

CITY OF KENNER, LOUISIANA

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2019



Submitted by:

Department of Finance

MICHAEL T. WETZEL
Chief Financial Officer

TABLE OF CONTENTS

PAGE

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 84-87

Public Safety Function 88-90

Public Works Function 91-92

Health and Welfare Function 93

TABLE OF CONTENTS (CONTINUED)

PAGE

FINANCIAL SECTION (CONTINUED)

Culture and Recreation Function.....	94-96
Transit Function.....	97
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Community Development Block Grant Fund.....	98-99
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Garbage Collection and Disposal Fund	100
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Streets and Drainage Fund.....	101
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Debt Fund.....	102
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Ad Valorem Tax Bonds Fund	103
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Firemen’s Pension Merger Fund.....	104
Proprietary Funds:	
Enterprise Funds:	
Enterprise Fund Descriptions	105
Schedule of Revenues, Expenses, and Changes in Fund Net Position Budget and Actual - Department of Wastewater Operations Fund.....	106
Schedule of Revenues, Expenses, and Changes in Fund Net Position Budget and Actual - Civic Center Operations Fund.....	107
Internal Service Funds:	
Internal Service Fund Descriptions	108
Combining Statement of Net Position	109
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	110
Combining Statement of Cash Flows	111-112
Fiduciary Fund:	
Fiduciary Fund Description	113
Statement of Changes in Assets and Liabilities.....	114
Schedule of Councilpersons’ Compensation	115
Schedule of Compensation, Benefits, and Other Payments to the Mayor	116

TABLE OF CONTENTS (CONTINUED)

PAGE

STATISTICAL SECTION

Statistical Section Descriptions	117
Financial Trends	118-127
Revenue Capacity	128-132
Debt Capacity	133-137
Demographic and Economic Information	138-139
Operating Information	140-142

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>	143-144
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance	145-147
Schedule of Expenditures of Federal Awards	148-149
Notes to Schedule of Expenditures of Federal Awards	150
Schedule of Findings and Questioned Costs	151-152
Summary Schedule of Prior Year Findings	153

INTRODUCTORY SECTION



CITY OF KENNER

DEPARTMENT OF FINANCE

E. BEN ZAHN
MAYOR

MICHAEL T. WETZEL
CFO

December 27, 2019

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, 2019, 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, 2019 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 and we expect it to improve. As discussed later in Management's Discussion and Analysis, the City's largest revenue source, Sales Taxes, are steadily growing. 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 has been improving and is expected to continue to improve. The City's principal source of revenues are from sales and property taxes, which are growing. Major enterprises, such as the airport and a casino will continue to contribute to the City's economy. Two large automotive retail outlets opened in the City during the year. Other significant retail outlets have recently opened near Laketown and along West Esplanade. Dining establishments continue to develop in Rivertown. During the 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) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year-ended June 30, 2018. This was the twenty-second consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

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



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

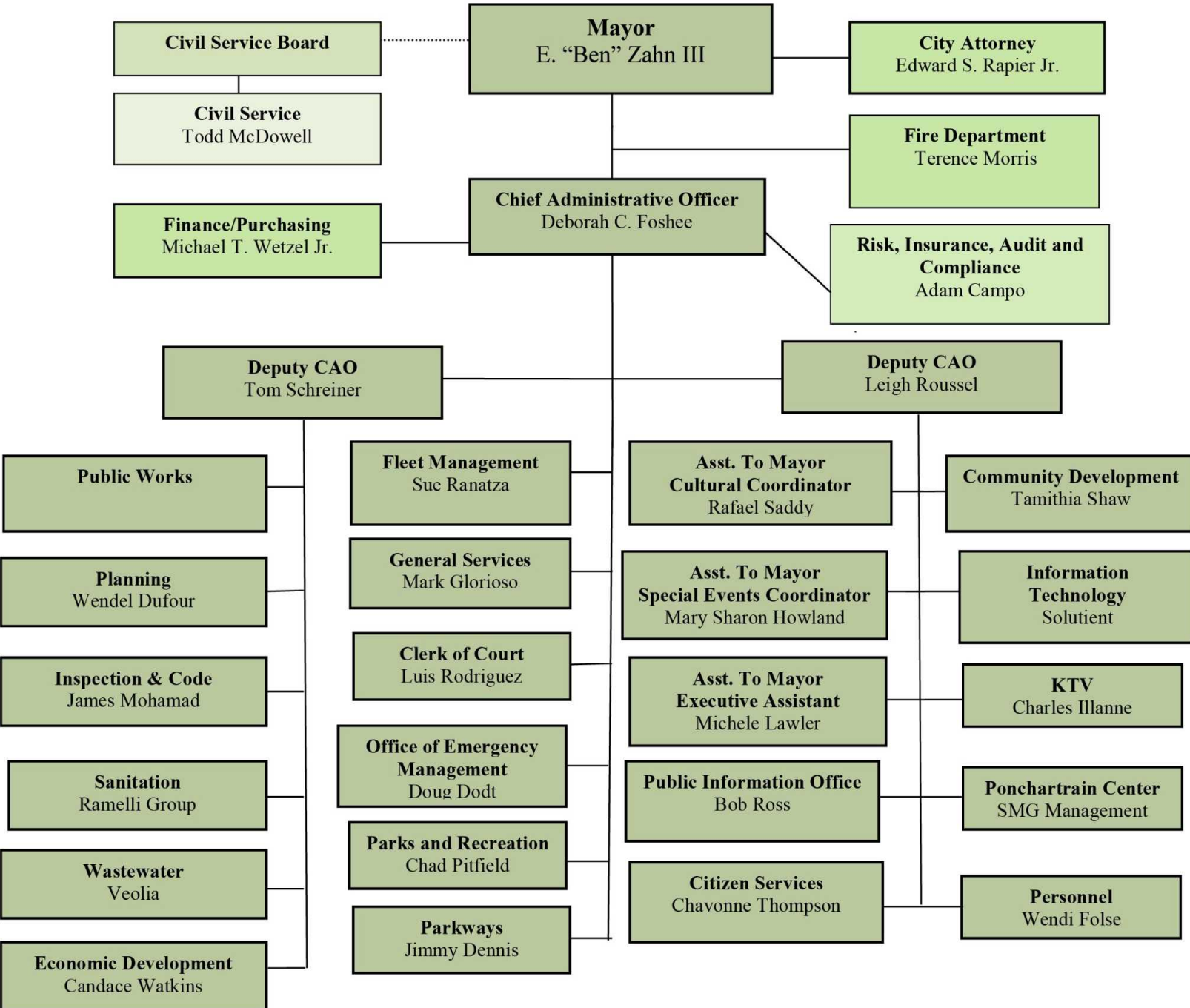
Mayor	Honorable E. "Ben" Zahn, III
Chief Administrative Officer	Deborah Foshee
Chief of Police	Michael Glaser
City Attorney	Edward Rapier, Jr.
Deputy Chief Administrative Officer	Leigh Roussel
Chief Financial Officer	Michael Wetzell
Public Information Officer	Bob Ross

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

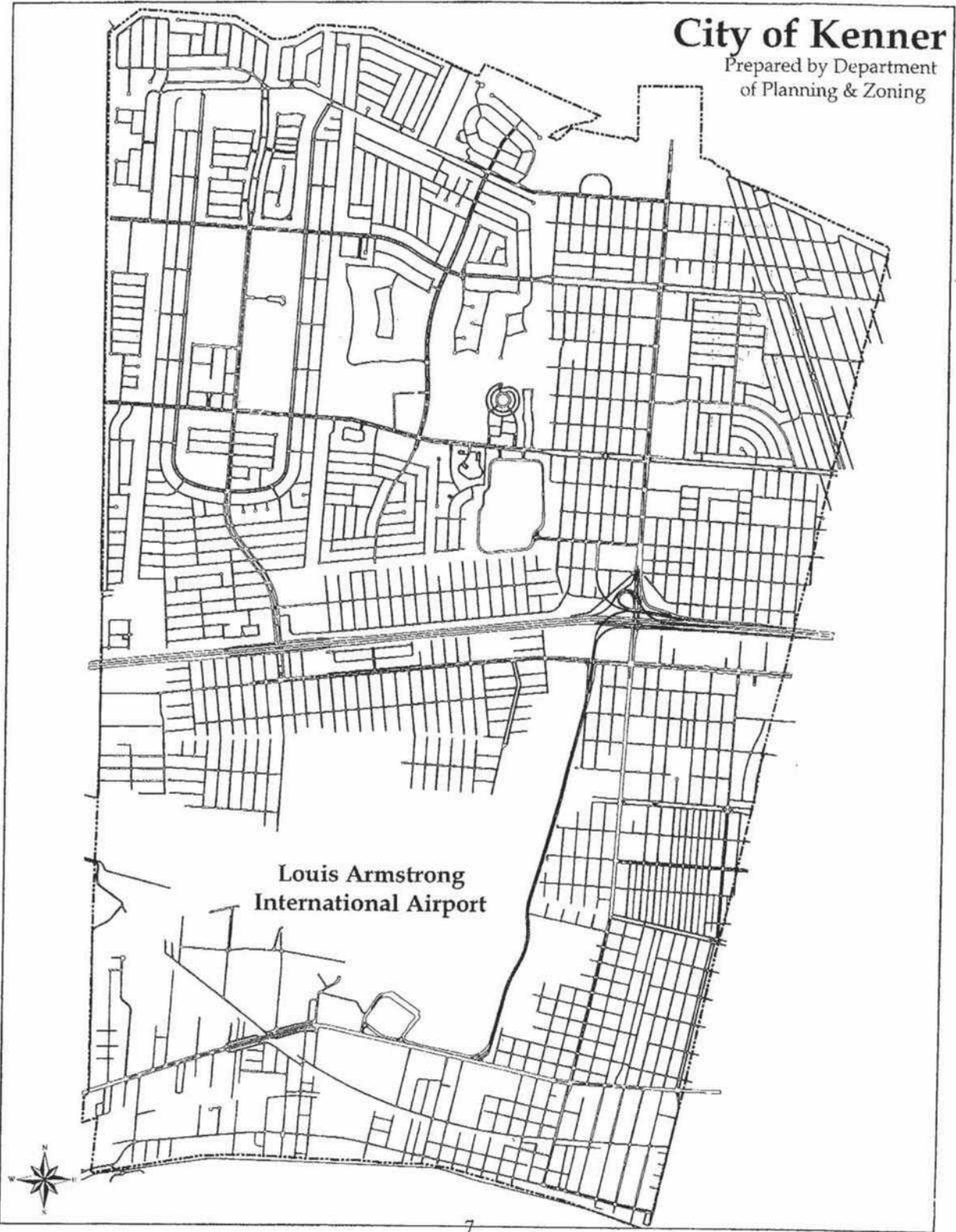


City of Kenner Organization of Government



City of Kenner

Prepared by Department
of Planning & Zoning



FINANCIAL SECTION



Duplantier
Hrapmann
Hogan &
Maher, LLP

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

December 27, 2019

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

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

Report on the Financial Statements

Michael J. O' Rourke, CPA
David A. Burgard, CPA
Clifford J. Giffin, Jr., CPA
William G. Stamm, CPA

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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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)

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.

New Orleans
1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Northshore
1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma
247 Corporate Drive
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Napoleonville
5047 Highway 1
P.O. Box 830
Napoleonville, LA 70390
Phone: (985) 369-6003
Fax: (985) 369-9941

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.

www.dhhmcpa.com

Members
American Institute of
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, 2019, 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 27, 2019, 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, 2019**

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, 2019. 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 \$161.0 million at June 30, 2019.

The City's net investment in capital assets is approximately \$183.6 million. The City's restricted net position is approximately \$26.0 million which is primarily restricted for capital projects and debt service. The City's unrestricted net position is approximately \$(48.6) million.

The City's unrestricted net position in governmental activities is approximately \$(40.1) million, which is an increase of \$13.9 million, primarily due to a decrease in expenses in fiscal year 2019, mostly related to current year benefits for its net pension liability and other postemployment benefits obligation. Business-type activities' unrestricted net position is approximately \$(8.6) million, which is a decrease of \$2.0 million, primarily due to a decrease in sewer service charge revenue.

The City's general fund reported an unassigned fund balance of approximately \$16.5 million, which is an increase of \$6.5 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 an increase in fund balance of \$0.5 million while the Capital Projects funded with Bond Proceeds fund had an increase in fund balance of \$0.9 million due to the progression of the 2030 Plan, the Sewerage Capital Improvement Program, and other various projects.

During the year, the City continued to drawdown funds from one low interest loan 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 \$63.4 million of net pension liability, OPEB liability of \$15.0 million, capital lease liability of \$0.4 million, and Compensated Absences of \$5.1 million.

The City's other debt consists of bonds and notes payable of \$87.3 million. During the year, the City made principal payments of \$4.6 million and received \$3.9 million of drawdowns.

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, 2019**

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 five 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 Capital Projects Fund, and Capital Projects Funded with Bond Proceeds Fund. The six 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, 2019**

Government-wide Financial Analysis

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

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

	Governmental Activities 2019	Business-type Activities 2019	Total 2019	Governmental Activities 2018	Business-type Activities 2018	Total 2018
Assets:						
Current and other assets	\$ 71,411	\$ 9,287	\$ 80,698	\$ 65,123	\$ 9,492	\$ 74,615
Capital assets	<u>159,270</u>	<u>91,102</u>	<u>250,372</u>	<u>161,379</u>	<u>94,333</u>	<u>255,712</u>
Total assets	<u>230,681</u>	<u>100,389</u>	<u>331,070</u>	<u>226,502</u>	<u>103,825</u>	<u>330,327</u>
Deferred Outflows of Resources						
Related to pensions, OPEB, and bond refunding	<u>17,862</u>	<u>-</u>	<u>17,862</u>	<u>18,967</u>	<u>-</u>	<u>18,967</u>
Liabilities:						
Long-term outstanding debt	128,313	34,830	163,143	140,775	32,703	173,478
Other liabilities	<u>14,388</u>	<u>3,906</u>	<u>18,294</u>	<u>14,471</u>	<u>3,570</u>	<u>18,041</u>
Total liabilities	<u>142,701</u>	<u>38,736</u>	<u>181,437</u>	<u>155,246</u>	<u>36,273</u>	<u>191,519</u>
Deferred Inflows of Resources						
Related to pensions, OPEB and deferred revenue	<u>6,513</u>	<u>2</u>	<u>6,515</u>	<u>3,908</u>	<u>-</u>	<u>3,908</u>
Net position:						
Net investment in capital assets	129,549	54,030	183,579	131,061	59,420	190,481
Restricted	9,854	16,177	26,031	9,213	14,777	23,990
Unrestricted	<u>(40,073)</u>	<u>(8,556)</u>	<u>(48,629)</u>	<u>(53,959)</u>	<u>(6,645)</u>	<u>(60,604)</u>
Total net position	<u>\$ 99,330</u>	<u>\$ 61,651</u>	<u>\$ 160,981</u>	<u>\$ 86,315</u>	<u>\$ 67,552</u>	<u>\$ 153,867</u>

**CITY OF KENNER, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019**

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 2019	Business-type Activities 2019	Total 2019	Governmental Activities 2018	Business-type Activities 2018	Total 2018
Revenues:						
Program revenues:						
Charges for services	\$ 19,128	\$ 9,123	\$ 28,251	\$ 19,616	\$ 9,859	\$ 29,475
Operating grants & Contributions	4,808	-	4,808	2,781	-	2,781
Capital grants & Contributions	10,775	139	10,914	5,546	984	6,530
General revenues:						
Property taxes	8,420	564	8,984	8,238	552	8,790
Sales taxes	36,622	-	36,622	33,733	-	33,733
Other taxes	10,681	573	11,254	11,106	735	11,841
Grants & contributions not restricted to specific program	30	-	30	36	-	36
Other	1,275	287	1,562	1,056	223	1,279
Total revenues	<u>91,739</u>	<u>10,686</u>	<u>102,425</u>	<u>82,112</u>	<u>12,353</u>	<u>94,465</u>
Program expenses:						
General government	12,482	-	12,482	15,358	-	15,358
Public safety	32,024	-	32,024	35,326	-	35,326
Public works	25,521	-	25,521	25,194	-	25,194
Health and welfare	465	-	465	1,118	-	1,118
Culture and recreation	5,210	-	5,210	7,139	-	7,139
Transit & urban development	1,367	-	1,367	1,617	-	1,617
Interest on long term debt	1,950	-	1,950	1,902	-	1,902
Sewer operations	-	11,782	11,782	-	12,132	12,132
Civic center operations	-	2,533	2,533	-	2,796	2,796
Total expenses	<u>79,019</u>	<u>14,315</u>	<u>93,334</u>	<u>87,654</u>	<u>14,928</u>	<u>102,582</u>
Change in net position before Transfer and Extraordinary Items	<u>12,720</u>	<u>(3,629)</u>	<u>9,091</u>	<u>(5,542)</u>	<u>(2,573)</u>	<u>(8,115)</u>
Gain/(Loss) on disposal of assets	23	(2,000)	(1,977)	-	-	-
Transfers	272	(272)	-	319	(319)	-
Change in net position	<u>13,015</u>	<u>(5,901)</u>	<u>7,114</u>	<u>(5,223)</u>	<u>(2,892)</u>	<u>(8,115)</u>
Net Position-beginning of year	<u>86,315</u>	<u>67,552</u>	<u>153,867</u>	<u>106,553</u>	<u>70,444</u>	<u>176,997</u>
Cumulative effect of change in accounting principle	-	-	-	(15,015)	-	(15,015)
Net position, beginning restated	<u>86,315</u>	<u>67,552</u>	<u>153,867</u>	<u>91,538</u>	<u>-</u>	<u>-</u>
Net position-end 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>

**CITY OF KENNER, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019**

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets as of June 30, 2019, for its governmental and business-type activities was approximately \$250.4 million, net of depreciation as reflected in the schedule below:

**Capital Assets
June 30, 2019
(Net of depreciation in thousands)**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Land	\$ 11,593	\$ 3,799	\$ 15,392
Works of art	2,160	-	2,160
Construction in progress	13,960	4,876	18,836
Capitalized Interest	-	376	376
Buildings	19,960	68,195	88,155
Improvements other than buildings	8,487	9,935	18,422
Equipment	6,696	3,921	10,617
Infrastructure	<u>96,414</u>	<u>-</u>	<u>96,414</u>
Total	<u>\$ 159,270</u>	<u>\$ 91,102</u>	<u>\$ 250,372</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 \$171 million in long-term debt as shown in the table below.

**Outstanding long-term debt
June 30, 2019
(In thousands)**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Revenue bonds	\$ 48,544	\$ 37,071	\$ 85,615
Note payable	1,668	-	1,668
Capital lease payable	436	-	436
OPEB Liability	14,956	-	14,956
Net Pension Liability	63,422	-	63,422
Compensated Absences	<u>5,100</u>	<u>-</u>	<u>5,100</u>
Total	<u>\$ 134,126</u>	<u>\$ 37,071</u>	<u>\$ 171,197</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.

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 \$220

**CITY OF KENNER, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019**

Capital Assets and Debt Administration (Continued)

million of additional general obligation bonded debt is available for issuance. See note "T" in the Notes to the Financial Statements section of this report for additional information on the City's Long Term Debt.

Revenues increased by 8.4% during the year primarily due to an increase in sales tax revenue and increased capital grants for roadwork associated with the new airport terminal.

Total expenses decreased due to current year benefits associated with the OPEB and net pension liability calculations, as well as close monitoring of department expenses. This was accomplished by extremely aggressive monitoring of the budget.

BUDGETARY HIGHLIGHTS

General Fund revenues came in 6.2% over budget resulting from an increase in tax revenue received.

General Fund expenditures finished the year 7.3% under budget as a result of the diligent monitoring mentioned previously.

ECONOMIC OUTLOOK

Sales tax increased compared to last year. As the City's primary source of revenue, its steady rise 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 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, the increased airport traffic starting in late 2019 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, 2019

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash	\$ 4,151,091	\$ 254,930	\$ 4,406,021
Equity in pooled cash	12,507,573	2,773,274	15,280,847
Receivables (net, where applicable, of allowances for uncollectibles)			
Taxes	1,479,497	-	1,479,497
Accounts	3,715,578	-	3,715,578
Intergovernmental	8,458,673	451,441	8,910,114
Special assessments - delinquent	477	-	477
Interest	1,271,781	-	1,271,781
Service charges	-	2,418,386	2,418,386
Other	460,892	31,089	491,981
Internal balances	12,822,778	(12,822,778)	-
Inventory, at cost	22,412	-	22,412
Prepaid items	493,091	-	493,091
Refundable deposits	-	3,669	3,669
Restricted assets:			
Cash	10,336,403	16,176,932	26,513,335
Investments	15,690,983	-	15,690,983
Capital assets not being depreciated	27,713,027	9,050,571	36,763,598
Capital assets being depreciated, net of accumulated depreciation	131,557,163	82,051,264	213,608,427
Total assets	<u>230,681,419</u>	<u>100,388,778</u>	<u>331,070,197</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	112,389	-	112,389
Related to pensions	17,750,014	-	17,750,014
Total deferred outflows of resources	<u>17,862,403</u>	<u>-</u>	<u>17,862,403</u>
LIABILITIES			
Accounts payable	1,441,086	1,267,656	2,708,742
Estimated claims payable	5,138,535	-	5,138,535
Accrued liabilities	1,000,924	154,627	1,155,551
Deposits on future events	-	242,092	242,092
Due to other governments	967,807	-	967,807
Other liabilities	27,155	-	27,155
Current portion of long-term liabilities			
Due within one year	5,812,357	2,242,000	8,054,357
Non-current liabilities:			
Due in more than one year	128,313,245	34,829,497	163,142,742
Total liabilities	<u>142,701,109</u>	<u>38,735,872</u>	<u>181,436,981</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue	284,457	1,667	286,124
Related to pensions	4,930,943	-	4,930,943
Related to OPEB	1,297,981	-	1,297,981
Total deferred inflows of resources	<u>6,513,381</u>	<u>1,667</u>	<u>6,515,048</u>
NET POSITION			
Net investment in capital assets	129,548,648	54,030,338	183,578,986
Restricted for:			
Capital projects	5,501,686	10,711,822	16,213,508
Debt service	3,881,769	5,465,110	9,346,879
Other	470,422	-	470,422
Unrestricted	(40,073,193)	(8,556,031)	(48,629,224)
Total net position	<u>\$ 99,329,332</u>	<u>\$ 61,651,239</u>	<u>\$ 160,980,571</u>

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

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	\$ 12,481,649	\$ 7,125,479	\$ 153,839	\$ 290,845	\$ (4,911,486)	\$ -	\$ (4,911,486)
Public safety	32,024,036	4,540,654	1,893,624	4,064,099	(21,525,659)	-	(21,525,659)
Public works	25,521,327	5,430,424	169,596	6,080,273	(13,841,034)	-	(13,841,034)
Health and welfare	465,377	53,565	53,950	-	(357,862)	-	(357,862)
Culture and recreation	5,209,904	1,154,756	2,220,425	-	(1,834,723)	-	(1,834,723)
Transit and urban development	1,366,794	823,233	316,554	339,904	112,897	-	112,897
Interest on long-term debt and other charges	1,949,980	-	-	-	(1,949,980)	-	(1,949,980)
Total Governmental Activities	<u>79,019,067</u>	<u>19,128,111</u>	<u>4,807,988</u>	<u>10,775,121</u>	<u>(44,307,847)</u>	<u>-</u>	<u>(44,307,847)</u>
Business-type Activities							
Wastewater Operations	11,781,751	7,770,473	-	116,266	-	(3,895,012)	(3,895,012)
Civic Center Operations	2,533,012	1,352,263	-	22,671	-	(1,158,078)	(1,158,078)
Total Business-type Activities	<u>14,314,763</u>	<u>9,122,736</u>	<u>-</u>	<u>138,937</u>	<u>-</u>	<u>(5,053,090)</u>	<u>(5,053,090)</u>
Total	<u>\$ 93,333,830</u>	<u>\$ 28,250,847</u>	<u>\$ 4,807,988</u>	<u>\$ 10,914,058</u>	<u>(44,307,847)</u>	<u>(5,053,090)</u>	<u>(49,360,937)</u>
General Revenues:							
Taxes:							
Ad valorem					8,419,900	564,211	8,984,111
Hotel/motel					202,958	196,869	399,827
Sales and use					36,622,373	-	36,622,373
Beer tax					60,711	-	60,711
Parking					3,236,930	-	3,236,930
Franchise					7,180,721	375,944	7,556,665
Grants and contributions not restricted to specific programs					29,933	-	29,933
Interest					944,943	287,953	1,232,896
Miscellaneous					328,814	-	328,814
Gain/(Loss) on disposal of capital assets					22,500	(1,999,959)	(1,977,459)
Transfers					271,986	(271,986)	-
Total general revenues, transfers, and other					<u>57,321,769</u>	<u>(846,968)</u>	<u>56,474,801</u>
Change in Net Position					<u>13,013,922</u>	<u>(5,900,058)</u>	<u>7,113,864</u>
Net position - beginning of year					86,315,410	67,551,297	153,866,707
Net position - end of year					<u>\$ 99,329,332</u>	<u>\$ 61,651,239</u>	<u>\$ 160,980,571</u>

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

	<u>GENERAL</u>	<u>ONE PERCENT SALES TAX OF 1984</u>	<u>FIRE PROTECTION</u>
ASSETS			
Cash	\$ 3,293,504	\$ -	\$ -
Equity in pooled cash	816,030	-	17,853
Investments	-	-	-
Receivables (net, where applicable, of allowances for uncollectibles)			
Taxes	1,479,497	-	-
Accounts	2,647,775	-	197,931
Intergovernmental	4,219,286	2,247,639	254,831
Special assessments - delinquent	477	-	-
Interest	1,270,426	-	-
Other	137,319	-	201
Due from other funds	25,040,335	310,733	687,787
Inventory, at cost	22,412	-	-
Prepaid items	493,091	-	-
Total assets	<u>\$ 39,420,152</u>	<u>\$ 2,558,372</u>	<u>\$ 1,158,603</u>
LIABILITIES:			
Accounts payable	\$ 874,595	\$ -	\$ 30,717
Accrued liabilities	615,106	-	181,552
Due to other funds	13,625,210	2,558,372	319,166
Due to other governments	967,807	-	-
Other liabilities	27,155	-	-
Total liabilities	<u>16,109,873</u>	<u>2,558,372</u>	<u>531,435</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues	1,561,760	-	627,168
FUND BALANCES:			
Nonspendable			
Prepaid items	493,091	-	-
Inventory	22,412	-	-
Restricted			
Federal grants	-	-	-
Debt service	-	-	-
Capital projects	339,272	-	-
Law Enforcement	2,442,361	-	-
Committed			
Other commitments/encumbrances	367,188	-	-
Assigned			
Subsequent year's expenditures	1,573,848	-	-
Unassigned	16,510,347	-	-
Total fund balances	<u>21,748,519</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 39,420,152</u>	<u>\$ 2,558,372</u>	<u>\$ 1,158,603</u>

The accompanying notes are an integral part of this statement.

<u>GENERAL CAPITAL PROJECTS</u>	<u>CAPITAL PROJECTS FUNDED WITH BOND PROCEEDS</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ -	\$ 3,567,163	\$ 6,817,766	\$ 13,678,433
9,669,538	1,218,085	786,067	12,507,573
-	15,690,983	-	15,690,983
-	-	-	1,479,497
-	-	869,872	3,715,578
1,067,772	-	669,145	8,458,673
-	-	-	477
1,355	-	-	1,271,781
322,280	-	1,092	460,892
11,904,786	2,590,739	566,683	41,101,063
-	-	-	22,412
-	-	-	493,091
<u>\$ 22,965,731</u>	<u>\$ 23,066,970</u>	<u>\$ 9,710,625</u>	<u>\$ 98,880,453</u>
\$ 357,499	\$ 52,487	\$ 125,785	\$ 1,441,083
-	-	56,425	853,083
3,637,195	2,824,547	4,696,855	27,661,345
-	-	-	967,807
-	-	-	27,155
<u>3,994,694</u>	<u>2,877,034</u>	<u>4,879,065</u>	<u>30,950,473</u>
-	412,841	438,144	3,039,913
-	-	-	493,091
-	-	-	22,412
-	-	470,422	470,422
-	-	3,881,769	3,881,769
93,340	18,680,680	-	19,113,292
-	-	-	2,442,361
18,877,697	1,096,415	-	20,341,300
-	-	-	1,573,848
-	-	41,225	16,551,572
<u>18,971,037</u>	<u>19,777,095</u>	<u>4,393,416</u>	<u>64,890,067</u>
<u>\$ 22,965,731</u>	<u>\$ 23,066,970</u>	<u>\$ 9,710,625</u>	<u>\$ 98,880,453</u>

CITY OF KENNER, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2019

Fund balances - total governmental funds	\$ 64,890,067
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.	159,270,190
Deferred outflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the governmental funds	17,750,014
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.	(4,946,417)
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.	2,755,456
Deferred inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the governmental funds.	(4,930,943)
Deferred inflows of resources related to OPEB are applicable to future reporting periods and, therefore, are not reported in the governmental funds.	(1,297,981)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Accrued interest payable	(147,841)
OPEB payable	(14,956,393)
Compensated absences	(5,099,690)
Bonds, notes, and loans payable (net of premiums, discounts, and deferred charges)	(50,099,364)
Capital lease liability	(436,157)
Net pension liability	(63,421,609)
	(128,375,054)
Net position of governmental activities	\$ 99,329,332

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, 2019

	<u>GENERAL</u>	<u>ONE PERCENT SALES TAX OF 1984</u>	<u>FIRE PROTECTION</u>
REVENUES			
Taxes	\$ 29,033,718	\$ 12,836,164	\$ 5,859,017
Licenses and permits	5,018,406	-	-
Intergovernmental	1,876,469	-	374,918
Charges for services	1,398,437	-	448
Fines and forfeitures	2,211,169	-	-
Interest	153,359	-	5,349
Miscellaneous	607,948	-	375
	<u>40,299,506</u>	<u>12,836,164</u>	<u>6,240,107</u>
EXPENDITURES			
Current:			
General government	10,183,042	-	-
Public safety	20,553,365	-	9,626,176
Public works	4,987,607	-	-
Health and welfare	133,264	-	-
Culture and recreation	3,629,605	-	-
Transit and urban development	483,106	-	-
Debt service			-
Principal	-	-	-
Interest and fiscal charges	-	-	-
Agent fees	-	-	-
Miscellaneous	-	-	-
	<u>39,969,989</u>	<u>-</u>	<u>9,626,176</u>
Excess (deficiency) of revenues over (under) expenditures	<u>329,517</u>	<u>12,836,164</u>	<u>(3,386,069)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of property	-	-	-
Transfers in	11,927,347	-	3,386,069
Transfers out	<u>(7,567,271)</u>	<u>(12,836,164)</u>	<u>-</u>
	<u>4,360,076</u>	<u>(12,836,164)</u>	<u>3,386,069</u>
Net change in fund balances	4,689,593	-	-
Fund balances - beginning of year	<u>17,058,926</u>	<u>-</u>	<u>-</u>
Fund balances - end of year	<u>\$ 21,748,519</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

GENERAL CAPITAL PROJECTS	CAPITAL PROJECTS FUNDED WITH BOND PROCEEDS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ -	\$ -	\$ 7,390,991	\$ 55,119,890
-	-	-	5,018,406
7,463,523	2,115,978	283,232	12,114,120
-	-	3,121,560	4,520,445
-	-	-	2,211,169
115,040	490,229	106,672	870,649
994,737	599,616	-	2,202,676
<u>8,573,300</u>	<u>3,205,823</u>	<u>10,902,455</u>	<u>82,057,355</u>
1,093,186	-	-	11,276,228
427,136	-	-	30,606,677
8,307,686	2,818,993	6,272,909	22,387,195
23,916	-	383,548	540,728
599,910	-	-	4,229,515
310,222	-	565,068	1,358,396
129,626	-	2,895,134	3,024,760
14,694	-	1,804,483	1,819,177
-	152,690	-	152,690
-	-	36,000	36,000
<u>10,906,376</u>	<u>2,971,683</u>	<u>11,957,142</u>	<u>75,431,366</u>
<u>(2,333,076)</u>	<u>234,140</u>	<u>(1,054,687)</u>	<u>6,625,989</u>
22,500	-	-	22,500
3,577,020	683,028	2,532,366	22,105,830
<u>(740,140)</u>	<u>-</u>	<u>(879,028)</u>	<u>(22,022,603)</u>
<u>2,859,380</u>	<u>683,028</u>	<u>1,653,338</u>	<u>105,727</u>
526,304	917,168	598,651	6,731,716
<u>18,444,733</u>	<u>18,859,927</u>	<u>3,794,765</u>	<u>58,158,351</u>
<u>\$ 18,971,037</u>	<u>\$ 19,777,095</u>	<u>\$ 4,393,416</u>	<u>\$ 64,890,067</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, 2019

Net change in fund balances, total governmental funds	\$ 6,731,716
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	10,790,959
Depreciation expense	(15,059,987)
Certain governmental revenues will not be collected for several months after year-end and are deferred in the governmental funds.	109,228
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.	2,944,942
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.	8,078
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.	(1,790,665)
The City's proportionate share of non-employer contributions to the pension plans are reported in the statement of activities.	1,499,185
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.	34,180
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.	5,347,181
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.	129,626
Donations of works of art are not reported in the governmental funds. However, the value of the works of art is reported in the statement of activities.	2,160,128
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.	109,351
Change in net position of governmental activities	<u>\$ 13,013,922</u>

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019

BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS

	<u>DEPARTMENT OF WASTEWATER OPERATIONS</u>	<u>CIVIC CENTER OPERATIONS</u>	<u>TOTAL</u>	<u>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS</u>
ASSETS				
Current assets:				
Cash	\$ -	\$ 254,930	\$ 254,930	\$ 809,061
Equity in pooled cash	2,740,458	32,816	2,773,274	-
Receivables (net, where applicable, of allowances for uncollectibles)				
Intergovernmental	152,218	299,223	451,441	-
Service charges	2,325,036	93,350	2,418,386	-
Other	-	31,089	31,089	-
Due from other funds	100,765	-	100,765	-
Restricted cash	16,176,932	-	16,176,932	-
Refundable deposits	3,669	-	3,669	-
	<u>21,499,078</u>	<u>711,408</u>	<u>22,210,486</u>	<u>809,061</u>
Total current assets				
Noncurrent assets:				
Capital assets:				
Land	-	3,798,726	3,798,726	-
Buildings and improvements	132,040,679	20,209,078	152,249,757	-
Improvements other than buildings	-	2,490,052	2,490,052	-
Furniture and fixtures	13,319,446	4,988,350	18,307,796	-
Vehicles and field equipment	1,745,088	-	1,745,088	-
Capitalized interest	375,919	-	375,919	-
Construction in progress	4,875,926	-	4,875,926	-
	<u>(74,546,545)</u>	<u>(18,194,884)</u>	<u>(92,741,429)</u>	<u>-</u>
Less: accumulated depreciation				
Total capital assets, net	<u>77,810,513</u>	<u>13,291,322</u>	<u>91,101,835</u>	<u>-</u>
Total noncurrent assets	<u>77,810,513</u>	<u>13,291,322</u>	<u>91,101,835</u>	<u>-</u>
Total assets	\$ 99,309,591	\$ 14,002,730	\$ 113,312,321	\$ 809,061

(Continued)

CITY OF KENNER, LOUISIANA
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
JUNE 30, 2019

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>			<u>GOVERNMENTAL</u>
	<u>DEPARTMENT OF</u>	<u>CIVIC</u>		<u>ACTIVITIES</u>
	<u>WASTEWATER</u>	<u>CENTER</u>		<u>INTERNAL</u>
	<u>OPERATIONS</u>	<u>OPERATIONS</u>	<u>TOTAL</u>	<u>SERVICE FUNDS</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 1,115,826	\$ 151,830	\$ 1,267,656	\$ -
Estimated claims payable	-	-	-	5,138,535
Accrued liabilities	-	45,294	45,294	-
Accrued bond interest	109,333	-	109,333	-
Deposits on future events	-	242,092	242,092	-
Due to other funds	12,788,399	135,144	12,923,543	616,943
Bonds payable	2,242,000	-	2,242,000	-
	<u>16,255,558</u>	<u>574,360</u>	<u>16,829,918</u>	<u>5,755,478</u>
NONCURRENT LIABILITIES				
Bonds payable	34,829,497	-	34,829,497	-
	<u>34,829,497</u>	<u>-</u>	<u>34,829,497</u>	<u>-</u>
Total noncurrent liabilities	34,829,497	-	34,829,497	-
Total liabilities	51,085,055	574,360	51,659,415	5,755,478
DEFERRED INFLOWS OF RESOURCES				
	-	1,667	1,667	-
NET POSITION				
Net investment in capital assets	40,739,016	13,291,322	54,030,338	-
Restricted for capital projects	10,711,822	-	10,711,822	-
Restricted for debt service	5,465,110	-	5,465,110	-
Unrestricted	(8,691,412)	135,381	(8,556,031)	(4,946,417)
Total net position	<u>\$ 48,224,536</u>	<u>\$ 13,426,703</u>	<u>\$ 61,651,239</u>	<u>\$ (4,946,417)</u>

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, 2019

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>			<u>GOVERNMENTAL</u>
	<u>DEPARTMENT OF</u>	<u>CIVIC</u>		<u>ACTIVITIES</u>
	<u>WASTEWATER</u>	<u>CENTER</u>		<u>INTERNAL</u>
	<u>OPERATIONS</u>	<u>OPERATIONS</u>	<u>TOTAL</u>	<u>SERVICE FUNDS</u>
OPERATING REVENUES				
Charges for services	\$ 7,770,473	\$ 1,352,263	\$ 9,122,736	\$ 5,905,805
Total operating revenues	<u>7,770,473</u>	<u>1,352,263</u>	<u>9,122,736</u>	<u>5,905,805</u>
OPERATING EXPENSES				
Supplies and other expenses	20,781	3,631	24,412	-
Building and maintenance expenses	70,090	513,317	583,407	-
Outside services	6,773,489	1,322,413	8,095,902	129,655
Public works	113,675	-	113,675	-
Insurance claims	-	-	-	613,793
Insurance premiums	-	58,735	58,735	5,248,567
Depreciation	4,046,288	617,004	4,663,292	-
Other	22,535	17,912	40,447	-
Total operating expenses	<u>11,046,858</u>	<u>2,533,012</u>	<u>13,579,870</u>	<u>5,992,015</u>
Operating loss	<u>(3,276,385)</u>	<u>(1,180,749)</u>	<u>(4,457,134)</u>	<u>(86,210)</u>
NON-OPERATING REVENUES				
(EXPENSES)				
Ad valorem taxes	564,211	-	564,211	-
Hotel/motel taxes	-	196,869	196,869	-
Cable television franchise fees	-	375,944	375,944	-
Loss on disposal of assets	(1,999,959)	-	(1,999,959)	-
Interest income	287,129	824	287,953	6,802
Interest expense	(734,893)	-	(734,893)	-
Total non-operating revenues (expense)	<u>(1,883,512)</u>	<u>573,637</u>	<u>(1,309,875)</u>	<u>6,802</u>
Loss before contributions and transfers	<u>(5,159,897)</u>	<u>(607,112)</u>	<u>(5,767,009)</u>	<u>(79,408)</u>
Capital contributions	116,266	22,671	138,937	-
Transfers out	(467,986)	-	(467,986)	-
Transfers in	196,000	-	196,000	188,759
Change in net position	<u>(5,315,617)</u>	<u>(584,441)</u>	<u>(5,900,058)</u>	<u>109,351</u>
Net position - beginning of year	<u>53,540,153</u>	<u>14,011,144</u>	<u>67,551,297</u>	<u>(5,055,768)</u>
Net position - end of year	<u>\$ 48,224,536</u>	<u>\$ 13,426,703</u>	<u>\$ 61,651,239</u>	<u>\$ (4,946,417)</u>

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, 2019**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>			<u>GOVERNMENTAL</u>
	<u>DEPARTMENT OF</u>	<u>CIVIC</u>		<u>ACTIVITIES</u>
	<u>WASTEWATER</u>	<u>CENTER</u>		<u>INTERNAL</u>
	<u>OPERATIONS</u>	<u>OPERATIONS</u>	<u>TOTAL</u>	<u>SERVICE FUNDS</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 8,119,697	\$ 1,385,945	\$ 9,505,642	\$ 5,905,805
Payments to suppliers	(6,595,659)	(2,057,178)	(8,652,837)	(6,089,627)
Internal activity - payments (to)/from other funds	1,193,471	-	1,193,471	-
Net cash provided (used) by operating activities	<u>2,717,509</u>	<u>(671,233)</u>	<u>2,046,276</u>	<u>(183,822)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Ad valorem taxes	564,211	-	564,211	-
Hotel/motel taxes	-	260,134	260,134	-
Cable television franchise fees	-	376,573	376,573	-
Internal activity - payments to other funds	-	-	-	330,001
Net cash provided by noncapital financing activities	<u>564,211</u>	<u>636,707</u>	<u>1,200,918</u>	<u>330,001</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Intergovernmental	-	45,559	45,559	-
Capitalized interest	(18,213)	-	(18,213)	-
Payments on long-term debt	(1,715,000)	-	(1,715,000)	-
Proceeds from long-term debt	3,873,496	-	3,873,496	-
Interest paid on long-term debt	(738,176)	-	(738,176)	-
Purchases of capital assets	<u>(3,184,963)</u>	<u>(90,467)</u>	<u>(3,275,430)</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>(1,782,856)</u>	<u>(44,908)</u>	<u>(1,827,764)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and dividends received	287,129	824	287,953	6,802
Net cash provided (used) by investing activities	<u>287,129</u>	<u>824</u>	<u>287,953</u>	<u>6,802</u>
Net increase (decrease) in cash and cash equivalents	1,785,993	(78,610)	1,707,383	152,981
Cash and cash equivalents, beginning of year	17,131,397	366,356	17,497,753	656,080
Cash and cash equivalents, end of year	<u>\$ 18,917,390</u>	<u>\$ 287,746</u>	<u>\$ 19,205,136</u>	<u>\$ 809,061</u>

(Continued)

CITY OF KENNER, LOUISIANA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>			<u>GOVERNMENTAL</u>
	<u>DEPARTMENT OF</u>	<u>CIVIC</u>		<u>ACTIVITIES</u>
	<u>WASTEWATER</u>	<u>CENTER</u>		<u>INTERNAL</u>
	<u>OPERATIONS</u>	<u>OPERATIONS</u>	<u>TOTAL</u>	<u>SERVICE FUNDS</u>
Reconciliation to Statement of Net Position:				
Cash	\$ -	\$ 254,930	\$ 254,930	\$ 809,061
Restricted cash	16,176,932	-	16,176,932	-
Equity in pooled cash	2,740,458	32,816	2,773,274	-
Cash and cash equivalents, end of year	<u>\$ 18,917,390</u>	<u>\$ 287,746</u>	<u>\$ 19,205,136</u>	<u>\$ 809,061</u>
Reconciliation of operating income to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (3,276,385)	\$ (1,180,749)	\$ (4,457,134)	\$ (86,210)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	4,046,288	617,004	4,663,292	-
Change in current assets and current liabilities:				
Decrease (increase) in receivables	349,224	(11,433)	337,791	-
Decrease (increase) in due from other funds	(22,129)	-	(22,129)	-
Decrease (increase) in prepaid expenses	-	-	-	-
Increase (decrease) in accounts payable	404,911	(144,880)	260,031	-
Increase (decrease) in accrued liabilities	-	3,710	3,710	-
Increase (decrease) in estimated claims payable	-	-	-	(97,612)
Increase (decrease) in due to other funds	1,215,600	-	1,215,600	-
Increase (decrease) in deferred revenue	-	1,667	1,667	-
Increase (decrease) in deposits on future events	-	43,448	43,448	-
Total adjustments	<u>5,993,894</u>	<u>509,516</u>	<u>6,503,410</u>	<u>(97,612)</u>
Net cash provided by (used for) operating activities	<u>\$ 2,717,509</u>	<u>\$ (671,233)</u>	<u>\$ 2,046,276</u>	<u>\$ (183,822)</u>
Noncash investing, capital, and financing activities:				
Contributions of capital	\$ 116,266	\$ 22,671	\$ 138,937	\$ -
Acquisitions of property, plant and equipment through capital contributions	(116,266)	(22,671)	(138,937)	-
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, 2019

	<u>AIRPORT SALES TAX FUND</u>
ASSETS	
Equity in pooled cash	\$ 3
Receivables (net, where applicable, of allowance for uncollectibles)	
Intergovernmental	<u>423,087</u>
Total assets	<u><u>\$ 423,090</u></u>
LIABILITIES	
Due to other governments	<u>\$ 423,090</u>
Total liabilities	<u><u>\$ 423,090</u></u>

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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, 2019

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 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, 2019

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, 2019

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, 2019

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, 2019

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, 2019

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, 2019, the following statement was implemented: GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. This statement improved the information that is disclosed in notes to governmental financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The following GASB statement was also effective but did not impact the financial statements of the City of Kenner, Louisiana: GASB Statement No. 83, *Certain Asset Retirement Obligations*.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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 reappropriate 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, 2019, is presented as a note in required supplementary information.

NOTE C - DEPOSITS AND INVESTMENTS

Deposits

At June 30, 2019, the City of Kenner has cash (book balances) totaling \$46,200,203 as follows:

Governmental Funds:	
Money market funds	\$ 2,652,145
Demand deposits	23,529,621
Petty cash	4,240
Proprietary Funds:	
Enterprise Funds:	
Petty cash	500
Demand deposits	19,204,636
Internal Service Funds:	
Demand deposits	809,061
	\$ 46,200,203

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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, 2019, the City's demand deposits and money market funds bank balances of \$46,232,442 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, 2019, 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, 2019, 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, 2019, 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>\$ 15,690,983</u>	<u>\$ 14,688,672</u>	<u>\$ 1,002,311</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 \$15,690,983, 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, 2019

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	\$ 14,990,086	\$ 284,888	\$ 5,876	\$ 15,280,850
Total Equity in Pooled Cash	<u>\$ 14,990,086</u>	<u>\$ 284,888</u>	<u>\$ 5,876</u>	<u>\$ 15,280,850</u>
<u>Equity in Pool</u>				
General Fund	\$ 542,683	\$ 267,471	\$ 5,876	\$ 816,030
Sales Tax Fund	-	-	-	-
Fire Protection Fund	17,853	-	-	17,853
Enterprise Funds	2,773,274	-	-	2,773,274
Agency Fund	3	-	-	3
Internal Service Funds	-	-	-	-
Consolidated General Capital Projects	9,669,538	-	-	9,669,538
Consolidated Capital Projects w/Bond Proceeds	1,218,085	-	-	1,218,085
Nonmajor Governmental Funds	768,650	17,417	-	786,067
Total Equity in Pool	<u>\$ 14,990,086</u>	<u>\$ 284,888</u>	<u>\$ 5,876</u>	<u>\$ 15,280,850</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, 2019, consists of the following amounts:

General Fund	<u>\$ 992,031</u>
Proprietary Funds:	
Department of Wastewater Operations	<u>\$ 56,755</u>

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE F - SALES TAX

A sales tax of 9.7% for the period of July 1, 2018 through June 30, 2019, 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 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%	1/2%	1/2%
1966	1%	1/2%	1/2%
1980	1/2%	1/2%	-
1981	1/2%	-	1/3%
1984	1%	-	1
1993	1/2%	1/2%	-
1994	1/4%	-	1/4%
TOTAL	<u>4 3/4%</u>	<u>2%</u>	<u>2 7/12%</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 2018, which are collected and reported as revenue for the fiscal year ended June 30, 2019, is as follows:

Fund	2018 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>\$ 17.17</u>

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE H - CAPITAL ASSETS

1. Capital asset activity for the fiscal year ended June 30, 2019, was as follows:

	June 30, 2018	Additions	Reductions	Completed Construction	June 30, 2019
Governmental Activities					
Capital assets not being depreciated:					
Land	\$ 10,092,578	\$ 1,500,320	\$ -	\$ -	\$ 11,592,898
Works of art	-	2,160,128	-	-	2,160,128
Construction-in-progress	8,602,737	8,517,081	-	(3,159,817)	13,960,001
Total capital assets not being depreciated	18,695,315	12,177,529	-	(3,159,817)	27,713,027
Capital assets being depreciated:					
Buildings and building improvements	58,815,574	-	-	148,115	58,963,689
Improvements other than buildings	13,563,099	107,793	-	180,081	13,850,973
Street system	283,709,516	-	-	1,745,026	285,454,542
Drainage system	376,595,686	-	-	67,808	376,663,494
Furniture, fixtures, and equipment	20,991,732	237,882	-	-	21,229,614
Vehicles	15,785,779	427,883	-	1,018,787	17,232,449
Bridges	4,283,102	-	-	-	4,283,102
Total capital assets being depreciated	773,744,488	773,558	-	3,159,817	777,677,863
Less accumulated depreciation for:					
Buildings and building improvements	37,894,572	1,108,895	-	-	39,003,467
Improvements other than buildings	4,605,820	758,373	-	-	5,364,193
Street system	216,578,347	4,839,133	-	-	221,417,480
Drainage system	340,086,580	6,883,087	-	-	346,969,667
Furniture, fixtures, and equipment	17,284,621	463,734	-	-	17,748,355
Vehicles	13,129,218	888,354	-	-	14,017,572
Bridges	1,481,555	118,411	-	-	1,599,966
Total accumulated depreciation	631,060,713	15,059,987	-	-	646,120,700
Total capital assets being depreciated, net	142,683,775	(14,286,429)	-	3,159,817	131,557,163
Governmental activities capital assets, net	\$ 161,379,090	\$ (2,108,900)	\$ -	\$ -	\$ 159,270,190

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE H - CAPITAL ASSETS (CONTINUED)

	June 30, 2018	Additions	Reductions	Completed Construction	June 30, 2019
Business-Type Activities					
Capital assets not being depreciated:					
Land	\$ 3,798,726	\$ -	\$ -	\$ -	\$ 3,798,726
Capitalized interest	357,706	18,213	-	-	375,919
Construction-in-progress	2,504,510	3,323,899	-	(952,483)	4,875,926
Total capital assets not being depreciated	6,660,942	3,342,112	-	(952,483)	9,050,571
Capital assets being depreciated:					
Buildings and building improvements	138,039,023	-	(8,183,888)	952,483	130,807,618
Improvements other than buildings	23,894,989	37,200	-	-	23,932,189
Furniture, fixtures, and equipment	18,254,528	53,268	-	-	18,307,796
Vehicles	1,745,088	-	-	-	1,745,088
Total capital assets being depreciated	181,933,628	90,468	(8,183,888)	952,483	174,792,691
Less accumulated depreciation for:					
Buildings and building improvements	67,147,974	1,648,398	(6,183,929)	-	62,612,443
Improvements other than buildings	11,309,302	2,687,953	-	-	13,997,255
Furniture, fixtures, and equipment	14,393,817	277,144	-	-	14,670,961
Vehicles	1,410,971	49,797	-	-	1,460,768
Total accumulated depreciation	94,262,064	4,663,292	(6,183,929)	-	92,741,427
Total capital assets being depreciated, net	87,671,564	(4,572,824)	(1,999,959)	952,483	82,051,264
Business-type activities capital assets, net	\$ 94,332,506	\$ (1,230,712)	\$ (1,999,959)	\$ -	\$ 91,101,835

During the year ended June 30, 2019, the City incurred a loss on disposal of capital assets totaling \$1,999,959 in business-type activities due to the demolition of Wastewater Treatment Plant No. 2. The City completed construction of a new Wastewater Treatment Plant during the year ended June 30, 2018.

During the year ended June 30, 2019, the City received a donation of various works of art which was recorded at an appraised value of \$2,160,128. The works of art are not being depreciated because they do not have a determinable useful life. These works of art are held for public exhibition.

**CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE H - CAPITAL ASSETS (CONTINUED)

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

Governmental activities:	
General government	\$ 318,721
Public safety	1,153,274
Public works	12,370,609
Culture and recreation	1,181,076
Health and welfare	<u>36,307</u>
Total depreciation expense - governmental activities	<u>\$ 15,059,987</u>
Business-type activities:	
Wastewater Operations	\$ 4,046,288
Civic Center Operations	<u>617,004</u>
Total depreciation expense - business-type activities	<u>\$ 4,663,292</u>

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

	Authorization June 30, 2019	Expended to June 30, 2019	Committed	Future Financing
General government	\$ -	\$ -	\$ -	\$ -
Public safety	733,658	50,779	682,879	682,879
Public works	15,716,977	13,528,456	2,188,521	2,188,521
Health and welfare	-	-	-	-
Culture and recreation	711,453	380,766	330,687	330,687
Total	<u>\$ 17,162,088</u>	<u>\$ 13,960,001</u>	<u>\$ 3,202,087</u>	<u>\$ 3,202,087</u>

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE I - LONG-TERM DEBT

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

Long-term debt at June 30, 2019, 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	\$ 32,745,000
LDEQ loan, Sewer Revenue Bonds, Series 2009 - Direct Borrowing	0.95%	11/1/2030	22,000,000	22,000,000	14,988,822
Firemen's Pension Merger Payable #1	7.00%	3/27/2029	1,190,000	1,190,000	665,973
Firemen's Pension Merger Payable #2	7.00%	3/27/2029	1,770,738	<u>1,770,738</u>	<u>1,002,248</u>
Total Governmental Activities				<u>\$ 65,940,738</u>	<u>\$ 49,402,043</u>
Business-Type Activities					
Sewer Revenue Bonds, Series 2011	3.00 - 5.00%	11/1/2036	16,000,000	\$ 16,000,000	\$ 13,180,000
LDEQ loan, Sewer Revenue Bonds, Series 2012 - Direct Borrowing	0.95%	11/1/2034	21,000,000	21,000,000	17,600,000
LDEQ loan, Sales Tax Bonds, Series 2015 - Direct Borrowing	0.95%	6/1/2037	15,000,000	<u>6,582,497</u>	<u>6,291,497</u>
Total Business-Type Activities				<u>\$ 43,582,497</u>	<u>\$ 37,071,497</u>
Total Bonds				<u>\$ 109,523,235</u>	<u>\$ 86,473,540</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 \$52,582. At June 30, 2019, the merger payable for this component had a total outstanding balance of \$665,973.

\$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 \$74,903. At June 30, 2019, the merger payable for this component had a total outstanding balance of \$1,002,248.

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.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE I - LONG-TERM DEBT (CONTINUED)

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 \$1,496,719. As of June 30, 2019, the outstanding balance of this loan was \$32,745,000. 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, 2019 was \$809,710.

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 \$584,375. Of this amount, \$18,212 was capitalized; the remaining amount was expensed. As of June 30, 2019, the outstanding balance of this loan was \$13,180,000. 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, 2019, \$14,988,822 was outstanding. The City has drawn a total of \$22,000,000 through June 30, 2019. Total interest and administrative fees paid during the year ended June 30, 2019, were \$69,873 and \$77,637, 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, 2019, \$17,600,000 was outstanding. The City has drawn a total of \$21,000,000 through June 30, 2019. Total interest and administrative fees paid during the year ended June 30, 2019, were \$81,482 and \$90,535, respectively. Interest capitalized was \$1; the remaining amount was expensed as incurred. 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, 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, 2019, \$6,291,497 was outstanding. The City has drawn a total of \$6,582,497 through June 30, 2019. Total interest and administrative fees paid during the year ended June 30, 2019, were \$16,326 and \$18,139, 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.

Interest incurred was \$753,106 for business-type activities, and the amount capitalized was \$18,213. Interest expense of \$734,893 was included as a direct expense of the wastewater operations.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE I - LONG-TERM DEBT (CONTINUED)

7. CAPITAL LEASE

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.

8. 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

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
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

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE I - LONG-TERM DEBT (CONTINUED)

8. COMPENSATED ABSENCES (CONTINUED)

Police Department (Continued)

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.

9. CHANGES IN LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2019:

	Balance <u>6/30/2018</u>	Issue or <u>Additions</u>	Payments or <u>Expenditures</u>	Discount/ <u>(Premium)</u>	Balance <u>6/30/2019</u>	Net of Unamortized Premium <u>6/30/2019</u>	Due Within <u>One Year</u>
Governmental Activities:							
Sales Tax							
Revenue Bonds	\$ 35,312,546	\$ -	\$ 1,700,000	\$ (57,836)	\$ 33,554,710	\$ 32,745,000	\$ 1,770,000
Note Payable	1,786,356	-	118,135	-	1,668,221	1,668,221	118,211
LDEQ loan, Sewer Revenue							
Bonds, Series 2009 - Direct							
Borrowing	16,065,822	-	1,077,000	-	14,988,822	14,988,822	1,086,000
OPEB Liability (Note O)	21,551,927	1,146,060	7,741,594	-	14,956,393	14,956,393	-
Net Pension Liability (Note P)	66,085,930	9,515,574	12,179,895	-	63,421,609	63,421,609	-
Capital lease liability	565,783	-	129,626	-	436,157	436,157	133,436
Compensated Absences	5,133,870	1,435,353	1,469,533	-	5,099,690	5,099,690	2,704,710
Total							
Governmental Activities	\$ 146,502,234	\$ 12,096,987	\$ 24,415,783	\$ (57,836)	\$ 134,125,602	\$ 133,315,892	\$ 5,812,357
Business-Type Activities:							
Sewer Revenue Bonds 2011	\$ 13,685,000	\$ -	\$ 505,000	\$ -	\$ 13,180,000	\$ 13,180,000	\$ 520,000
LDEQ loan, Sewer Revenue							
Bonds 2012 - Direct Borrowing							
	18,614,000	-	1,014,000	-	17,600,000	17,600,000	1,024,000
LDEQ loan, Sales Tax Bonds							
2015 - Direct Borrowing							
	2,614,002	3,873,495	196,000	-	6,291,497	6,291,497	698,000
Total							
Business-Type Activities	\$ 34,913,002	\$ 3,873,495	\$ 1,715,000	\$ -	\$ 37,071,497	\$ 37,071,497	\$ 2,242,000

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE I - LONG-TERM DEBT (CONTINUED)

10. CHANGES IN LONG-TERM DEBT (CONTINUED)

The annual requirements to maturity for sales tax bonds as of June 30, 2019, are as follows:

Year Ending, June 30,	Principal	Interest
2020	\$ 1,770,000	\$ 1,428,719
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
2025-2029	11,730,000	4,259,306
2030-2033	11,350,000	1,435,719
	32,745,000	\$ 12,020,444
Plus Bond Premium	809,710	
Net Debt Service Requirement	\$ 33,554,710	

The annual requirements to maturity for the Firemen's Pension Merger Payable as of June 30, 2019, are as follows:

Year Ending, June 30,	Principal	Interest
2020	\$ 118,211	\$ 111,574
2021	130,890	106,813
2022	140,174	97,529
2023	150,117	87,586
2024	160,765	76,937
2025-2029	968,064	196,697
Debt Service Requirement	\$ 1,668,221	\$ 677,136

The annual requirements to maturity for the LDEQ Taxable Sewer Bond Series 2009 as of June 30, 2019, are as follows:

Year Ending, June 30,	Principal	Interest
2020	\$ 1,086,000	\$ 65,006
2021	1,094,000	60,101
2022	1,103,000	55,158
2023	1,112,000	50,174
2024	1,121,000	45,150
2025-2029	5,739,000	148,979
2030-2031	3,733,822	19,915
Debt Service Requirement	\$ 14,988,822	\$ 444,483

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE I - LONG-TERM DEBT (CONTINUED)

10. CHANGES IN LONG-TERM DEBT (CONTINUED)

The annual requirements to maturity for the Sewer Revenue Bonds Series 2011 as of June 30, 2019, are as follows:

Year Ending, June 30,	Principal	Interest
2020	\$ 520,000	\$ 569,000
2021	535,000	553,175
2022	555,000	536,131
2023	570,000	517,494
2024	590,000	497,181
2025-2029	3,305,000	2,114,006
2030-2034	4,115,000	1,279,031
2035-2037	2,990,000	229,000
Debt Service Requirement	\$ 13,180,000	\$ 6,295,018

The annual requirements to maturity for the LDEQ Taxable Sewer Bond Series 2012 as of June 30, 2019, are as follows:

Year Ending, June 30,	Principal	Interest
2020	\$ 1,024,000	\$ 76,896
2021	1,034,000	72,266
2022	1,043,000	67,592
2023	1,053,000	62,876
2024	1,063,000	58,115
2025-2029	5,469,000	217,564
2030-2034	5,734,000	91,544
2035	1,180,000	2,655
Debt Service Requirement	\$ 17,600,000	\$ 649,508

The annual requirements to maturity for the LDEQ Taxable Sales Bond Series 2015 as of June 30, 2019, are as follows:

Year Ending, June 30,	Principal	Interest
2020	\$ 698,000	\$ 29,423
2021	704,000	26,424
2022	711,000	23,256
2023	718,000	20,057
2024	724,000	16,826
2025-2028	2,736,497	34,438
Debt Service Requirement	\$ 6,291,497	\$ 150,424

The loan has not been fully disbursed as of June 30, 2019. 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, 2019

NOTE I - LONG-TERM DEBT (CONTINUED)

10. CHANGES IN LONG-TERM DEBT (CONTINUED)

Future payments for the capital lease agreement as of June 30, 2019, are as follows:

Year Ending, June 30,	Principal	Interest
2020	\$ 133,436	\$ 10,884
2021	137,357	6,963
2022	141,394	2,926
2023	23,970	84
	<u>\$ 436,157</u>	<u>\$ 20,857</u>

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, 2019, are as follows:

	Transfer In:							Total
	General Fund	General Capital Projects	Capital Projects with Bond Proceeds	Fire Protection	Nonmajor Governmental	Department of Wastewater Operations	Internal Service Funds	
Transfer Out:								
General Fund	\$ -	\$ 3,577,020	\$ -	\$ 2,657,892	\$ 1,143,600	\$ -	\$ 188,759	\$ 7,567,271
One Percent Sales Tax of 1984 Fund	11,927,347	-	-	728,177	180,640	-	-	12,836,164
Fire Protection	-	-	-	-	-	-	-	-
General Debt	-	-	-	-	-	196,000	-	196,000
General Capital Projects	-	-	-	-	740,140	-	-	740,140
Nonmajor Governmental	-	-	683,028	-	-	-	-	683,028
Capital Projects Funded with Bonds Proceeds	-	-	-	-	-	-	-	-
Department of Wastewater Operations	-	-	-	-	467,986	-	-	467,986
Total	<u>\$ 11,927,347</u>	<u>\$ 3,577,020</u>	<u>\$ 683,028</u>	<u>\$ 3,386,069</u>	<u>\$ 2,532,366</u>	<u>\$ 196,000</u>	<u>\$ 188,759</u>	<u>\$22,490,589</u>

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) to 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 Nonmajor Governmental fund (Notes and Other Debt) to provide additional funding for debt service of the 2009 LDEQ Loan.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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

Nonmajor Governmental Funds – from the Streets and Drainage fund to the General Capital Projects Funds with bond proceeds for the funding of future capital projects, and from the General Debt fund to the Wastewater Operations fund to cover sewer service charges which came under budget.

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

The composition of interfund balances as of June 30, 2019, is as follows:

Due to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	One Percent Sales Tax of 1984 Fund	\$ 2,510,717
	General Capital Projects Fund	1,497,118
	General Capital Projects Funded with Bond Proceeds	2,824,547
	Nonmajor Governmental Funds	4,348,301
	Department of Wastewater Operations	12,788,399
	Internal Service Funds	616,943
	Civic Center Operations	135,144
	Fire Protection	319,166
One Percent Sales Tax of 1984 Fund	Nonmajor Governmental Funds	310,733
Fire Protection	One Percent Sales Tax of 1984 Fund	39,166
	Property Tax	648,621
Department of Wastewater Operations	Property Tax	100,765
General Capital Projects Fund	General Fund	11,904,786
General Capital Projects Funded with Bond Proceeds	Property Tax	412,841
	Nonmajor Governmental Funds	37,821
	General Capital Projects Fund	2,140,077
Nonmajor Governmental Funds	General Fund	382,763
	One Percent Sales Tax of 1984 Fund	8,487
	Property Tax	175,433
		<u>\$ 41,201,828</u>

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

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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 June 30, 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.

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 \$5,138,535 (which includes claims incurred but not reported in the Fund at June 30, 2019) 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 2017, 2018, and 2019 were as follows:

	<u>Beginning of Fiscal</u> <u>Year Liability</u>	<u>Current Year Claims and</u> <u>Changes in Estimates</u>	<u>Claim</u> <u>Payments</u>	<u>Balance at Fiscal</u> <u>Year End</u>
2016 - 2017	\$ 4,124,489	\$ 891,832	\$ (779,820)	\$ 4,236,501
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

The amount of estimated claims payable due within one year of these financial statements is \$2,737,246.

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.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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 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.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE M - COMMITMENTS AND CONTINGENCIES (CONTINUED)

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, 2019 totaled \$6,718,956. In June 2019, the City received invoices for fees incurred prior to the 2019 fiscal year totaling \$997,255. Of this amount, \$229,176 was from the year ended June 30, 2017 and \$768,079 was from the year ended June 30, 2018. These related to fees that are not included in the fixed annual fee.

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, 2019, the City has one capital lease agreement. See Note I for information related to this capital lease.

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, 2019, amounted to \$154,314. Future minimum lease payments for these leases are as follows:

Year Ending June 30,	Amounts
2020	\$ 116,690
2021	116,304
2022	104,904
2023	47,904
2024	47,904
Thereafter	7,984
Total minimum lease payments	\$ 441,690

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, 2019.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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, 2019, 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.

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 \$70 per month without a health screening and \$20 per month with a health screening. The City's portion is \$640.81 per month for employee/retiree coverage.

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.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE O - POSTEMPLOYMENT BENEFITS (CONTINUED)

EMPLOYEES COVERED BY BENEFIT TERMS

At June 30, 2019, 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	597
Total	781

TOTAL OPEB LIABILITY

At June 30, 2019, the City reported a total OPEB liability of \$14,956,393. The total OPEB liability was measured as of June 30, 2019, 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:

Valuation Date	June 30, 2019
Actuarial cost method	Entry Age Normal, Level Percentage of Pay
Actuarial assumptions:	
Expected remaining service lives	3 years
Inflation rate	2.50%
Salary increase rate	2.00%
Discount rate	3.13%
Mortality rates	<i>Pre-Retirement Mortality</i> : RPH-2014 Blue Collar Employee Mortality Table, Generational with Projection Scale MP-2018. <i>Post-Retirement Mortality</i> : RPH-2014 Blue Collar Healthy Annuitant Mortality Table, Generational with Projection Scale MP-2018.
Healthcare cost trend rates	<i>Pre-65</i> : The healthcare cost trend was 6.0%, initially, and decreases to an ultimate rate of 4.1% in 2074. <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%).

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE O - POSTEMPLOYMENT BENEFITS (CONTINUED)

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, 2019:

Balance at 06/30/2018	\$21,551,927
Changes for the year:	
Service cost	370,068
Interest	775,992
Differences between expected and actual experience	(567,525)
Changes in assumptions/inputs	(1,379,446)
Changes in benefit terms	(4,823,106)
Benefit payments	(971,517)
Administrative expense	-
Net changes	<u>(6,595,534)</u>
Balance at 06/30/2019	<u>\$ 14,956,393</u>

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

For the year ended June 30, 2019, the City recognized OPEB benefit of \$5,347,181. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between actual and expected experience	\$ -	\$ 378,350
Changes of assumptions or other inputs	-	919,631
Employer amounts for OPEB subsequent to the measurement date	-	-
	<u>\$ -</u>	<u>\$ 1,297,981</u>

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:	
2020	\$ (648,990)
2021	(648,991)
	<u>\$ (1,297,981)</u>

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE O - POSTEMPLOYMENT BENEFITS (CONTINUED)

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 (2.13%) or one percentage point higher (4.13%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	\$ 16,532,256	\$ 14,956,393	\$ 13,490,360

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	\$ 13,440,586	\$ 14,956,393	\$ 16,658,440

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, 2019

NOTE P - PENSION PLANS (CONTINUED)

PLAN DESCRIPTIONS (CONTINUED)

Municipal Employees' Retirement System, State of Louisiana (MERS) (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, 2018. 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 26.00% of earnable compensation. At July 1, 2019, the employer rate increased to 27.75% for the 2019-2020 fiscal year, while the employee rate remained at 9.50%.

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, 2018. 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 32.25% and 10.0%, respectively. The employer and employee contribution rates for all Non Hazardous Duty members hired after January 1, 2013, were 32.25% and 8.0%, respectively. At July 1, 2019, the employer's contribution rate increased to 32.5%, 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 32.5% and the employee rate remained at 8.0% for all Non Hazardous duty members hired after January 1, 2013.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE P - PENSION PLANS (CONTINUED)

PLAN DESCRIPTIONS (CONTINUED)

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.

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 26.5% of annual-covered payroll. Effective July 1, 2019, the employer's contribution rate increased to 27.75% 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 \$3,261,548, \$2,658,061, and \$1,586,377, respectively, for the year ended June 30, 2019.

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, 2019, the City of Kenner, Louisiana reported a liability for MERS, MPERS, and FRS of \$28,228,888, \$23,600,915, and \$11,591,806, respectively, for its proportionate share of the net pension liability. The net pension liabilities were measured as of June 30, 2018, 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, 2018, the City of Kenner, Louisiana's proportion for MERS, MPERS, and FRS was 6.817456%, 2.791666%, and 2.015238%, respectively. This reflects an increase for MERS of 0.003056%, a decrease for MPERS of (0.149879%), and a decrease for FRS of (0.060443%) from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the City of Kenner, Louisiana recognized pension expense and contributions revenue from non-employer contributions as follows:

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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)

	Pension Expense/ (Benefit)	Contributions Revenue - Non Employer Contributions
MERS	\$ 1,068,562	\$ 425,256
MPERS	392,599	550,894
FRS	329,504	523,035
Total	\$ 1,790,665	\$ 1,499,185

At June 30, 2019, 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	\$ -	\$ 1,600	\$ 7,406	\$ 9,006
Differences between expected and actual experience	-	106,393	-	106,393
Changes in proportion	274,200	-	442,669	716,869
Change of assumptions	849,780	1,542,306	808,644	3,200,730
Difference between projected and actual earnings on plan investments	4,325,900	1,131,375	753,755	6,211,030
Employer contributions subsequent to the measurement date	3,261,548	2,658,061	1,586,377	7,505,986
Total	\$ 8,711,428	\$ 5,439,735	\$ 3,598,851	\$ 17,750,014
Deferred Inflows of Resources				
	MERS	MPERS	FRS	Total
Differences between expected and actual experience	\$ 1,003,663	\$ 1,206,055	\$ 882,266	\$ 3,091,984
Difference between projected and actual earnings on plan investments	-	-	-	-
Difference between employer contributions and proportionate share of contributions	21,337	2,487	4,806	28,630
Change of assumptions	-	-	1,837	1,837
Changes in proportion	-	1,218,436	590,056	1,808,492
Total	\$ 1,025,000	\$ 2,426,978	\$ 1,478,965	\$ 4,930,943

During the year ended June 30, 2019, employer contributions totaling \$3,261,548, \$2,658,061, and \$1,586,377 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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)

Year Ending June 30,	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>	<u>Total</u>
2020	\$ 2,608,862	\$ 883,532	\$ 585,513	\$ 4,077,907
2021	1,310,840	363,016	144,630	1,818,486
2022	381,547	(932,956)	(303,384)	(854,793)
2023	123,631	41,104	74,322	239,057
2024	-	-	73,873	73,873
Thereafter	-	-	(41,445)	(41,445)
Total	\$ 4,424,880	\$ 354,696	\$ 533,509	\$ 5,313,085

ACTUARIAL ASSUMPTIONS

Total pension liabilities for MERS, MPERS, and FRS in the June 30, 2018, 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	7.275%	7.20%, net of investment expense	7.30%
Inflation rate	2.60% per annum	2.60% per annum	2.70% per annum
Projected salary increases	5.0% (2.60% Inflation, 2.40% Merit)	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 15.0% in the first two years of service to 4.75% 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	RP-2000 Employee Table for Active members; RP-2000 Healthy Annuitant Table for healthy annuitants; RP-2000 Disabled Lives Mortality Tables 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 four 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.	Termination, disability and retirement assumptions were projected based on a five year (2009-2014) experience study of the System's members.

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE P - PENSION PLANS (CONTINUED)

ACTUARIAL ASSUMPTIONS (CONTINUED)

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.

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, 2018, 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%	52%	54%	2.20%	3.58%	6.78%
Fixed Income	35%	22%	26%	1.50%	0.46%	1.76%
Alternatives	15%	20%	10%	0.60%	1.07%	6.56%
Other	0%	6%	10%	0.00%	0.17%	4.60%
Total	100%	100%	100%	4.30%	5.28%	19.70%
Inflation				2.70%	2.75%	0.00%
Expected Arithmetic Nominal Return				7.00%	8.03%	19.70%

DISCOUNT RATES

The discount rate used to measure the total pension liability for MERS, MPERS, and FRS was 7.275%, 7.20%, and 7.30%, 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 (7.275% for MERS, 7.20% for MPERS, and 7.30% 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:

	Current		
	1% Decrease	Discount Rate	1% Increase
MERS	\$ 36,262,581	\$ 28,228,888	\$ 21,371,849
MPERS	33,165,818	23,600,915	15,576,329
FRS	16,915,186	11,591,806	7,118,335
Total	<u>\$ 86,343,585</u>	<u>\$ 63,421,609</u>	<u>\$ 44,066,513</u>

CITY OF KENNER, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE P - PENSION PLANS (CONTINUED)

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the pension plans' fiduciary net position is available in the separately issued MERS, MPERS, and FRS 2018 Annual Financial Reports at www.mersla.com, www.lampers.org, and www.lafirefightersret.com, respectively.

PAYABLES TO THE PENSION PLANS

At June 30, 2019, there were no amounts owed to any of the three pension plans for employee and employer legally-required contributions.

NOTE Q – DEFICIT FUND BALANCES/NET POSITION

At June 30, 2019, the Self-Insurance Fund had a deficit in its unrestricted net position of \$4,954,014. This deficit will be eliminated by the City making additional contributions into the fund during future years.

At June 30, 2019, the Wastewater Fund had a deficit in its unrestricted net position of \$8,691,412. This deficit will be eliminated by the future revenues.

NOTE R – SUBSEQUENT EVENTS

The date to which events occurring after June 30, 2019, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosure is December 27, 2019, which is the date on which the financial statements were available to be issued.

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, 2019

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes	\$ 29,033,718	\$ -	\$ 29,033,718	\$ 27,165,901	\$ 27,165,901	\$ 1,867,817
Licenses and permits	5,018,406	-	5,018,406	5,162,391	5,162,391	(143,985)
Intergovernmental	1,876,469	(84,256)	1,792,213	1,478,975	1,478,975	313,238
Charges for services	1,398,437	-	1,398,437	1,047,076	1,047,076	351,361
Fines and forfeitures	2,211,169	-	2,211,169	2,459,223	2,459,223	(248,054)
Interest	153,359	-	153,359	110,500	110,500	42,859
Miscellaneous	607,948	700	608,648	461,695	461,695	146,953
Total revenues	<u>40,299,506</u>	<u>(83,556)</u>	<u>40,215,950</u>	<u>37,885,761</u>	<u>37,885,761</u>	<u>2,330,189</u>
EXPENDITURES						
General government	10,183,042	(14,648)	10,168,394	11,864,975	11,510,555	1,342,161
Public safety	20,553,365	(399,662)	20,153,703	20,987,322	20,984,067	830,364
Public works	4,987,607	35,840	5,023,447	5,534,627	5,620,182	596,735
Health and welfare	133,264	392	133,656	104,659	142,704	9,048
Culture and recreation	3,629,605	(342)	3,629,263	3,612,420	3,923,285	294,022
Transit and urban development	483,106	23,136	506,242	552,037	552,037	45,795
Total expenditures	<u>39,969,989</u>	<u>(355,284)</u>	<u>39,614,705</u>	<u>42,656,040</u>	<u>42,732,830</u>	<u>3,118,125</u>
Excess (deficiency) of revenues over (under) expenditures	<u>329,517</u>	<u>271,728</u>	<u>601,245</u>	<u>(4,770,279)</u>	<u>(4,847,069)</u>	<u>5,448,314</u>
OTHER FINANCING SOURCES (USES)						
Operating transfers in	11,927,347	-	11,927,347	11,186,133	11,163,288	764,059
Operating transfers out	(7,567,271)	-	(7,567,271)	(8,710,262)	(8,848,918)	1,281,647
Total other financing sources (uses)	<u>4,360,076</u>	<u>-</u>	<u>4,360,076</u>	<u>2,475,871</u>	<u>2,314,370</u>	<u>2,045,706</u>
Net change in fund balance	4,689,593	271,728	4,961,321	(2,294,408)	(2,532,699)	7,494,020
Fund balance - beginning of year	<u>17,058,926</u>	<u>-</u>	<u>17,058,926</u>	<u>17,058,926</u>	<u>17,058,926</u>	<u>-</u>
Fund balance - end of year	<u>\$ 21,748,519</u>	<u>\$ 271,728</u>	<u>\$ 22,020,247</u>	<u>\$ 14,764,518</u>	<u>\$ 14,526,227</u>	<u>\$ 7,494,020</u>

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, 2019

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes:						
Sales tax	\$ 12,836,164	\$ -	\$ 12,836,164	\$ 12,042,661	\$ 12,042,661	\$ 793,503
Total revenues	12,836,164	-	12,836,164	12,042,661	12,042,661	793,503
EXPENDITURES						
Personnel	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	12,836,164	-	12,836,164	12,042,661	12,042,661	793,503
OTHER FINANCING SOURCES (USES)						
Transfers out	(12,836,164)	-	(12,836,164)	(12,042,661)	(12,042,661)	(793,503)
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, 2019

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes:						
Ad valorem tax	\$ 3,639,796	\$ -	\$ 3,639,796	\$ 3,603,012	\$ 3,603,012	\$ 36,784
Parking tax	1,843,277	-	1,843,277	1,659,441	1,659,441	183,836
Cable franchise tax	375,944	-	375,944	391,000	391,000	(15,056)
Intergovernmental	374,918	-	374,918	-	-	374,918
Charges for services	448	-	448	330	330	118
Interest	5,349	-	5,349	-	-	5,349
Miscellaneous	375	-	375	754	754	(379)
Total revenues	<u>6,240,107</u>	<u>-</u>	<u>6,240,107</u>	<u>5,654,537</u>	<u>5,654,537</u>	<u>585,570</u>
EXPENDITURES						
Public safety:						
Personnel	8,633,534	-	8,633,534	9,451,211	9,264,275	630,741
Supplies	134,963	1,023	135,986	130,800	174,934	38,948
Capital outlay	858	-	858	-	900	42
Service charges	856,821	(11,425)	845,396	825,400	967,302	121,906
Total expenditures	<u>9,626,176</u>	<u>(10,402)</u>	<u>9,615,774</u>	<u>10,407,411</u>	<u>10,407,411</u>	<u>791,637</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,386,069)</u>	<u>10,402</u>	<u>(3,375,667)</u>	<u>(4,752,874)</u>	<u>(4,752,874)</u>	<u>1,377,207</u>
OTHER FINANCING SOURCES						
Transfers out	-	-	-	-	-	-
Transfers in	<u>3,386,069</u>	<u>-</u>	<u>3,386,069</u>	<u>4,752,874</u>	<u>4,752,874</u>	<u>(1,366,805)</u>
Net change in fund balance	-	10,402	10,402	-	-	10,402
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>\$ 10,402</u>	<u>\$ 10,402</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,402</u>

See accompanying note to budgetary comparison schedules.

CITY OF KENNER, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2019

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)	\$ 4,961,321	\$ (82,617)	\$ 21,866	\$ 10,402
Basis differences:				
To adjust for encumbrances	(355,284)	(289)	(21,866)	(10,402)
Entity differences:				
To adjust for revenues not budgeted	<u>83,556</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances (GAAP basis)	<u>\$ 4,689,593</u>	<u>\$ (82,906)</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF KENNER, LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE TWO YEARS ENDED JUNE 30, 2019**

	2018	2019
Total OPEB Liability		
Service cost	\$ 362,812	\$ 370,068
Interest	769,735	775,992
Changes of benefit terms	-	(4,823,106)
Differences between expected and actual experience	(55,831)	(567,525)
Changes in assumption or other inputs	-	(1,379,446)
Benefit payments	(850,746)	(971,517)
Net change in total OPEB liability	225,970	(6,595,534)
Total OPEB liability - beginning	21,325,957	21,551,927
Total OPEB liability - end	\$21,551,927	\$14,956,393
Covered employee payroll	\$28,193,097	\$25,381,491
Total OPEB liability as a percentage of covered employee payroll	76.4%	58.9%

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%

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 SIX YEARS ENDED JUNE 30, 2019

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>					
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>					
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>					
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, 2019

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>					
2019	\$ 3,261,548	\$ 3,261,548	\$ -	\$ 12,545,209	26.0%
2018	\$ 3,067,606	\$ 3,067,606	\$ -	\$ 12,399,087	24.7%
2017	\$ 2,815,810	\$ 2,815,810	\$ -	\$ 12,377,177	22.8%
2016	\$ 2,314,139	\$ 2,314,139	\$ -	\$ 11,717,163	19.7%
2015	\$ 2,324,274	\$ 2,324,274	\$ -	\$ 11,767,976	19.8%
2014	\$ 2,193,659	\$ 2,193,659	\$ -	\$ 11,699,489	18.8%
2013	\$ 1,976,108	\$ 1,976,108	\$ -	\$ 11,624,136	17.0%
2012	\$ 1,898,680	\$ 1,898,680	\$ -	\$ 11,335,398	16.8%
2011	\$ 1,761,462	\$ 1,761,462	\$ -	\$ 12,361,138	14.2%
2010	\$ 1,765,711	\$ 1,765,711	\$ -	\$ 13,079,334	13.5%
<u>MPERS:</u>					
2019	\$ 2,658,061	\$ 2,658,061	\$ -	\$ 8,242,059	32.2%
2018	\$ 2,533,362	\$ 2,533,362	\$ -	\$ 8,238,570	30.8%
2017	\$ 2,793,171	\$ 2,793,171	\$ -	\$ 8,797,386	31.8%
2016	\$ 2,494,386	\$ 2,494,386	\$ -	\$ 8,455,544	29.5%
2015	\$ 2,568,431	\$ 2,568,431	\$ -	\$ 8,153,754	31.5%
2014	\$ 2,498,256	\$ 2,498,256	\$ -	\$ 8,058,896	31.0%
2013	\$ 2,487,715	\$ 2,487,715	\$ -	\$ 8,024,893	31.0%
2012	\$ 2,097,124	\$ 2,097,124	\$ -	\$ 7,913,669	26.5%
2011	\$ 1,874,013	\$ 1,874,013	\$ -	\$ 7,496,045	25.0%
2010	\$ 850,920	\$ 850,920	\$ -	\$ 7,735,643	11.0%
<u>FRS:</u>					
2019	\$ 1,586,377	\$ 1,586,377	\$ -	\$ 5,986,331	26.5%
2018	\$ 1,271,881	\$ 1,271,881	\$ -	\$ 4,799,460	26.5%
2017	\$ 1,225,030	\$ 1,225,030	\$ -	\$ 4,851,604	25.2%
2016	\$ 1,202,399	\$ 1,202,399	\$ -	\$ 4,412,472	27.3%
2015	\$ 1,246,652	\$ 1,246,652	\$ -	\$ 4,262,059	29.2%
2014	\$ 1,188,672	\$ 1,188,672	\$ -	\$ 4,207,688	28.3%
2013	\$ 993,769	\$ 993,769	\$ -	\$ 4,140,703	24.0%
2012	\$ 973,314	\$ 973,314	\$ -	\$ 4,186,859	23.2%
2011	\$ 928,830	\$ 928,830	\$ -	\$ 4,320,144	21.5%
2010	\$ 613,321	\$ 613,321	\$ -	\$ 4,380,865	14.0%

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

CITY OF KENNER, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION II
JUNE 30, 2019

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, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Investment Rate of Return	7.275%	7.40%	7.50%	7.50%	7.75%
Inflation Rate	2.60%	2.775%	2.875%	2.875%	3.00%
Project Salary Increases	5.00%	5.75%	5.00%	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, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Investment Rate of Return	7.20%	7.325%	7.50%	7.50%	7.75%
Inflation Rate	2.60%	2.70%	2.875%	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, 2019

2. CHANGES OF ASSUMPTIONS

Following is a detail description of the changes:

Valuation Date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Investment Rate of Return	7.30%	7.40%	7.50%	7.50%	7.75%
Inflation Rate	2.70%	2.775%	2.875%	2.875%	3.00%
Project Salary Increases	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 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, 2019**

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.

GENERAL DEBT FUND

The General Debt Fund accounts for the tax levy needed to comply with the interest and principal redemption requirements of bond indentures for the following excess revenue and sales tax bonds:

LDEQ Taxable Sewer Revenue Bond, Series 2009
Sales Tax Bonds Series 2013

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, 2019

	SPECIAL REVENUE FUNDS			
	GARBAGE COLLECTION AND DISPOSAL	STREETS AND DRAINAGE	COMMUNITY DEVELOPMENT BLOCK GRANT	TOTAL
ASSETS				
Cash	\$ -	\$ 158	\$ 48,368	\$ 48,526
Equity in pooled cash	-	-	435,975	435,975
Receivables (net, where applicable, of allowances for uncollectibles)				
Accounts	869,872	-	-	869,872
Intergovernmental	-	-	-	-
Other	-	-	506	506
Due from other funds	150,260	369,493	30,884	550,637
 Total assets	<u>\$ 1,020,132</u>	<u>\$ 369,651</u>	<u>\$ 515,733</u>	<u>\$ 1,905,516</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 116,317	\$ 6,264	\$ 3,204	\$ 125,785
Accrued liabilities	-	14,318	42,107	56,425
Due to other funds	766,691	348,554	-	1,115,245
 Total liabilities	<u>883,008</u>	<u>369,136</u>	<u>45,311</u>	<u>1,297,455</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	137,124	515	-	137,639
Fund balances:				
Restricted				
Federal grants	\$ -	\$ -	\$ 470,422	\$ 470,422
Debt service	-	-	-	-
Committed				
Encumbrances	-	-	-	-
Other commitments	-	-	-	-
Unassigned	-	-	-	-
 Total fund balances	<u>-</u>	<u>-</u>	<u>470,422</u>	<u>470,422</u>
 Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,020,132</u>	<u>\$ 369,651</u>	<u>\$ 515,733</u>	<u>\$ 1,905,516</u>

DEBT SERVICE				TOTAL
AD VALOREM	GENERAL	FIREMEN'S	TOTAL	NONMAJOR
TAX BONDS	DEBT	PENSION MERGER		GOVERNMENTAL
		FUND		FUNDS
\$ -	\$ 6,769,240	\$ -	\$ 6,769,240	\$ 6,817,766
6,991	17,417	325,684	350,092	786,067
-	-	-	-	869,872
-	669,145	-	669,145	669,145
-	586	-	586	1,092
16,046	-	-	16,046	566,683
<u>\$ 23,037</u>	<u>\$ 7,456,388</u>	<u>\$ 325,684</u>	<u>\$ 7,805,109</u>	<u>\$ 9,710,625</u>
\$ -	\$ -	\$ -	\$ -	\$ 125,785
-	-	-	-	56,425
-	3,581,610	-	3,581,610	4,696,855
-	3,581,610	-	3,581,610	4,879,065
16,046	-	284,459	300,505	438,144
\$ -	\$ -	\$ -	\$ -	\$ 470,422
6,991	3,874,778	-	3,881,769	3,881,769
-	-	-	-	-
-	-	-	-	-
-	-	41,225	41,225	41,225
6,991	3,874,778	41,225	3,922,994	4,393,416
<u>\$ 23,037</u>	<u>\$ 7,456,388</u>	<u>\$ 325,684</u>	<u>\$ 7,805,109</u>	<u>\$ 9,710,625</u>

CITY OF KENNER, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	SPECIAL REVENUE FUNDS			TOTAL
	GARBAGE COLLECTION AND DISPOSAL	STREETS AND DRAINAGE	COMMUNITY DEVELOPMENT BLOCK GRANT	
REVENUES				
Taxes	\$ 788,751	\$ 2,301,425	\$ -	\$ 3,090,176
Intergovernmental	-	-	283,232	283,232
Charges for services	3,121,560	-	-	3,121,560
Interest	-	-	2,439	2,439
Total Revenues	<u>3,910,311</u>	<u>2,301,425</u>	<u>285,671</u>	<u>6,497,407</u>
EXPENDITURES				
Current:				
Public works	4,631,667	1,641,242	-	6,272,909
Health and welfare	-	-	383,548	383,548
Transit and urban development	-	-	565,068	565,068
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Miscellaneous	-	-	-	-
Total Expenditures	<u>4,631,667</u>	<u>1,641,242</u>	<u>948,616</u>	<u>7,221,525</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(721,356)</u>	<u>660,183</u>	<u>(662,945)</u>	<u>(724,118)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	721,356	22,845	580,039	1,324,240
Transfers out	-	(683,028)	-	(683,028)
Total other financing sources (uses)	<u>721,356</u>	<u>(660,183)</u>	<u>580,039</u>	<u>641,212</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(82,906)</u>	<u>(82,906)</u>
Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>553,328</u>	<u>553,328</u>
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 470,422</u>	<u>\$ 470,422</u>

DEBT SERVICE FUNDS				TOTAL
AD VALOREM	GENERAL	FIREMEN'S		NONMAJOR
TAX BONDS	DEBT	PENSION MERGER	TOTAL	GOVERNMENTAL
		FUND		FUNDS
-	\$ 4,014,871	\$ 285,944	\$ 4,300,815	\$ 7,390,991
-	-	-	-	283,232
-	-	-	-	3,121,560
96	103,237	900	104,233	106,672
96	4,118,108	286,844	4,405,048	10,902,455
-	-	-	-	6,272,909
-	-	-	-	383,548
-	-	-	-	565,068
-	2,777,000	118,134	2,895,134	2,895,134
-	1,676,998	127,485	1,804,483	1,804,483
-	36,000	-	36,000	36,000
-	4,489,998	245,619	4,735,617	11,957,142
96	(371,890)	41,225	(330,569)	(1,054,687)
-	1,208,126	-	1,208,126	2,532,366
-	(196,000)	-	(196,000)	(879,028)
-	1,012,126	-	1,012,126	1,653,338
96	640,236	41,225	681,557	598,651
6,895	3,234,542	-	3,241,437	3,794,765
\$ 6,991	\$ 3,874,778	\$ 41,225	\$ 3,922,994	\$ 4,393,416

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
TAXES						
Ad valorem tax	\$ 1,023,149	\$ -	\$ 1,023,149	\$ 1,012,798	\$ 1,012,798	\$ 10,351
Sales tax	19,771,338	-	19,771,338	17,543,872	17,543,872	2,227,466
Beer tax	60,711	-	60,711	60,564	60,564	147
Parking tax	1,393,653	-	1,393,653	1,393,653	1,393,653	-
Franchises						
Electricity service	1,452,975	-	1,452,975	1,512,839	1,512,839	(59,864)
Gas service	188,744	-	188,744	182,199	182,199	6,545
Off-track wagering	59,090	-	59,090	65,000	65,000	(5,910)
Hotel/motel tax	389,345	-	389,345	386,206	386,206	3,139
Telephone	70,819	-	70,819	90,036	90,036	(19,217)
Video service	211,411	-	211,411	272,929	272,929	(61,518)
Riverboat	4,412,483	-	4,412,483	4,645,805	4,645,805	(233,322)
Total taxes	29,033,718	-	29,033,718	27,165,901	27,165,901	1,867,817
LICENSES AND PERMITS						
Business:						
Occupational	2,533,555	-	2,533,555	2,877,076	2,877,076	(343,521)
Alcoholic beverage	86,900	-	86,900	95,908	95,908	(9,008)
Chain store	40,983	-	40,983	47,746	47,746	(6,763)
Plumbing	43,275	-	43,275	51,566	51,566	(8,291)
Electrical	34,200	-	34,200	35,865	35,865	(1,665)
Taxi cab	702,563	-	702,563	552,959	552,959	149,604
Air conditioning	21,175	-	21,175	21,700	21,700	(525)
Bingo	50	-	50	50	50	-
Animal control	-	-	-	-	-	-
Total business	3,462,701	-	3,462,701	3,682,870	3,682,870	(220,169)
Non-business:						
Building	1,242,516	-	1,242,516	850,000	850,000	392,516
Miscellaneous	3,900	-	3,900	-	-	3,900
Brake tags	309,289	-	309,289	629,521	629,521	(320,232)
Total non-business	1,555,705	-	1,555,705	1,479,521	1,479,521	76,184
Total licenses and permits	5,018,406	-	5,018,406	5,162,391	5,162,391	(143,985)
INTERGOVERNMENTAL						
Federal Grants	501,742	(84,256)	417,486	-	-	417,486
From state:						
Parish transportation fund	387,038	-	387,038	395,215	395,215	(8,177)
Parish road fund	206,400	-	206,400	221,400	221,400	(15,000)
Video poker	540,831	-	540,831	616,460	616,460	(75,629)
Other state grants	-	-	-	-	-	-
From other local government subdivisions:						
Jefferson Council on Aging	29,458	-	29,458	34,900	34,900	(5,442)
Jefferson Parish	211,000	-	211,000	211,000	211,000	-
Total intergovernmental	\$ 1,876,469	\$ (84,256)	\$ 1,792,213	\$ 1,478,975	\$ 1,478,975	\$ 313,238

(Continued)

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2019

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
CHARGES FOR SERVICES						
Zoning fees	\$ 12,036	\$ -	\$ 12,036	\$ 11,709	\$ 11,709	\$ 327
Inspection fees						
Electrical	68,474	-	68,474	78,851	78,851	(10,377)
Plumbing	56,320	-	56,320	48,482	48,482	7,838
Air conditioning, heating, and other	73,360	-	73,360	60,310	60,310	13,050
Maps and document sales	3,023	-	3,023	3,728	3,728	(705)
Tax research fees	8,860	-	8,860	10,222	10,222	(1,362)
Police reports	43,498	-	43,498	52,836	52,836	(9,338)
Weed cutting fees	61,208	-	61,208	152,202	152,202	(90,994)
Recreation department						
Participation fees	269,771	-	269,771	307,676	307,676	(37,905)
Admission fees	86,253	-	86,253	76,910	76,910	9,343
Identification and other fees	182,130	-	182,130	183,150	183,150	(1,020)
Community service fees	-	-	-	-	-	-
Administrative charges	533,504	-	533,504	61,000	61,000	472,504
Total charges for services	1,398,437	-	1,398,437	1,047,076	1,047,076	351,361
FINES AND FORFEITURES						
Fines	1,941,879	-	1,941,879	2,105,826	2,105,826	(163,947)
Forfeitures	204,224	-	204,224	265,460	265,460	(61,236)
DWI fines	2,918	-	2,918	2,500	2,500	418
Reinstatement fees	62,148	-	62,148	85,437	85,437	(23,289)
Total fines and forfeitures	2,211,169	-	2,211,169	2,459,223	2,459,223	(248,054)
INTEREST ON INVESTED FUNDS	153,359	-	153,359	110,500	110,500	42,859
MISCELLANEOUS						
Donations	36,318	-	36,318	-	-	36,318
Rents	363,270	-	363,270	351,584	351,584	11,686
Other investment income	67,967	-	67,967	59,500	59,500	8,467
Other	140,393	700	141,093	50,611	50,611	90,482
Total miscellaneous	607,948	700	608,648	461,695	461,695	146,953
Total revenues	<u>\$ 40,299,506</u>	<u>\$ (83,556)</u>	<u>\$ 40,215,950</u>	<u>\$ 37,885,761</u>	<u>\$ 37,885,761</u>	<u>\$ 2,330,189</u>

CITY OF KENNER, LOUISIANA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
GENERAL GOVERNMENT						
Personnel	\$ 7,211,418	\$ -	\$ 7,211,418	\$ 8,295,861	\$ 7,955,876	\$ 744,458
Supplies	137,639	10,219	147,858	152,022	136,470	(11,388)
Service charges	2,691,352	(27,817)	2,663,535	3,401,719	3,408,412	744,877
Capital outlay	142,633	2,950	145,583	15,373	9,797	(135,786)
Total general government	10,183,042	(14,648)	10,168,394	11,864,975	11,510,555	1,342,161
PUBLIC SAFETY						
Personnel	17,137,101	(51,390)	17,085,711	17,885,422	17,509,505	423,794
Supplies	644,115	18,511	662,626	683,904	652,893	(9,733)
Service charges	2,361,685	(43,363)	2,318,322	2,417,996	2,648,729	330,407
Capital outlay	410,464	(323,420)	87,044	-	172,940	85,896
Total public safety	20,553,365	(399,662)	20,153,703	20,987,322	20,984,067	830,364
PUBLIC WORKS						
Personnel	3,181,277	-	3,181,277	3,281,750	3,332,312	151,035
Supplies	428,834	(12,567)	416,267	786,416	802,223	385,956
Service charges	1,376,256	48,407	1,424,663	1,466,461	1,484,054	59,391
Capital outlay	1,240	-	1,240	-	1,593	353
Total public works	4,987,607	35,840	5,023,447	5,534,627	5,620,182	596,735
HEALTH AND WELFARE						
Personnel	127,834	-	127,834	101,484	134,749	6,915
Supplies	5,430	-	5,430	1,675	6,455	1,025
Service charges	-	392	392	1,500	1,500	1,108
Capital outlay	-	-	-	-	-	-
Total health and welfare	133,264	392	133,656	104,659	142,704	9,048

(Continued)

CITY OF KENNER, LOUISIANA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2019

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
CULTURE AND RECREATION						
Personnel	\$ 2,596,719	\$ -	\$ 2,596,719	\$ 2,532,563	\$ 2,604,619	\$ 7,900
Supplies	266,411	(19,192)	247,219	322,790	339,637	92,418
Service charges	759,678	17,659	777,337	752,967	927,454	150,117
Capital outlay	6,797	1,191	7,988	4,100	51,575	43,587
Total culture and recreation	3,629,605	(342)	3,629,263	3,612,420	3,923,285	294,022
TRANSIT						
Personnel	-	-	-	-	-	-
Supplies	-	(42,232)	(42,232)	-	-	42,232
Service charges	483,106	65,368	548,474	552,037	552,037	3,563
Capital outlay	-	-	-	-	-	-
TOTAL TRANSIT	483,106	23,136	506,242	552,037	552,037	45,795
TOTAL EXPENDITURES						
Personnel	30,254,349	(51,390)	30,202,959	32,097,080	31,537,061	1,334,102
Supplies	1,482,429	(45,261)	1,437,168	1,946,807	1,937,678	500,510
Service charges	7,672,077	60,646	7,732,723	8,592,680	9,022,186	1,289,463
Capital outlay	561,134	(319,279)	241,855	19,473	235,905	(5,950)
TOTAL EXPENDITURES	\$ 39,969,989	\$ (355,284)	\$ 39,614,705	\$ 42,656,040	\$ 42,732,830	\$ 3,118,125

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

COUNCIL OFFICE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 812,423	\$ -	\$ 812,423	\$ 810,791	\$ 829,448	\$ 17,025
Supplies	17,009	(8,774)	8,235	37,170	17,040	8,805
Service charges	87,776	(2,017)	85,759	167,450	111,156	25,397
Capital outlay	1,727	(4,462)	(2,735)	10,000	1,550	4,285
	<u>\$ 918,935</u>	<u>\$ (15,253)</u>	<u>\$ 903,682</u>	<u>\$ 1,025,411</u>	<u>\$ 959,194</u>	<u>\$ 55,512</u>

MAYOR'S OFFICE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 748,424	\$ -	\$ 748,424	\$ 758,728	\$ 768,757	\$ 20,333
Supplies	7,631	(452)	7,179	11,600	9,700	2,521
Service charges	43,789	(406)	43,383	41,365	43,710	327
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>\$ 799,844</u>	<u>\$ (858)</u>	<u>\$ 798,986</u>	<u>\$ 811,693</u>	<u>\$ 822,167</u>	<u>\$ 23,181</u>

FINANCE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 1,233,186	\$ -	\$ 1,233,186	\$ 1,286,745	\$ 1,306,102	\$ 72,916
Supplies	20,129	(597)	19,532	21,250	24,382	4,850
Service charges	57,220	(360)	56,860	95,200	89,758	32,898
Capital outlay	594	-	594	-	600	6
Total expenditures	<u>\$ 1,311,129</u>	<u>\$ (957)</u>	<u>\$ 1,310,172</u>	<u>\$ 1,403,195</u>	<u>\$ 1,420,842</u>	<u>\$ 110,670</u>

RISK, INSURANCE, AUDIT & COMPLIANCE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 268,363	\$ -	\$ 268,363	\$ 295,021	\$ 297,244	\$ 28,881
Supplies	4,005	-	4,005	6,000	6,023	2,018
Service charges	209,711	-	209,711	248,582	249,281	39,570
Capital outlay	-	3,080	3,080	-	-	(3,080)
Total expenditures	<u>\$ 482,079</u>	<u>\$ 3,080</u>	<u>\$ 485,159</u>	<u>\$ 549,603</u>	<u>\$ 552,548</u>	<u>\$ 67,389</u>

(Continued)

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

PURCHASING

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	297	(297)	-	-	-	-
Service charges	44	(44)	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 341	\$ (341)	\$ -	\$ -	\$ -	\$ -

PERSONNEL

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 303,061	\$ -	\$ 303,061	\$ 298,731	\$ 303,596	\$ 535
Supplies	3,306	(446)	2,860	2,933	3,548	688
Service charges	13,972	(340)	13,632	16,542	17,627	3,995
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 320,339	\$ (786)	\$ 319,553	\$ 318,206	\$ 324,771	\$ 5,218

PLANNING

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 308,440	\$ -	\$ 308,440	\$ 464,658	\$ 365,022	\$ 56,582
Supplies	1,865	1,413	3,278	4,100	2,895	(383)
Service charges	24,674	(2,528)	22,146	36,191	37,296	15,150
Capital outlay	349	-	349	5,000	5,000	4,651
Total expenditures	\$ 335,328	\$ (1,115)	\$ 334,213	\$ 509,949	\$ 410,213	\$ 76,000

INFORMATION TECHNOLOGY

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 349,316	\$ -	\$ 349,316	\$ 396,509	\$ 365,843	\$ 16,527
Supplies	7,118	9,606	16,724	13,656	14,171	(2,553)
Service charges	260,895	(18,538)	242,357	221,310	271,945	29,588
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 617,329	\$ (8,932)	\$ 608,397	\$ 631,475	\$ 651,959	\$ 43,562

(Continued)

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

CIVIL SERVICE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 171,341	\$ -	\$ 171,341	\$ 216,618	\$ 212,473	\$ 41,132
Supplies	2,567	519	3,086	2,500	3,015	(71)
Service charges	30,279	(2)	30,277	63,285	73,489	43,212
Capital outlay	-	-	-	373	373	373
Total expenditures	\$ 204,187	\$ 517	\$ 204,704	\$ 282,776	\$ 289,350	\$ 84,646

GENERAL MUNICIPAL EXPENSE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 961,277	\$ -	\$ 961,277	\$ 551,166	\$ 537,098	\$ (424,179)
Supplies	56,049	(1,695)	54,354	34,313	36,196	(18,158)
Service charges	772,338	(3,484)	768,854	992,962	983,718	214,864
Capital outlay	137,689	7,036	144,725	-	-	(144,725)
Total expenditures	\$ 1,927,353	\$ 1,857	\$ 1,929,210	\$ 1,578,441	\$ 1,557,012	\$ (372,198)

MAYOR'S COURT

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 738,863	\$ -	\$ 738,863	\$ 805,799	\$ 816,980	\$ 78,117
Supplies	12,195	10,975	23,170	13,500	13,800	(9,370)
Service charges	133,514	-	133,514	196,000	195,700	62,186
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 884,572	\$ 10,975	\$ 895,547	\$ 1,015,299	\$ 1,026,480	\$ 130,933

CITY ATTORNEY

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 826,169	\$ -	\$ 826,169	\$ 836,095	\$ 826,014	\$ (155)
Supplies	5,468	(33)	5,435	5,000	5,700	265
Service charges	61,385	(98)	61,287	47,832	61,532	245
Capital outlay	2,274	(2,704)	(430)	-	2,274	2,704
Total expenditures	\$ 895,296	\$ (2,835)	\$ 892,461	\$ 888,927	\$ 895,520	\$ 3,059

(Continued)

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

INSURANCE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	980,626	-	980,626	1,275,000	1,273,200	292,574
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 980,626	\$ -	\$ 980,626	\$ 1,275,000	\$ 1,273,200	\$ 292,574

PAY INCENTIVES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 490,555	\$ -	\$ 490,555	\$ 1,575,000	\$ 1,327,299	\$ 836,744
Supplies	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 490,555	\$ -	\$ 490,555	\$ 1,575,000	\$ 1,327,299	\$ 836,744

BAD DEBT

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

TOTAL - GENERAL GOVERNMENT FUNCTION

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 7,211,418	\$ -	\$ 7,211,418	\$ 8,295,861	\$ 7,955,876	\$ 744,458
Supplies	137,639	10,219	147,858	152,022	136,470	(11,388)
Service charges	2,691,352	(27,817)	2,663,535	3,401,719	3,408,412	744,877
Capital outlay	142,633	2,950	145,583	15,373	9,797	(135,786)
Total expenditures	\$ 10,183,042	\$ (14,648)	\$ 10,168,394	\$ 11,864,975	\$ 11,510,555	\$ 1,342,161

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	\$ 2,012,851	\$ -	\$ 2,012,851	\$ 2,068,544	\$ 2,011,344	\$ (1,507)
Supplies	39,778	6,183	45,961	35,000	37,100	(8,861)
Service charges	767,253	(15,473)	751,780	792,000	720,000	(31,780)
Capital outlay	64,393	(17,429)	46,964	-	38,100	(8,864)
Total expenditures	\$ 2,884,275	\$ (26,719)	\$ 2,857,556	\$ 2,895,544	\$ 2,806,544	\$ (51,012)

POLICE FIELD SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 6,789,876	\$ (10,910)	\$ 6,778,966	\$ 6,197,103	\$ 6,772,403	\$ (6,563)
Supplies	362,220	10,061	372,281	440,000	353,000	(19,281)
Service charges	1,300,550	(25,563)	1,274,987	1,234,000	1,510,700	235,713
Capital outlay	338,343	(304,704)	33,639	-	127,850	94,211
Total expenditures	\$ 8,790,989	\$ (331,116)	\$ 8,459,873	\$ 7,871,103	\$ 8,763,953	\$ 304,080

POLICE INVESTIGATING SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 3,209,336	\$ (35,530)	\$ 3,173,806	\$ 3,348,866	\$ 3,205,416	\$ 31,610
Supplies	6,555	(1,222)	5,333	11,000	5,750	417
Service charges	14,179	-	14,179	15,000	14,000	(179)
Capital outlay	690	-	690	-	700	10
Total expenditures	\$ 3,230,760	\$ (36,752)	\$ 3,194,008	\$ 3,374,866	\$ 3,225,866	\$ 31,858

POLICE COMMUNICATIONS SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 787,446	\$ -	\$ 787,446	\$ 701,608	\$ 786,908	\$ (538)
Supplies	380	-	380	-	500	120
Service charges	57,726	-	57,726	15,000	39,000	(18,726)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 845,552	\$ -	\$ 845,552	\$ 716,608	\$ 826,408	\$ (19,144)

(Continued)

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

POLICE JAIL SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 1,155,214	\$ -	\$ 1,155,214	\$ 953,103	\$ 1,153,103	\$ (2,111)
Supplies	136,372	2,596	138,968	121,000	135,000	(3,968)
Service charges	21,444	(260)	21,184	10,000	22,600	1,416
Capital outlay	160	(160)	-	-	-	-
Total expenditures	\$ 1,313,190	\$ 2,176	\$ 1,315,366	\$ 1,084,103	\$ 1,310,703	\$ (4,663)

POLICE TECHNICAL SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 1,429,682	\$ -	\$ 1,429,682	\$ 2,453,481	\$ 1,411,681	\$ (18,001)
Supplies	48,569	7,975	56,544	22,000	57,100	556
Service charges	30,769	(4,344)	26,425	17,000	30,950	4,525
Capital outlay	4,376	(1,550)	2,826	-	1,500	(1,326)
Total expenditures	\$ 1,513,396	\$ 2,081	\$ 1,515,477	\$ 2,492,481	\$ 1,501,231	\$ (14,246)

CODE ENFORCEMENT - ADMINISTRATION

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 1,342,061	\$ -	\$ 1,342,061	\$ 1,633,112	\$ 1,641,222	\$ 299,161
Supplies	23,626	(4,186)	19,440	24,254	25,369	5,929
Service charges	157,707	347	158,054	316,632	292,929	134,875
Capital outlay	1,390	-	1,390	-	3,490	2,100
Total expenditures	\$ 1,524,784	\$ (3,839)	\$ 1,520,945	\$ 1,973,998	\$ 1,963,010	\$ 442,065

POLICE SUPPORT SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ (39,298)	\$ (4,950)	\$ (44,248)	\$ -	\$ -	\$ 44,248
Supplies	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ (39,298)	\$ (4,950)	\$ (44,248)	\$ -	\$ -	\$ 44,248

(Continued)

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

CODE ENFORCEMENT - INSPECTIONS

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 226,254	\$ -	\$ 226,254	\$ 272,324	\$ 268,483	\$ 42,229
Supplies	24,782	(2,896)	21,886	28,250	35,988	14,102
Service charges	5,016	2,325	7,341	8,084	8,256	915
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 256,052	\$ (571)	\$ 255,481	\$ 308,658	\$ 312,727	\$ 57,246

EMERGENCY MANAGEMENT

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 223,679	\$ -	\$ 223,679	\$ 257,281	\$ 258,945	\$ 35,266
Supplies	1,833	-	1,833	2,400	3,086	1,253
Service charges	7,041	(395)	6,646	10,280	10,294	3,648
Capital outlay	1,112	423	1,535	-	1,300	(235)
Total expenditures	\$ 233,665	\$ 28	\$ 233,693	\$ 269,961	\$ 273,625	\$ 39,932

TOTAL - PUBLIC SAFETY FUNCTION

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 17,137,101	\$ (51,390)	\$ 17,085,711	\$ 17,885,422	\$ 17,509,505	\$ 423,794
Supplies	644,115	18,511	662,626	683,904	652,893	(9,733)
Service charges	2,361,685	(43,363)	2,318,322	2,417,996	2,648,729	330,407
Capital outlay	410,464	(323,420)	87,044	-	172,940	85,896
Total expenditures	\$ 20,553,365	\$ (399,662)	\$ 20,153,703	\$ 20,987,322	\$ 20,984,067	\$ 830,364

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

PUBLIC WORKS - STREET LIGHTING

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 271,356	\$ -	\$ 271,356	\$ 309,788	\$ 313,184	\$ 41,828
Supplies	(378)	(6,670)	(7,548)	70,000	69,387	76,935
Service charges	899,025	12,269	911,294	984,000	969,490	58,196
Capital outlay	613	-	613	-	613	-
Total expenditures	\$ 1,170,116	\$ 5,599	\$ 1,175,715	\$ 1,363,788	\$ 1,352,674	\$ 176,959

PUBLIC WORKS - TRAFFIC

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 197,657	\$ -	\$ 197,657	\$ 239,087	\$ 243,478	\$ 45,821
Supplies	86,346	35,964	122,310	50,000	85,792	(36,518)
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 284,003	\$ 35,964	\$ 319,967	\$ 289,087	\$ 329,270	\$ 9,303

PUBLIC WORKS - PARKWAYS

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 105,056	\$ -	\$ 105,056	\$ -	\$ 95,200	\$ (9,856)
Supplies	18,004	(330)	17,674	18,000	19,720	2,046
Service charges	152,119	22,783	174,902	150,000	164,440	(10,462)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 275,179	\$ 22,453	\$ 297,632	\$ 168,000	\$ 279,360	\$ (18,272)

(Continued)

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

PUBLIC WORKS - FLEET MANAGEMENT

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 409,654	\$ -	\$ 409,654	\$ 424,561	\$ 434,483	\$ 24,829
Supplies	188,197	(24,632)	163,565	482,416	475,778	312,213
Service charges	88,017	21,924	109,941	99,311	102,949	(6,992)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 685,868	\$ (2,708)	\$ 683,160	\$ 1,006,288	\$ 1,013,210	\$ 330,050

PUBLIC WORKS - GENERAL SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 1,636,834	\$ -	\$ 1,636,834	\$ 1,566,245	\$ 1,631,734	\$ (5,100)
Supplies	116,152	(16,871)	99,281	140,500	126,046	26,765
Service charges	46,054	6,097	52,151	38,150	49,175	(2,976)
Capital outlay	627	-	627	-	980	353
Total expenditures	\$ 1,799,667	\$ (10,774)	\$ 1,788,893	\$ 1,744,895	\$ 1,807,935	\$ 19,042

PUBLIC WORKS ADMINISTRATION

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 560,720	\$ -	\$ 560,720	\$ 742,069	\$ 614,233	\$ 53,513
Supplies	21,013	(28)	20,985	25,500	25,500	4,515
Service charges	191,041	(14,666)	176,375	195,000	198,000	21,625
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 772,774	\$ (14,694)	\$ 758,080	\$ 962,569	\$ 837,733	\$ 79,653

TOTAL - PUBLIC WORKS FUNCTION

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 3,181,277	\$ -	\$ 3,181,277	\$ 3,281,750	\$ 3,332,312	\$ 151,035
Supplies	428,834	(12,567)	416,267	786,416	802,223	385,956
Service charges	1,376,256	48,407	1,424,663	1,466,461	1,484,054	59,391
Capital outlay	1,240	-	1,240	-	1,593	353
Total expenditures	\$ 4,987,607	\$ 35,840	\$ 5,023,447	\$ 5,534,627	\$ 5,620,182	\$ 596,735

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

CODE ENFORCEMENT - HUMANE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 134,995	\$ -	\$ 134,995	\$ 101,484	\$ 134,749	\$ (246)
Supplies	678	-	678	1,675	1,675	997
Service charges	-	392	392	1,500	1,500	1,108
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 135,673	\$ 392	\$ 136,065	\$ 104,659	\$ 137,924	\$ 1,859

COUNCIL ON AGING

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ (7,161)	\$ -	\$ (7,161)	\$ -	\$ -	\$ 7,161
Supplies	4,752	-	4,752	-	4,780	28
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ (2,409)	\$ -	\$ (2,409)	\$ -	\$ 4,780	\$ 7,189

TOTAL - HEALTH AND WELFARE FUNCTION

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 127,834	\$ -	\$ 127,834	\$ 101,484	\$ 134,749	\$ 6,915
Supplies	5,430	-	5,430	1,675	6,455	1,025
Service charges	-	392	392	1,500	1,500	1,108
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 133,264	\$ 392	\$ 133,656	\$ 104,659	\$ 142,704	\$ 9,048

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	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 134,137	\$ -	\$ 134,137	\$ 300,808	\$ 139,781	\$ 5,644
Supplies	94,051	(4,827)	89,224	72,790	142,922	53,698
Service charges	-	17,503	17,503	-	-	(17,503)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 228,188	\$ 12,676	\$ 240,864	\$ 373,598	\$ 282,703	\$ 41,839

PLANETARIUM

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 64,647	\$ -	\$ 64,647	\$ 62,094	\$ 64,596	\$ (51)
Supplies	16,551	(2,153)	14,398	50,000	27,232	12,834
Service charges	8,829	3,630	12,459	5,000	13,832	1,373
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 90,027	\$ 1,477	\$ 91,504	\$ 117,094	\$ 105,660	\$ 14,156

CULTURE & RECREATION - HUMANITIES AND MUSEUMS

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 107,802	\$ -	\$ 107,802	\$ 100,946	\$ 107,862	\$ 60
Supplies	3,953	-	3,953	15,500	7,158	3,205
Service charges	100,489	-	100,489	112,000	99,173	(1,316)
Capital outlay	594	-	594	-	600	6
Total expenditures	\$ 212,838	\$ -	\$ 212,838	\$ 228,446	\$ 214,793	\$ 1,955

CULTURE & RECREATION - MAIN STREET PROGRAM

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 38,326	\$ -	\$ 38,326	\$ 37,398	\$ 38,227	\$ (99)
Supplies	(2,503)	(115)	(2,618)	1,500	1,500	4,118
Service charges	5,620	(13)	5,607	10,300	10,159	4,552
Capital outlay	-	40	40	2,100	2,100	2,060
Total expenditures	\$ 41,443	\$ (88)	\$ 41,355	\$ 51,298	\$ 51,986	\$ 10,631

(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	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 1,324,553	\$ -	\$ 1,324,553	\$ 1,472,549	\$ 1,334,748	\$ 10,195
Supplies	93,042	(7,655)	85,387	119,000	91,303	5,916
Service charges	479,586	51,329	530,915	565,667	551,528	20,613
Capital outlay	3,553	-	3,553	2,000	42,365	38,812
Total expenditures	\$ 1,900,734	\$ 43,674	\$ 1,944,408	\$ 2,159,216	\$ 2,019,944	\$ 75,536

RECREATION MAINTENANCE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 666,238	\$ -	\$ 666,238	\$ 558,768	\$ 647,461	\$ (18,777)
Supplies	58,412	(4,442)	53,970	64,000	67,023	13,053
Service charges	133,202	(49,953)	83,249	60,000	209,965	126,716
Capital outlay	-	1,151	1,151	-	-	(1,151)
Total expenditures	\$ 857,852	\$ (53,244)	\$ 804,608	\$ 682,768	\$ 924,449	\$ 119,841

CITY PARK OPERATIONS

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	(2,672)	(5,207)	(7,879)	-	-	7,879
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ (2,672)	\$ (5,207)	\$ (7,879)	\$ -	\$ -	\$ 7,879

CULTURE & RECREATION - FOOD BANK

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 261,016	\$ -	\$ 261,016	\$ -	\$ 271,944	\$ 10,928
Supplies	2,905	-	2,905	-	2,499	(406)
Service charges	34,624	370	34,994	-	42,797	7,803
Capital outlay	2,650	-	2,650	-	6,510	3,860
Total expenditures	\$ 301,195	\$ 370	\$ 301,565	\$ -	\$ 323,750	\$ 22,185

(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

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 2,596,719	-	\$ 2,596,719	\$ 2,532,563	\$ 2,604,619	\$ 7,900
Supplies	266,411	(19,192)	247,219	322,790	339,637	92,418
Service charges	759,678	17,659	777,337	752,967	927,454	150,117
Capital outlay	6,797	1,191	7,988	4,100	51,575	43,587
Total expenditures	<u>\$ 3,629,605</u>	<u>\$ (342)</u>	<u>\$ 3,629,263</u>	<u>\$ 3,612,420</u>	<u>\$ 3,923,285</u>	<u>\$ 294,022</u>

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

TOTAL - TRANSIT FUNCTION

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY		BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
		BASIS	BUDGETARY	ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	(42,232)	(42,232)	-	-	42,232
Service charges	483,106	65,368	548,474	552,037	552,037	3,563
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>\$ 483,106</u>	<u>\$ 23,136</u>	<u>\$ 506,242</u>	<u>\$ 552,037</u>	<u>\$ 552,037</u>	<u>\$ 45,795</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, 2019

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Intergovernmental	\$ 283,232	\$ -	\$ 283,232	\$ 143,360	\$ 143,360	\$ 139,872
Interest	2,439	-	2,439	2,200	2,200	239
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>285,671</u>	<u>-</u>	<u>285,671</u>	<u>145,560</u>	<u>145,560</u>	<u>140,111</u>
EXPENDITURES						
Public works:						
Capital outlay	-	-	-	-	-	-
Total public works	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Culture and recreation:						
Capital outlay	-	-	-	-	-	-
Total culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Urban development:						
Personnel	498,274	-	498,274	556,223	563,355	65,081
Supplies	5,161	(477)	4,684	7,100	6,650	1,966
Service charges	61,633	188	61,821	74,692	76,092	14,271
Capital outlay	-	-	-	-	-	-
Total urban development	<u>565,068</u>	<u>(289)</u>	<u>564,779</u>	<u>638,015</u>	<u>646,097</u>	<u>81,318</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, 2019
(CONTINUED)

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES (CONTINUED)						
Health & Welfare:						
Personnel	\$ 376,650	\$ -	\$ 376,650	\$ 567,696	\$ 413,326	\$ 36,676
Supplies	2,755	-	2,755	7,258	11,858	9,103
Service charges	4,143	-	4,143	39,101	6,019	1,876
Capital outlay	-	-	-	2,700	-	-
Total Health & Welfare	383,548	-	383,548	616,755	431,203	47,655
Total Expenditures	948,616	(289)	948,327	1,254,770	1,077,300	128,973
Excess (deficiency) of revenues over (under) expenditures	(662,945)	289	(662,656)	(1,109,210)	(931,740)	269,084
OTHER FINANCING SOURCES (USES)						
Transfers in	580,039	-	580,039	757,509	580,039	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	580,039	-	580,039	757,509	580,039	-
Net change in fund balance	(82,906)	289	(82,617)	(351,701)	(351,701)	269,084
Fund balance - beginning of year	553,328	-	553,328	553,328	553,328	-
Fund balance - end of year	\$ 470,422	\$ 289	\$ 470,711	\$ 201,627	\$ 201,627	\$ 269,084

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, 2019

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes:						
Ad valorem tax	\$ 788,751	\$ -	\$ 788,751	\$ 780,772	\$ 780,772	\$ 7,979
Charges for services:						
Garbage fees and penalties	3,121,560	-	3,121,560	3,388,065	3,388,065	(266,505)
Interest	-	-	-	-	-	-
Total revenues	<u>3,910,311</u>	<u>-</u>	<u>3,910,311</u>	<u>4,168,837</u>	<u>4,168,837</u>	<u>(258,526)</u>
EXPENDITURES						
Public works:						
Contractual services	4,631,667	-	4,631,667	4,648,224	4,648,224	16,557
Total expenditures	<u>4,631,667</u>	<u>-</u>	<u>4,631,667</u>	<u>4,648,224</u>	<u>4,648,224</u>	<u>16,557</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(721,356)</u>	<u>-</u>	<u>(721,356)</u>	<u>(479,387)</u>	<u>(479,387)</u>	<u>(241,969)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	721,356	-	721,356	479,387	479,387	241,969
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>721,356</u>	<u>-</u>	<u>721,356</u>	<u>479,387</u>	<u>479,387</u>	<u>241,969</u>
Net change in fund balances	-	-	-	-	-	-
Fund balance - beginning of year	-	-	-	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF KENNER, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STREETS AND DRAINAGE FUND
YEAR ENDED JUNE 30, 2019

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes:						
Ad valorem tax	\$ 2,301,425	\$ -	\$ 2,301,425	\$ 2,274,132	\$ 2,274,132	\$ 27,293
Total revenues	<u>2,301,425</u>	<u>-</u>	<u>2,301,425</u>	<u>2,274,132</u>	<u>2,274,132</u>	<u>27,293</u>
EXPENDITURES						
Public works:						
Personnel	1,410,733	-	1,410,733	1,868,880	1,836,515	425,782
Supplies	229,123	(21,866)	207,257	405,252	459,802	252,545
Capital outlay	-	-	-	-	-	-
Service charges	1,386	-	1,386	-	660	(726)
Total expenditures	<u>1,641,242</u>	<u>(21,866)</u>	<u>1,619,376</u>	<u>2,274,132</u>	<u>2,296,977</u>	<u>677,601</u>
Excess (deficiency) of revenues over (under) expenditures	<u>660,183</u>	<u>21,866</u>	<u>682,049</u>	<u>-</u>	<u>(22,845)</u>	<u>704,894</u>
OTHER FINANCING SOURCES						
Transfers in	22,845	-	22,845	-	22,845	-
Transfers out	<u>(683,028)</u>	<u>-</u>	<u>(683,028)</u>	<u>-</u>	<u>-</u>	<u>(683,028)</u>
Net change in fund balance	-	21,866	21,866	-	-	21,866
Fund balance - beginning of year	-	-	-	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ 21,866</u>	<u>\$ 21,866</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,866</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, 2019

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes:						
Sales tax	\$ 4,014,871	\$ -	\$ 4,014,871	\$ 4,276,909	\$ 4,276,909	\$ (262,038)
Interest	103,237	-	103,237	26,500	26,500	76,737
Total revenues	4,118,108	-	4,118,108	4,303,409	4,303,409	(185,301)
EXPENDITURES						
Debt service:						
Principal	2,777,000	-	2,777,000	3,468,000	3,468,000	691,000
Interest	1,676,998	-	1,676,998	1,869,535	1,869,535	192,537
Miscellaneous	36,000	-	36,000	36,000	36,000	-
Total expenditures	4,489,998	-	4,489,998	5,373,535	5,373,535	883,537
Excess (deficiency) of revenues over (under) expenditures	(371,890)	-	(371,890)	(1,070,126)	(1,070,126)	698,236
OTHER FINANCING SOURCES (USES)						
Transfers in	1,208,126	-	1,208,126	1,208,126	1,208,126	-
Transfers out	(196,000)	-	(196,000)	-	-	(196,000)
Total other financing sources (uses)	1,012,126	-	1,012,126	1,208,126	1,208,126	(196,000)
Net change in fund balance	640,236	-	640,236	138,000	138,000	502,236
Fund balance - beginning of year	3,234,542	-	3,234,542	3,234,542	3,234,542	-
Fund balance - end of year	\$ 3,874,778	\$ -	\$ 3,874,778	\$ 3,372,542	\$ 3,372,542	\$ 502,236

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, 2019

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes:						
Ad valorem tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	96	-	96	-	-	96
Total revenues	96	-	96	-	-	96
EXPENDITURES						
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	96	-	96	-	-	96
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balance	96	-	96	-	-	96
Fund balance - beginning of year	6,895	-	6,895	6,895	6,895	-
Fund balance - end of year	\$ 6,991	\$ -	\$ 6,991	\$ 6,895	\$ 6,895	\$ 96

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, 2019

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
REVENUES						
Taxes						
Fire insurance premium	\$ 285,944	\$ -	\$ 285,944	\$ -	\$ -	\$ 285,944
Interest	900	-	900	-	-	900
Total revenues	<u>286,844</u>	<u>-</u>	<u>286,844</u>	<u>-</u>	<u>-</u>	<u>286,844</u>
EXPENDITURES						
Debt service:						
Principal	118,134	-	118,134	-	-	(118,134)
Interest and fiscal charges	127,485	-	127,485	-	-	(127,485)
Total expenditures	<u>245,619</u>	<u>-</u>	<u>245,619</u>	<u>-</u>	<u>-</u>	<u>(245,619)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>41,225</u>	<u>-</u>	<u>41,225</u>	<u>-</u>	<u>-</u>	<u>41,225</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	41,225	-	41,225	-	-	41,225
Fund balance - beginning of year	-	-	-	-	-	-
Fund balance - end of year	<u>\$ 41,225</u>	<u>\$ -</u>	<u>\$ 41,225</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,225</u>

**CITY OF KENNER, LOUISIANA
ENTERPRISE FUND DESCRIPTIONS
JUNE 30, 2019**

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, 2019

	ACTUAL	ADJ. TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE
				ORIGINAL BUDGET	FINAL BUDGET	(NEGATIVE)
OPERATING REVENUES						
Charges for services						
Sewerage service charges	\$ 7,770,473	\$ -	\$ 7,770,473	\$ 8,255,750	\$ 8,255,750	\$ (485,277)
Total operating revenues	7,770,473	-	7,770,473	8,255,750	8,255,750	(485,277)
OPERATING EXPENSES						
Supplies and other expenses	20,781	-	20,781	20,478	20,478	(303)
Building and maintenance expenses	70,090	-	70,090	75,000	75,000	4,910
Outside services	6,773,489	-	6,773,489	5,846,077	5,846,077	(927,412)
Depreciation	4,046,288	(4,046,288)	-	-	-	-
Public works	113,675	-	113,675	-	-	(113,675)
Other	22,535	-	22,535	20,000	20,000	(2,535)
Total operating expenses	11,046,858	(4,046,288)	7,000,570	5,961,555	5,961,555	(1,039,015)
Operating income (loss)	(3,276,385)	4,046,288	769,903	2,294,195	2,294,195	(1,524,292)
NON-OPERATING REVENUES (EXPENSES)						
Ad valorem taxes	564,211	-	564,211	554,037	554,037	10,174
Interest income	287,129	-	287,129	40,000	40,000	247,129
Loss on disposal of assets	(1,999,959)	1,999,959	-	-	-	-
Interest expense	(734,893)	-	(734,893)	(739,924)	(739,924)	5,031
Total non-operating revenues (expenses)	(1,883,512)	1,999,959	116,447	(145,887)	(145,887)	262,334
Income (loss) before contributions and transfers	(5,159,897)	6,046,247	886,350	2,148,308	2,148,308	(1,261,958)
Bond payments	-	-	-	(1,491,000)	(1,491,000)	1,491,000
Capital contributions	116,266	(116,266)	-	-	-	-
Transfer in	196,000	-	196,000	-	-	196,000
Transfer out	(467,986)	-	(467,986)	(467,986)	(467,986)	-
Change in net position	(5,315,617)	5,929,981	614,364	189,322	189,322	425,042
Net position - beginning of year	53,540,153	-	53,540,153	53,540,153	53,540,153	-
Net position - end of year	\$ 48,224,536	\$ 5,929,981	\$ 54,154,517	\$ 53,729,475	\$ 53,729,475	\$ 425,042

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, 2019

	ACTUAL	ADJ. TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
OPERATING REVENUES						
Charges for services:						
Rental charges	\$ 742,771	\$ -	\$ 742,771	\$ 685,000	\$ 685,000	\$ 57,771
Parking	49,728	-	49,728	55,000	55,000	(5,272)
Concessions	86,505	-	86,505	110,000	110,000	(23,495)
Catering	133,597	-	133,597	155,000	155,000	(21,403)
Reimbursed services	264,345	-	264,345	353,000	353,000	(88,655)
Advertising	-	-	-	30,000	30,000	(30,000)
Miscellaneous	75,317	-	75,317	30,000	30,000	45,317
Total operating revenues	1,352,263	-	1,352,263	1,418,000	1,418,000	(65,737)
OPERATING EXPENSES						
Supplies and other expenses	3,631	-	3,631	21,795	14,895	11,264
Building and maintenance expense	513,317	-	513,317	775,795	775,795	262,478
Outside services	1,322,413	-	1,322,413	1,293,965	1,300,865	(21,548)
Insurance premiums	58,735	-	58,735	100,700	100,700	41,965
General expenses:						
Depreciation	617,004	(617,004)	-	-	-	-
Other	17,912	-	17,912	-	-	(17,912)
Total operating expenses	2,533,012	(617,004)	1,916,008	2,192,255	2,192,255	276,247
Operating income (loss)	(1,180,749)	617,004	(563,745)	(774,255)	(774,255)	210,510
NON-OPERATING REVENUES (EXPENSES)						
Hotel/motel taxes	196,869	-	196,869	279,000	279,000	(82,131)
Cable television franchise fees	375,944	-	375,944	391,000	391,000	(15,056)
Interest income	824	-	824	750	750	74
Total non-operating revenues	573,637	-	573,637	670,750	670,750	(97,113)
Income (loss) before contributions, and transfers	(607,112)	617,004	9,892	(103,505)	(103,505)	113,397
Capital Contributions	22,671	-	22,671	-	-	(22,671)
Change in net position	(584,441)	617,004	32,563	(103,505)	(103,505)	90,726
Net position - beginning of year	14,011,144	-	14,011,144	14,011,144	14,011,144	-
Net position - end of year	\$ 13,426,703	\$ 617,004	\$ 14,043,707	\$ 13,907,639	\$ 13,907,639	\$ 90,726

CITY OF KENNER, LOUISIANA
INTERNAL SERVICE FUND DESCRIPTIONS
JUNE 30, 2019

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, 2019

	SELF- INSURANCE FUND	HEALTH INSURANCE FUND	TOTAL
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash	\$ 187,381	\$ 621,680	\$ 809,061
Equity in pooled cash	-	-	-
Investments	-	-	-
Due from other funds	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total assets	187,381	621,680	809,061
	<u> </u>	<u> </u>	<u> </u>
DEFERRED OUTFLOWS OF RESOURCES	-	-	-
	<u> </u>	<u> </u>	<u> </u>
LIABILITIES			
Accounts payable	-	-	-
Estimated claims payable	5,138,535	-	5,138,535
Due to other funds	2,860	614,083	616,943
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	5,141,395	614,083	5,755,478
	<u> </u>	<u> </u>	<u> </u>
DEFERRED INFLOWS OF RESOURCES	-	-	-
	<u> </u>	<u> </u>	<u> </u>
NET POSITION			
Unrestricted	(4,954,014)	7,597	(4,946,417)
	<u> </u>	<u> </u>	<u> </u>
Total net position	\$ (4,954,014)	\$ 7,597	\$ (4,946,417)
	<u> </u>	<u> </u>	<u> </u>

CITY OF KENNER, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2019

	<u>SELF- INSURANCE FUND</u>	<u>HEALTH INSURANCE FUND</u>	<u>TOTAL</u>
OPERATING REVENUES			
Charges for services	<u>\$ 850,000</u>	<u>\$ 5,055,805</u>	<u>\$ 5,905,805</u>
OPERATING EXPENSES			
Outside services	129,655	-	129,655
Insurance claims	613,793	-	613,793
Insurance premiums	<u>-</u>	<u>5,248,567</u>	<u>5,248,567</u>
Total operating expenses	<u>743,448</u>	<u>5,248,567</u>	<u>5,992,015</u>
Operating income (loss)	<u>106,552</u>	<u>(192,762)</u>	<u>(86,210)</u>
NON-OPERATING REVENUE (EXPENSE)			
Interest income	<u>2,799</u>	<u>4,003</u>	<u>6,802</u>
Total non-operating revenue	<u>2,799</u>	<u>4,003</u>	<u>6,802</u>
Income (loss) before transfers	109,351	(188,759)	(79,408)
Transfers in	<u>-</u>	<u>188,759</u>	<u>188,759</u>
Change in net position	109,351	-	109,351
Net position - beginning of year	<u>(5,063,365)</u>	<u>7,597</u>	<u>(5,055,768)</u>
Net position - end of year	<u><u>\$ (4,954,014)</u></u>	<u><u>\$ 7,597</u></u>	<u><u>\$ (4,946,417)</u></u>

CITY OF KENNER, LOUISIANA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2019

	SELF- INSURANCE FUND	HEALTH INSURANCE FUND	TOTAL
Cash flows from operating activities:			
Receipts from insured	\$ 850,000	\$ 5,055,805	\$ 5,905,805
Payments to suppliers	(841,060)	(5,248,567)	(6,089,627)
Net cash provided by (used for) operating activities	<u>8,940</u>	<u>(192,762)</u>	<u>(183,822)</u>
Cash flows from non-capital financing activities:			
Transfers in	-	330,001	330,001
Transfers (out)	-	-	-
Net cash provided by (used for) non-capital financing activities	<u>-</u>	<u>330,001</u>	<u>330,001</u>
Cash flows from investing activities:			
Proceeds from sales and maturities of investments	-	-	-
Purchases of investments	-	-	-
Interest and dividends received	2,799	4,003	6,802
Net cash provided by investing activities	<u>2,799</u>	<u>4,003</u>	<u>6,802</u>
Net increase (decrease) in cash and cash equivalents	11,739	141,242	152,981
Cash and cash equivalents, beginning of year	<u>175,642</u>	<u>480,438</u>	<u>656,080</u>
Cash and cash equivalents, end of year	<u>\$ 187,381</u>	<u>\$ 621,680</u>	<u>\$ 809,061</u>
Reconciliation to Statement of Net Position:			
Cash	\$ 187,381	\$ 621,680	\$ 809,061
Equity in pooled cash	<u>-</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents, end of year	<u>\$ 187,381</u>	<u>\$ 621,680</u>	<u>\$ 809,061</u>
Reconciliation of operating income to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 106,552	\$ (192,762)	\$ (86,210)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Change in assets and liabilities:			
Decrease in accounts payable	-	-	-
Decrease in estimated claims payable	(97,612)	-	(97,612)
Increase (decrease) in due to other funds	-	-	-
Total adjustments	<u>(97,612)</u>	<u>-</u>	<u>(97,612)</u>
Net cash provided by (used for) operating activities	<u>\$ 8,940</u>	<u>\$ (192,762)</u>	<u>\$ (183,822)</u>

CITY OF KENNER, LOUISIANA
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2019

	<u>SELF- INSURANCE FUND</u>	<u>HEALTH INSURANCE FUND</u>	<u>TOTAL</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>

**CITY OF KENNER, LOUISIANA
INTERNAL SERVICE FUND DESCRIPTIONS
JUNE 30, 2019**

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, 2019

AIRPORT SALES TAX FUND				
	BALANCE		DEDUCTIONS	BALANCE
	6/30/18	ADDITIONS		6/30/19
ASSETS				
Equity in pooled cash	\$ 2	\$ 1,168,901	\$ 1,168,900	\$ 3
Due from other funds	-	-	-	-
Intergovernmental	404,332	634,632	615,877	423,087
Total assets	\$ 404,334	\$ 1,803,533	\$ 1,784,777	\$ 423,090
LIABILITIES				
Due to other governments	\$ 404,334	\$ 423,088	\$ 404,332	\$ 423,090
Total liabilities	\$ 404,334	\$ 423,088	\$ 404,332	\$ 423,090

**CITY OF KENNER, LOUISIANA
SCHEDULE OF COUNCILPERSONS' COMPENSATION
YEAR ENDED JUNE 30, 2019**

<u>COUNCILPERSON</u>	<u>NUMBER OF DAYS SERVED</u>	<u>COMPENSATION</u>
Kristi McKinney	365	\$ 35,876
Gregory Carroll	365	32,002
Leonard Cline	0	848
Maria Defrancesch	0	693
Keith Reynaud	0	848
Glenn Hayes Sr.	365	29,731
Thomas Willmott	365	43,517
George Branigan	365	36,608
Brian Brennan	365	31,443
Michael Sigur	365	38,921
		<u>\$ 250,487</u>

CITY OF KENNER, LOUISIANA
SUPPLEMENTARY INFORMATION
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
JUNE 30, 2019

Agency Head Name: E. "Ben" Zahn, Mayor
Period: July 1, 2018 - June 30, 2019

Salary	\$	111,129
Benefits - insurance		7,531
Benefits - retirement		28,894
Reimbursements		5,700
Automobile expenses		<u>6,000</u>
	\$	<u>159,254</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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Governmental activities					
Net investment in capital assets	\$ 226,326,766	\$ 205,360,570	\$ 176,582,658	\$ 180,438,285	\$ 138,185,196
Restricted	18,214,320	17,903,956	29,772,780	20,477,759	34,664,950
Unrestricted	<u>(2,398,068)</u>	<u>(127,032)</u>	<u>2,692,277</u>	<u>(4,721,675)</u>	<u>4,026,130</u>
Total governmental activities net position	<u>\$ 242,143,018</u>	<u>\$ 223,137,494</u>	<u>\$ 209,047,715</u>	<u>\$ 196,194,369</u>	<u>\$ 176,876,276</u>
Business-type activities					
Net investment in capital assets	\$ 67,464,821	\$ 70,674,888	\$ 72,572,594	\$ 56,241,502	\$ 55,967,834
Restricted	-	-	-	15,068,526	13,261,209
Unrestricted	<u>618,663</u>	<u>(709,274)</u>	<u>(1,087,284)</u>	<u>(4,328,953)</u>	<u>(594,712)</u>
Total business-type activities net position	<u>\$ 68,083,484</u>	<u>\$ 69,965,614</u>	<u>\$ 71,485,310</u>	<u>\$ 66,981,075</u>	<u>\$ 68,634,331</u>
Primary government					
Net investment in capital assets	\$ 293,791,587	\$ 276,035,458	\$ 249,155,252	\$ 236,679,787	\$ 194,153,030
Restricted	18,214,320	17,903,956	29,772,780	35,546,285	47,926,159
Unrestricted	<u>(1,779,405)</u>	<u>(836,306)</u>	<u>1,604,993</u>	<u>(9,050,628)</u>	<u>3,431,418</u>
Total primary government net position	<u>\$ 310,226,502</u>	<u>\$ 293,103,108</u>	<u>\$ 280,533,025</u>	<u>\$ 263,175,444</u>	<u>\$ 245,510,607</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)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Governmental activities					
Net investment in capital assets	\$ 156,456,600	\$ 149,042,805	\$ 138,501,616	\$ 131,061,483	\$ 129,548,648
Restricted	7,965,322	6,604,685	9,097,420	9,212,571	9,853,877
Unrestricted	(45,070,937)	(40,835,794)	(41,045,645)	(53,958,644)	(40,073,193)
Total governmental activities net position	<u>\$ 119,350,985</u>	<u>\$ 114,811,696</u>	<u>\$ 106,553,391</u>	<u>\$ 86,315,410</u>	<u>\$ 99,329,332</u>
Business-type activities					
Net investment in capital assets	\$ 52,907,339	\$ 59,774,596	\$ 63,270,535	\$ 59,419,503	\$ 54,030,338
Restricted	12,630,950	13,027,560	13,384,442	14,776,869	16,176,932
Unrestricted	165,593	(997,691)	(6,210,890)	(6,645,075)	(8,556,031)
Total business-type activities net position	<u>\$ 65,703,882</u>	<u>\$ 71,804,465</u>	<u>\$ 70,444,087</u>	<u>\$ 67,551,297</u>	<u>\$ 61,651,239</u>
Primary government					
Net investment in capital assets	\$ 209,363,939	\$ 208,817,401	\$ 201,772,151	\$ 190,480,986	\$ 183,578,986
Restricted	20,596,272	19,632,245	22,481,862	23,989,440	26,030,809
Unrestricted	(44,905,344)	(41,833,485)	(47,256,535)	(60,603,719)	(48,629,224)
Total primary government net position	<u>\$ 185,054,867</u>	<u>\$ 186,616,161</u>	<u>\$ 176,997,478</u>	<u>\$ 153,866,707</u>	<u>\$ 160,980,571</u>

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Expenses					
Governmental activities:					
General government	\$ 12,445,711	\$ 13,331,542	\$ 13,518,067	\$ 14,334,561	\$ 15,177,249
Public safety	28,176,202	28,981,374	30,120,747	29,726,401	29,635,749
Public works	30,431,909	36,657,670	31,743,384	30,447,190	28,877,594
Health and welfare	927,097	756,235	478,916	461,077	463,687
Culture and recreation	9,550,670	7,066,031	6,075,269	7,458,593	8,328,521
Transit and urban development	1,981,932	1,537,013	5,065,979	2,178,189	1,807,143
Interest on long-term debt and other charges	1,858,468	1,688,282	1,696,804	1,582,211	1,743,210
Debt issuance costs	-	-	-	166,797	699,366
Total governmental activities expenses	<u>85,371,989</u>	<u>90,018,147</u>	<u>88,699,166</u>	<u>86,355,019</u>	<u>86,732,519</u>
Business-type activities:					
Wastewater operations	7,282,712	7,233,176	8,482,102	10,025,404	9,868,246
Civic center operations	3,156,767	3,321,275	3,359,257	3,228,630	3,317,342
Total business-type activities expenses	<u>10,439,479</u>	<u>10,554,451</u>	<u>11,841,359</u>	<u>13,254,034</u>	<u>13,185,588</u>
Total primary government expenses	<u>\$ 95,811,468</u>	<u>\$ 100,572,598</u>	<u>\$ 100,540,525</u>	<u>\$ 99,609,053</u>	<u>\$ 99,918,107</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 5,959,847	\$ 6,794,368	\$ 8,101,475	\$ 7,397,121	\$ 7,396,643
Public safety	4,828,953	3,456,639	3,529,877	3,582,022	3,670,994
Public works	4,027,778	4,303,084	3,975,986	4,219,748	4,196,238
Other activities	1,325,504	1,405,306	1,143,772	1,022,077	985,922
Operating grants and contributions	2,321,055	2,497,951	1,528,912	2,119,168	1,432,247
Capital grants and contributions	3,617,474	1,810,855	7,238,923	3,843,389	2,492,715
Total governmental activities program revenues	<u>22,080,611</u>	<u>20,268,203</u>	<u>25,518,945</u>	<u>22,183,525</u>	<u>20,174,759</u>
Business-type activities:					
Charges for services:					
Wastewater operations	3,517,961	4,399,069	5,670,289	6,323,934	7,045,527
Civic center operations	1,266,846	1,258,957	1,441,990	1,297,089	1,306,346
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	325,899	6,706,005	-	2,074,647	-
Total business-type activities program revenues	<u>5,110,706</u>	<u>12,364,031</u>	<u>7,112,279</u>	<u>9,695,670</u>	<u>8,351,873</u>
Total primary government program revenues	<u>\$ 27,191,317</u>	<u>\$ 32,632,234</u>	<u>\$ 32,631,224</u>	<u>\$ 31,879,195</u>	<u>\$ 28,526,632</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)

	2015	2016	2017	2018	2019
Expenses					
Governmental activities:					
General government	\$ 13,813,735	\$ 14,836,858	\$ 16,586,949	\$ 15,358,488	\$ 12,481,649
Public safety	29,475,863	30,883,950	33,467,757	35,312,148	32,024,036
Public works	27,941,741	32,764,458	24,782,776	25,194,381	25,521,327
Health and welfare	801,735	613,131	858,793	1,118,220	465,377
Culture and recreation	6,358,836	7,008,906	9,948,548	7,139,313	5,209,904
Transit and urban development	1,894,391	2,922,725	1,588,093	1,616,963	1,366,794
Interest on long-term debt and other charges	1,877,967	2,023,349	1,972,444	1,914,936	1,949,980
Debt issuance costs	-	-	-	-	-
Total governmental activities expenses	<u>82,164,268</u>	<u>91,053,377</u>	<u>89,205,360</u>	<u>87,654,449</u>	<u>79,019,067</u>
Business-type activities:					
Wastewater operations	10,525,025	10,344,589	10,148,155	12,131,852	11,781,751
Civic center operations	3,913,657	3,461,541	3,091,574	2,795,722	2,533,012
Total business-type activities expenses	<u>14,438,682</u>	<u>13,806,130</u>	<u>13,239,729</u>	<u>14,927,574</u>	<u>14,314,763</u>
Total primary government expenses	<u>\$ 96,602,950</u>	<u>\$ 104,859,507</u>	<u>\$ 102,445,089</u>	<u>\$ 102,582,023</u>	<u>\$ 93,333,830</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 7,871,195	\$ 8,518,059	\$ 8,537,637	\$ 7,752,734	\$ 7,125,479
Public safety	3,539,018	3,651,930	3,542,687	4,261,438	4,540,654
Public works	4,629,113	7,796,416	4,699,524	5,814,361	5,430,424
Other activities	1,048,379	1,310,601	1,774,337	1,788,108	2,031,554
Operating grants and contributions	3,930,625	2,225,208	2,396,402	2,781,272	4,807,988
Capital grants and contributions	2,305,682	3,135,333	5,244,371	5,545,840	10,775,121
Total governmental activities program revenues	<u>23,324,012</u>	<u>26,637,547</u>	<u>26,194,958</u>	<u>27,943,753</u>	<u>34,711,220</u>
Business-type activities:					
Charges for services:					
Wastewater operations	7,550,271	8,146,011	8,810,605	8,305,494	7,770,473
Civic center operations	1,364,595	1,440,206	1,458,603	1,553,304	1,352,263
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	68,498	8,925,652	657,463	984,220	138,937
Total business-type activities program revenues	<u>8,983,364</u>	<u>18,511,869</u>	<u>10,926,671</u>	<u>10,843,018</u>	<u>9,261,673</u>
Total primary government program revenues	<u>\$ 32,307,376</u>	<u>\$ 45,149,416</u>	<u>\$ 37,121,629</u>	<u>\$ 38,786,771</u>	<u>\$ 43,972,893</u>

(Continued)

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Net (Expense) Revenue					
Governmental activities	\$ (63,291,378)	\$ (69,749,944)	\$ (63,180,221)	\$ (64,171,494)	\$ (66,557,760)
Business-type activities	(5,328,773)	1,809,580	652,688	(3,558,364)	(1,759,790)
Total primary government net expense	<u>\$ (68,620,151)</u>	<u>\$ (67,940,364)</u>	<u>\$ (62,527,533)</u>	<u>\$ (67,729,858)</u>	<u>\$ (68,317,550)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Ad valorem	\$ 7,479,348	\$ 7,940,366	\$ 7,876,865	\$ 7,617,724	\$ 7,714,727
Hotel/motel*	-	-	-	-	-
Sales and use	29,758,967	30,788,076	30,371,384	31,708,191	30,831,511
Beer tax	77,085	70,485	77,787	76,434	70,784
Parking	1,864,772	1,952,097	2,007,642	2,090,075	2,303,311
Franchise	7,648,751	8,142,735	7,926,562	7,916,445	7,837,526
Grants/contributions not restricted to specific programs	118,139	313,757	164,992	218,121	105,524
Investment earnings	40,466	56,054	35,278	40,631	42,272
Miscellaneous	240,378	190,806	237,906	242,494	468,097
Settlement proceeds	-	-	-	-	-
Gain (loss) on disposal of capital assets	-	85,951	-	99	-
Transfers	-	1,204,100	392,024	(19,936)	(2,134,085)
Total governmental activities	<u>47,227,906</u>	<u>50,744,427</u>	<u>49,090,440</u>	<u>49,890,278</u>	<u>47,239,667</u>
Business-type activities:					
Taxes:					
Ad valorem	522,429	512,750	524,658	595,762	442,735
Hotel/motel*	-	-	-	-	-
Sales and use	382,424	340,181	304,110	-	-
Franchise	454,143	421,522	403,104	781,448	728,574
Grants/contributions not restricted to specific programs	2,552	97	13,835	156,398	95,019
Investment earnings	1,139	942	4,453	12,751	7,630
Miscellaneous	11,545	1,158	8,872	42,666	5,003
Gain (loss) on disposal of capital assets	-	-	-	(483,861)	-
Proceeds from insurance	-	-	-	-	-
Transfers	(497,644)	(1,204,100)	(392,024)	19,936	2,134,085
Total business-type activities	<u>876,588</u>	<u>72,550</u>	<u>867,008</u>	<u>1,125,100</u>	<u>3,413,046</u>
Total primary government	<u>\$ 48,104,494</u>	<u>\$ 50,816,977</u>	<u>\$ 49,957,448</u>	<u>\$ 51,015,378</u>	<u>\$ 50,652,713</u>
Change in Net Position					
Governmental activities	\$ (16,063,472)	\$ (19,005,517)	\$ (14,089,781)	\$ (14,281,216)	\$ (19,318,093)
Business-type activities	(4,452,185)	1,882,130	1,519,696	(2,433,264)	1,653,256
Total primary government	<u>\$ (20,515,657)</u>	<u>\$ (17,123,387)</u>	<u>\$ (12,570,085)</u>	<u>\$ (16,714,480)</u>	<u>\$ (17,664,837)</u>

(Continued)

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Net (Expense) Revenue					
Governmental activities	\$ (58,840,256)	\$ (64,415,830)	\$ (63,010,402)	\$ (59,710,696)	\$ (44,307,847)
Business-type activities	(5,455,318)	4,705,739	(2,313,058)	(4,084,556)	(5,053,090)
Total primary government net expense	<u>\$ (64,295,574)</u>	<u>\$ (59,710,091)</u>	<u>\$ (65,323,460)</u>	<u>\$ (63,795,252)</u>	<u>\$ (49,360,937)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Ad valorem	\$ 8,083,474	\$ 8,096,586	\$ 8,118,440	\$ 8,238,143	\$ 8,419,900
Hotel/motel*	-	274,270	283,656	499,322	202,958
Sales and use	31,898,990	32,423,441	33,751,167	33,732,865	36,622,373
Beer tax	70,120	67,959	65,301	62,159	60,711
Parking	2,496,875	2,760,154	2,885,134	3,101,075	3,236,930
Franchise	8,003,764	7,650,076	7,539,276	7,444,344	7,180,721
Grants/contributions not restricted to specific programs	54,448	24,511	101,102	35,722	29,933
Investment earnings	128,207	374,122	493,319	605,697	944,943
Miscellaneous	501,170	553,877	302,527	449,888	328,814
Settlement proceeds	-	6,960,079	-	-	-
Gain (loss) on disposal of capital assets	-	700,894	773,000	-	22,500
Transfers	19,935	(9,428)	439,175	318,548	271,986
Total governmental activities	<u>51,256,983</u>	<u>59,876,541</u>	<u>54,752,097</u>	<u>54,487,763</u>	<u>57,321,769</u>
Business-type activities:					
Taxes:					
Ad valorem	625,549	542,529	544,023	552,033	564,211
Hotel/motel*	-	266,042	275,146	325,883	196,869
Sales and use	-	-	-	-	-
Franchise	701,842	394,707	387,544	409,430	375,944
Grants/contributions not restricted to specific programs	1,159,217	112,028	-	-	-
Investment earnings	52,248	172,451	175,142	222,968	287,953
Miscellaneous	5,948	10,505	-	-	-
Gain (loss) on disposal of capital assets	-	(112,846)	10,000	-	(1,999,959)
Proceeds from insurance	-	-	-	-	-
Transfers	(19,935)	9,428	(439,175)	(318,548)	(271,986)
Total business-type activities	<u>2,524,869</u>	<u>1,394,844</u>	<u>952,680</u>	<u>1,191,766</u>	<u>(846,968)</u>
Total primary government	<u>\$ 53,781,852</u>	<u>\$ 61,271,385</u>	<u>\$ 55,704,777</u>	<u>\$ 55,679,529</u>	<u>\$ 56,474,801</u>
Change in Net Position					
Governmental activities	\$ (7,583,273)	\$ (4,539,289)	\$ (8,258,305)	\$ (5,222,933)	\$ 13,013,922
Business-type activities	(2,930,449)	6,100,583	(1,360,378)	(2,892,790)	(5,900,058)
Total primary government	<u>\$ (10,513,722)</u>	<u>\$ 1,561,294</u>	<u>\$ (9,618,683)</u>	<u>\$ (8,115,723)</u>	<u>\$ 7,113,864</u>

* 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				
	2010	2011	2012	2013	2014
General fund					
Reserved	\$ 1,513,885	\$ -	\$ -	\$ -	\$ -
Unreserved	6,480,932	-	-	-	-
Nonspendable	-	489,360	527,355	635,059	144,011
Restricted	-	1,986,029	2,186,205	2,225,664	1,995,638
Committed	-	410,554	939,732	345,445	485,101
Assigned	-	2,012,582	3,502,878	2,397,898	2,267,631
Unassigned	-	7,686,775	6,561,410	6,517,899	6,131,325
Total general fund	\$ 7,994,817	\$ 12,585,300	\$ 13,717,580	\$ 12,121,965	\$ 11,023,706
All other governmental funds					
Reserved	\$ 4,603,768	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	597,914	-	-	-	-
Capital projects funds	13,097,466	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted	-	18,601,334	30,998,309	18,252,095	32,669,312
Committed	-	70,291	2,016,844	1,439,396	7,225,718
Assigned	-	-	-	-	-
Unassigned	-	(396,366)	-	(465,042)	3,963,802
Total all other governmental funds	\$ 18,299,148	\$ 18,275,259	\$ 33,015,153	\$ 19,226,449	\$ 43,858,832

(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				
	2015	2016	2017	2018	2019
General fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	742,419	132,955	140,429	505,737	515,503
Restricted	1,845,524	1,768,991	1,803,344	2,108,511	2,781,633
Committed	601,469	3,435,096	584,870	657,696	367,188
Assigned	2,519,307	2,219,967	1,712,310	3,756,456	1,573,848
Unassigned	5,980,799	8,855,189	11,213,217	10,030,526	16,510,347
Total general fund	<u>\$ 11,689,518</u>	<u>\$ 16,412,198</u>	<u>\$ 15,454,170</u>	<u>\$ 17,058,926</u>	<u>\$ 21,748,519</u>
All other governmental funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted	31,552,813	27,129,795	21,941,251	22,717,278	23,126,211
Committed	10,871,980	17,980,162	17,732,624	18,410,977	19,974,112
Assigned	-	-	-	-	-
Unassigned	(27,746)	(22,358)	(293,544)	(28,831)	41,225
Total all other governmental funds	<u>\$ 42,397,047</u>	<u>\$ 45,087,599</u>	<u>\$ 39,380,331</u>	<u>\$ 41,099,424</u>	<u>\$ 43,141,548</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				
	2010	2011	2012	2013	2014
Revenues					
Taxes	\$ 45,799,281	\$ 47,782,458	\$ 47,822,765	\$ 48,702,710	\$ 48,328,061
Licenses and permits	4,402,801	3,508,681	3,462,423	3,445,677	3,191,259
Intergovernmental	6,825,921	5,519,796	9,840,654	7,039,477	4,871,406
Charges for services	4,408,484	4,657,430	4,272,206	4,619,331	4,716,197
Fines and forfeitures	2,124,594	2,602,543	2,885,847	2,322,357	2,187,652
Interest	13,201	27,253	5,188	15,273	15,647
Miscellaneous	1,458,777	869,151	853,842	746,692	955,303
Total revenues	<u>65,033,059</u>	<u>64,967,312</u>	<u>69,142,925</u>	<u>66,891,517</u>	<u>64,265,525</u>
Expenditures					
General government	10,457,451	10,490,966	10,874,488	11,700,333	12,403,699
Public safety	24,891,692	24,859,654	26,418,059	26,629,412	26,234,628
Public works	17,940,695	20,653,967	18,150,570	14,657,352	14,971,997
Health and welfare	684,543	611,230	384,177	398,757	404,803
Culture and recreation	8,564,497	5,668,520	4,575,485	6,094,878	7,009,417
Transit and urban development	1,858,565	1,451,668	5,044,566	2,086,908	1,721,693
Debt Service					
Principal	5,946,595	4,580,965	5,944,643	5,483,832	18,569,019
Interest and fiscal charges	1,924,444	1,711,023	1,611,510	1,794,687	1,975,501
Agent fees	-	-	-	-	-
Debt issuance costs	-	-	417,120	166,797	699,366
Miscellaneous	36,000	36,000	36,000	36,000	36,000
Total expenditures	<u>72,304,482</u>	<u>70,063,993</u>	<u>73,456,618</u>	<u>69,048,956</u>	<u>84,026,123</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,271,423)</u>	<u>(5,096,681)</u>	<u>(4,313,693)</u>	<u>(2,157,439)</u>	<u>(19,760,598)</u>
Other financing sources (uses)					
Proceeds from sale of property	-	-	-	-	-
Transfers in	19,826,803	16,071,100	21,195,128	19,747,075	19,523,670
Transfers out	(19,608,479)	(14,867,006)	(20,803,921)	(19,771,811)	(21,657,755)
Premium on bonds issued	-	-	190,707	-	1,156,726
Long-term debt issued	-	-	-	424,838	44,272,081
Payment to refunded bonds escrow agent	-	-	-	(8,725,000)	-
Proceeds of refunding bonds and other debt	2,032,646	8,459,187	19,603,953	9,205,000	-
Total other financing sources (uses)	<u>2,250,970</u>	<u>9,663,281</u>	<u>20,185,867</u>	<u>880,102</u>	<u>43,294,722</u>
Special item					
Proceeds from BP settlement	-	-	-	-	-
Net change in fund balances	<u>\$ (5,020,453)</u>	<u>\$ 4,566,600</u>	<u>\$ 15,872,174</u>	<u>\$ (1,277,337)</u>	<u>\$ 23,534,124</u>
Capital expenditures	3,681,029	6,586,341	2,476,948	1,147,333	2,295,433
Non-capital expenditures	68,623,453	63,477,652	70,979,670	67,901,623	81,730,690
Debt service, (interest and principal only) as a percentage of noncapital expenditures	<u>11.22%</u>	<u>11.98%</u>	<u>10.67%</u>	<u>10.36%</u>	<u>25.14%</u>

(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				
	2015	2016	2017	2018	2019
Revenues					
Taxes	\$ 50,058,106	\$ 51,327,286	\$ 52,588,514	\$ 52,841,647	\$ 55,119,890
Licenses and permits	3,896,737	7,027,733	3,897,098	5,314,977	5,018,406
Intergovernmental	5,745,262	4,769,560	7,501,068	7,433,369	12,114,120
Charges for services	4,466,196	4,680,205	4,857,515	4,764,982	4,520,445
Fines and forfeitures	2,119,325	1,894,829	2,165,691	2,421,112	2,211,169
Interest	99,612	333,946	414,856	520,678	870,649
Miscellaneous	1,004,101	1,389,177	1,128,366	1,200,392	2,202,676
Total revenues	<u>67,389,339</u>	<u>71,422,736</u>	<u>72,553,108</u>	<u>74,497,157</u>	<u>82,057,355</u>
Expenditures					
General government	11,509,666	12,118,543	13,462,653	12,475,852	11,276,228
Public safety	26,400,885	28,579,578	28,772,959	29,989,256	30,606,677
Public works	15,328,831	21,777,427	21,073,634	14,995,569	22,387,195
Health and welfare	844,481	507,252	647,243	774,831	540,728
Culture and recreation	5,171,902	5,327,908	8,372,602	5,825,754	4,229,515
Transit and urban development	1,860,824	2,796,924	1,509,933	1,378,299	1,358,396
Debt Service					
Principal	4,987,765	5,109,170	4,620,744	4,808,892	3,024,760
Interest and fiscal charges	2,103,841	1,987,594	1,934,814	1,875,997	1,819,177
Agent fees	-	-	-	4,000	152,690
Debt issuance costs	-	-	-	-	-
Miscellaneous	36,000	36,000	36,000	36,000	36,000
Total expenditures	<u>68,244,195</u>	<u>78,240,396</u>	<u>80,430,582</u>	<u>72,164,450</u>	<u>75,431,366</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(854,856)</u>	<u>(6,817,660)</u>	<u>(7,877,474)</u>	<u>2,332,707</u>	<u>6,625,989</u>
Other financing sources (uses)					
Proceeds from sale of property	-	700,894	773,000	-	22,500
Transfers in	20,233,048	18,273,409	22,248,288	20,441,257	22,105,830
Transfers out	(20,513,113)	(18,282,837)	(21,809,110)	(20,122,709)	(22,022,603)
Premium on bonds issued	-	-	-	-	-
Long-term debt issued	38,947	-	-	-	-
Increase in obligations under capital lease	-	-	-	672,594	-
Proceeds of refunding bonds and other debt	-	-	-	-	-
Total other financing sources (uses)	<u>(241,118)</u>	<u>691,466</u>	<u>1,212,178</u>	<u>991,142</u>	<u>105,727</u>
Special item					
Proceeds from BP settlement	-	6,960,079	-	-	-
Net change in fund balances	<u>\$ (1,095,974)</u>	<u>\$ (6,126,194)</u>	<u>\$ (6,665,296)</u>	<u>\$ 3,323,849</u>	<u>\$ 6,731,716</u>
Capital expenditures	2,573,386	5,036,558	10,251,979	4,816,430	10,790,959
Non-capital expenditures	65,670,809	73,203,838	70,178,603	67,348,020	64,640,407
Debt service, (interest and principal only) as a percentage of noncapital expenditures	<u>10.80%</u>	<u>9.69%</u>	<u>9.34%</u>	<u>9.93%</u>	<u>7.49%</u>

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

<u>Fiscal Year</u>	<u>City Direct Rate (1)</u>	<u>Overlapping Rates</u>	
		<u>Jefferson Parish (2)</u>	<u>Jefferson Parish School Board</u>
2010	2.5833%	0.1667%	2.0000%
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%

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)

<u>Fiscal Year</u>	<u>Real Estate</u>	<u>Personal Property</u>	<u>Tax Sale</u>	<u>Public Service Corporations</u>	<u>Railway Rolling Stock</u>	<u>Total Assessments</u>	<u>Less: Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value (1)</u>
2010	448,346,980	94,662,776	2,789,130	27,699,147	46,460	573,544,493	105,611,567	467,932,926	18.13	5,327,416,986	8.78%
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%

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)	
2010	2.08	1.61	7.40	-	5.90	1.14	18.13	64.46	82.59
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

(1) Source: Jefferson Parish Assessor.

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

<u>Taxpayer</u>	<u>June 30, 2019</u>			<u>June 30, 2010</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
Entergy Services	\$ 12,921,258	1	1.76%			
Five Properties	9,291,940	2	1.26%	\$ 7,568,140	1	4.66%
Entergy Louisiana	7,862,684	3	1.07%			
Southwest Airlines	7,344,460	4	1.00%	7,086,120	3	4.36%
Pellerin Milnor	6,403,057	5	0.87%	3,034,566	9	1.87%
Esplanade Mall Realty LP	3,304,730	9	0.45%	7,415,860	2	4.57%
Wal Mart	4,110,000	6	0.56%	4,930,400	4	3.04%
Treasure Check Casino	3,961,973	7	0.54%	4,550,762	5	2.80%
Oschner Community Hospitals						
Atmos Energy Corp.	3,678,024	8	0.50%			
United Airlines	3,168,810	10	0.43%			
Westport Petroleum				3,032,502	10	1.87%
Sprint Spectrum				3,284,926	8	2.02%
Continental Airlines				3,336,970	7	2.05%
Bellsouth				4,340,530	6	2.67%
Total	<u>\$ 62,046,936</u>		<u>8.44%</u>	<u>\$ 48,580,776</u>		<u>29.91%</u>

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
2010	8,483,637	8,141,338	95.97%	193,436	8,334,774	98.25%
2011	8,314,639	7,974,603	95.91%	178,861	8,153,464	98.06%
2012	8,449,463	8,134,682	96.27%	156,512	8,291,194	98.13%
2013	8,459,927	8,076,814	95.47%	182,082	8,258,896	97.62%
2014	8,458,230	8,150,033	96.36%	105,748	8,255,781	97.61%
2015	8,733,871	8,417,971	96.38%	159,591	8,577,562	98.21%
2016	8,787,704	8,488,335	96.59%	143,288	8,631,623	98.22%
2017	8,737,422	8,456,190	96.78%	152,371	8,608,561	98.53%
2018	8,865,327	8,551,461	96.46%	78,154	8,629,615	97.34%
2019	9,055,354	8,779,021	96.95%	N/A	8,779,021	96.95%

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						Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	Sales Tax Revenue Bonds	Certificates of Indebtedness	LCDA Revenue Bonds	LDEQ Taxable Bonds	Notes Payable	Mortgage Payable	Sewer Revenue Bonds			
2010	25,945,000	200,000	13,205,000	2,150,621	2,465,430	-	-	43,966,051	2.73%	648
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

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		
2010	\$ -	\$ -	\$ -	-	-
2011	-	-	-	-	-
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-

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, 2019
(Unaudited)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Jefferson Parish	\$ 350,182,000	19.99%	\$ 70,001,382
Jefferson Parish Public School System	\$ 193,547,000	14.68%	<u>28,412,700</u>
Subtotal, overlapping debt			98,414,082
City direct debt			<u>50,211,753</u>
Total direct and overlapping debt			<u><u>\$ 148,625,835</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)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt Limit	\$ 200,740,573	\$ 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
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 200,740,573</u>	<u>\$ 197,441,907</u>	<u>\$ 199,506,364</u>	<u>\$ 205,018,840</u>	<u>\$ 204,648,621</u>	<u>\$ 209,910,005</u>	<u>\$ 213,310,908</u>	<u>\$ 216,023,963</u>	<u>\$ 219,973,239</u>	<u>\$ 225,183,545</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

Legal Debt Margin Calculation for Fiscal Year 2019

Assessed value	<u>\$ 643,381,558</u>
Debt limit -- 35% of assessed value	225,183,545
General obligation and excess revenue bonds	\$ -
Less: amount available for repayment of general obligation and excess revenue bonds	<u>-</u>
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$ 225,183,545</u>

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			Coverage
	Sales Tax Collections	Debt Service		
		Principal	Interest	
2010	11,211,927	2,980,000	1,039,916	2.79
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

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)

<u>Fiscal Year</u>	<u>(1) Population</u>	<u>Personal Income</u>	<u>(2) (4) Per Capita Personal Income</u>	<u>(3) Unemployment Rate</u>
2010	67,842	1,613,418,444	23,782	8.1%
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%

- (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, 2019			June 30, 2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Ochsner Medical Center	850	1	2.59%	768	2	2.10%
Treasure Chest Casino	725	2	2.21%	780	1	2.10%
Pellerin Milnor Corp	700	3	2.14%	525	5	1.40%
City of Kenner	606	4	1.85%	739	3	2.00%
Cross Road Centers	280	5	0.85%	600	4	1.60%
St. Theresa's Medical Center	165	6	0.50%			
Altus Global Trade Solutions	135	7	0.41%			
Revolution Foods	85	8	0.25%			
Cycle Construction Company	80	9	0.24%			
Crowne Plaza Hotel	80	10	0.24%			
Wal-Mart Stores Inc.				515	6	1.40%
Dillard's Inc				200	7	0.50%
Home Depot, Inc.				192	10	0.50%
Chateau Living Center				200	9	0.50%
Macy's Inc				200	8	0.50%
Total	3,706		11.28%	4,719		12.60%

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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government	96	92	87	86	89	86	85	88	83	91
Public safety	331	332	324	333	328	326	324	318	311	338
Public works	73	72	72	75	73	69	68	69	73	84
Health and welfare	61	53	36	36	36	35	34	38	34	34
Culture and recreation	78	69	78	79	75	68	64	69	54	38
Transit and urban development	16	13	15	14	14	14	14	12	19	21
Miscellaneous										
Total	655	631	612	621	615	598	589	594	574	606

Source: City of Kenner payroll department.

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

Function	Fiscal Year 2010	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
Police										
Physical arrests	8,815	9,393	8,990	7,767	7,573	7,625	7,333	6,134	5,692	4,110
Parking violations	467	449	496	928	447	470	418	471	384	548
Traffic violations	17,692	20,242	26,201	19,973	17,397	18,568	17,139	15,292	15,586	18,899
Fire										
Emergency responses	3,588	3,454	2,555	1,662	1,366	1,504	1,728	1,706	2,044	2,124
Fires extinguished	137	186	120	190	136	189	146	113	203	151
Refuse collection										
Refuse collected (tons per month)	160	160	3,065	3,314	3,129	3,254	2,908	2,914	3,049	3,089
Recyclables collected (tons per month)	N/A	N/A	N/A	4	11.15	11.00	30.00	80.15	74.85	52.84
Other public works										
Street resurfacing (sq. ft.)	8,000	488,735	117,972	285,813	39,609	124,569	3,705	3,890	3,890	4,680
Potholes repaired	163	130	484	527	1,123	1,153	1,154	2,017	855	258
Wastewater										
Average daily sewage treatment (mil per day)	12.2	10.7	10.7	10.5	9.1	9.5	10.6	11.8	10.6	10.6

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 2010	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
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	204	201	204	210	201	182	181	180	191	171
Fire										
Stations	6	6	6	6	6	6	6	6	6	5
Pieces of equipment	23	23	21	20	19	19	18	18	20	20
Water										
Water mains (miles)	264	264	264	264	264	264	264	264	264	264
Fire hydrants	2,919	2,911	2,915	2,919	2,923	2,725	2,726	2,919	2,919	2,927
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	6,992	6,995	7,000	7,000	7,000	7,060	6,931
Traffic signals	19	19	19	19	19	20	20	20	20	20
Health and welfare	**	**	**	**	**	**	**	**	**	**
Culture and recreation										
Parks	3	3	4	4	4	4	4	4	4	4
Playgrounds	12	12	11	11	11	11	11	11	11	9
Art Galleries and Museums	6	6	7	7	7	5	5	5	5	5
Gymnasiums	11	11	10	10	10	10	10	10	10	9
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	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

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

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

Michael J. O' Rourke, CPA
David A. Burgard, CPA
Clifford J. Giffin, Jr., CPA
William G. Stamm, CPA

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)

New Orleans

1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Northshore

1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma

247 Corporate Drive
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Napoleonville

5047 Highway 1
P.O. Box 830
Napoleonville, LA 70390
Phone: (985) 369-6003
Fax: (985) 369-9941

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 27, 2019

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, 2019, 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 27, 2019.

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.

www.dhhmcpa.com

Members
American Institute of
Certified Public Accountants
Society of LA CPAs

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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



Duplantier
Hrapmann
Hogan &
Maher, LLP

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

Michael J. O' Rourke, CPA
David A. Burgard, CPA
Clifford J. Giffin, Jr., CPA
William G. Stamm, CPA

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)

New Orleans
1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Northshore
1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma
247 Corporate Drive
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Napoleonville
5047 Highway 1
P.O. Box 830
Napoleonville, LA 70390
Phone: (985) 369-6003
Fax: (985) 369-9941

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

December 27, 2019

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, 2019. 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).

www.dhhmcpa.com

Members
American Institute of
Certified Public Accountants
Society of LA CPAs

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, 2019.

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, 2019

<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>2019 FEDERAL EXPENDITURES</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs:				
Community Development Block Grant	14.218	B-14-MC-22-0008		\$ 19,570
Community Development Block Grant	14.218	B-15-MC-22-0008		51,730
Community Development Block Grant	14.218	B-16-MC-22-0008		44,215
Community Development Block Grant	14.218	B-17-MC-22-0008		33,744
Community Development Block Grant	14.218	B-18-MC-22-0008		<u>320,300</u>
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				<u><u>469,559</u></u>
DEPARTMENT OF JUSTICE				
Direct				
Edward Byrne Memorial Justice Assistance Grant Program:				
	16.738	2017-DJ-BX-0277		3,281
	16.738	20178-DJ-BX-0277		<u>6,160</u>
				9,441
Bulletproof Vest Partnership Grant Program				
	16.607	Unavailable		<u>8,125</u>
Alcohol, Tobacco and Firearms Training Assistance Program:				
	16.012	18-NOR-407-AFF		4,568
	16.012	19-NOR-407-AFF		<u>2,411</u>
				6,979
Passed Through Louisiana Commission Law Enforcement:				
Narcotics Criminal Patrols Program				
	16.738	4597		<u>15,550</u>
Passed Through Louisiana Commission Law Enforcement:				
Crime Victim Assistance Program				
	16.575	4314		9,900
Victim Assistance Grant				
	16.575	3812		<u>8,348</u>
				18,248
TOTAL DEPARTMENT OF JUSTICE				<u><u>58,343</u></u>
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION				
Passed through Louisiana Highway Safety Commission				
Traffic Safety Overtime Enforcement Program				
	20.601	2018-30-31		9,352
Traffic Safety Overtime Enforcement Program				
	20.601	2019-30-31		<u>7,263</u>
TOTAL NATIONAL HIGHWAY SAFETY ADMINISTRATION				<u><u>16,615</u></u>
			Total 20.601	<u><u>16,615</u></u>

CITY OF KENNER, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019
(CONTINUED)

DEPARTMENT OF HOMELAND SECURITY

Direct:

Staffing for Adequate Fire & Emergency Response	97.083	EMW-2017-FH-00322	<u>374,917</u>
---	--------	-------------------	----------------

Passed through Louisiana Governor's Office of Homeland Security and Emergency Preparedness:

Rivertown South Kenner Drainage Project	97.039	FMA 2011 PW 2RRF1	<u>165,041</u>
---	--------	-------------------	----------------

TOTAL DEPARTMENT OF HOMELAND SECURITY			<u><u>539,958</u></u>
---------------------------------------	--	--	-----------------------

OFFICE OF NATIONAL DRUG CONTROL POLICY

Passed Through Jefferson Parish Sheriff's Office

Gulf Coast High Intensity Drug Trafficking Areas	95.001	G17GC0001A	5,696
Gulf Coast High Intensity Drug Trafficking Areas	95.001	G18GC0001A	7,214
Gulf Coast High Intensity Drug Trafficking Areas	95.001	G19GC0001A	<u>12,239</u>

TOTAL OFFICE OF NATIONAL DRUG CONTROL POLICY		Total 95.001	<u><u>25,149</u></u>
--	--	--------------	----------------------

DEPARTMENT OF TRANSPORTATION

Passed Through Louisiana Department of Transportation and Development

Veterans Boulevard Lighting Airport	20.205	H010973	99,993
Fire Station Relocation	20.205	H013104	1,551,099
Aberdeen Street Improvements	20.205	H011276	2,793,988
Statewide Flood Control Program Phase III	20.205	H010107	1,217,075
Chateau Boulevard Resurfacing	20.205	H011007	168,064
Williams/US 61 Intersection Improvements	20.205	H011457	<u>604,242</u>

		Total 20.205	<u><u>6,434,461</u></u>
--	--	--------------	-------------------------

TOTAL DEPARTMENT OF TRANSPORTATION			<u><u>6,434,461</u></u>
------------------------------------	--	--	-------------------------

TOTAL FEDERAL ASSISTANCE			<u><u>\$ 7,544,085</u></u>
--------------------------	--	--	----------------------------

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, 2019

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, 2019. 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, 2019. Loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at June 30, 2019 consists of:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Outstanding Balance</u>
66.458	LDEQ #3	\$14,988,822
66.458	LDEQ #4	17,600,000
66.458	LDEQ #5	6,291,497

**CITY OF KENNER, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2019**

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

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 program:

	<u>CFDA Number</u>	<u>Expenditures</u>
Federal Aid Highway Planning and Construction Program	20.205	\$ 6,434,461
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, 2019

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

None

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, 2018**

A. SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

2018-01: Amended Budget

Condition

The City did not submit a revised amended budget for the Fire Protection Fund, a special revenue fund, which had actual expenditures exceeding budgeted expenditures by more than 5%.

Criteria

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

Effect

A revised amended budget has not been submitted as required.

Cause

The excess expenditures were primarily due to a shortage of fire personnel, which required additional overtime to be worked in order to satisfy the needs of the City.

Recommendation

We recommend the City more closely-monitor the budget and actual expenditures of all special revenue funds so that the budget can be amended in a timely manner if necessary.

Status

The City monitored the budget throughout the 2019 fiscal year and there were no violations of the budget act during the year ended June 30, 2019.

CITY OF KENNER, LOUISIANA

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED UPON PROCEDURES

FOR THE PERIOD JULY 1, 2018
THROUGH JUNE 30, 2019



Duplantier
Hrapmann
Hogan &
Maher, LLP

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

Michael J. O' Rourke, CPA
David A. Burgard, CPA
Clifford J. Giffin, Jr., CPA
William G. Stamm, CPA

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)

New Orleans

1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Northshore

1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma

247 Corporate Drive
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Napoleonville

5047 Highway 1
P.O. Box 830
Napoleonville, LA 70390
Phone: (985) 369-6003
Fax: (985) 369-9941

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED UPON PROCEDURES

December 16, 2019

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

We have performed the procedures enumerated below, which were agreed to by management of the City of Kenner, Louisiana (the City) and the Legislative Auditor, State of Louisiana (LLA), on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. Management of the City of Kenner, Louisiana is responsible for those C/C areas identified in the SAUPs.

This agreed upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of these procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

- 1) We obtained the entity's written policies and procedures and determined whether those written policies and procedures addressed each of the following financial/business functions, as applicable:
 - a) Budgeting, including preparing, adopting, monitoring, and amending the budget.

www.dhhmcpa.com

Members
American Institute of
Certified Public Accountants
Society of LA CPAs

Written Policies and Procedures (Continued)

- b) Purchasing, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
- c) Disbursements, including processing, reviewing, and approving.
- d) Receipts, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) Payroll/Personnel, including (1) payroll processing and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) Credit Cards (and debit cards, fuel cards, P-cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.
- h) Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- j) Debt Service, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) Disaster Recovery/Business Continuity including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Written Policies and Procedures (Continued)

Results:

No findings were noted as a result of applying the procedure above.

Bank Reconciliations

- 2) We obtained a listing of the City's bank accounts from management and management's representation that the listing is complete. We also asked management to identify the City's main operating account.
 - a) Bank reconciliations were prepared within two months of the related statement closing date;
 - b) Bank reconciliations included evidence that a member of management or a board member who does not handle cash, post ledgers, or issue cash had reviewed each bank reconciliation; and
 - c) Management had documentation reflecting that it had researched reconciling items that have been outstanding for more than twelve months as of the end of the fiscal period.

Results:

We noted one instance of no documentation indicating that reconciling items that have been outstanding more than six months were researched as of the end of the fiscal year for one of the five accounts selected for testing.

Travel and Expense Reimbursement

- 3) We obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger was complete. We randomly selected 5 reimbursements, obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Travel and Expense Reimbursement (Continued)

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
- e) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- f) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- g) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy, and
- h) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results:

Upon applying the procedures noted above, we noted there was one instance in which an incorrect per diem rate for meals was used to calculate an employee's reimbursement. The rate used was the Jefferson Parish rate per the www.gsa.gov website, but they should have been based on the location the expenses were incurred.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana