetary comparison schedules.

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FIRE PROTECTION FUND
YEAR ENDED JUNE 30, 2020

		ADJUSTMENT TO BUDGETARY		BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ACTUAL	BASIS	BUDGETARY	ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes:						
Ad valorem tax	\$ 3,692,778	\$ -	\$ 3,692,778	\$ 3,833,490	\$ 3,833,490	\$ (140,712)
Parking tax	1,365,830	-	1,365,830	1,996,196	1,446,196	(80,366)
Cable franchise tax	369,355	-	369,355	378,000	378,000	(8,645)
Intergovernmental	3,105,073	(1,197,585)	1,907,488	927,923	927,923	979,565
Charges for services	1,190	-	1,190	1,488	1,488	(298)
Interest	2,491	-	2,491	1,000	1,000	1,491
Miscellaneous	199	-	199	5,000	5,000	(4,801)
Total revenues	<u>8,536,916</u>	<u>(1,197,585)</u>	<u>7,339,331</u>	<u>7,143,097</u>	<u>6,593,097</u>	<u>746,234</u>
EXPENDITURES						
Public safety:						
Personnel	10,065,683	-	10,065,683	9,804,206	9,789,206	(276,477)
Supplies	89,261	(2,779)	86,482	91,600	105,529	19,047
Capital outlay	9,599	-	9,599	-	6,747	(2,852)
Service charges	900,519	(15,857)	884,662	863,000	876,168	(8,494)
Total expenditures	<u>11,065,062</u>	<u>(18,636)</u>	<u>11,046,426</u>	<u>10,758,806</u>	<u>10,777,650</u>	<u>(268,776)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,528,146)</u>	<u>(1,178,949)</u>	<u>(3,707,095)</u>	<u>(3,615,709)</u>	<u>(4,184,553)</u>	<u>477,458</u>
OTHER FINANCING SOURCES						
Transfers out	-	-	-	-	-	-
Transfers in	<u>2,528,146</u>	<u>-</u>	<u>2,528,146</u>	<u>3,615,709</u>	<u>3,615,709</u>	<u>(1,087,563)</u>
Net change in fund balance	-	(1,178,949)	(1,178,949)	-	(568,844)	(610,105)
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ (1,178,949)</u>	<u>\$ (1,178,949)</u>	<u>\$ -</u>	<u>\$ (568,844)</u>	<u>\$ (610,105)</u>

See accompanying note to budgetary comparison schedules.

CITY OF KENNER, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2020

NOTE A - BUDGET-TO-ACTUAL RECONCILIATION

An explanation of the differences between budgetary inflows and outflows and revenues and expenditures determined in accordance with generally accepted accounting principles follows:

	General Fund	Community Development Block Grant Fund	Streets and Drainage Fund	Fire Protection Fund
Net change in fund balances (budgetary basis)	\$ (1,992,282)	\$ (125,150)	\$ 1,130	\$ (1,178,949)
Basis differences:				
To adjust for encumbrances	(195,877)	(667)	(1,130)	(18,636)
Entity differences:				
To adjust for revenues not budgeted	<u>6,001,316</u>	<u>-</u>	<u>-</u>	<u>1,197,585</u>
Net change in fund balances (GAAP basis)	\$ <u>3,813,157</u>	\$ <u>(125,817)</u>	\$ <u>-</u>	\$ <u>-</u>

CITY OF KENNER, LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE THREE YEARS ENDED JUNE 30, 2020

	2018	2019	2020
Total OPEB Liability			
Service cost	\$ 362,812	\$ 370,068	\$ 316,253
Interest	769,735	775,992	463,758
Changes of benefit terms	-	(4,823,106)	-
Differences between expected and actual experience	(55,831)	(567,525)	78,397
Changes in assumption or other inputs	-	(1,379,446)	1,308,416
Benefit payments	(850,746)	(971,517)	(912,190)
Net change in total OPEB liability	225,970	(6,595,534)	1,254,634
Total OPEB liability - beginning	21,325,957	21,551,927	14,956,393
Total OPEB liability - end	<u>\$21,551,927</u>	<u>\$14,956,393</u>	<u>\$16,211,027</u>
Covered employee payroll	\$28,193,097	\$25,381,491	\$25,889,121
Total OPEB liability as a percentage of covered employee payroll	76.4%	58.9%	62.6%

Notes to Schedule:

Changes of benefit terms: Retirees 65 and over pay the portion of the actual Medicare Supplement premium that exceeds \$100 per month. Effective 1/1/2019, the City will no longer provide the \$100 supplement to those employees hired post March 31, 1986. Each retiree who was hired after March 31, 1986, will be responsible for paying the entire premium for their selected plan. Therefore, only employees and retirees hired prior to April 1, 1986 were considered eligible for the plan. In addition, it was assumed 100% of those eligible for the benefit would elect to remain on the City's plan (the prior assumption assumed 70%). In addition, effective 7/1/2018, the City reduced the plan options for under-65 retirees from three options (Base, Option and Premium) to one option (Base).

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2018 - 3.62%.	2019 - 3.13%	2020 - 2.45%
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Other actuarial assumption changes included: retirement and turnover rates, claim cost trends, percentage of retirees with spouses and mortality rates.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF KENNER, LOUISIANA
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE SEVEN YEARS ENDED JUNE 30, 2020

Fiscal Year	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability as a % of its Covered Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
<u>MERS:</u>					
2020	6.77526%	\$ 28,311,510	\$ 12,545,209	225.7%	64.7%
2019	6.81746%	\$ 28,228,888	\$ 12,399,087	227.7%	63.9%
2018	6.81440%	\$ 28,507,508	\$ 12,377,177	230.3%	62.5%
2017	6.55929%	\$ 26,884,611	\$ 11,717,163	229.4%	62.1%
2016	6.89655%	\$ 24,635,568	\$ 11,767,976	209.3%	66.2%
2015	6.92951%	\$ 17,784,191	\$ 11,699,489	152.0%	74.0%
2014	6.92428%	\$ 21,461,170	\$ 11,624,136	184.6%	68.0%
<u>MPERS:</u>					
2020	2.64627%	\$ 24,032,591	\$ 8,242,059	291.6%	71.0%
2019	2.79167%	\$ 23,600,915	\$ 8,238,570	286.5%	71.9%
2018	2.94155%	\$ 25,680,932	\$ 8,797,386	291.9%	70.1%
2017	3.01853%	\$ 28,292,130	\$ 8,455,544	334.6%	66.0%
2016	3.04822%	\$ 23,879,578	\$ 8,153,754	292.9%	70.7%
2015	3.03337%	\$ 18,977,030	\$ 8,058,896	235.5%	75.1%
2014	3.07695%	\$ 24,580,017	\$ 8,024,893	306.3%	66.7%
<u>FRS:</u>					
2020	2.47553%	\$ 15,501,521	\$ 5,986,331	258.9%	74.0%
2019	2.01524%	\$ 11,591,806	\$ 4,799,460	241.5%	74.8%
2018	2.07568%	\$ 11,897,490	\$ 4,851,604	245.2%	73.5%
2017	1.95589%	\$ 12,793,256	\$ 4,412,472	289.9%	68.2%
2016	2.00546%	\$ 10,823,693	\$ 4,262,059	254.0%	72.4%
2015	2.01242%	\$ 8,955,108	\$ 4,207,688	212.8%	76.0%
2014	2.11904%	\$ 10,991,862	\$ 4,140,703	265.5%	70.7%

This schedule is intended to report information for 10 years. Additional years will be displayed as they become available. The amounts presented have a measurement date of the previous fiscal year.

CITY OF KENNER, LOUISIANA
SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS
FOR THE TEN YEARS ENDED JUNE 30, 2020

Fiscal Year	Contractually Required Contributions	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
<u>MERS:</u>					
2020	\$ 3,992,614	\$ 3,992,614	\$ -	\$ 14,385,314	27.8%
2019	\$ 3,260,999	\$ 3,260,999	\$ -	\$ 12,545,209	26.0%
2018	\$ 3,261,548	\$ 3,261,548	\$ -	\$ 12,399,087	26.3%
2017	\$ 3,067,606	\$ 3,067,606	\$ -	\$ 12,377,177	24.8%
2016	\$ 2,815,810	\$ 2,815,810	\$ -	\$ 11,717,163	24.0%
2015	\$ 2,314,139	\$ 2,314,139	\$ -	\$ 11,767,976	19.7%
2014	\$ 2,324,274	\$ 2,324,274	\$ -	\$ 11,699,489	19.9%
2013	\$ 2,193,659	\$ 2,193,659	\$ -	\$ 11,624,136	18.9%
2012	\$ 1,976,108	\$ 1,976,108	\$ -	\$ 11,335,398	17.4%
2011	\$ 1,898,680	\$ 1,898,680	\$ -	\$ 12,361,138	15.4%
<u>MPERS:</u>					
2020	\$ 2,702,376	\$ 2,702,376	\$ -	\$ 8,315,009	32.5%
2019	\$ 2,665,150	\$ 2,665,150	\$ -	\$ 8,242,059	32.3%
2018	\$ 2,658,061	\$ 2,658,061	\$ -	\$ 8,238,570	32.3%
2017	\$ 2,533,362	\$ 2,533,362	\$ -	\$ 8,797,386	28.8%
2016	\$ 2,793,171	\$ 2,793,171	\$ -	\$ 8,455,544	33.0%
2015	\$ 2,494,386	\$ 2,494,386	\$ -	\$ 8,153,754	30.6%
2014	\$ 2,568,431	\$ 2,568,431	\$ -	\$ 8,058,896	31.9%
2013	\$ 2,498,256	\$ 2,498,256	\$ -	\$ 8,024,893	31.1%
2012	\$ 2,487,715	\$ 2,487,715	\$ -	\$ 7,913,669	31.4%
2011	\$ 2,097,124	\$ 2,097,124	\$ -	\$ 7,496,045	28.0%
<u>FRS:</u>					
2020	\$ 1,986,945	\$ 1,986,945	\$ -	\$ 7,160,161	27.8%
2019	\$ 1,585,503	\$ 1,585,503	\$ -	\$ 5,986,331	26.5%
2018	\$ 1,586,377	\$ 1,586,377	\$ -	\$ 4,799,460	33.1%
2017	\$ 1,271,881	\$ 1,271,881	\$ -	\$ 4,851,604	26.2%
2016	\$ 1,225,030	\$ 1,225,030	\$ -	\$ 4,412,472	27.8%
2015	\$ 1,202,399	\$ 1,202,399	\$ -	\$ 4,262,059	28.2%
2014	\$ 1,246,652	\$ 1,246,652	\$ -	\$ 4,207,688	29.6%
2013	\$ 1,188,672	\$ 1,188,672	\$ -	\$ 4,140,703	28.7%
2012	\$ 993,769	\$ 993,769	\$ -	\$ 4,186,859	23.7%
2011	\$ 973,314	\$ 973,314	\$ -	\$ 4,320,144	22.5%

CITY OF KENNER, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION II
JUNE 30, 2020

MERS:

1. CHANGES OF BENEFIT TERMS

There were no changes of benefit terms for any of the years presented.

2. CHANGES OF ASSUMPTIONS

Following is a detail description of the changes:

Valuation Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2015	June 30, 2014
Investment Rate of Return	7.00%	7.275%	7.40%	7.50%	7.75%
Inflation Rate	2.50%	2.60%	2.775%	2.875%	3.00%
Project Salary Increases	4.50 – 6.40%	5.00%	5.75%	5.00%	5.75%

Amounts reported in the actuary valuation dated June 30, 2015 for MERS reflect an adjustment in the mortality rate assumption, which was changed from set based upon aggregated data collected for the period July 1, 2006 to June 30, 2010 to set based upon aggregated data collected for the period July 1, 2009 to June 30, 2014, for the year ended June 30, 2014. Other changes were as follows:

There were no changes in assumptions for any of the remaining years presented.

MPERS:

1. CHANGES OF BENEFIT TERMS

There were no changes of benefit terms for any of the years presented.

2. CHANGES OF ASSUMPTIONS

Following is a detail description of the changes:

Valuation Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2015	June 30, 2014
Investment Rate of Return	7.125%	7.20%	7.325%	7.50%	7.75%
Inflation Rate	2.50%	2.60%	2.70%	2.875%	3.00%
Project Salary Increases	4.25% – 9.75%	4.25% – 9.75%	4.25% – 9.75%	4.25% – 9.75%	4.00% - 10.00%

Amounts reported in the actuary valuation dated June 30, 2015 for MPERS reflect an adjustment in the mortality rate used to measure the total pension liability. The mortality rate assumption was changed from set based upon the results of an actuarial study for the period July 1, 2003 to June 30, 2008 to set based upon the results of an actuarial study for the period July 1, 2009 to June 30, 2014, for the year ended June 30, 2014. Other changes were as follows:

There were no changes in assumptions for any of the remaining years presented.

FRS:

1. CHANGES OF BENEFIT TERMS

There were no changes of benefit terms for any of the years presented.

CITY OF KENNER, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION II
JUNE 30, 2020

2. CHANGES OF ASSUMPTIONS

Following is a detail description of the changes:

Valuation Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2015	June 30, 2014
Investment Rate of Return	7.15%	7.30%	7.40%	7.50%	7.75%
Inflation Rate	2.50%	2.70%	2.775%	2.875%	3.00%
Project Salary Increases	14.75% 1 st 2 years 4.50% after 25 years	15% 1 st 2 years 4.75% after 25 years	15% 1 st 2 years 4.75% after 25 years	15% 1 st 2 years 4.75% after 14 years	15% 1 st 2 years 5.50% after 14 years

Amounts reported in the actuary valuation dated June 30, 2015 for FRS reflect an adjustment in the mortality rate used to measure the total pension liability. The mortality rate assumption was changed from set based upon the results of an actuarial study for the period July 1, 2004 to June 30, 2009 to set based upon the results of an actuarial study for the period July 1, 2009 to June 30, 2014, for the year ended June 30, 2014.

There were no changes in assumptions for any of the remaining years presented.

OTHER SUPPLEMENTARY INFORMATION

**CITY OF KENNER, LOUISIANA
NONMAJOR FUND DESCRIPTIONS
JUNE 30, 2020**

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenues (other than special assessments, expendable trusts, or revenues for major capital projects) that are legally restricted to expenditures for specific purposes.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

The Community Development Block Grant Fund accounts for the grants received from the Federal Community Development Block Grant Program.

GARBAGE COLLECTION AND DISPOSAL FUND

The Garbage Collection and Disposal Fund accounts for the proceeds of ad valorem taxes which are specifically dedicated to solid waste collection throughout the City in residential and some commercial areas.

STREETS AND DRAINAGE FUND

The Roads and Bridges account for the proceeds of ad valorem taxes which are specifically dedicated for the functions performed by each of these funds.

DEBT SERVICE FUNDS

The Debt Service Funds are used to accumulate monies for the payment of principal, interest, and fiscal charges on the City of Kenner's general obligation and special tax bonds.

AD VALOREM TAX BOND FUND

The Ad Valorem Tax Bond Fund accounts for the property tax levies needed to comply with the interest and principal redemption requirements for the loan agreement for the LCDA loan.

FIREMEN'S PENSION MERGER FUND

The Firemen's Pension Merger Fund accounts for the funding needed to comply with the interest and principal redemption requirements for the loan payable to the Statewide Firefighters Retirement System.

CITY OF KENNER, LOUISIANA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	SPECIAL REVENUE FUNDS			
	GARBAGE COLLECTION AND DISPOSAL	STREETS AND DRAINAGE	COMMUNITY DEVELOPMENT BLOCK GRANT	TOTAL
ASSETS				
Cash	\$ -	\$ 158	\$ 48,755	\$ 48,913
Equity in pooled cash	-	-	309,351	309,351
Receivables (net, where applicable, of allowances for uncollectibles)				
Accounts	1,261,062	-	-	1,261,062
Intergovernmental	-	-	-	-
Other	-	-	506	506
Due from other funds	172,163	400,268	30,884	603,315
 Total assets	<u>\$ 1,433,225</u>	<u>\$ 400,426</u>	<u>\$ 389,496</u>	<u>\$ 2,223,147</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 455,881	\$ 17,366	\$ 1,397	\$ 474,644
Accrued liabilities	-	21,247	43,495	64,742
Due to other funds	830,856	361,298	-	1,192,154
 Total liabilities	<u>1,286,737</u>	<u>399,911</u>	<u>44,892</u>	<u>1,731,540</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	146,488	515	-	147,003
 Fund balances:				
Restricted				
Federal grants	\$ -	\$ -	\$ 344,604	\$ 344,604
Debt service	-	-	-	-
Committed				
Encumbrances	-	-	-	-
Other commitments	-	-	-	-
Unassigned	-	-	-	-
 Total fund balances	<u>-</u>	<u>-</u>	<u>344,604</u>	<u>344,604</u>
 Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,433,225</u>	<u>\$ 400,426</u>	<u>\$ 389,496</u>	<u>\$ 2,223,147</u>

DEBT SERVICE			TOTAL
AD VALOREM	FIREMEN'S		NONMAJOR
TAX BONDS	PENSION MERGER	TOTAL	GOVERNMENTAL
	FUND		FUNDS
\$ -	\$ 8,376	\$ 8,376	\$ 57,289
7,042	405,159	412,201	721,552
-	-	-	1,261,062
-	-	-	-
-	-	-	506
16,038	-	16,038	619,353
<u>\$ 23,080</u>	<u>\$ 413,535</u>	<u>\$ 436,615</u>	<u>\$ 2,659,762</u>
\$ -	\$ -	\$ -	\$ 474,644
-	-	-	64,742
-	-	-	1,192,154
-	-	-	1,731,540
16,038	284,973	301,011	448,014
\$ -	\$ -	\$ -	\$ 344,604
7,042	-	7,042	7,042
-	-	-	-
-	-	-	-
-	128,562	128,562	128,562
7,042	128,562	135,604	480,208
<u>\$ 23,080</u>	<u>\$ 413,535</u>	<u>\$ 436,615</u>	<u>\$ 2,659,762</u>

CITY OF KENNER, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	SPECIAL REVENUE FUNDS			
	GARBAGE COLLECTION AND DISPOSAL	STREETS AND DRAINAGE	COMMUNITY DEVELOPMENT BLOCK GRANT	TOTAL
REVENUES				
Taxes	\$ 799,279	\$ 2,350,654	\$ -	\$ 3,149,933
Intergovernmental	-	-	150,175	150,175
Charges for services	3,644,968	-	-	3,644,968
Interest	-	-	2,667	2,667
Miscellaneous	-	-	-	-
Total Revenues	4,444,247	2,350,654	152,842	6,947,743
EXPENDITURES				
Current:				
Public works	4,745,503	1,139,197	-	5,884,700
Health and welfare	-	-	379,626	379,626
Transit and urban development	-	-	594,033	594,033
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	4,745,503	1,139,197	973,659	6,858,359
Excess (deficiency) of revenues over (under) expenditures	(301,256)	1,211,457	(820,817)	89,384
OTHER FINANCING SOURCES (USES)				
Transfers in	301,256	37,130	695,000	1,033,386
Transfers out	-	(1,248,587)	-	(1,248,587)
Issuance of long term debt	-	-	-	-
Total other financing sources (uses)	301,256	(1,211,457)	695,000	(215,201)
Net change in fund balances	-	-	(125,817)	(125,817)
Fund balances - beginning of year	-	-	470,421	470,421
Fund balances - end of year	\$ -	\$ -	\$ 344,604	\$ 344,604

DEBT SERVICE FUNDS			TOTAL
AD VALOREM	FIREMEN'S		NONMAJOR
TAX BONDS	PENSION MERGER	TOTAL	GOVERNMENTAL
	FUND		FUNDS
9	\$ 284,460	\$ 284,469	\$ 3,434,402
-	-	-	150,175
-	-	-	3,644,968
42	2,014	2,056	4,723
-	-	-	-
51	286,474	286,525	7,234,268
-	-	-	5,884,700
-	-	-	379,626
-	-	-	594,033
-	1,836,220	1,836,220	1,836,220
-	71,591	71,591	71,591
-	41,325	41,325	41,325
-	1,949,136	1,949,136	8,807,495
51	(1,662,662)	(1,662,611)	(1,573,227)
-	-	-	1,033,386
-	-	-	(1,248,587)
-	1,750,000	1,750,000	1,750,000
-	1,750,000	1,750,000	1,534,799
51	87,338	87,389	(38,428)
6,991	41,224	48,215	518,636
\$ 7,042	\$ 128,562	\$ 135,604	\$ 480,208

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2020

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
TAXES						
Ad valorem tax	\$ 1,038,029	\$ -	\$ 1,038,029	\$ 1,016,860	\$ 1,016,860	\$ 21,169
Sales tax	18,464,013	-	18,464,013	20,489,483	17,698,737	765,276
Beer tax	59,227	-	59,227	61,673	61,673	(2,446)
Parking tax	1,134,988	-	1,134,988	1,393,653	1,345,865	(210,877)
Franchises						
Electricity service	1,493,004	-	1,493,004	1,509,199	1,509,199	(16,195)
Gas service	187,392	-	187,392	175,051	175,051	12,341
Off-track wagering	51,614	-	51,614	56,298	51,316	298
Hotel/motel tax	288,376	-	288,376	370,501	332,494	(44,118)
Telephone	71,029	-	71,029	75,557	75,557	(4,528)
Video service	218,434	-	218,434	207,074	207,074	11,360
Riverboat	3,386,321	-	3,386,321	4,238,893	4,238,893	(852,572)
Total taxes	26,392,427	-	26,392,427	29,594,242	26,712,719	(320,292)
LICENSES AND PERMITS						
Business:						
Occupational	2,404,227	-	2,404,227	2,844,905	2,357,237	46,990
Alcoholic beverage	89,125	-	89,125	97,148	87,710	1,415
Chain store	37,826	-	37,826	47,442	37,819	7
Plumbing	41,400	-	41,400	52,139	36,052	5,348
Electrical	29,075	-	29,075	36,327	28,425	650
Taxi cab	552,875	-	552,875	721,279	650,140	(97,265)
Air conditioning	20,025	-	20,025	25,879	19,025	1,000
Bingo	100	-	100	50	50	50
Animal control	-	-	-	-	-	-
Total business	3,174,653	-	3,174,653	3,825,169	3,216,458	(41,805)
Non-business:						
Building	409,562	-	409,562	1,150,000	548,601	(139,039)
Miscellaneous	3,000	-	3,000	3,000	2,850	150
Brake tags	342,204	-	342,204	271,165	271,165	71,039
Total non-business	754,766	-	754,766	1,424,165	822,616	(67,850)
Total licenses and permits	3,929,419	-	3,929,419	5,249,334	4,039,074	(109,655)
INTERGOVERNMENTAL						
Federal Grants	6,105,114	(6,091,212)	13,902	-	-	13,902
From state:						
Parish transportation fund	410,743	-	410,743	402,005	402,005	8,738
Parish road fund	204,645	-	204,645	219,667	214,667	(10,022)
Video poker	494,683	-	494,683	610,116	518,994	(24,311)
Other state grants	-	-	-	-	-	-
From other local government subdivisions:						
Jefferson Council on Aging	54,064	-	54,064	38,000	30,435	23,629
Jefferson Parish	212,933	-	212,933	211,000	211,000	1,933
Total intergovernmental	\$ 7,482,182	\$ (6,091,212)	\$ 1,390,970	\$ 1,480,788	\$ 1,377,101	\$ 13,869

(Continued)

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2020

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
CHARGES FOR SERVICES						
Zoning fees	\$ 9,575	\$ -	\$ 9,575	\$ 12,150	\$ 9,100	\$ 475
Inspection fees						
Electrical	54,610	-	54,610	68,467	52,523	2,087
Plumbing	39,895	-	39,895	52,242	36,242	3,653
Air conditioning, heating, and other	49,082	-	49,082	67,263	49,263	(181)
Maps and document sales	2,802	-	2,802	2,837	2,837	(35)
Tax research fees	6,561	-	6,561	8,309	6,700	(139)
Police reports	47,351	-	47,351	45,348	41,035	6,316
Weed cutting fees	44,174	-	44,174	78,863	35,863	8,311
Recreation department						
Participation fees	198,497	-	198,497	340,830	193,648	4,849
Admission fees	48,530	-	48,530	71,021	48,662	(132)
Identification and other fees	163,940	-	163,940	168,268	133,268	30,672
Community service fees	-	-	-	-	-	-
Administrative charges	599,524	-	599,524	61,000	61,000	538,524
Total charges for services	1,264,541	-	1,264,541	976,598	670,141	594,400
FINES AND FORFEITURES						
Fines	1,193,122	-	1,193,122	2,130,826	1,179,626	13,496
Forfeitures	145,648	-	145,648	264,922	141,005	4,643
DWI fines	1,756	-	1,756	2,890	1,713	43
Reinstatement fees	43,792	-	43,792	58,033	42,928	864
Total fines and forfeitures	1,384,318	-	1,384,318	2,456,671	1,365,272	19,046
INTEREST ON INVESTED FUNDS	170,519	-	170,519	110,500	110,500	60,019
MISCELLANEOUS						
Donations	44,086	-	44,086	-	-	44,086
Rents	257,431	-	257,431	340,767	270,153	(12,722)
Other investment income	68,719	-	68,719	59,500	59,500	9,219
Other	189,800	-	189,800	107,716	57,296	132,504
Total miscellaneous	560,036	-	560,036	507,983	386,949	173,087
Total revenues	<u>\$ 41,183,442</u>	<u>\$ (6,091,212)</u>	<u>\$ 35,092,230</u>	<u>\$ 40,376,116</u>	<u>\$ 34,661,756</u>	<u>\$ 430,474</u>

CITY OF KENNER, LOUISIANA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2020

		ADJUSTMENT TO BUDGETARY		BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ACTUAL	BASIS	BUDGETARY	ORIGINAL BUDGET	FINAL BUDGET	
GENERAL GOVERNMENT						
Personnel	\$ 8,050,866	\$ -	\$ 8,050,866	\$ 9,639,826	\$ 7,301,289	\$ (749,577)
Supplies	815,573	59,359	874,932	159,623	103,761	(771,171)
Service charges	2,649,109	16,650	2,665,759	3,529,132	16,853,125	14,187,366
Capital outlay	336,140	(10,179)	325,961	-	1,501	(324,460)
Total general government	11,851,688	65,830	11,917,518	13,328,581	24,259,676	12,342,158
PUBLIC SAFETY						
Personnel	17,663,016	(97,212)	17,565,804	18,204,285	16,886,784	(679,020)
Supplies	516,083	(6,053)	510,030	592,700	555,716	45,686
Service charges	2,239,116	7,477	2,246,593	2,269,225	2,384,232	137,639
Capital outlay	269,362	37,899	307,261	-	223,330	(83,931)
Total public safety	20,687,577	(57,889)	20,629,688	21,066,210	20,050,062	(579,626)
PUBLIC WORKS						
Personnel	3,856,573	-	3,856,573	3,769,209	3,720,762	(135,811)
Supplies	355,985	(14,875)	341,110	633,830	592,984	251,874
Service charges	1,296,783	(46,784)	1,249,999	1,510,425	634,629	(615,370)
Capital outlay	1,803	-	1,803	-	1,033	(770)
Total public works	5,511,144	(61,659)	5,449,485	5,913,464	4,949,408	(500,077)
HEALTH AND WELFARE						
Personnel	147,843	-	147,843	103,574	108,112	(39,731)
Supplies	485	-	485	1,080	1,672	1,187
Service charges	-	(392)	(392)	2,000	-	392
Capital outlay	174	-	174	-	175	1
Total health and welfare	148,502	(392)	148,110	106,654	109,959	(38,151)

(Continued)

CITY OF KENNER, LOUISIANA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2020

		ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ACTUAL			ORIGINAL BUDGET	FINAL BUDGET	
CULTURE AND RECREATION						
Personnel	\$ 2,623,355	\$ -	\$ 2,623,355	\$ 3,097,591	\$ 2,642,746	\$ 19,391
Supplies	165,205	19,494	184,699	390,790	270,810	86,111
Service charges	965,350	(94,702)	870,648	934,326	952,477	81,829
Capital outlay	52,511	(1,191)	51,320	12,000	53,583	2,263
Total culture and recreation	3,806,421	(76,399)	3,730,022	4,434,707	3,919,616	189,594
TRANSIT						
Personnel	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Service charges	382,027	-	382,027	571,198	386,566	4,539
Capital outlay	-	(65,368)	(65,368)	-	-	65,368
TOTAL TRANSIT	382,027	(65,368)	316,659	571,198	386,566	69,907
TOTAL EXPENDITURES						
Personnel	32,341,653	(97,212)	32,244,441	34,814,485	30,659,693	(1,584,748)
Supplies	1,853,331	57,925	1,911,256	1,778,023	1,524,943	(386,313)
Service charges	7,532,385	(117,751)	7,414,634	8,816,306	21,211,029	13,796,395
Capital outlay	659,990	(38,839)	621,151	12,000	279,622	(341,529)
TOTAL EXPENDITURES	\$ 42,387,359	\$ (195,877)	\$ 42,191,482	\$ 45,420,814	\$ 53,675,287	\$ 11,483,805

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
GENERAL GOVERNMENT FUNCTION

COUNCIL OFFICE

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 901,560	\$ -	\$ 901,560	\$ 853,896	\$ 891,906	\$ (9,654)
Supplies	11,607	32,031	43,638	37,170	14,683	(28,955)
Service charges	102,912	-	102,912	162,450	110,170	7,258
Capital outlay	-	-	-	-	-	-
	<u>\$ 1,016,079</u>	<u>\$ 32,031</u>	<u>\$ 1,048,110</u>	<u>\$ 1,053,516</u>	<u>\$ 1,016,759</u>	<u>\$ (31,351)</u>

MAYOR'S OFFICE

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 1,036,815	\$ -	\$ 1,036,815	\$ 1,005,410	\$ 1,009,902	\$ (26,913)
Supplies	4,786	(80)	4,706	7,200	6,000	1,294
Service charges	45,820	-	45,820	50,500	48,180	2,360
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>\$ 1,087,421</u>	<u>\$ (80)</u>	<u>\$ 1,087,341</u>	<u>\$ 1,063,110</u>	<u>\$ 1,064,082</u>	<u>\$ (23,259)</u>

FINANCE

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 1,389,741	\$ -	\$ 1,389,741	\$ 1,355,377	\$ 1,355,309	\$ (34,432)
Supplies	17,190	(603)	16,587	22,000	15,635	(952)
Service charges	43,199	-	43,199	87,350	45,309	2,110
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>\$ 1,450,130</u>	<u>\$ (603)</u>	<u>\$ 1,449,527</u>	<u>\$ 1,464,727</u>	<u>\$ 1,416,253</u>	<u>\$ (33,274)</u>

RISK, INSURANCE, AUDIT & COMPLIANCE

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 471,031	\$ -	\$ 471,031	\$ 406,166	\$ 420,734	\$ (50,297)
Supplies	3,014	-	3,014	4,000	3,188	174
Service charges	219,067	-	219,067	232,650	210,668	(8,399)
Capital outlay	476	(3,080)	(2,604)	-	-	2,604
Total expenditures	<u>\$ 693,588</u>	<u>\$ (3,080)</u>	<u>\$ 690,508</u>	<u>\$ 642,816</u>	<u>\$ 634,590</u>	<u>\$ (55,918)</u>

(Continued)

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
GENERAL GOVERNMENT FUNCTION (CONTINUED)

PURCHASING

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PERSONNEL

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 364,151	\$ -	\$ 364,151	\$ 315,426	\$ 328,429	\$ (35,722)
Supplies	3,197	-	3,197	3,933	3,723	526
Service charges	11,864	150	12,014	16,542	14,042	2,028
Capital outlay	210	-	210	-	210	-
Total expenditures	\$ 379,422	\$ 150	\$ 379,572	\$ 335,901	\$ 346,404	\$ (33,168)

PLANNING

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 313,643	\$ -	\$ 313,643	\$ 349,055	\$ 324,685	\$ 11,042
Supplies	667	7,057	7,724	2,500	500	(7,224)
Service charges	16,987	7,447	24,434	20,200	21,714	(2,720)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 331,297	\$ 14,504	\$ 345,801	\$ 371,755	\$ 346,899	\$ 1,098

INFORMATION TECHNOLOGY

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 318,049	\$ -	\$ 318,049	\$ 343,629	\$ 304,013	\$ (14,036)
Supplies	9,753	(9,908)	(155)	22,260	12,530	12,685
Service charges	405,137	8,270	413,407	312,188	321,280	(92,127)
Capital outlay	546	-	546	-	546	-
Total expenditures	\$ 733,485	\$ (1,638)	\$ 731,847	\$ 678,077	\$ 638,369	\$ (93,478)

(Continued)

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
GENERAL GOVERNMENT FUNCTION (CONTINUED)

CIVIL SERVICE

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 250,979	\$ -	\$ 250,979	\$ 277,859	\$ 246,946	\$ (4,033)
Supplies	1,770	(519)	1,251	3,060	3,312	2,061
Service charges	39,683	-	39,683	63,139	74,161	34,478
Capital outlay	245	-	245	-	245	-
Total expenditures	\$ 292,677	\$ (519)	\$ 292,158	\$ 344,058	\$ 324,664	\$ 32,506

GENERAL MUNICIPAL EXPENSE

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 1,005,616	\$ -	\$ 1,005,616	\$ 516,622	\$ 505,495	\$ (500,121)
Supplies	754,053	26,462	780,515	38,500	34,587	(745,928)
Service charges	467,790	405	468,195	975,013	14,413,581	13,945,386
Capital outlay	334,370	(7,037)	327,333	-	-	(327,333)
Total expenditures	\$ 2,561,829	\$ 19,830	\$ 2,581,659	\$ 1,530,135	\$ 14,953,663	\$ 12,372,004

MAYOR'S COURT

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 715,498	\$ -	\$ 715,498	\$ 731,614	\$ 708,651	\$ (6,847)
Supplies	7,190	(2,528)	4,662	14,000	6,941	2,279
Service charges	122,017	-	122,017	194,100	205,020	83,003
Capital outlay	293	-	293	-	500	207
Total expenditures	\$ 844,998	\$ (2,528)	\$ 842,470	\$ 939,714	\$ 921,112	\$ 78,642

CITY ATTORNEY

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 958,726	\$ -	\$ 958,726	\$ 968,388	\$ 942,247	\$ (16,479)
Supplies	2,243	7,447	9,690	4,000	1,662	(8,028)
Service charges	47,038	-	47,038	42,000	42,000	(5,038)
Capital outlay	-	(62)	(62)	-	-	62
Total expenditures	\$ 1,008,007	\$ 7,385	\$ 1,015,392	\$ 1,014,388	\$ 985,909	\$ (29,483)

(Continued)

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
GENERAL GOVERNMENT FUNCTION (CONTINUED)

INSURANCE

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	1,016,898	378	1,017,276	1,275,000	1,260,000	242,724
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 1,016,898	\$ 378	\$ 1,017,276	\$ 1,275,000	\$ 1,260,000	\$ 242,724

PAY INCENTIVES

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 261,293	\$ -	\$ 261,293	\$ 2,431,800	\$ 200,000	\$ (61,293)
Supplies	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 261,293	\$ -	\$ 261,293	\$ 2,431,800	\$ 200,000	\$ (61,293)

BAD DEBT

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	15,129	-	15,129	-	-	(15,129)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 15,129	\$ -	\$ 15,129	\$ -	\$ -	\$ (15,129)

ECONOMIC DEVELOPMENT

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	63,764	\$ -	\$ 63,764	\$ 84,584	\$ 62,972	\$ (792)
Supplies	103	-	103	1,000	1,000	897
Service charges	95,568	-	95,568	98,000	87,000	(8,568)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 159,435	\$ -	\$ 159,435	\$ 183,584	\$ 150,972	\$ (8,463)

(Continued)

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
GENERAL GOVERNMENT FUNCTION (CONTINUED)

TOTAL - GENERAL GOVERNMENT FUNCTION

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 8,050,866	\$ -	\$ 8,050,866	\$ 9,639,826	\$ 7,301,289	\$ (749,577)
Supplies	815,573	59,359	874,932	159,623	103,761	(771,171)
Service charges	2,649,109	16,650	2,665,759	3,529,132	16,853,125	14,187,366
Capital outlay	<u>336,140</u>	<u>(10,179)</u>	<u>325,961</u>	<u>-</u>	<u>1,501</u>	<u>(324,460)</u>
Total expenditures	<u>\$ 11,851,688</u>	<u>\$ 65,830</u>	<u>\$ 11,917,518</u>	<u>\$ 13,328,581</u>	<u>\$ 24,259,676</u>	<u>\$ 12,342,158</u>

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
PUBLIC SAFETY FUNCTION

POLICE ADMINISTRATIVE SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 2,059,243	\$ (5,120)	\$ 2,054,123	\$ 2,173,416	\$ 2,057,255	\$ 3,132
Supplies	28,539	(7,396)	21,143	38,000	40,771	19,628
Service charges	737,539	9,193	746,732	742,000	802,469	55,737
Capital outlay	117,810	39,114	156,924	-	81,156	(75,768)
Total expenditures	\$ 2,943,131	\$ 35,791	\$ 2,978,922	\$ 2,953,416	\$ 2,981,651	\$ 2,729

POLICE FIELD SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 7,101,094	\$ (16,136)	\$ 7,084,958	\$ 7,072,560	\$ 6,937,526	\$ (147,432)
Supplies	320,760	(14,007)	306,753	341,000	314,856	8,103
Service charges	1,265,321	9,021	1,274,342	1,189,000	1,277,244	2,902
Capital outlay	145,047	(792)	144,255	-	134,332	(9,923)
Total expenditures	\$ 8,832,222	\$ (21,914)	\$ 8,810,308	\$ 8,602,560	\$ 8,663,958	\$ (146,350)

POLICE INVESTIGATING SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 3,281,787	\$ (45,453)	\$ 3,236,334	\$ 3,172,086	\$ 2,594,637	\$ (641,697)
Supplies	10,282	(508)	9,774	11,000	11,508	1,734
Service charges	2,852	300	3,152	15,000	15,000	11,848
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 3,294,921	\$ (45,661)	\$ 3,249,260	\$ 3,198,086	\$ 2,621,145	\$ (628,115)

POLICE COMMUNICATIONS SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 827,163	\$ -	\$ 827,163	\$ 870,797	\$ 814,102	\$ (13,061)
Supplies	-	-	-	-	-	-
Service charges	20,897	-	20,897	21,000	41,000	20,103
Capital outlay	378	-	378	-	500	122
Total expenditures	\$ 848,438	\$ -	\$ 848,438	\$ 891,797	\$ 855,602	\$ 7,164

(Continued)

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
PUBLIC SAFETY FUNCTION (CONTINUED)

POLICE JAIL SERVICES

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 1,117,574	\$ -	\$ 1,117,574	\$ 1,309,459	\$ 1,215,086	\$ 97,512
Supplies	83,947	(3,133)	80,814	122,500	105,424	24,610
Service charges	14,265	-	14,265	12,000	15,740	1,475
Capital outlay	-	-	-	-	160	160
Total expenditures	\$ 1,215,786	\$ (3,133)	\$ 1,212,653	\$ 1,443,959	\$ 1,336,410	\$ 123,757

POLICE TECHNICAL SERVICES

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 1,271,755	\$ (24,359)	\$ 1,247,396	\$ 1,304,387	\$ 1,294,366	\$ 46,970
Supplies	47,750	(4,042)	43,708	26,500	51,500	7,792
Service charges	31,783	53	31,836	14,000	36,975	5,139
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 1,351,288	\$ (28,348)	\$ 1,322,940	\$ 1,344,887	\$ 1,382,841	\$ 59,901

CODE ENFORCEMENT - ADMINISTRATION

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 1,344,995	\$ -	\$ 1,344,995	\$ 1,643,173	\$ 1,346,512	\$ 1,517
Supplies	13,189	6,338	19,527	22,000	17,849	(1,678)
Service charges	152,595	(8,693)	143,902	255,800	176,815	32,913
Capital outlay	4,967	-	4,967	-	5,034	67
Total expenditures	\$ 1,515,746	\$ (2,355)	\$ 1,513,391	\$ 1,920,973	\$ 1,546,210	\$ 32,819

POLICE SUPPORT SERVICES

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ -	\$ (6,144)	\$ (6,144)	\$ -	\$ -	\$ 6,144
Supplies	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ -	\$ (6,144)	\$ (6,144)	\$ -	\$ -	\$ 6,144

(Continued)

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
PUBLIC SAFETY FUNCTION (CONTINUED)

CODE ENFORCEMENT - INSPECTIONS

		ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ACTUAL			ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 271,000	\$ -	\$ 271,000	\$ 279,310	\$ 274,377	\$ 3,377
Supplies	4,679	562	5,241	24,000	7,608	2,367
Service charges	5,281	(2,397)	2,884	10,125	8,525	5,641
Capital outlay	89	-	89	-	89	-
Total expenditures	<u>\$ 281,049</u>	<u>\$ (1,835)</u>	<u>\$ 279,214</u>	<u>\$ 313,435</u>	<u>\$ 290,599</u>	<u>\$ 11,385</u>

EMERGENCY MANAGEMENT

		ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ACTUAL			ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 388,405	\$ -	\$ 388,405	\$ 379,097	\$ 352,923	\$ (35,482)
Supplies	6,937	16,133	23,070	7,700	6,200	(16,870)
Service charges	8,583	-	8,583	10,300	10,464	1,881
Capital outlay	1,071	(423)	648	-	2,059	1,411
Total expenditures	<u>\$ 404,996</u>	<u>\$ 15,710</u>	<u>\$ 420,706</u>	<u>\$ 397,097</u>	<u>\$ 371,646</u>	<u>\$ (49,060)</u>

TOTAL - PUBLIC SAFETY FUNCTION

		ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ACTUAL			ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 17,663,016	\$ (97,212)	\$ 17,565,804	\$ 18,204,285	\$ 16,886,784	\$ (679,020)
Supplies	516,083	(6,053)	510,030	592,700	555,716	45,686
Service charges	2,239,116	7,477	2,246,593	2,269,225	2,384,232	137,639
Capital outlay	269,362	37,899	307,261	-	223,330	(83,931)
Total expenditures	<u>\$ 20,687,577</u>	<u>\$ (57,889)</u>	<u>\$ 20,629,688</u>	<u>\$ 21,066,210</u>	<u>\$ 20,050,062</u>	<u>\$ (579,626)</u>

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
PUBLIC WORKS FUNCTION

PUBLIC WORKS - STREET LIGHTING

						VARIANCE
						WITH FINAL
		ADJUSTMENT		BUDGETARY AMOUNTS		BUDGET
	ACTUAL	TO BUDGETARY	BUDGETARY	ORIGINAL	FINAL	POSITIVE
		BASIS		BUDGET	BUDGET	(NEGATIVE)
EXPENDITURES						
Personnel	\$ 329,401	\$ -	\$ 329,401	\$ 335,596	\$ 322,277	\$ (7,124)
Supplies	6,303	-	6,303	12,000	12,591	6,288
Service charges	863,862	(3,073)	860,789	898,100	207,336	(653,453)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 1,199,566	\$ (3,073)	\$ 1,196,493	\$ 1,245,696	\$ 542,204	\$ (654,289)

PUBLIC WORKS - TRAFFIC

						VARIANCE
						WITH FINAL
		ADJUSTMENT		BUDGETARY AMOUNTS		BUDGET
	ACTUAL	TO BUDGETARY	BUDGETARY	ORIGINAL	FINAL	POSITIVE
		BASIS		BUDGET	BUDGET	(NEGATIVE)
EXPENDITURES						
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	52	(40,911)	(40,859)	-	40,779	81,638
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 52	\$ (40,911)	\$ (40,859)	\$ -	\$ 40,779	\$ 81,638

PUBLIC WORKS - PARKWAYS

						VARIANCE
						WITH FINAL
		ADJUSTMENT		BUDGETARY AMOUNTS		BUDGET
	ACTUAL	TO BUDGETARY	BUDGETARY	ORIGINAL	FINAL	POSITIVE
		BASIS		BUDGET	BUDGET	(NEGATIVE)
EXPENDITURES						
Personnel	\$ 698,773	\$ -	\$ 698,773	\$ 663,578	\$ 676,932	\$ (21,841)
Supplies	21,635	10,462	32,097	18,000	25,095	(7,002)
Service charges	198,778	(22,783)	175,995	200,000	71,522	(104,473)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 919,186	\$ (12,321)	\$ 906,865	\$ 881,578	\$ 773,549	\$ (133,316)

(Continued)

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
PUBLIC WORKS FUNCTION (CONTINUED)

PUBLIC WORKS - FLEET MANAGEMENT

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 462,763	\$ -	\$ 462,763	\$ 423,099	\$ 437,578	\$ (25,185)
Supplies	161,262	7,765	169,027	313,330	256,281	87,254
Service charges	86,739	(19,592)	67,147	111,625	116,865	49,718
Capital outlay	105	-	105	-	-	(105)
Total expenditures	<u>\$ 710,869</u>	<u>\$ (11,827)</u>	<u>\$ 699,042</u>	<u>\$ 848,054</u>	<u>\$ 810,724</u>	<u>\$ 111,682</u>

PUBLIC WORKS - GENERAL SERVICES

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 1,998,607	\$ -	\$ 1,998,607	\$ 1,892,341	\$ 1,928,618	\$ (69,989)
Supplies	153,830	3,285	157,115	265,000	237,738	80,623
Service charges	42,670	(6,097)	36,573	64,000	53,325	16,752
Capital outlay	1,698	-	1,698	-	1,033	(665)
Total expenditures	<u>\$ 2,196,805</u>	<u>\$ (2,812)</u>	<u>\$ 2,193,993</u>	<u>\$ 2,221,341</u>	<u>\$ 2,220,714</u>	<u>\$ 26,721</u>

PUBLIC WORKS ADMINISTRATION

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 367,029	\$ -	\$ 367,029	\$ 454,595	\$ 355,357	\$ (11,672)
Supplies	12,903	4,524	17,427	25,500	20,500	3,073
Service charges	104,734	4,761	109,495	236,700	185,581	76,086
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>\$ 484,666</u>	<u>\$ 9,285</u>	<u>\$ 493,951</u>	<u>\$ 716,795</u>	<u>\$ 561,438</u>	<u>\$ 67,487</u>

TOTAL - PUBLIC WORKS FUNCTION

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 3,856,573	\$ -	\$ 3,856,573	\$ 3,769,209	\$ 3,720,762	\$ (135,811)
Supplies	355,985	(14,875)	341,110	633,830	592,984	251,874
Service charges	1,296,783	(46,784)	1,249,999	1,510,425	634,629	(615,370)
Capital outlay	1,803	-	1,803	-	1,033	(770)
Total expenditures	<u>\$ 5,511,144</u>	<u>\$ (61,659)</u>	<u>\$ 5,449,485</u>	<u>\$ 5,913,464</u>	<u>\$ 4,949,408</u>	<u>\$ (500,077)</u>

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
HEALTH AND WELFARE FUNCTION

CODE ENFORCEMENT - HUMANE

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 147,843	\$ -	\$ 147,843	\$ 103,574	\$ 108,112	\$ (39,731)
Supplies	485	-	485	1,080	1,672	1,187
Service charges	-	(392)	(392)	2,000	-	392
Capital outlay	174	-	174	-	175	1
Total expenditures	\$ 148,502	\$ (392)	\$ 148,110	\$ 106,654	\$ 109,959	\$ (38,151)

COUNCIL ON AGING

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

TOTAL - HEALTH AND WELFARE FUNCTION

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 147,843	\$ -	\$ 147,843	\$ 103,574	\$ 108,112	\$ (39,731)
Supplies	485	-	485	1,080	1,672	1,187
Service charges	-	(392)	(392)	2,000	-	392
Capital outlay	174	-	174	-	175	1
Total expenditures	\$ 148,502	\$ (392)	\$ 148,110	\$ 106,654	\$ 109,959	\$ (38,151)

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
CULTURE AND RECREATION FUNCTION

LEISURE SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 87,127	\$ -	\$ 87,127	\$ 300,808	\$ 121,297	\$ 34,170
Supplies	56,507	-	56,507	105,790	115,043	58,536
Service charges	-	(17,503)	(17,503)	-	-	17,503
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 143,634	\$ (17,503)	\$ 126,131	\$ 406,598	\$ 236,340	\$ 110,209

PLANETARIUM

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 11,811	\$ -	\$ 11,811	\$ 63,804	\$ 30,811	\$ 19,000
Supplies	30,354	-	30,354	47,500	32,525	2,171
Service charges	724	(3,630)	(2,906)	5,000	1,106	4,012
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 42,889	\$ (3,630)	\$ 39,259	\$ 116,304	\$ 64,442	\$ 25,183

CULTURE & RECREATION - HUMANITIES AND MUSEUMS

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 111,018	\$ -	\$ 111,018	\$ 109,849	\$ 111,232	\$ 214
Supplies	2,206	-	2,206	12,500	2,500	294
Service charges	109,063	-	109,063	100,000	100,000	(9,063)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 222,287	\$ -	\$ 222,287	\$ 222,349	\$ 213,732	\$ (8,555)

CULTURE & RECREATION - MAIN STREET PROGRAM

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 48,608	\$ -	\$ 48,608	\$ 37,432	\$ 38,763	\$ (9,845)
Supplies	-	-	-	1,500	1,500	1,500
Service charges	2,352	-	2,352	8,600	8,640	6,288
Capital outlay	-	(40)	(40)	-	-	40
Total expenditures	\$ 50,960	\$ (40)	\$ 50,920	\$ 47,532	\$ 48,903	\$ (2,017)

(Continued)

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
CULTURE AND RECREATION FUNCTION (CONTINUED)

RECREATION - ATHLETICS

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 1,297,884	\$ -	\$ 1,297,884	\$ 1,394,971	\$ 1,275,553	\$ (22,331)
Supplies	56,828	8,571	65,399	133,000	98,865	33,466
Service charges	713,911	(51,576)	662,335	683,911	688,539	26,204
Capital outlay	52,511	-	52,511	12,000	53,583	1,072
Total expenditures	\$ 2,121,134	\$ (43,005)	\$ 2,078,129	\$ 2,223,882	\$ 2,116,540	\$ 38,411

RECREATION MAINTENANCE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 758,895	\$ -	\$ 758,895	\$ 869,434	\$ 764,798	\$ 5,903
Supplies	17,224	2,352	19,576	87,000	16,807	(2,769)
Service charges	108,254	(21,623)	86,631	97,500	114,577	27,946
Capital outlay	-	(1,151)	(1,151)	-	-	1,151
Total expenditures	\$ 884,373	\$ (20,422)	\$ 863,951	\$ 1,053,934	\$ 896,182	\$ 32,231

CITY PARK OPERATIONS

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CULTURE & RECREATION - FOOD BANK

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 308,012	\$ -	\$ 308,012	\$ 321,293	\$ 300,292	\$ (7,720)
Supplies	2,086	8,571	10,657	3,500	3,570	(7,087)
Service charges	31,046	(370)	30,676	39,315	39,615	8,939
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 341,144	\$ 8,201	\$ 349,345	\$ 364,108	\$ 343,477	\$ (5,868)

(Continued)

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
CULTURE AND RECREATION FUNCTION (CONTINUED)

TOTAL - CULTURE AND RECREATION FUNCTION

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 2,623,355	-	\$ 2,623,355	\$ 3,097,591	\$ 2,642,746	\$ 19,391
Supplies	165,205	19,494	184,699	390,790	270,810	86,111
Service charges	965,350	(94,702)	870,648	934,326	952,477	81,829
Capital outlay	52,511	(1,191)	51,320	12,000	53,583	2,263
Total expenditures	<u>\$ 3,806,421</u>	<u>\$ (76,399)</u>	<u>\$ 3,730,022</u>	<u>\$ 4,434,707</u>	<u>\$ 3,919,616</u>	<u>\$ 189,594</u>

CITY OF KENNER, LOUISIANA
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
TRANSIT FUNCTION

TOTAL - TRANSIT FUNCTION

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	382,027	-	382,027	571,198	386,566	4,539
Capital outlay	-	(65,368)	(65,368)	-	-	65,368
	<u>-</u>	<u>(65,368)</u>	<u>(65,368)</u>	<u>-</u>	<u>-</u>	<u>65,368</u>
Total expenditures	<u>\$ 382,027</u>	<u>\$ (65,368)</u>	<u>\$ 316,659</u>	<u>\$ 571,198</u>	<u>\$ 386,566</u>	<u>\$ 69,907</u>

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
YEAR ENDED JUNE 30, 2020

		ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ACTUAL			ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Intergovernmental	\$ 150,175	\$ -	\$ 150,175	\$ -	\$ -	\$ 150,175
Interest	2,667	-	2,667	2,000	2,000	667
Miscellaneous	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>152,842</u>	<u>-</u>	<u>152,842</u>	<u>2,000</u>	<u>2,000</u>	<u>150,842</u>
EXPENDITURES						
Public works:						
Capital outlay	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total public works	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Culture and recreation:						
Capital outlay	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Urban development:						
Personnel	531,364	-	531,364	660,731	673,347	141,983
Supplies	3,620	-	3,620	6,050	5,910	2,290
Service charges	59,049	(667)	58,382	75,500	75,667	17,285
Capital outlay	-	-	-	-	640	640
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>640</u>	<u>640</u>
Total urban development	<u>594,033</u>	<u>(667)</u>	<u>593,366</u>	<u>742,281</u>	<u>755,564</u>	<u>162,198</u>

(Continued)

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
YEAR ENDED JUNE 30, 2020
(CONTINUED)

		ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ACTUAL			ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES (CONTINUED)						
Health & Welfare:						
Personnel	\$ 366,046	\$ -	\$ 366,046	\$ 418,066	\$ 428,591	\$ 62,545
Supplies	7,835	-	7,835	11,708	11,708	3,873
Service charges	5,745	-	5,745	6,127	6,127	382
Capital outlay	-	-	-	-	-	-
Total Health & Welfare	379,626	-	379,626	435,901	446,426	66,800
Total Expenditures	973,659	(667)	972,992	1,178,182	1,201,990	228,998
Excess (deficiency) of revenues over (under) expenditures	(820,817)	667	(820,150)	(1,176,182)	(1,199,990)	379,840
OTHER FINANCING SOURCES (USES)						
Transfers in	695,000	-	695,000	695,000	721,141	(26,141)
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	695,000	-	695,000	695,000	721,141	(26,141)
Net change in fund balance	(125,817)	667	(125,150)	(481,182)	(478,849)	353,699
Fund balance - beginning of year	470,421	-	470,421	470,421	470,421	-
Fund balance - end of year	\$ 344,604	\$ 667	\$ 345,271	\$ (10,761)	\$ (8,428)	\$ 353,699

See accompanying note to budgetary comparison schedules.

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GARBAGE COLLECTION AND DISPOSAL FUND
YEAR ENDED JUNE 30, 2020

		ADJUSTMENT TO BUDGETARY		BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ACTUAL	BASIS	BUDGETARY	ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes:						
Ad valorem tax	\$ 799,279	\$ -	\$ 799,279	\$ 783,904	\$ 783,904	\$ 15,375
Charges for services:						
Garbage fees and penalties	3,644,968	-	3,644,968	3,388,065	3,388,065	256,903
Interest	-	-	-	-	-	-
Total revenues	4,444,247	-	4,444,247	4,171,969	4,171,969	272,278
EXPENDITURES						
Public works:						
Contractual services	4,745,503	-	4,745,503	4,694,740	4,694,740	(50,763)
Total expenditures	4,745,503	-	4,745,503	4,694,740	4,694,740	(50,763)
Excess (deficiency) of revenues over (under) expenditures	(301,256)	-	(301,256)	(522,771)	(522,771)	221,515
OTHER FINANCING SOURCES (USES)						
Transfers in	301,256	-	301,256	522,771	522,771	(221,515)
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	301,256	-	301,256	522,771	522,771	(221,515)
Net change in fund balances	-	-	-	-	-	-
Fund balance - beginning of year	-	-	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STREETS AND DRAINAGE FUND
YEAR ENDED JUNE 30, 2020

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes:						
Ad valorem tax	\$ 2,350,654	\$ -	\$ 2,350,654	\$ 2,284,238	\$ 2,284,238	\$ 66,416
Total revenues	<u>2,350,654</u>	<u>-</u>	<u>2,350,654</u>	<u>2,284,238</u>	<u>2,284,238</u>	<u>66,416</u>
EXPENDITURES						
Public works:						
Personnel	923,498	-	923,498	1,146,953	1,184,083	260,585
Supplies	211,842	(1,130)	210,712	514,706	515,836	305,124
Capital outlay	-	-	-	-	-	-
Service charges	<u>3,857</u>	<u>-</u>	<u>3,857</u>	<u>15,081</u>	<u>15,081</u>	<u>11,224</u>
Total expenditures	<u>1,139,197</u>	<u>(1,130)</u>	<u>1,138,067</u>	<u>1,676,740</u>	<u>1,715,000</u>	<u>576,933</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,211,457</u>	<u>1,130</u>	<u>1,212,587</u>	<u>607,498</u>	<u>569,238</u>	<u>643,349</u>
OTHER FINANCING SOURCES						
Transfers in	37,130	-	37,130	-	37,130	-
Transfers out	<u>(1,248,587)</u>	<u>-</u>	<u>(1,248,587)</u>	<u>(607,498)</u>	<u>(607,498)</u>	<u>(641,089)</u>
Net change in fund balance	-	1,130	1,130	-	(1,130)	2,260
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ 1,130</u>	<u>\$ 1,130</u>	<u>\$ -</u>	<u>\$ (1,130)</u>	<u>\$ 2,260</u>

See accompanying note to budgetary comparison schedules.

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL DEBT FUND
YEAR ENDED JUNE 30, 2020

		ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ACTUAL			ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes:						
Sales tax	\$ 4,121,335	\$ -	\$ 4,121,335	\$ 4,066,297	\$ 4,066,297	\$ 55,038
Interest	119,414	-	119,414	45,000	45,000	74,414
Total revenues	4,240,749	-	4,240,749	4,111,297	4,111,297	129,452
EXPENDITURES						
Debt service:						
Principal	2,856,000	-	2,856,000	3,554,000	3,554,000	698,000
Interest	1,629,843	-	1,629,843	1,775,515	1,775,515	145,672
Miscellaneous	36,000	-	36,000	36,000	36,000	-
Total expenditures	4,521,843	-	4,521,843	5,365,515	5,365,515	843,672
Excess (deficiency) of revenues over (under) expenditures	(281,094)	-	(281,094)	(1,254,218)	(1,254,218)	973,124
OTHER FINANCING SOURCES (USES)						
Transfers in	1,193,235	-	1,193,235	1,193,235	1,193,235	-
Transfers out	(357,000)	-	(357,000)	-	-	(357,000)
Total other financing sources (uses)	836,235	-	836,235	1,193,235	1,193,235	(357,000)
Net change in fund balance	555,141	-	555,141	(60,983)	(60,983)	616,124
Fund balance - beginning of year	3,874,777	-	3,874,777	3,874,777	3,874,777	-
Fund balance - end of year	\$ 4,429,918	\$ -	\$ 4,429,918	\$ 3,813,794	\$ 3,813,794	\$ 616,124

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AD VALOREM TAX BONDS FUND
YEAR ENDED JUNE 30, 2020

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes:						
Ad valorem tax	\$ 9	\$ -	\$ 9	\$ -	\$ -	\$ 9
Interest	42	-	42	-	-	42
Total revenues	51	-	51	-	-	51
EXPENDITURES						
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	51	-	51	-	-	51
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balance	51	-	51	-	-	51
Fund balance - beginning of year	6,991	-	6,991	6,991	6,991	-
Fund balance - end of year	\$ 7,042	\$ -	\$ 7,042	\$ 6,991	\$ 6,991	\$ 51

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FIREMEN'S PENSION MERGER FUND
YEAR ENDED JUNE 30, 2020

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes						
Fire insurance premium	\$ 284,460	\$ -	\$ 284,460	\$ 319,468	\$ 319,468	\$ (35,008)
Interest	2,014	-	2,014	100	100	1,914
Loan Proceeds	1,750,000	-	1,750,000	-	-	1,750,000
Total revenues	2,036,474	-	2,036,474	319,568	319,568	1,716,906
EXPENDITURES						
Debt service:						
Principal	1,836,220	-	1,836,220	120,566	120,566	(1,715,654)
Interest and fiscal charges	71,591	-	71,591	119,839	119,839	48,248
Debt issuance costs	41,325	-	41,325	-	-	(41,325)
Total expenditures	1,949,136	-	1,949,136	240,405	240,405	(1,708,731)
Excess (deficiency) of revenues over (under) expenditures	87,338	-	87,338	79,163	79,163	8,175
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balance	87,338	-	87,338	79,163	79,163	8,175
Fund balance - beginning of year	41,224	-	41,224	41,224	41,224	-
Fund balance - end of year	\$ 128,562	\$ -	\$ 128,562	\$ 120,387	\$ 120,387	\$ 8,175

**CITY OF KENNER, LOUISIANA
ENTERPRISE FUND DESCRIPTIONS
JUNE 30, 2020**

ENTERPRISE FUNDS

Enterprise Funds are used to report any activity for which a fee is charged to external users for goods or services.

DEPARTMENT OF WASTEWATER OPERATIONS FUND

The Department of Wastewater Operations Fund accounts for the sewer services provided to the residents of the City of Kenner.

CIVIC CENTER OPERATIONS FUND

The Civic Center Operations Fund accounts for the operations of the Pontchartrain Civic Center.

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - BUDGET AND ACTUAL
WASTEWATER OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2020

				BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ADJ. TO BUDGETARY BASIS	BUDGETARY	ORIGINAL BUDGET	FINAL BUDGET		
	ACTUAL					
OPERATING REVENUES						
Charges for services						
Sewerage service charges	\$ 8,588,011	\$ -	\$ 8,588,011	\$ 8,252,641	\$ 8,252,641	\$ 335,370
Total operating revenues	8,588,011	-	8,588,011	8,252,641	8,252,641	335,370
OPERATING EXPENSES						
Personnel services	1,084,674	-	1,084,674	104,556	1,093,001	8,327
Supplies and other expenses	63,285	-	63,285	20,500	62,530	(755)
Building and maintenance expenses	783,495	-	783,495	75,000	640,000	(143,495)
Outside services	3,020,762	-	3,020,762	5,800,976	4,293,175	1,272,413
Depreciation	4,085,071	(4,085,071)	-	-	-	-
Other	80,385	-	80,385	25,000	26,715	(53,670)
Total operating expenses	9,117,672	(4,085,071)	5,032,601	6,026,032	6,115,421	1,082,820
Operating income (loss)	(529,661)	4,085,071	3,555,410	2,226,609	2,137,220	1,418,190
NON-OPERATING REVENUES (EXPENSES)						
Ad valorem taxes	574,499	-	574,499	453,907	453,907	120,592
Hotel/motel taxes	-	-	-	-	-	-
Cable television franchise fees	-	-	-	-	-	-
Operating grants	136,671	(136,671)	-	-	-	-
Interest income	206,613	-	206,613	76,000	76,000	130,613
Amortization of bond discount	(9,796)	9,796	-	-	-	-
Interest expense	(801,276)	-	(801,276)	(731,336)	(731,336)	(69,940)
Bond issuance expense	(261,101)	-	(261,101)	-	-	(261,101)
Total non-operating revenues (expenses)	(154,390)	(126,875)	(281,265)	(201,429)	(201,429)	(79,836)
Income (loss) before contributions and transfers	(684,051)	3,958,196	3,274,145	2,025,180	1,935,791	1,338,354
Bond payments	-	-	-	(1,544,000)	(1,544,000)	1,544,000
Capital contributions	354,597	(354,597)	-	-	-	-
Transfer in	357,000	-	357,000	-	-	357,000
Transfer out	(528,735)	-	(528,735)	(528,735)	(528,735)	-
Change in net position	(501,189)	3,603,599	3,102,410	(47,555)	(136,944)	3,239,354
Net position - beginning of year	48,224,536	-	48,224,536	48,224,536	48,224,536	-
Net position - end of year	\$47,723,347	\$ 3,603,599	\$51,326,946	\$48,176,981	\$48,087,592	\$ 3,239,354

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - BUDGET AND ACTUAL
CIVIC CENTER OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2020

		ADJ. TO		BUDGETARY AMOUNTS		VARIANCE
		BUDGETARY		ORIGINAL	FINAL	WITH FINAL
	ACTUAL	BASIS	BUDGETARY	BUDGET	BUDGET	BUDGET
						POSITIVE
						(NEGATIVE)
OPERATING REVENUES						
Charges for services:						
Rental charges	\$ 621,018	\$ -	\$ 621,018	\$ 690,000	\$ 690,000	\$ (68,982)
Parking	41,981	-	41,981	50,000	50,000	(8,019)
Concessions	42,040	-	42,040	110,000	110,000	(67,960)
Catering	78,066	-	78,066	155,000	155,000	(76,934)
Reimbursed services	87,303	-	87,303	353,000	353,000	(265,697)
Advertising	-	-	-	34,600	34,600	(34,600)
Miscellaneous	43,190	-	43,190	30,400	30,400	12,790
Total operating revenues	913,598	-	913,598	1,423,000	1,423,000	(509,402)
OPERATING EXPENSES						
Supplies and other expenses	2,709	-	2,709	25,835	25,835	23,126
Building and maintenance expense	508,620	-	508,620	641,200	641,200	132,580
Outside services	1,317,118	-	1,317,118	1,371,940	1,371,940	54,822
Insurance premiums	74,017	-	74,017	64,200	64,200	(9,817)
General expenses:						
Depreciation	630,200	(630,200)	-	-	-	-
Other	23,675	-	23,675	-	-	(23,675)
Total operating expenses	2,556,339	(630,200)	1,926,139	2,103,175	2,103,175	177,036
Operating income (loss)	(1,642,741)	630,200	(1,012,541)	(680,175)	(680,175)	(332,366)
NON-OPERATING REVENUES (EXPENSES)						
Hotel/motel taxes	188,951	-	188,951	347,000	347,000	(158,049)
Cable television franchise fees	369,355	-	369,355	378,000	378,000	(8,645)
Interest income	796	-	796	730	730	66
Intergovernmental	5,170	(5,170)	-	-	-	-
Total non-operating revenues	564,272	(5,170)	559,102	725,730	725,730	(166,628)
Income (loss) before contributions, and transfers	(1,078,469)	625,030	(453,439)	45,555	45,555	(498,994)
Capital Contributions	-	-	-	-	-	-
Change in net position	(1,078,469)	625,030	(453,439)	45,555	45,555	(498,994)
Net position - beginning of year	13,426,703	-	13,426,703	13,426,703	13,426,703	-
Net position - end of year	\$ 12,348,234	\$ 625,030	\$ 12,973,264	\$ 13,472,258	\$ 13,472,258	\$ (498,994)

CITY OF KENNER, LOUISIANA
INTERNAL SERVICE FUND DESCRIPTIONS
JUNE 30, 2020

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

SELF-INSURANCE FUND

The Self-Insurance Fund accounts for monies accumulated to provide automobile, property damage, and worker's compensation for which the City is self-insured.

HEALTH INSURANCE FUND

The Health Insurance Fund accounts for monies accumulated to pay the health insurance premiums.

CITY OF KENNER, LOUISIANA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2020

	SELF- INSURANCE FUND	HEALTH INSURANCE FUND	TOTAL
ASSETS			
Cash	\$ 263,246	\$ 705,889	\$ 969,135
Equity in pooled cash	-	-	-
Investments	-	-	-
Due from other funds	-	-	-
	<u>263,246</u>	<u>705,889</u>	<u>969,135</u>
Total assets			
	<u>263,246</u>	<u>705,889</u>	<u>969,135</u>
DEFERRED OUTFLOWS OF RESOURCES	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES			
Accounts payable	-	-	-
Estimated claims payable	5,409,263	-	5,409,263
Due to other funds	2,860	698,292	701,152
	<u>5,412,123</u>	<u>698,292</u>	<u>6,110,415</u>
Total liabilities			
	<u>5,412,123</u>	<u>698,292</u>	<u>6,110,415</u>
DEFERRED INFLOWS OF RESOURCES	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Unrestricted	(5,148,877)	7,597	(5,141,280)
	<u>(5,148,877)</u>	<u>7,597</u>	<u>(5,141,280)</u>
Total net position	\$ (5,148,877)	\$ 7,597	\$ (5,141,280)
	<u>\$ (5,148,877)</u>	<u>\$ 7,597</u>	<u>\$ (5,141,280)</u>

CITY OF KENNER, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020

	SELF- INSURANCE FUND	HEALTH INSURANCE FUND	TOTAL
OPERATING REVENUES			
Charges for services	\$ 1,110,000	\$ 4,711,030	\$ 5,821,030
OPERATING EXPENSES			
Outside services	120,390	-	120,390
Insurance claims	1,187,180	-	1,187,180
Insurance premiums	-	5,063,882	5,063,882
Total operating expenses	1,307,570	5,063,882	6,371,452
Operating loss	(197,570)	(352,852)	(550,422)
NON-OPERATING REVENUE (EXPENSE)			
Interest income	2,708	4,836	7,544
Total non-operating revenue	2,708	4,836	7,544
Income (loss) before transfers	(194,862)	(348,016)	(542,878)
Transfers in	-	348,016	348,016
Change in net position	(194,862)	-	(194,862)
Net position - beginning of year	(4,954,015)	7,597	(4,946,418)
Net position - end of year	\$ (5,148,877)	\$ 7,597	\$ (5,141,280)

CITY OF KENNER, LOUISIANA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020

	SELF- INSURANCE FUND	HEALTH INSURANCE FUND	TOTAL
Cash flows from operating activities:			
Receipts from insured	\$ 1,110,000	\$ 4,711,030	\$ 5,821,030
Payments to suppliers	(1,036,843)	(5,063,882)	(6,100,725)
Net cash provided by (used for) operating activities	<u>73,157</u>	<u>(352,852)</u>	<u>(279,695)</u>
Cash flows from non-capital financing activities:			
Transfers in	-	432,225	432,225
Transfers (out)	-	-	-
Net cash provided by (used for) non-capital financing activities	<u>-</u>	<u>432,225</u>	<u>432,225</u>
Cash flows from investing activities:			
Proceeds from sales and maturities of investments	-	-	-
Purchases of investments	-	-	-
Interest and dividends received	2,708	4,836	7,544
Net cash provided by investing activities	<u>2,708</u>	<u>4,836</u>	<u>7,544</u>
Net increase (decrease) in cash and cash equivalents	75,865	84,209	160,074
Cash and cash equivalents, beginning of year	<u>187,381</u>	<u>621,680</u>	<u>809,061</u>
Cash and cash equivalents, end of year	<u><u>\$ 263,246</u></u>	<u><u>\$ 705,889</u></u>	<u><u>\$ 969,135</u></u>
Reconciliation to Statement of Net Position:			
Cash	\$ 263,246	\$ 705,889	\$ 969,135
Equity in pooled cash	<u>-</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents, end of year	<u><u>\$ 263,246</u></u>	<u><u>\$ 705,889</u></u>	<u><u>\$ 969,135</u></u>
Reconciliation of operating income to net cash provided by (used for) operating activities:			
Operating loss	<u>\$ (197,570)</u>	<u>\$ (352,852)</u>	<u>\$ (550,422)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:			
Change in assets and liabilities:			
Decrease in accounts payable	-	-	-
Increase in estimated claims payable	270,727	-	270,727
Increase (decrease) in due to other funds	-	-	-
Total adjustments	<u>270,727</u>	<u>-</u>	<u>270,727</u>
Net cash provided by (used for) operating activities	<u><u>\$ 73,157</u></u>	<u><u>\$ (352,852)</u></u>	<u><u>\$ (279,695)</u></u>

CITY OF KENNER, LOUISIANA
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020

	SELF- INSURANCE FUND	HEALTH INSURANCE FUND	TOTAL
	<u> </u>	<u> </u>	<u> </u>
Noncash investing, capital, and financing activities:			
Gain on fair market value of investments	\$ -	\$ -	\$ -
(Increase) in fair market value of investments	<u>-</u>	<u>-</u>	<u>-</u>
Net effect of noncash activities	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CITY OF KENNER, LOUISIANA
INTERNAL SERVICE FUND DESCRIPTIONS
JUNE 30, 2020**

AGENCY FUNDS

Agency funds account for assets held by an entity as an agent for individuals, private organizations, other governments and/or other entity's funds.

AIRPORT SALES TAX FUND

The Airport Sales Tax Fund is used to account for the proceeds of sales taxes generated from a special 2% sales tax assessed within the Airport Taxing District and to distribute to the appropriate taxing bodies.

CITY OF KENNER, LOUISIANA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED JUNE 30, 2020

	AIRPORT SALES TAX FUND			
	<u>BALANCE</u> <u>6/30/19</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>6/30/20</u>
ASSETS				
Equity in pooled cash	\$ 3	\$ 1,188,374	\$ 1,188,375	\$ 2
Due from other funds	-	211,544	211,544	-
Intergovernmental	<u>423,087</u>	<u>148,079</u>	<u>472,447</u>	<u>98,719</u>
Total assets	<u>\$ 423,090</u>	<u>\$ 1,547,997</u>	<u>\$ 1,872,366</u>	<u>\$ 98,721</u>
LIABILITIES				
Due to other governments	<u>\$ 423,090</u>	<u>\$ 98,719</u>	<u>\$ 423,088</u>	<u>\$ 98,721</u>
Total liabilities	<u>\$ 423,090</u>	<u>\$ 98,719</u>	<u>\$ 423,088</u>	<u>\$ 98,721</u>

CITY OF KENNER, LOUISIANA
SCHEDULE OF COUNCILPERSONS' COMPENSATION
YEAR ENDED JUNE 30, 2020

<u>COUNCILPERSON</u>	<u>NUMBER OF DAYS SERVED</u>	<u>COMPENSATION</u>
Kristi McKinney	366	\$ 37,180
Gregory Carroll	366	30,860
Glenn Hayes Sr.	366	30,947
Thomas Willmott	366	42,310
George Branigan	366	38,417
Brian Brennan	366	30,385
Michael Sigur	366	36,664
		<u>\$ 246,763</u>

CITY OF KENNER, LOUISIANA
SUPPLEMENTARY INFORMATION
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
JUNE 30, 2020

Agency Head Name: E. "Ben" Zahn, Mayor
Period: July 1, 2019 - June 30, 2020

Salary	\$	111,129
Benefits - insurance		10,125
Benefits - retirement		30,838
Reimbursements		5,700
Automobile expenses		<u>6,000</u>
	\$	<u><u>163,792</u></u>

STATISTICAL SECTION

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

Contents

Schedules

Financial Trends

1 - 4

These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.

Revenue Capacity

5 - 9

These schedules contain information to help the reader assess the city's most significant local revenue source, the sales tax, as well as the property tax.

Debt Capacity

10 - 14

These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.

Demographic and Economic Information

15 - 16

These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities

Operating Information

17 - 19

These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF KENNER, LOUISIANA
SCHEDULE 1 -- NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental activities					
Net investment in capital assets	\$ 205,360,570	\$ 176,582,658	\$ 180,438,285	\$ 138,185,196	\$ 156,456,600
Restricted	17,903,956	29,772,780	20,477,759	34,664,950	7,965,322
Unrestricted	<u>(127,032)</u>	<u>2,692,277</u>	<u>(4,721,675)</u>	<u>4,026,130</u>	<u>(45,070,937)</u>
Total governmental activities net position	<u>\$ 223,137,494</u>	<u>\$ 209,047,715</u>	<u>\$ 196,194,369</u>	<u>\$ 176,876,276</u>	<u>\$ 119,350,985</u>
Business-type activities					
Net investment in capital assets	\$ 70,674,888	\$ 72,572,594	\$ 56,241,502	\$ 55,967,834	\$ 52,907,339
Restricted	-	-	15,068,526	13,261,209	12,630,950
Unrestricted	<u>(709,274)</u>	<u>(1,087,284)</u>	<u>(4,328,953)</u>	<u>(594,712)</u>	<u>165,593</u>
Total business-type activities net position	<u>\$ 69,965,614</u>	<u>\$ 71,485,310</u>	<u>\$ 66,981,075</u>	<u>\$ 68,634,331</u>	<u>\$ 65,703,882</u>
Primary government					
Net investment in capital assets	\$ 276,035,458	\$ 249,155,252	\$ 236,679,787	\$ 194,153,030	\$ 209,363,939
Restricted	17,903,956	29,772,780	35,546,285	47,926,159	20,596,272
Unrestricted	<u>(836,306)</u>	<u>1,604,993</u>	<u>(9,050,628)</u>	<u>3,431,418</u>	<u>(44,905,344)</u>
Total primary government net position	<u>\$ 293,103,108</u>	<u>\$ 280,533,025</u>	<u>\$ 263,175,444</u>	<u>\$ 245,510,607</u>	<u>\$ 185,054,867</u>

(Continued)

Source: Audited Comprehensive Annual Financial Reports

CITY OF KENNER, LOUISIANA
SCHEDULE 1 -- NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS (CONTINUED)
(accrual basis of accounting)
(Unaudited)

	2016	2017	2018	2019	2020
Governmental activities					
Net investment in capital assets	\$ 149,042,805	\$ 138,501,616	\$ 131,061,483	\$ 129,458,648	\$ 123,879,923
Restricted	6,604,685	9,097,420	9,212,571	9,853,877	9,129,011
Unrestricted	(40,835,794)	(41,045,645)	(53,958,644)	(40,073,193)	(34,684,716)
Total governmental activities net position	<u>\$ 114,811,696</u>	<u>\$ 106,553,391</u>	<u>\$ 86,315,410</u>	<u>\$ 99,239,332</u>	<u>\$ 98,324,218</u>
Business-type activities					
Net investment in capital assets	\$ 59,774,596	\$ 63,270,535	\$ 59,419,503	\$ 54,030,338	\$ 51,167,760
Restricted	13,027,560	13,384,442	14,776,869	16,176,932	9,170,548
Unrestricted	(997,691)	(6,210,890)	(6,645,075)	(8,556,031)	(266,727)
Total business-type activities net position	<u>\$ 71,804,465</u>	<u>\$ 70,444,087</u>	<u>\$ 67,551,297</u>	<u>\$ 61,651,239</u>	<u>\$ 60,071,581</u>
Primary government					
Net investment in capital assets	\$ 208,817,401	\$ 201,772,151	\$ 190,480,986	\$ 183,488,986	\$ 175,047,683
Restricted	19,632,245	22,481,862	23,989,440	26,030,809	18,299,559
Unrestricted	(41,833,485)	(47,256,535)	(60,603,719)	(48,629,224)	(34,951,443)
Total primary government net position	<u>\$ 186,616,161</u>	<u>\$ 176,997,478</u>	<u>\$ 153,866,707</u>	<u>\$ 160,890,571</u>	<u>\$ 158,395,799</u>

CITY OF KENNER, LOUISIANA
SCHEDULE 2 – CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Expenses					
Governmental activities:					
General government	\$ 13,331,542	\$ 13,518,067	\$ 14,334,561	\$ 15,177,249	\$ 13,813,735
Public safety	28,981,374	30,120,747	29,726,401	29,635,749	29,475,863
Public works	36,657,670	31,743,384	30,447,190	28,877,594	27,941,741
Health and welfare	756,235	478,916	461,077	463,687	801,735
Culture and recreation	7,066,031	6,075,269	7,458,593	8,328,521	6,358,836
Transit and urban development	1,537,013	5,065,979	2,178,189	1,807,143	1,894,391
Interest on long-term debt and other charges	1,688,282	1,696,804	1,582,211	1,743,210	1,877,967
Debt issuance costs	-	-	166,797	699,366	-
Total governmental activities expenses	<u>90,018,147</u>	<u>88,699,166</u>	<u>86,355,019</u>	<u>86,732,519</u>	<u>82,164,268</u>
Business-type activities:					
Wastewater operations	7,233,176	8,482,102	10,025,404	9,868,246	10,525,025
Civic center operations	3,321,275	3,359,257	3,228,630	3,317,342	3,913,657
Total business-type activities expenses	<u>10,554,451</u>	<u>11,841,359</u>	<u>13,254,034</u>	<u>13,185,588</u>	<u>14,438,682</u>
Total primary government expenses	<u>\$ 100,572,598</u>	<u>\$ 100,540,525</u>	<u>\$ 99,609,053</u>	<u>\$ 99,918,107</u>	<u>\$ 96,602,950</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 6,794,368	\$ 8,101,475	\$ 7,397,121	\$ 7,396,643	\$ 7,871,195
Public safety	3,456,639	3,529,877	3,582,022	3,670,994	3,539,018
Public works	4,303,084	3,975,986	4,219,748	4,196,238	4,629,113
Other activities	1,405,306	1,143,772	1,022,077	985,922	1,048,379
Operating grants and contributions	2,497,951	1,528,912	2,119,168	1,432,247	3,930,625
Capital grants and contributions	1,810,855	7,238,923	3,843,389	2,492,715	2,305,682
Total governmental activities program revenues	<u>20,268,203</u>	<u>25,518,945</u>	<u>22,183,525</u>	<u>20,174,759</u>	<u>23,324,012</u>
Business-type activities:					
Charges for services:					
Wastewater operations	4,399,069	5,670,289	6,323,934	7,045,527	7,550,271
Civic center operations	1,258,957	1,441,990	1,297,089	1,306,346	1,364,595
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	6,706,005	-	2,074,647	-	68,498
Total business-type activities program revenues	<u>12,364,031</u>	<u>7,112,279</u>	<u>9,695,670</u>	<u>8,351,873</u>	<u>8,983,364</u>
Total primary government program revenues	<u>\$ 32,632,234</u>	<u>\$ 32,631,224</u>	<u>\$ 31,879,195</u>	<u>\$ 28,526,632</u>	<u>\$ 32,307,376</u>

(Continued)

Source: Audited Comprehensive Annual Financial Reports

CITY OF KENNER, LOUISIANA
SCHEDULE 2 – CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)
(accrual basis of accounting)
(Unaudited)

	2016	2017	2018	2019	2020
Expenses					
Governmental activities:					
General government	\$ 14,836,858	\$ 16,586,949	\$ 15,358,488	\$ 12,481,649	\$ 15,477,985
Public safety	30,883,950	33,467,757	35,312,148	32,024,036	38,724,619
Public works	32,764,458	24,782,776	25,194,381	25,521,327	26,461,697
Health and welfare	613,131	858,793	1,118,220	465,377	807,725
Culture and recreation	7,008,906	9,948,548	7,139,313	5,209,904	5,612,076
Transit and urban development	2,922,725	1,588,093	1,616,963	1,366,794	2,013,063
Interest on long-term debt and other charges	2,023,349	1,972,444	1,914,936	1,949,980	1,818,282
Debt issuance costs	-	-	-	-	41,325
Total governmental activities expenses	<u>91,053,377</u>	<u>89,205,360</u>	<u>87,654,449</u>	<u>79,019,067</u>	<u>90,956,772</u>
Business-type activities:					
Wastewater operations	10,344,589	10,148,155	12,131,852	11,781,751	10,189,845
Civic center operations	3,461,541	3,091,574	2,795,722	2,533,012	2,556,339
Total business-type activities expenses	<u>13,806,130</u>	<u>13,239,729</u>	<u>14,927,574</u>	<u>14,314,763</u>	<u>12,746,184</u>
Total primary government expenses	<u>\$ 104,859,507</u>	<u>\$ 102,445,089</u>	<u>\$ 102,582,023</u>	<u>\$ 93,333,830</u>	<u>\$ 103,702,956</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 8,518,059	\$ 8,537,637	\$ 7,752,734	\$ 7,125,479	\$ 5,962,627
Public safety	3,651,930	3,542,687	4,261,438	4,540,654	4,667,909
Public works	7,796,416	4,699,524	5,814,361	5,430,424	5,046,721
Other activities	1,310,601	1,774,337	1,788,108	2,031,554	1,561,699
Operating grants and contributions	2,225,208	2,396,402	2,781,272	4,807,988	11,229,153
Capital grants and contributions	3,135,333	5,244,371	5,545,840	10,775,121	7,637,006
Total governmental activities program revenues	<u>26,637,547</u>	<u>26,194,958</u>	<u>27,943,753</u>	<u>34,711,220</u>	<u>36,105,115</u>
Business-type activities:					
Charges for services:					
Wastewater operations	8,146,011	8,810,605	8,305,494	7,770,473	8,588,011
Civic center operations	1,440,206	1,458,603	1,553,304	1,352,263	913,598
Operating grants and contributions	-	-	-	-	5,170
Capital grants and contributions	8,925,652	657,463	984,220	138,937	491,268
Total business-type activities program revenues	<u>18,511,869</u>	<u>10,926,671</u>	<u>10,843,018</u>	<u>9,261,673</u>	<u>9,998,047</u>
Total primary government program revenues	<u>\$ 45,149,416</u>	<u>\$ 37,121,629</u>	<u>\$ 38,786,771</u>	<u>\$ 43,972,893</u>	<u>\$ 46,103,162</u>

(Continued)

CITY OF KENNER, LOUISIANA
SCHEDULE 2 – CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)
(accrual basis of accounting)
(Unaudited)

	2011	2012	2013	2014	2015
Net (Expense) Revenue					
Governmental activities	\$ (69,749,944)	\$ (63,180,221)	\$ (64,171,494)	\$ (66,557,760)	\$ (58,840,256)
Business-type activities	1,809,580	652,688	(3,558,364)	(1,759,790)	(5,455,318)
Total primary government net expense	\$ (67,940,364)	\$ (62,527,533)	\$ (67,729,858)	\$ (68,317,550)	\$ (64,295,574)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Ad valorem	\$ 7,940,366	\$ 7,876,865	\$ 7,617,724	\$ 7,714,727	\$ 8,083,474
Hotel/motel*	-	-	-	-	-
Sales and use	30,788,076	30,371,384	31,708,191	30,831,511	31,898,990
Beer tax	70,485	77,787	76,434	70,784	70,120
Parking	1,952,097	2,007,642	2,090,075	2,303,311	2,496,875
Franchise	8,142,735	7,926,562	7,916,445	7,837,526	8,003,764
Grants/contributions not restricted to specific programs	313,757	164,992	218,121	105,524	54,448
Investment earnings	56,054	35,278	40,631	42,272	128,207
Miscellaneous	190,806	237,906	242,494	468,097	501,170
Settlement proceeds	-	-	-	-	-
Gain (loss) on disposal of capital assets	85,951	-	99	-	-
Transfers	1,204,100	392,024	(19,936)	(2,134,085)	19,935
Total governmental activities	50,744,427	49,090,440	49,890,278	47,239,667	51,256,983
Business-type activities:					
Taxes:					
Ad valorem	512,750	524,658	595,762	442,735	625,549
Hotel/motel*	-	-	-	-	-
Sales and use	340,181	304,110	-	-	-
Franchise	421,522	403,104	781,448	728,574	701,842
Grants/contributions not restricted to specific programs	97	13,835	156,398	95,019	1,159,217
Investment earnings	942	4,453	12,751	7,630	52,248
Miscellaneous	1,158	8,872	42,666	5,003	5,948
Gain (loss) on disposal of capital assets	-	-	(483,861)	-	-
Proceeds from insurance	-	-	-	-	-
Transfers	(1,204,100)	(392,024)	19,936	2,134,085	(19,935)
Total business-type activities	72,550	867,008	1,125,100	3,413,046	2,524,869
Total primary government	\$ 50,816,977	\$ 49,957,448	\$ 51,015,378	\$ 50,652,713	\$ 53,781,852
Change in Net Position					
Governmental activities	\$ (19,005,517)	\$ (14,089,781)	\$ (14,281,216)	\$ (19,318,093)	\$ (7,583,273)
Business-type activities	1,882,130	1,519,696	(2,433,264)	1,653,256	(2,930,449)
Total primary government	\$ (17,123,387)	\$ (12,570,085)	\$ (16,714,480)	\$ (17,664,837)	\$ (10,513,722)

(Continued)

CITY OF KENNER, LOUISIANA
SCHEDULE 2 – CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)
(accrual basis of accounting)
(Unaudited)

	2016	2017	2018	2019	2020
Net (Expense) Revenue					
Governmental activities	\$ (64,415,830)	\$ (63,010,402)	\$ (59,710,696)	\$ (44,307,847)	\$ (54,851,657)
Business-type activities	4,705,739	(2,313,058)	(4,084,556)	(5,053,090)	(2,748,137)
Total primary government net expense	\$ (59,710,091)	\$ (65,323,460)	\$ (63,795,252)	\$ (49,360,937)	\$ (57,599,794)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Ad valorem	\$ 8,096,586	\$ 8,118,440	\$ 8,238,143	\$ 8,419,900	\$ 8,587,467
Hotel/motel*	274,270	283,656	499,322	202,958	194,796
Sales and use	32,423,441	33,751,167	33,732,865	36,622,373	34,790,081
Beer tax	67,959	65,301	62,159	60,711	59,227
Parking	2,760,154	2,885,134	3,101,075	3,236,930	2,500,818
Franchise	7,650,076	7,539,276	7,444,344	7,180,721	6,132,818
Grants/contributions not restricted to specific programs	24,511	101,102	35,722	29,933	54,558
Investment earnings	374,122	493,319	605,697	944,943	838,237
Miscellaneous	553,877	302,527	449,888	328,814	313,406
Settlement proceeds	6,960,079	-	-	-	-
Gain (loss) on disposal of capital assets	700,894	773,000	-	22,500	203,400
Transfers	(9,428)	439,175	318,548	271,986	171,735
Total governmental activities	59,876,541	54,752,097	54,487,763	57,321,769	53,846,543
Business-type activities:					
Taxes:					
Ad valorem	542,529	544,023	552,033	564,211	574,499
Hotel/motel*	266,042	275,146	325,883	196,869	188,951
Sales and use	-	-	-	-	-
Franchise	394,707	387,544	409,430	375,944	369,355
Grants/contributions not restricted to specific programs	112,028	-	-	-	-
Investment earnings	172,451	175,142	222,968	287,953	207,409
Miscellaneous	10,505	-	-	-	-
Gain (loss) on disposal of capital assets	(112,846)	10,000	-	(1,999,959)	-
Proceeds from insurance	-	-	-	-	-
Transfers	9,428	(439,175)	(318,548)	(271,986)	(171,735)
Total business-type activities	1,394,844	952,680	1,191,766	(846,968)	1,168,479
Total primary government	\$ 61,271,385	\$ 55,704,777	\$ 55,679,529	\$ 56,474,801	\$ 55,015,022
Change in Net Position					
Governmental activities	\$ (4,539,289)	\$ (8,258,305)	\$ (5,222,933)	\$ 13,013,922	\$ (1,005,114)
Business-type activities	6,100,583	(1,360,378)	(2,892,790)	(5,900,058)	(1,579,658)
Total primary government	\$ 1,561,294	\$ (9,618,683)	\$ (8,115,723)	\$ 7,113,864	\$ (2,584,772)

* Reclassified for fiscal year 2016 presentation, included with franchise tax in prior years

CITY OF KENNER, LOUISIANA
SCHEDULE 3 – FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year				
	2011	2012	2013	2014	2015
General fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	489,360	527,355	635,059	144,011	742,419
Restricted	1,986,029	2,186,205	2,225,664	1,995,638	1,845,524
Committed	410,554	939,732	345,445	485,101	601,469
Assigned	2,012,582	3,502,878	2,397,898	2,267,631	2,519,307
Unassigned	7,686,775	6,561,410	6,517,899	6,131,325	5,980,799
Total general fund	<u>\$ 12,585,300</u>	<u>\$ 13,717,580</u>	<u>\$ 12,121,965</u>	<u>\$ 11,023,706</u>	<u>\$ 11,689,518</u>
All other governmental funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted	18,601,334	30,998,309	18,252,095	32,669,312	31,552,813
Committed	70,291	2,016,844	1,439,396	7,225,718	10,871,980
Assigned	-	-	-	-	-
Unassigned	(396,366)	-	(465,042)	3,963,802	(27,746)
Total all other governmental funds	<u>\$ 18,275,259</u>	<u>\$ 33,015,153</u>	<u>\$ 19,226,449</u>	<u>\$ 43,858,832</u>	<u>\$ 42,397,047</u>

(Continued)

Source: Audited Comprehensive Annual Financial Reports

CITY OF KENNER, LOUISIANA
SCHEDULE 3 – FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (CONTINUED)
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year				
	2016	2017	2018	2019	2020
General fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	132,955	140,429	505,737	515,503	63,170
Restricted	1,768,991	1,803,344	2,108,511	2,781,633	2,505,370
Committed	3,435,096	584,870	657,696	367,188	271,336
Assigned	2,219,967	1,712,310	3,756,456	1,573,848	7,406,301
Unassigned	8,855,189	11,213,217	10,030,526	16,510,347	15,315,500
Total general fund	<u>\$ 16,412,198</u>	<u>\$ 15,454,170</u>	<u>\$ 17,058,926</u>	<u>\$ 21,748,519</u>	<u>\$ 25,561,677</u>
All other governmental funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted	27,129,795	21,941,251	22,717,278	23,126,211	15,610,496
Committed	17,980,162	17,732,624	18,410,977	19,974,112	24,615,123
Assigned	-	-	-	-	-
Unassigned	(22,358)	(293,544)	(28,831)	41,225	128,562
Total all other governmental funds	<u>\$ 45,087,599</u>	<u>\$ 39,380,331</u>	<u>\$ 41,099,424</u>	<u>\$ 43,141,548</u>	<u>\$ 40,354,181</u>

CITY OF KENNER, LOUISIANA
SCHEDULE 4 – CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year				
	2011	2012	2013	2014	2015
Revenues					
Taxes	\$ 47,782,458	\$ 47,822,765	\$ 48,702,710	\$ 48,328,061	\$ 50,058,106
Licenses and permits	3,508,681	3,462,423	3,445,677	3,191,259	3,896,737
Intergovernmental	5,519,796	9,840,654	7,039,477	4,871,406	5,745,262
Charges for services	4,657,430	4,272,206	4,619,331	4,716,197	4,466,196
Fines and forfeitures	2,602,543	2,885,847	2,322,357	2,187,652	2,119,325
Interest	27,253	5,188	15,273	15,647	99,612
Miscellaneous	869,151	853,842	746,692	955,303	1,004,101
Total revenues	64,967,312	69,142,925	66,891,517	64,265,525	67,389,339
Expenditures					
General government	10,490,966	10,874,488	11,700,333	12,403,699	11,509,666
Public safety	24,859,654	26,418,059	26,629,412	26,234,628	26,400,885
Public works	20,653,967	18,150,570	14,657,352	14,971,997	15,328,831
Health and welfare	611,230	384,177	398,757	404,803	844,481
Culture and recreation	5,668,520	4,575,485	6,094,878	7,009,417	5,171,902
Transit and urban development	1,451,668	5,044,566	2,086,908	1,721,693	1,860,824
Debt Service					
Principal	4,580,965	5,944,643	5,483,832	18,569,019	4,987,765
Interest and fiscal charges	1,711,023	1,611,510	1,794,687	1,975,501	2,103,841
Agent fees	-	-	-	-	-
Debt issuance costs	-	417,120	166,797	699,366	-
Miscellaneous	36,000	36,000	36,000	36,000	36,000
Total expenditures	70,063,993	73,456,618	69,048,956	84,026,123	68,244,195
Excess (deficiency) of revenues over (under) expenditures	(5,096,681)	(4,313,693)	(2,157,439)	(19,760,598)	(854,856)
Other financing sources (uses)					
Proceeds from sale of property	-	-	-	-	-
Transfers in	16,071,100	21,195,128	19,747,075	19,523,670	20,233,048
Transfers out	(14,867,006)	(20,803,921)	(19,771,811)	(21,657,755)	(20,513,113)
Premium on bonds issued	-	190,707	-	1,156,726	-
Long-term debt issued	-	-	424,838	44,272,081	38,947
Payment to refunded bonds escrow agent	-	-	(8,725,000)	-	-
Proceeds of refunding bonds and other debt	8,459,187	19,603,953	9,205,000	-	-
Total other financing sources (uses)	9,663,281	20,185,867	880,102	43,294,722	(241,118)
Special item					
Proceeds from BP settlement	-	-	-	-	-
Net change in fund balances	\$ 4,566,600	\$ 15,872,174	\$ (1,277,337)	\$ 23,534,124	\$ (1,095,974)
Capital expenditures	6,586,341	2,476,948	1,147,333	2,295,433	2,573,386
Non-capital expenditures	63,477,652	70,979,670	67,901,623	81,730,690	65,670,809
Debt service, (interest and principal only) as a percentage of noncapital expenditures	11.98%	10.67%	10.36%	25.14%	10.80%

(Continued)

Source: Audited Comprehensive Annual Financial Reports

CITY OF KENNER, LOUISIANA
SCHEDULE 4 – CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS (CONTINUED)
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year				
	2016	2017	2018	2019	2020
Revenues					
Taxes	\$ 51,327,286	\$ 52,588,514	\$ 52,841,647	\$ 55,119,890	\$ 51,580,860
Licenses and permits	7,027,733	3,897,098	5,314,977	5,018,406	3,929,419
Intergovernmental	4,769,560	7,501,068	7,433,369	12,114,120	17,838,518
Charges for services	4,680,205	4,857,515	4,764,982	4,520,445	4,910,699
Fines and forfeitures	1,894,829	2,165,691	2,421,112	2,211,169	1,384,318
Interest	333,946	414,856	520,678	870,649	762,468
Miscellaneous	1,389,177	1,128,366	1,200,392	2,202,676	1,592,394
Total revenues	<u>71,422,736</u>	<u>72,553,108</u>	<u>74,497,157</u>	<u>82,057,355</u>	<u>81,998,676</u>
Expenditures					
General government	12,118,543	13,462,653	12,475,852	11,276,228	13,390,683
Public safety	28,579,578	28,772,959	29,989,256	30,606,677	32,406,167
Public works	21,777,427	21,073,634	14,995,569	22,387,195	23,850,966
Health and welfare	507,252	647,243	774,831	540,728	528,128
Culture and recreation	5,327,908	8,372,602	5,825,754	4,229,515	4,591,669
Transit and urban development	2,796,924	1,509,933	1,378,299	1,358,396	1,776,046
Debt Service					
Principal	5,109,170	4,620,744	4,808,892	3,024,760	4,692,220
Interest and fiscal charges	1,987,594	1,934,814	1,875,997	1,819,177	1,701,434
Agent fees	-	-	4,000	152,690	139,248
Debt issuance costs	-	-	-	-	41,325
Miscellaneous	36,000	36,000	36,000	36,000	36,000
Total expenditures	<u>78,240,396</u>	<u>80,430,582</u>	<u>72,164,450</u>	<u>75,431,366</u>	<u>83,153,886</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,817,660)</u>	<u>(7,877,474)</u>	<u>2,332,707</u>	<u>6,625,989</u>	<u>(1,155,210)</u>
Other financing sources (uses)					
Proceeds from sale of property	700,894	773,000	-	22,500	203,400
Transfers in	18,273,409	22,248,288	20,441,257	22,105,830	20,594,611
Transfers out	(18,282,837)	(21,809,110)	(20,122,709)	(22,022,603)	(20,770,892)
Premium on bonds issued	-	-	-	-	-
Long-term debt issued	-	-	-	-	1,750,000
Increase in obligations under capital lease	-	-	672,594	-	403,887
Proceeds of refunding bonds and other debt	-	-	-	-	-
Total other financing sources (uses)	<u>691,466</u>	<u>1,212,178</u>	<u>991,142</u>	<u>105,727</u>	<u>2,181,006</u>
Special item					
Proceeds from BP settlement	6,960,079	-	-	-	-
Net change in fund balances	<u>\$ (6,126,194)</u>	<u>\$ (6,665,296)</u>	<u>\$ 3,323,849</u>	<u>\$ 6,731,716</u>	<u>\$ 1,025,796</u>
Capital expenditures	5,036,558	10,251,979	4,816,430	10,790,959	12,483,519
Non-capital expenditures	73,203,838	70,178,603	67,348,020	64,640,407	70,670,367
Debt service, (interest and principal only) as a percentage of noncapital expenditures	<u>9.69%</u>	<u>9.34%</u>	<u>9.93%</u>	<u>7.49%</u>	<u>9.05%</u>

CITY OF KENNER, LOUISIANA
SCHEDULE 5 -- DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN YEARS
(Unaudited)

Fiscal Year	City Direct Rate (1)	Overlapping Rates	
		Jefferson Parish (2)	Jefferson Parish School Board
2011	2.5833%	0.1667%	2.0000%
2012	2.5833%	0.1667%	2.0000%
2013	2.5833%	0.1667%	2.0000%
2014	2.5833%	0.1667%	2.0000%
2015	2.5833%	0.1667%	2.0000%
2016	2.5833%	0.1667%	2.0000%
2017	2.5833%	0.1667%	2.0000%
2018	2.5833%	0.1667%	2.0000%
2019	2.5833%	0.1667%	2.0000%
2020	2.5833%	0.1667%	2.0000%

NOTES: (1) As discussed in NOTE F to the Financial Statements, the State of Louisiana levies a 5.0% sales tax on purchases within the City of Kenner. In addition, the Parish of Jefferson levies a 4.75% sales tax on purchases within the City of Kenner. From the 4.75% levied by Jefferson Parish, 2.5833% is collected for, and remitted to, the City of Kenner. The sales tax rate is determined by the Jefferson Parish Council, subject to the approval of the voters of Jefferson Parish. The City of Kenner also receives one-third of a 2% sales tax on purchases made in the airport taxing district located within the city limits, but this amount is insignificant compared to the City's share of the 4.75% Jefferson Parish sales tax.

(2) Jefferson Parish retains .1667% of the 4.75% sales tax levied on purchases within the City of Kenner.

(3) Information regarding the breakdown of taxable sales by category is not available.

(4) Information regarding the principal sales tax remitters is not available.

CITY OF KENNER, LOUISIANA
SCHEDULE 6 -- ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Real Estate	Personal Property	Tax Sale	Public Service Corporations	Railway Rolling Stock	Total Assessments	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value (1)
2011	450,120,302	83,599,919	2,884,080	27,480,863	34,570	564,119,734	105,508,260	458,611,474	18.13	5,270,812,833	8.70%
2012	448,440,989	85,289,971	5,465,150	30,771,874	50,200	570,018,184	103,970,210	466,047,974	18.13	5,313,141,691	8.77%
2013	459,736,113	90,962,548	4,619,090	30,393,912	56,450	585,768,113	102,620,280	483,147,833	17.51	5,452,971,430	8.86%
2014	461,435,216	90,052,443	3,847,380	29,310,348	64,960	584,710,347	101,659,460	483,050,887	17.51	5,449,010,967	8.86%
2015	467,997,815	96,136,586	3,418,430	32,126,720	63,320	599,742,871	100,950,120	498,792,751	17.51	5,569,673,289	8.96%
2016	481,794,686	90,900,102	3,580,020	33,096,239	88,690	609,459,737	100,582,890	508,876,847	17.17	6,091,002,670	8.35%
2017	489,092,499	90,446,691	3,324,140	34,258,582	89,410	617,211,322	100,885,160	516,326,162	17.17	5,756,130,944	8.97%
2018	499,462,920	88,393,308	3,005,720	37,530,201	102,820	628,494,969	101,101,420	527,393,549	17.17	6,234,949,690	8.46%
2019	509,786,612	93,569,127	2,892,660	37,014,559	118,600	643,381,558	101,137,160	542,244,398	17.17	5,998,141,294	9.04%
2020	528,737,920	93,983,520	6,960,080	40,918,452	129,020	670,728,992	101,595,600	569,133,392	17.17	6,254,423,993	9.10%

Source: Jefferson Parish Assessor's Office.

NOTE: Assessed values are established by the Parish Assessor by December of each year at 10 percent of assumed market value for real property and 15 percent of assumed market value for other property. A revaluation of all property is required to be completed every four years. The last revaluation was completed for December, 2016. Taxrates are per \$100 of assessed value.

(1) Includes tax-exempt property.

CITY OF KENNER, LOUISIANA
SCHEDULE 7 -- DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)
(Unaudited)

Fiscal Year	City Direct Rates							Overlapping Rate	Total Direct & Overlapping Rates
	Basic Rate	Garbage Collection	Fire Protection	General Obligation Debt Service	Street Maintenance & Improvement	Wastewater Operations	Total Direct	Jefferson Parish Districts (1)	
2011	2.08	1.61	7.40	-	5.90	1.14	18.13	64.46	82.59
2012	2.08	1.61	7.40	-	5.90	1.14	18.13	67.05	85.18
2013	2.01	1.55	7.15	-	5.70	1.10	17.51	66.28	83.79
2014	2.01	1.55	7.15	-	5.70	1.10	17.51	66.28	83.79
2015	2.01	1.55	7.15	-	5.70	1.10	17.51	66.28	83.79
2016	2.01	1.55	7.15	-	5.70	1.10	17.51	66.28	83.79
2017	1.97	1.52	7.01	-	5.59	1.08	17.17	65.61	82.78
2018	1.97	1.52	7.01	-	5.59	1.08	17.17	65.61	82.78
2019	1.97	1.52	7.01	-	5.59	1.08	17.17	65.61	82.78
2020	1.97	1.52	7.01	-	5.59	1.08	17.17	65.61	82.78

(1) Source: Jefferson Parish Assessor.

CITY OF KENNER, LOUISIANA
SCHEDULE 8 -- PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Taxpayer	June 30, 2020			June 30, 2011		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Five Properties	\$ 9,940,560	1	1.13%	\$ 7,568,140	1	4.67%
Southwest Airlines	9,283,200	2	1.06%	7,063,680	3	4.36%
Entergy Louisiana LLC	8,473,774	3	0.97%	4,534,090	9	2.80%
Entergy Services LLC	8,222,410	4	0.94%			
Pellerin Milnor Corp.	6,517,472	5	0.74%	5,088,030	7	3.14%
Hilton New Orleans Airport	5,724,930	6	0.65%			
Wal Mart	4,225,680	7	0.48%	4,178,250	4	2.58%
Atmos Energy Corp.	4,004,316	8	0.46%			
Treasure Chest Casino	3,927,890	9	0.45%	4,770,405	5	2.94%
Carmax	3,653,080	10	0.42%			
Esplanade Mall Realty				7,147,690	2	4.41%
Bellsouth				4,492,312	6	2.77%
Westport Petroleum				4,751,775	8	2.93%
Motiva Enterprises				3,352,630	10	2.07%
Total	\$ 63,973,312		7.30%	\$ 52,947,002		32.67%

Source: City of Kenner Finance Department

CITY OF KENNER, LOUISIANA
SCHEDULE 9 – PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected (or Adjusted) within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	8,314,639	7,974,603	95.91%	179,348	8,153,951	98.07%
2012	8,449,463	8,134,682	96.27%	157,225	8,291,907	98.14%
2013	8,459,927	8,076,814	95.47%	182,771	8,259,585	97.63%
2014	8,458,230	8,150,033	96.36%	107,779	8,257,812	97.63%
2015	8,733,871	8,417,971	96.38%	160,749	8,578,720	98.22%
2016	8,787,704	8,488,335	96.59%	145,312	8,633,647	98.25%
2017	8,737,422	8,456,190	96.78%	163,594	8,619,784	98.65%
2018	8,865,327	8,551,461	96.46%	108,777	8,660,238	97.69%
2019	9,055,354	8,779,021	96.95%	74,412	8,779,021	96.95%
2020	9,310,343	8,862,523	95.19%	N/A	8,862,523	95.19%

Source: City of Kenner Finance Department

CITY OF KENNER, LOUISIANA
SCHEDULE 10 -- RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Sales Tax Revenue Bonds	Certificates of Indebtedness	LCDA Revenue Bonds	LDEQ Taxable Bonds	Notes Payable	Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
						Mortgage Payable	Sewer Revenue Bonds			
2011	23,262,062	200,000	11,858,593	10,609,808	2,399,465	-	-	48,329,928	3.05%	725
2012	20,008,776	-	10,346,622	13,194,761	2,328,787	-	16,185,621	62,064,567	3.73%	930
2013	16,664,003	-	9,205,000	12,848,469	2,253,133	-	18,066,426	59,037,031	3.45%	884
2014	43,498,890	-	7,380,000	14,497,550	2,172,114	-	24,761,160	92,309,714	5.26%	1,378
2015	41,126,054	-	5,570,000	13,760,496	2,085,349	-	28,943,311	91,485,210	5.23%	1,364
2016	38,683,218	-	3,735,000	12,967,497	1,989,179	-	30,992,447	88,367,341	5.10%	1,319
2017	37,020,382	-	1,880,000	17,134,822	1,889,435	-	32,817,905	90,742,544	5.15%	1,353
2018	35,312,546	-	-	16,065,822	1,786,355	-	34,913,002	88,077,725	4.81%	1,306
2019	33,554,710	-	-	14,988,822	1,668,221	-	37,071,497	87,283,250	4.82%	1,309
2020	31,726,874	1,582,000	-	13,902,822	-	-	36,332,537	83,544,233	4.29%	1,224

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

(1) See Schedule 15 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

CITY OF KENNER, LOUISIANA
SCHEDULE 11 -- RATIOS OF NET GENERAL BOND DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	General Bonded Debt Outstanding			Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Debt Service Monies Available	Net General Obligation Bonds Outstanding		
2011	\$ -	\$ -	\$ -	-	-
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-

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

(1) See Schedule 8 for property value data.

(2) Population data can be found in Schedule 15.

CITY OF KENNER, LOUISIANA
SCHEDULE 12 -- DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2020
(Unaudited)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Jefferson Parish	\$ 631,410,000	17.50%	\$ 110,496,750
Jefferson Parish Public School System	\$ 207,825,000	15.00%	<u>31,173,750</u>
Subtotal, overlapping debt			141,670,500
City direct debt			<u>47,211,696</u>
Total direct and overlapping debt			<u><u>\$ 188,882,196</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by Jefferson Parish. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Kenner. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

CITY OF KENNER, LOUISIANA
SCHEDULE 13 -- LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt Limit	\$ 197,441,907	\$ 199,506,364	\$ 205,018,840	\$ 204,648,621	\$ 209,910,005	\$ 213,310,908	\$ 216,023,963	\$ 219,973,239	\$ 225,183,545	\$ 234,755,147
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 197,441,907	\$ 199,506,364	\$ 205,018,840	\$ 204,648,621	\$ 209,910,005	\$ 213,310,908	\$ 216,023,963	\$ 219,973,239	\$ 225,183,545	\$ 234,755,147
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2020	
Assessed value	\$ 670,728,992
Debt limit -- 35% of assessed value	234,755,147
General obligation and excess revenue bonds	\$ -
Less: amount available for repayment of general obligation and excess revenue bonds	-
Total net debt applicable to limit	-
Legal debt margin	\$ 234,755,147

Note: Louisiana R.S. 39:562 allows for a maximum of 10% of the assessed valuation for bonded debt for any one purpose or 35% of the total assessed value for all purposes.

CITY OF KENNER, LOUISIANA
SCHEDULE 14 -- PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Sales Tax Bonds			
	Sales Tax Collections	Debt Service		Coverage
		Principal	Interest	
2011	11,798,565	3,075,000	954,489	2.93
2012	11,023,249	3,165,000	865,021	2.74
2013	12,584,294	3,265,000	772,929	3.12
2014	11,789,242	2,020,000	1,466,161	3.38
2015	12,025,651	2,315,000	1,734,551	2.97
2016	13,352,252	2,385,000	1,644,624	3.31
2017	13,921,420	1,605,000	1,594,369	4.35
2018	12,872,530	1,650,000	1,546,219	4.03
2019	14,913,533	1,700,000	1,496,719	4.67
2020	14,351,703	1,770,000	1,428,719	4.49

NOTES: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Certain information for prior periods is not shown since it was not previously maintained by the City.

CITY OF KENNER, LOUISIANA
SCHEDULE 15 -- DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	(1) Population	Personal Income	(2) (4) Per Capita Personal Income	(3) Unemployment Rate
2011	66,702	1,586,306,964	23,782	8.0%
2012	66,715	1,663,338,380	24,932	8.7%
2013	66,820	1,708,854,680	25,574	7.9%
2014	66,975	1,755,079,875	26,205	6.0%
2015	67,064	1,748,626,736	26,074	6.7%
2016	66,993	1,731,233,106	25,842	6.4%
2017	67,089	1,761,421,695	26,255	5.9%
2018	67,451	1,832,508,768	27,168	5.7%
2019	66,657	1,810,937,376	27,168	5.0%
2020	68,265	1,947,463,920	28,528	12.8%

- (1) Source: American Community Survey Estimate for 2007-2010; July 2017 population estimates for 2011-2017. Except for 2009-2010, the figures represent the City's population for the preceding calendar year.
- (2) Source: Bureau of Economic Analysis, U.S. Department of Commerce. Figures apply to Jefferson Parish, in which the City of Kenner is an incorporated municipality.
- (3) Source: Louisiana Department of Labor, Research and Statistical Division for calendar years. Figures apply to Jefferson Parish, in which the City of Kenner is an incorporated municipality.
- (4) 2009 figure used for 2009, 2010, and 2011; 2012 figure used for 2012 and 2013; annual figures used for each subsequent year.

CITY OF KENNER, LOUISIANA
SCHEDULE 16 – PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Employer	June 30, 2020			June 30, 2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Ochsner Medical Center	850	1	2.60%	700	3	1.90%
Treasure Chest Casino	725	2	2.22%	760	1	2.10%
City of Kenner	626	3	1.91%	702	2	1.90%
Pellerin Milnor Group	450	4	1.37%	515	6	1.40%
Cross Road Centers	280	5	0.85%	600	4	1.60%
Altus Global Trade Solutions	207	6	0.63%			
Revolution Foods, Inc.	85	7	0.25%			
Crowne Plaza Hotel	80	8	0.25%			
Alfred Conhagen Inc. of LA	80	9	0.25%			
Cycle Construction	80	10	0.25%			
Wal-Mart Stores Inc.				570	5	1.60%
Fleming Construction Co.				215	7	0.60%
Macy's Inc.				200	8	0.50%
Chateau Living Center				200	9	0.50%
Delta Airlines				200	10	0.50%
Total	<u>3,463</u>		<u>10.58%</u>	<u>4,662</u>		<u>12.60%</u>

Source: JEDCO, EDS Department

CITY OF KENNER, LOUISIANA
SCHEDULE 17 -- FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

Function/Program	Full-time Equivalent Employees as of June 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government	92	87	86	89	86	85	88	83	91	97
Public safety	332	324	333	328	326	324	318	311	338	326
Public works	72	72	73	73	69	68	69	73	84	113
Health and welfare	53	36	36	36	35	34	38	34	34	34
Culture and recreation	69	78	79	75	68	64	69	54	38	35
Transit and urban development	13	15	14	14	14	14	12	19	21	21
Miscellaneous										
Total	631	612	621	615	598	589	594	574	606	626

Source: City of Kenner payroll department.

CITY OF KENNER, LOUISIANA
SCHEDULE 18 -- OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Function	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
Police										
Physical arrests	9,393	8,990	7,767	7,573	7,625	7,333	6,134	5,692	4,110	3,103
Parking violations	449	496	928	447	470	418	471	384	548	409
Traffic violations	20,242	26,201	19,973	17,397	18,568	17,139	15,292	15,586	18,899	12,880
Fire										
Emergency responses	3,454	2,555	1,662	1,366	1,504	1,728	1,706	2,044	2,124	2,191
Fires extinguished	186	120	190	136	189	146	113	203	151	157
Refuse collection										
Refuse collected (tons per month)	160	3,065	3,314	3,129	3,254	2,908	2,914	3,049	3,089	3,517
Recyclables collected (tons per month)	N/A	N/A	4	11.15	11.00	30.00	80.15	74.85	52.84	25.44
Other public works										
Street resurfacing (sq. ft.)	488,735	117,972	285,813	39,609	124,569	3,705	3,890	3,890	4,680	2,410
Potholes repaired	130	484	527	1,123	1,153	1,154	2,017	855	258	151
Wastewater										
Average daily sewage treatment (mil per day)	10.7	10.7	10.5	9.1	9.5	10.6	11.8	10.6	10.6	11.1

Source: City of Kenner Finance Department.

CITY OF KENNER, LOUISIANA
SCHEDULE 19 -- CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Function	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	201	204	210	201	182	181	180	191	171	184
Fire										
Stations	6	6	6	6	6	6	6	6	5	6
Pieces of equipment	23	21	20	19	19	18	18	20	20	27
Water										
Water mains (miles)	264	264	264	264	264	264	264	264	264	264
Fire hydrants	2,911	2,915	2,919	2,923	2,725	2,726	2,919	2,919	2,927	2,928
Storage capacity (thousands of gallons)	**	**	**	**	**	**	**	**	**	**
Other public works										
Streets (miles)	300	300	300	300	300	300	300	300	300	300
(1) Highways (miles)	10	10	10	10	10	10	10	10	10	10
Bridges	33	33	33	33	33	33	33	33	33	33
Streetlights	6,992	6,992	6,992	6,995	7,000	7,000	7,000	7,060	6,931	7,141
Traffic signals	19	19	19	19	20	20	20	20	20	20
Health and welfare	**	**	**	**	**	**	**	**	**	**
Culture and recreation										
Parks	3	4	4	4	4	4	4	4	4	4
Playgrounds	12	11	11	11	11	11	11	11	9	9
Art Galleries and Museums	6	7	7	7	5	5	5	5	5	5
Gymnasiums	11	10	10	10	10	10	10	10	9	10
Wastewater										
Sanitary and storm sewers (miles)	905	905	905	905	905	905	905	905	905	905
Treatment plants	1	1	1	1	1	1	1	1	1	1
Low-lift stations	79	79	79	79	79	79	79	79	79	79
Treatment capacity	13.5 MGD	11.288 MGD	13.5 MGD	13.5 MGD	13.5 MGD	13.5 MGD	15.2 MGD	15.2 MGD	15.2 MGD	15.2 MGD

Source: City of Kenner finance department

** Certain information for prior periods is not shown since it was not previously maintained by the City.

(1) Highways are maintained by the State

For the items not recorded, information was not accumulated in those years.

SINGLE AUDIT



Duplantier Hrapmann Hogan & Maher, LLP

A.J. Duplantier, Jr., CPA
(1919-1985)

Felix J. Hrapmann, Jr., CPA
(1919-1990)

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

December 21, 2020

Honorable Mayor and Members of the Council
City of Kenner, Louisiana

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 Kenner, Louisiana, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise City of Kenner, Louisiana's basic financial statements, and have issued our report thereon dated December 21, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Kenner, Louisiana'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 of City of Kenner, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Kenner, Louisiana's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Kenner, Louisiana'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 one instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2020-01.

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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

December 21, 2020

Honorable Mayor and Members of the Council
City of Kenner, Louisiana

Report on Compliance for Each Major Federal Program

We have audited City of Kenner, Louisiana's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of City of Kenner, Louisiana's major federal programs for the year ended June 30, 2020. City of Kenner, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Kenner, Louisiana's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

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Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City of Kenner, Louisiana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of City of Kenner, Louisiana's compliance.

Opinion on Each Major Federal Program

In our opinion, City of Kenner, Louisiana, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana

CITY OF KENNER, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

<u>FEDERAL GRANTOR / PASS-THROUGH GRANTOR / PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>GRANT</u>	<u>PASS-THROUGH ENTITY IDENTIFYING NUMBER</u>	<u>2020 FEDERAL EXPENDITURES</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct:				
Community Development Block Grant	14.218	B-14-MC-22-0008		\$ 15,184
Community Development Block Grant	14.218	B-16-MC-22-0008		40,920
Community Development Block Grant	14.218	B-17-MC-22-0008		123,200
Community Development Block Grant	14.218	B-18-MC-22-0008		119,115
Community Development Block Grant	14.218	B-19-MC-22-0008		218,191
				<u>516,610</u>
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				<u>516,610</u>
DEPARTMENT OF JUSTICE				
Direct:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-DJ-BX-0277		7,978
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-0277		7,108
				<u>15,086</u>
Bulletproof Vest Partnership Grant Program	16.607	Unavailable		<u>2,498</u>
Alcohol, Tobacco and Firearms Training Assistance Program	16.012	19-NOR-407-AFF		<u>872</u>
Coronavirus Emergency Supplemental Funding Program	16.034	GJA-2020-18553		<u>43,809</u>
Passed Through Louisiana Commission Law Enforcement:				
Narcotics Criminal Patrols Program	16.738	4884		10,362
Narcotics Criminal Patrols Program	16.738	4597		6,525
				<u>16,887</u>
Victim Assistance Grant	16.575	4314		16,498
Victim Assistance Grant	16.575	4940		12,288
Victim Assistance Grant	16.575	4941		5,120
				<u>33,906</u>
D.A.R.E. Grant	16.580	4887		<u>24,359</u>
TOTAL DEPARTMENT OF JUSTICE				<u>137,417</u>
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION				
Passed through Louisiana Highway Safety Commission:				
Traffic Safety Overtime Enforcement Program	20.601	2019-30-31		12,546
Traffic Safety Overtime Enforcement Program	20.601	2020-30-31		16,740
				<u>29,286</u>
TOTAL NATIONAL HIGHWAY SAFETY ADMINISTRATION				<u>29,286</u>

CITY OF KENNER, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)

DEPARTMENT OF HOMELAND SECURITY

Direct:

Staffing for Adequate Fire & Emergency Response	97.083	EMW-2017-FH-00322	859,718
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TOTAL DEPARTMENT OF HOMELAND SECURITY	859,718
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OFFICE OF NATIONAL DRUG CONTROL POLICY

Passed Through Jefferson Parish Sheriff's Office:

Gulf Coast High Intensity Drug Trafficking Areas	95.001	G19GC0001A	3,758
Gulf Coast High Intensity Drug Trafficking Areas	95.001	G20GC0001A	3,150

TOTAL OFFICE OF NATIONAL DRUG CONTROL POLICY	Total 95.001	6,908
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DEPARTMENT OF TRANSPORTATION

Passed Through Louisiana Department of Transportation and Development:

FAP - Veterans Blvd Lighting Airport	20.205	H010973	422,847
FAP - Fire Station Relocation	20.205	H013104	222,358
FAP - Aberdeen Street Improvements	20.205	H011276	2,888,255
FAP - West Esplanade/Duncan Canal Improvements	20.205	H011731	2,775,037
FAP - Statewide Flood Control Program Phase III	20.205	H010107	105,235
FAP - Williams/US 61 Intersection Improvements	20.205	H011457	18,876
			6,432,608

TOTAL DEPARTMENT OF TRANSPORTATION	6,432,608
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ENVIRONMENTAL PROTECTION AGENCY

Passed Through the Louisiana Department of Environmental Quality:

Loan from Louisiana Municipal Revolving Loan Fund	66.458	Unavailable	114,674
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TOTAL ENVIRONMENTAL PROTECTION AGENCY	114,674
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DEPARTMENT OF THE TREASURY

Passed Through the Louisiana Department of Homeland Security and Emergency Preparedness:

Coronavirus Relief Fund	21.019	20-1892-0-1-806	8,173,040
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TOTAL DEPARTMENT OF THE TREASURY	8,173,040
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TOTAL FEDERAL ASSISTANCE	\$ 16,270,261
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The accompanying Notes to Schedule of Expenditures of Federal Awards are an integral part of this schedule.

CITY OF KENNER, LOUISIANA
NOTES TO SCHEDULE OF FEDERAL AWARD EXPENDITURES
JUNE 30, 2020

1. BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Kenner, Louisiana under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Kenner, Louisiana, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Kenner, Louisiana.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in Office of Management and Budget Circular A-87, Cost Principles for State, Local and Indian Tribal Governments or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. INDIRECT COST RATE:

The City of Kenner, Louisiana has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

4. SUBRECIPIENTS:

There were no awards passed through to sub-recipients.

5. LOAN PROGRAMS:

City of Kenner, Louisiana had outstanding loans with the Louisiana Department of Environmental Quality at June 30, 2020. Loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at June 30, 2020 consists of:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Outstanding Balance</u>
66.458	LDEQ #3	\$13,902,822
66.458	LDEQ #4	16,576,000
66.458	LDEQ #5	6,611,484
66.458	LDEQ #6	166,784

CITY OF KENNER, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2020

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

Type of auditor's report issued: unmodified opinion.

Internal control over financial reporting:

- Material weakness(es) identified? ___yes Xno
- Significant deficiencies identified that are not considered to be material weaknesses? ___yes Xno
- Noncompliance material to financial statements noted? ___yes Xno
- One instance of noncompliance was noted that was not material to the financial statements. See Current Year Audit Finding 2020-01

Federal Awards:

Internal control over major programs:

- Material weakness(es) identified? ___yes Xno
- Significant deficiencies identified that are not considered to be material weaknesses ___yes Xno

Type of auditor's report issued on compliance for the major federal award programs: unmodified

Any audit findings disclosed that are required to be Reported in accordance with Uniform Guidance, Title 2 U.S. Code of Federal Regulations (CFR) section 200.516(a) ___yes Xno

Identification of major programs:

	<u>CFDA Number</u>	<u>Expenditures</u>
Federal Aid Highway Planning and Construction Program	20.205	\$ 6,432,608
CARES Act Coronavirus Relief Fund	21.019	8,173,040

Dollar threshold for distinguishing Types A and B programs: \$ 750,000

Auditee qualified as low-risk auditee? Xyes ___no

**CITY OF KENNER, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2020**

**B. FINDINGS REQUIRED TO BE REPORTED UNDER GENERALLY ACCEPTED
GOVERNMENTAL AUDITING STANDARDS**

2020-01: Amended Budget

Condition

The City did not submit a revised amended budget for the One Percent Sales Tax of 1984 Fund, a special revenue fund, which had actual revenues that fell below budgeted revenues by more than 5%.

Criteria

A revised amended budget is required to reflect a change in operations when actual revenues fall below budgeted revenues by more than 5%.

Effect

A revised amended budget has not been submitted as required.

Cause

The revenue shortfall was due to reduced spending throughout the City during the COVID-19 pandemic in which the airport and many retail locations were closed or operating on a limited basis during the last four months of the fiscal year.

Recommendation

We recommend the City more closely monitor the budget and actual revenues of the One Percent Sales Tax of 1984 Fund so that the budget can be amended in a timely manner when necessary.

Management's Corrective Action Plan

The City will monitor the budget more closely and submit amended budgets in a timely manner.

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

None

**CITY OF KENNER, LOUISIANA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR JUNE 30, 2019**

A. SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

None