

**CITY OF KENNER, LOUISIANA**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**



Submitted by:

Department of Finance

**ELIZABETH HERRING**  
Chief Financial Officer

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## **INTRODUCTORY SECTION**



# CITY OF KENNER

## DEPARTMENT OF FINANCE

**MICHAEL J. GLASER**  
MAYOR

**ELIZABETH HERRING**  
CFO

December 27, 2022

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

The Annual Comprehensive Financial Report of the City of Kenner, Louisiana, for the fiscal year-ended June 30, 2022, 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 Annual Comprehensive 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 Annual Comprehensive 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, 2022 are included in the Single Audit Section of this report.

### Budgetary Control

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

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

## LOCAL ECONOMY

The City's economy has been improving after initial setbacks due to the COVID-19 pandemic and Hurricane Ida in 2021. As discussed later in Management's Discussion and Analysis, the City's largest revenue source, Sales Taxes, were up 29% in the current year. 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, with airport sales taxes increasing 51% compared to 2021. Design of the City's major corridor redevelopment program is complete. These and other potential



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

## LONG TERM FINANCIAL PLANNING

As mentioned in this report, the City's economy remains strong and is expected to continue to improve. The City's principal source of revenues are from sales and property taxes. Major enterprises, such as the airport and a casino will continue to contribute to the City's economy. Two large automotive retail outlets opened during the 2019 fiscal year and are major contributors to the City's economic health. Other significant retail outlets have recently opened near Laketown and along West Esplanade. Also, present and planned capital development projects will improve the City's outlook. Boyd Gaming is constructing a larger land-based facility with many new amenities and entertainment options slated to open in 2023 near the site of its current riverboat. 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 annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the twenty-fifth 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 annual comprehensive 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 annual comprehensive 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 Annual Comprehensive 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 Annual Comprehensive 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,

ELIZABETH HERRING  
Chief Financial Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Kenner  
Louisiana**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*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	Dee Dunn
District No. 2	Ronald Scharwath
District No. 3	Joseph LaHatte, III
District No. 4	George Branigan
District No. 5	Brian Brennan

EXECUTIVE STAFF

Mayor	Honorable Michael J. Glaser
Chief Administrative Officer	Jose Gonzalez
Chief of Police	Keith Conley
City Attorney	Michael Power
Deputy CAO	Natalie Newton
Deputy CAO	Aimee Vallot
Chief Financial Officer	Elizabeth Herring
Director of Communications	Paris Vinnett

DEPARTMENT HEADS

Inspection and Code Enforcement	Catherine Toppel
Community Development	Dwan Jones
Parks and Recreation	Charles Illane
Personnel	Wendi Folse
Planning	Wendel Dufour
Fire Chief	Terence Morris
Clerk of Court Director	Luis Rodriguez
Information Technology	Jay Sprague
Council Clerk	Natalie Hall
Civil Service	Todd McDowell
Fleet Management	Sue Ranatza
Public Works	vacant
General Services	Mark Glorioso
Office of Emergency Management	Doug Dodt
Field Services	Kenny Melvin
Pontchartrain Center	ASM Global
Citizen Services	Shantell Miller
Federal Program Compliance	Tamithia Shaw
Wastewater	Joanne Massony

# City of Kenner

## Administrative Organization Chart Revisions

August 2022

CITY OF KENNER



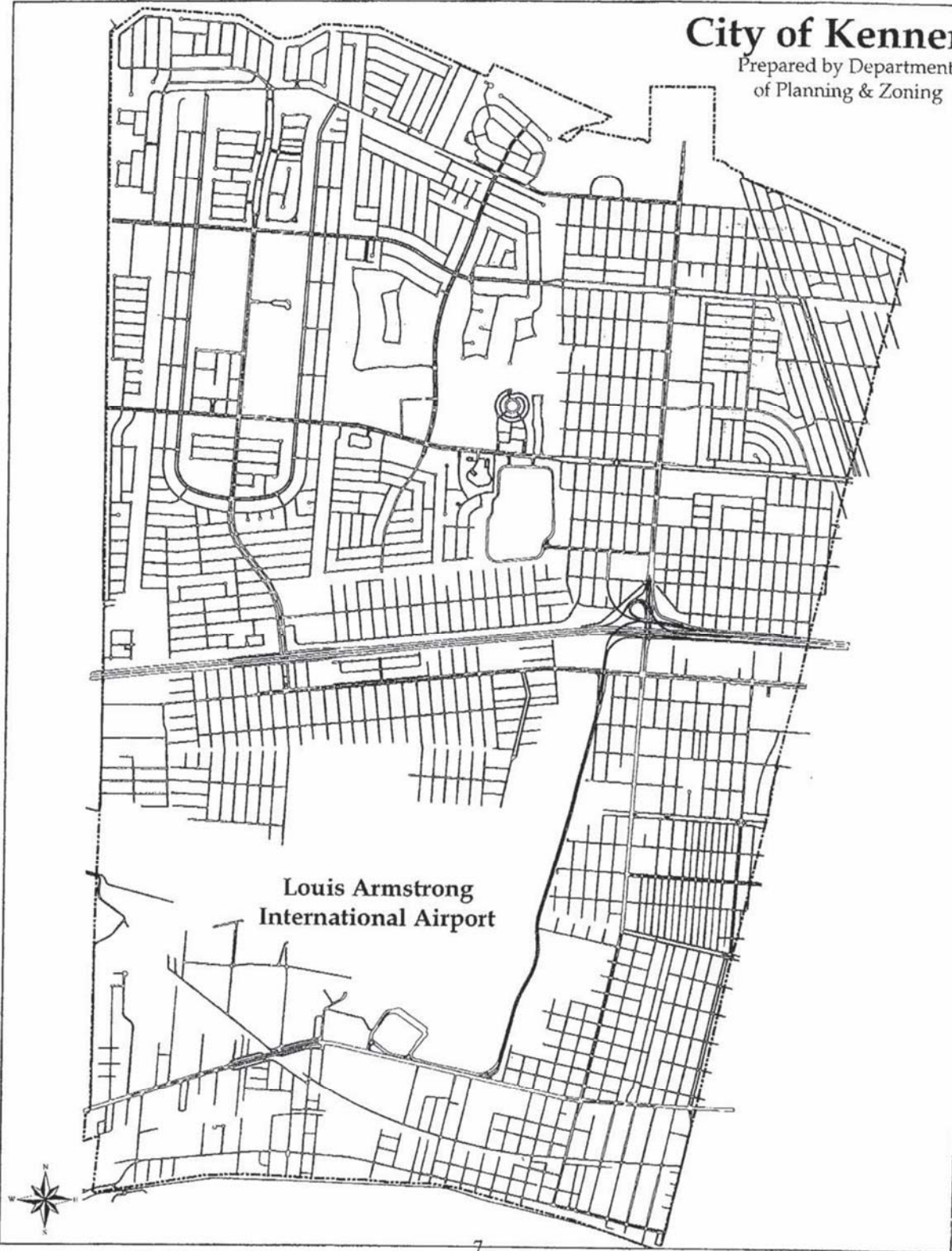
ADMINISTRATION OF

MAYOR MICHAEL J. GLASER



# City of Kenner

Prepared by Department  
of Planning & Zoning



## **FINANCIAL SECTION**





# Duplantier Hrapmann Hogan & Maher, LLP

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

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

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

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

## INDEPENDENT AUDITOR'S REPORT

December 27, 2022

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

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

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

Michael J. O' Rourke, CPA  
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Honorable Mayor and Members of the Council  
City of Kenner, Louisiana

### Report on the Audit of the Financial Statements

#### Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, 2022, 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.

#### Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Kenner, Louisiana and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

[www.dhmcpa.com](http://www.dhmcpa.com)

Members  
American Institute of  
Certified Public Accountants  
Society of LA CPAs

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Kenner, Louisiana's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of Kenner, Louisiana's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Kenner, Louisiana's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



## **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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Supplementary 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 other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is 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, the justice system funding schedule, 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.

## **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2022, 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 the effectiveness of the City of Kenner, Louisiana’s 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, Haganman, Hogan & Roter LLP

New Orleans, Louisiana

**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

**CITY OF KENNER, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2022**

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, 2022. 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 \$169.3 million at June 30, 2022, which is an increase of \$24.3 million, primarily due to funds received from federal grants and increases in sales tax collections.

The City's net investment in capital assets is approximately \$184.8 million. The City's restricted net position is approximately \$48.7 million which is primarily restricted for capital projects and debt service. The City's unrestricted net position (deficit) is approximately \$(64.1) million.

The City's unrestricted net position (deficit) in governmental activities is approximately \$(57.8) million, which is an increase of \$38.7 million, primarily due to a decrease in the net pension liability related to the City's participation in three pension plans. Business-type activities' unrestricted net position is approximately \$(6.3) million, which is a decrease of \$4.6 million, primarily due to an increase in the amount restricted for debt service.

The City's general fund reported an unassigned fund balance of approximately \$36.1 million, which is an increase of \$12.5 million primarily due to increases in sales taxes of \$9 million, and federal grants due to COVID-19.

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 \$12.4 million due to insurance proceeds and federal grant revenue related to Hurricane Ida, while the Capital Projects funded with Bond Proceeds fund had a decrease in fund balance of \$2.3 million due to expenses incurred in various public works projects. The General Debt fund had an increase in fund balance of \$1.8 million due to operating transfers in from other governmental funds and proprietary funds.

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

The City's long-term liabilities include \$44.3 million of net pension liability, OPEB liability of \$13.6 million, finance lease liability of \$1.9 million, and compensated absences of \$5.7 million.

The City's other debt consists of bonds and notes payable of \$80.3 million. During the year, the City made principal payments of \$3.5 million and received \$0.4 million of drawdowns and new bond issues.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

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

**CITY OF KENNER, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2022**

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 Position and the Statement of Revenues, Expenditures, and Changes in Fund Balances of governmental funds to the Statement of Activities.

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

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

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

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

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

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

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

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

**CITY OF KENNER, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2022**

**Government-wide Financial Analysis**

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

**Condensed Statements of Net Position June 30,**

	(In thousands)					
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
	2022	2022	2022	2021	2021	2021
<b>Assets:</b>						
Current and other assets	\$ 103,075	\$ 6,669	\$ 109,744	\$ 80,666	\$ 9,570	\$ 90,236
Capital Assets	143,778	80,280	224,058	147,921	83,803	231,724
Total assets	<u>246,853</u>	<u>86,949</u>	<u>333,802</u>	<u>228,587</u>	<u>93,373</u>	<u>321,960</u>
<b>Deferred Outflows of Resources:</b>						
Related to pensions, OPEB, and bond refunding	21,185	254	21,439	30,828	272	31,100
<b>Liabilities:</b>						
Long-term debt	106,211	29,971	136,182	145,914	31,803	177,717
Other liabilities	16,912	4,039	20,951	14,700	4,053	18,753
Total liabilities	<u>123,123</u>	<u>34,010</u>	<u>157,133</u>	<u>160,614</u>	<u>35,856</u>	<u>196,470</u>
<b>Deferred Inflows of Resources:</b>						
Related to pensions, OPEB, leases, and deferred revenue	28,769	4	28,773	11,524	4	11,528
<b>Net Position:</b>						
Net investment in capital assets	137,320	47,440	184,760	145,248	49,317	194,565
Restricted	36,635	12,022	48,657	38,538	10,120	48,658
Unrestricted	(57,809)	(6,273)	(64,082)	(96,510)	(1,651)	(98,161)
Total net position	<u>\$ 116,146</u>	<u>\$ 53,189</u>	<u>\$ 169,335</u>	<u>\$ 87,276</u>	<u>\$ 57,786</u>	<u>\$ 145,062</u>

**CITY OF KENNER, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2022**

**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 year.

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

	Governmental Activities 2022	Business-type Activities 2022	Total 2022	Governmental Activities 2021	Business-type Activities 2021	Total 2021
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 16,887	\$ 9,651	\$ 26,538	\$ 16,937	\$ 9,327	\$ 26,264
Operating grants & contributions	40,296	-	40,296	5,885	-	5,885
Capital grants & contributions	5,041	725	5,766	4,365	505	4,870
General revenues:						
Property taxes	9,173	615	9,788	9,054	607	9,661
Sales taxes	45,424	-	45,424	36,434	-	36,434
Other taxes	8,512	425	8,937	8,412	510	8,922
Grants and contributions not restricted to specific program	219	-	219	26	-	26
Other	18,816	58	18,874	860	37	897
<b>Total revenues</b>	<b>144,368</b>	<b>11,474</b>	<b>155,842</b>	<b>81,973</b>	<b>10,986</b>	<b>92,959</b>
<b>Program expenses:</b>						
General government	20,604	-	20,604	16,542	-	16,542
Public safety	61,965	-	61,965	39,322	-	39,322
Public works	25,569	-	25,569	27,879	-	27,879
Health and welfare	83	-	83	717	-	717
Culture and recreation	4,613	-	4,613	5,240	-	5,240
Transit & urban development	1,759	-	1,759	2,332	-	2,332
Interest on long term debt	1,233	-	1,233	830	-	830
Debt issuance costs	-	-	-	580	-	580
Sewer operations	-	13,099	13,099	-	10,461	10,461
Civic center operations	-	2,644	2,644	-	2,445	2,445
<b>Total expenses</b>	<b>115,826</b>	<b>15,743</b>	<b>131,569</b>	<b>93,442</b>	<b>12,906</b>	<b>106,348</b>
Change in net position before transfers and extraordinary items	28,542	(4,269)	24,273	(11,469)	(1,920)	(13,389)
Gain/(Loss) on disposal of assets	-	-	-	55	-	55
Transfers	328	(328)	-	366	(366)	-
<b>Change in net position</b>	<b>28,870</b>	<b>(4,597)</b>	<b>24,273</b>	<b>(11,048)</b>	<b>(2,286)</b>	<b>(13,334)</b>
Net Position-beginning of year	87,276	57,786	145,062	98,324	60,072	158,396
<b>Net Position-end of year</b>	<b>\$ 116,146</b>	<b>\$ 53,189</b>	<b>\$ 169,335</b>	<b>\$ 87,276</b>	<b>\$ 57,786</b>	<b>\$ 145,062</b>

**CITY OF KENNER, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2022**

**Capital Assets and Debt Administration**

**Capital assets.** The City's investment in capital assets as of June 30, 2022, for its governmental and business-type activities was approximately \$224 million, net of depreciation as reflected in the schedule below:

**Capital Assets  
June 30, 2022  
(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	30,754	2,997	33,751
Buildings	17,305	68,035	85,340
Improvements other than buildings	7,627	1,835	9,462
Equipment	7,402	3,614	11,016
Infrastructure	<u>66,937</u>	<u>-</u>	<u>66,937</u>
Total	<u>\$ 143,778</u>	<u>\$ 80,280</u>	<u>\$ 224,058</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 General 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 \$146 million in long-term debt as shown in the table below.

**Outstanding long-term debt  
June 30, 2022  
(In thousands)**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Revenue bonds	\$ 47,417	\$ 32,840	\$ 80,257
Finance lease payable	1,862	-	1,862
OPEB Liability	13,633	-	13,633
Net Pension Liability	44,334	-	44,334
Compensated Absences	<u>5,744</u>	<u>-</u>	<u>5,744</u>
Total	<u>\$ 112,990</u>	<u>\$ 32,840</u>	<u>\$ 145,830</u>

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

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

State statutes limit the amount of government obligation debt a municipality may issue at a maximum of 10% of the assessed valuation for any purpose. The maximum may be exceeded if the aggregate issued for all purposes does not exceed 35% of the total assessed valuation. The City's outstanding general obligation debt is below the state limit. Approximately \$244



**CITY OF KENNER, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2022**

**Capital Assets and Debt Administration (Continued)**

**Long-term debt (Continued)**

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

Revenues increased by 67.6% during the year primarily due to an increase in operating grants and contributions and an increase in other revenues due to insurance proceeds received as a result of Hurricane Ida damages. Funds received from the American Rescue Plan Act (ARPA) were used to offset the loss in revenues as a result of the COVID-19 Pandemic. The City has received \$15,864,121 in insurance proceeds due to significant damage to City buildings. Of that amount, only a small portion has been spent during the current fiscal year on repairs and securing damaged buildings. The City has also received \$4.9 million in FEMA funds for expenses incurred in the preparation and recovery from the effects of Hurricane Ida, with additional expenses submitted to FEMA for reimbursement.

Total expenses increased by 23.7% primarily due to an increase in expenses relating to public safety as a result of Hurricane Ida.

**BUDGETARY HIGHLIGHTS**

General Fund revenues came in 35.8% over budget resulting from the increase in tax revenue as a result of the continued recovery from COVID-19 and an increase in federal grant revenue.

General Fund expenditures finished the year 11.5% under budget as a result of ongoing monitoring of operating expenses and multiple open positions as a result of staffing shortages.

**ECONOMIC OUTLOOK**

Sales tax increased 29% compared to last year as a result of the continued recovery from the COVID-19 coronavirus pandemic that reduced airport operations and impacted most retail locations for the first few months of the prior fiscal year. As the City's primary source of revenue, it is important to a robust economy.

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. Plans are being made for additional shopping and dining establishments to open in the near future. Laketown will also experience much development with the addition of new recreational amenities. Boyd Gaming is constructing a larger land-based facility with many new amenities and entertainment options slated to open in 2023 near the site of its current riverboat. The commercial corridor along West Esplanade between Williams Boulevard and David Drive has expanded, with the addition of a new auto dealership. The strip mall in the same vicinity is now at near 100% capacity. Laser Tag began construction on a new \$10 million family entertainment complex on Veterans Boulevard that is expected to open in 2023. Progress is also being made on a \$450 million development on the shores of Lake Pontchartrain in Laketown that will include world-class amenities, upscale condominiums, waterfront dining, a theater, outdoor stage with festival grounds, marina, conference and reception facilities, shops, and attractions.

## **BASIC FINANCIAL STATEMENTS**

**CITY OF KENNER, LOUISIANA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

	<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS-TYPE ACTIVITIES</b>	<b>TOTAL</b>
<b>ASSETS</b>			
Cash	\$ 4,483,037	\$ 450,920	\$ 4,933,957
Equity in pooled cash	24,323,150	-	24,323,150
Receivables (net, where applicable, of allowances for uncollectibles)			
Taxes	1,897,099	-	1,897,099
Accounts	3,543,472	-	3,543,472
Intergovernmental	31,161,973	428,666	31,590,639
Special assessments - delinquent	477	-	477
Interest	1,149,333	-	1,149,333
Service charges	-	2,700,390	2,700,390
Lease	3,819,029	-	3,819,029
Other	109,306	24,750	134,056
Internal balances	8,961,645	(8,961,645)	-
Inventory, at cost	27,064	-	27,064
Prepaid items	1,047,556	-	1,047,556
Refundable deposits	-	3,669	3,669
Restricted assets			
Cash	17,055,044	11,622,015	28,677,059
Equity in pooled cash	-	400,000	400,000
Investments	5,145,957	-	5,145,957
Right of use asset, net of accumulated amortization	350,826	-	350,826
Capital assets not being depreciated	44,506,833	6,795,839	51,302,672
Capital assets being depreciated, net of accumulated depreciation	99,271,623	73,483,918	172,755,541
Total assets	<u>246,853,424</u>	<u>86,948,522</u>	<u>333,801,946</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charge on refunding	2,531,393	254,036	2,785,429
Related to pensions	17,881,905	-	17,881,905
Related to OPEB	771,455	-	771,455
Total deferred outflows of resources	<u>21,184,753</u>	<u>254,036</u>	<u>21,438,789</u>
<b>LIABILITIES</b>			
Accounts payable	2,751,729	708,311	3,460,040
Estimated claims payable	4,839,454	-	4,839,454
Accrued liabilities	1,527,011	181,448	1,708,459
Deposits on future events	-	280,631	280,631
Due to other governments	975,902	-	975,902
Other liabilities	38,197	-	38,197
Current portion of long-term liabilities			
Due within one year	6,779,489	2,869,000	9,648,489
Non-current liabilities			
Due in more than one year	106,211,202	29,970,747	136,181,949
Total liabilities	<u>123,122,984</u>	<u>34,010,137</u>	<u>157,133,121</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue	-	3,750	3,750
Related to leases	3,985,114	-	3,985,114
Related to pensions	22,280,816	-	22,280,816
Related to OPEB	2,503,007	-	2,503,007
Total deferred inflows of resources	<u>28,768,937</u>	<u>3,750</u>	<u>28,772,687</u>
<b>NET POSITION</b>			
Net investment in capital assets	137,320,415	47,440,010	184,760,425
Restricted for			
Capital projects	27,379,820	3,366,820	30,746,640
Debt service	8,803,204	8,655,195	17,458,399
Other	451,874	-	451,874
Unrestricted	(57,809,057)	(6,273,354)	(64,082,411)
Total net position	<u>\$ 116,146,256</u>	<u>\$ 53,188,671</u>	<u>\$ 169,334,927</u>

The accompanying notes are an integral part of this statement.

**CITY OF KENNER, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022**

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
<b>Governmental Activities</b>							
General government	\$ 20,603,881	\$ 6,206,645	\$ 14,012,768	\$ -	\$ (384,468)	\$ -	\$ (384,468)
Public safety	61,965,240	4,053,381	1,902,343	27,694	(55,981,822)	-	(55,981,822)
Public works	25,569,280	5,268,659	24,044,477	3,952,737	7,696,593	-	7,696,593
Health and welfare	82,478	41,166	55,774	-	14,462	-	14,462
Culture and recreation	4,613,177	692,639	119,073	-	(3,801,465)	-	(3,801,465)
Transit and urban development	1,758,667	624,987	161,194	1,060,080	87,594	-	87,594
Interest on long-term debt and other charges	1,232,947	-	-	-	(1,232,947)	-	(1,232,947)
Total Governmental Activities	<u>115,825,670</u>	<u>16,887,477</u>	<u>40,295,629</u>	<u>5,040,511</u>	<u>(53,602,053)</u>	<u>-</u>	<u>(53,602,053)</u>
<b>Business-type Activities</b>							
Wastewater Operations	13,098,615	8,711,014	-	699,019	-	(3,688,582)	(3,688,582)
Civic Center Operations	2,644,136	940,347	-	26,285	-	(1,677,504)	(1,677,504)
Total Business-type Activities	<u>15,742,751</u>	<u>9,651,361</u>	<u>-</u>	<u>725,304</u>	<u>-</u>	<u>(5,366,086)</u>	<u>(5,366,086)</u>
Total	<u>\$ 131,568,421</u>	<u>\$ 26,538,838</u>	<u>\$ 40,295,629</u>	<u>\$ 5,765,815</u>	<u>(53,602,053)</u>	<u>(5,366,086)</u>	<u>(58,968,139)</u>
General Revenues:							
Taxes:							
Ad valorem					9,173,394	614,718	9,788,112
Hotel/motel					136,592	132,494	269,086
Sales and use					45,423,830	-	45,423,830
Beer tax					45,032	-	45,032
Parking					3,623,097	-	3,623,097
Franchise					4,555,836	292,468	4,848,304
Consumer					151,323	-	151,323
Grants and contributions not restricted to specific programs					218,521	-	218,521
Interest					637,597	57,637	695,234
Insurance proceeds					15,864,121	-	15,864,121
Lease revenue					1,702,884	-	1,702,884
Miscellaneous					611,745	-	611,745
Transfers					328,170	(328,170)	-
Total general revenues, transfers, and other					<u>82,472,142</u>	<u>769,147</u>	<u>83,241,289</u>
Change in Net Position					<u>28,870,089</u>	<u>(4,596,939)</u>	<u>24,273,150</u>
Net position - beginning of year					<u>87,276,167</u>	<u>57,785,610</u>	<u>145,061,777</u>
Net position - end of year					<u>\$ 116,146,256</u>	<u>\$ 53,188,671</u>	<u>\$ 169,334,927</u>

The accompanying notes are an integral part of this statement.

**CITY OF KENNER, LOUISIANA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**

	<b>GENERAL</b>	<b>ONE PERCENT SALES TAX OF 1984</b>	<b>FIRE PROTECTION</b>	<b>GENERAL CAPITAL PROJECTS</b>
<b>ASSETS</b>				
Cash	\$ 3,753,807	\$ -	\$ -	\$ -
Equity in pooled cash	14,044,824	-	2,011,261	73,566
Investments	-	-	-	-
Receivables (net, where applicable, of allowances for uncollectibles)				
Taxes	1,897,099	-	-	-
Accounts	2,283,105	-	24,750	-
Intergovernmental	6,397,898	2,971,728	-	21,218,654
Special assessments - delinquent	477	-	-	-
Interest	1,149,333	-	-	-
Other	96,850	-	201	6,179
Due from other funds	27,323,943	310,733	947,571	11,904,786
Inventory, at cost	27,064	-	-	-
Prepaid items	1,047,556	-	-	-
<b>Total assets</b>	<b>\$ 58,021,956</b>	<b>\$ 3,282,461</b>	<b>\$ 2,983,783</b>	<b>\$ 33,203,185</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	-	-	-	-
<b>LIABILITIES:</b>				
Accounts payable	\$ 328,698	\$ -	\$ 30,551	\$ 1,788,929
Accrued liabilities	1,054,762	-	331,342	-
Due to other funds	14,075,029	3,282,461	1,878,319	3,637,195
Due to other governments	975,902	-	-	-
Other liabilities	38,197	-	-	-
Total liabilities	<u>16,472,588</u>	<u>3,282,461</u>	<u>2,240,212</u>	<u>5,426,124</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	1,490,793	-	743,571	-
<b>FUND BALANCES:</b>				
Nonspendable				
Prepaid items	1,047,556	-	-	-
Inventory	27,064	-	-	-
Restricted				
Federal grants	-	-	-	-
Debt service	-	-	-	-
Capital projects	-	-	-	-
Law Enforcement	1,605,753	-	-	-
Committed				
Other commitments/encumbrances	1,228,279	-	69,335	27,777,061
Assigned				
Subsequent year's expenditures	-	-	-	-
Unassigned	36,149,923	-	(69,335)	-
Total fund balances	<u>40,058,575</u>	<u>-</u>	<u>-</u>	<u>27,777,061</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 58,021,956</b>	<b>\$ 3,282,461</b>	<b>\$ 2,983,783</b>	<b>\$ 33,203,185</b>

The accompanying notes are an integral part of this statement.

<b>CAPITAL PROJECTS FUNDED WITH BOND PROCEEDS</b>	<b>GENERAL DEBT</b>	<b>OTHER GOVERNMENTAL FUNDS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
\$ 1,589,555	\$ 15,465,489	\$ 49,261	\$ 20,858,112
7,465,733	17,811	709,955	24,323,150
5,145,957	-	-	5,145,957
-	-	-	1,897,099
-	-	1,235,617	3,543,472
237,186	336,507	-	31,161,973
-	-	-	477
-	-	-	1,149,333
-	5,385	691	109,306
2,761,098	-	695,382	43,943,513
-	-	-	27,064
-	-	-	1,047,556
<u>\$ 17,199,529</u>	<u>\$ 15,825,192</u>	<u>\$ 2,690,906</u>	<u>\$ 133,207,012</u>
-	-	-	-
\$ 44,411	\$ -	\$ 559,140	\$ 2,751,729
-	-	63,568	1,449,672
2,824,547	7,311,519	1,146,567	34,155,637
-	-	-	975,902
-	-	-	38,197
<u>2,868,958</u>	<u>7,311,519</u>	<u>1,769,275</u>	<u>39,371,137</u>
506,123	-	178,811	2,919,298
-	-	-	1,047,556
-	-	-	27,064
-	-	451,874	451,874
-	8,513,673	289,531	8,803,204
12,778,885	-	-	12,778,885
-	-	-	1,605,753
1,045,563	-	1,415	30,121,653
-	-	-	-
-	-	-	36,080,588
<u>13,824,448</u>	<u>8,513,673</u>	<u>742,820</u>	<u>90,916,577</u>
<u>\$ 17,199,529</u>	<u>\$ 15,825,192</u>	<u>\$ 2,690,906</u>	<u>\$ 133,207,012</u>

**CITY OF KENNER, LOUISIANA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS**  
**BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

Fund balances - total governmental funds	\$ 90,916,577
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.	143,778,456
Lease receivables related to the implementation of GASB 87 are not financial resources and, therefore, are not reported in the governmental funds.	3,819,029
Right of use assets associated with leases are not financial resources and, therefore, are not reported in the governmental funds.	350,826
Deferred outflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the governmental funds	17,881,905
Deferred outflows of resources related to OPEB are applicable to future reporting periods and, therefore, are not reported in the governmental funds.	771,455
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.	(4,985,716)
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.	2,919,298
Deferred inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the governmental funds.	(22,280,816)
Deferred inflows of resources related to OPEB are applicable to future reporting periods and, therefore, are not reported in the governmental funds.	(2,503,007)
Deferred inflows of resources related to leases are applicable to future reporting periods and, therefore, are not reported in the governmental funds.	(3,985,114)
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	(77,339)
OPEB payable	(13,632,921)
Compensated absences	(5,743,893)
Bonds, notes, and loans payable (net of premiums, discounts, and deferred charges)	(44,885,975)
Finance lease liability	(1,862,184)
Net pension liability	(44,334,325)
	(92,833,542)
Net position of governmental activities	\$ 116,146,256

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, 2022**

	<u>GENERAL</u>	<u>ONE PERCENT SALES TAX OF 1984</u>	<u>FIRE PROTECTION</u>	<u>GENERAL CAPITAL PROJECTS</u>
<b>REVENUES</b>				
Taxes	\$ 36,691,733	\$ 16,151,791	\$ 6,115,014	\$ -
Licenses and permits	3,924,954	-	-	-
Intergovernmental	15,981,010	-	147,839	25,002,039
Charges for services	642,987	-	1,740	-
Fines and forfeitures	1,102,593	-	-	-
Interest	73,136	-	206	30,022
Insurance proceeds	-	-	-	15,864,121
Miscellaneous	546,851	-	38	898,439
	<u>58,963,264</u>	<u>16,151,791</u>	<u>6,264,837</u>	<u>41,794,621</u>
<b>EXPENDITURES</b>				
Current:				
General government	12,260,132	-	-	7,994,137
Public safety	20,939,161	-	11,987,388	30,171,012
Public works	5,044,847	-	-	1,658,457
Health and welfare	20,582	-	-	-
Culture and recreation	2,798,465	-	-	445,035
Transit and urban development	198,656	-	-	1,004,792
Debt service				
Principal	-	-	-	501,810
Interest and fiscal charges	-	-	-	44,966
Miscellaneous	-	-	-	-
	<u>41,261,843</u>	<u>-</u>	<u>11,987,388</u>	<u>41,820,209</u>
Excess (deficiency) of revenues over (under) expenditures	<u>17,701,421</u>	<u>16,151,791</u>	<u>(5,722,551)</u>	<u>(25,588)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	15,234,164	-	5,722,551	12,030,676
Transfers out	(20,283,742)	(16,151,791)	-	(563,533)
Increase in obligations under finance lease	-	-	-	962,676
	<u>(5,049,578)</u>	<u>(16,151,791)</u>	<u>5,722,551</u>	<u>12,429,819</u>
Net change in fund balances	12,651,843	-	-	12,404,231
Fund balances - beginning of year	<u>27,406,732</u>	<u>-</u>	<u>-</u>	<u>15,372,830</u>
Fund balances - end of year	<u>\$ 40,058,575</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,777,061</u>

The accompanying notes are an integral part of this statement.



<b>CAPITAL PROJECTS FUNDED WITH BOND PROCEEDS</b>	<b>GENERAL DEBT</b>	<b>OTHER GOVERNMENTAL FUNDS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
\$ -	\$ 2,015,513	\$ 4,306,405	\$ 65,280,456
-	-	-	3,924,954
3,025,436	-	120,436	44,276,760
-	-	3,840,637	4,485,364
-	-	-	1,102,593
30,892	72,724	1,599	208,579
-	-	-	15,864,121
25	-	-	1,445,353
<u>3,056,353</u>	<u>2,088,237</u>	<u>8,269,077</u>	<u>136,588,180</u>
-	-	-	20,254,269
-	-	-	63,097,561
7,820,178	-	6,984,351	21,507,833
-	-	366,622	387,204
-	-	-	3,243,500
-	-	535,332	1,738,780
42,307	1,236,000	163,000	1,943,117
9,023	846,833	41,927	942,749
-	36,000	-	36,000
<u>7,871,508</u>	<u>2,118,833</u>	<u>8,091,232</u>	<u>113,151,013</u>
<u>(4,815,155)</u>	<u>(30,596)</u>	<u>177,845</u>	<u>23,437,167</u>
2,540,546	2,196,112	2,540,733	40,264,782
-	(397,000)	(2,540,546)	(39,936,612)
-	-	-	962,676
<u>2,540,546</u>	<u>1,799,112</u>	<u>187</u>	<u>1,290,846</u>
(2,274,609)	1,768,516	178,032	24,728,013
<u>16,099,057</u>	<u>6,745,157</u>	<u>564,788</u>	<u>66,188,564</u>
<u>\$ 13,824,448</u>	<u>\$ 8,513,673</u>	<u>\$ 742,820</u>	<u>\$ 90,916,577</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, 2022**

Net change in fund balances, total governmental funds \$ 24,728,013

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	8,431,967
Amortization expense on right to use asset	(53,973)
Depreciation expense	(13,537,296)

Certain governmental revenues will not be collected for several months after year-end and are deferred in the governmental funds.	84,928
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The issuance of long-term debt (bonds, notes, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is issued, whereas the amounts are deferred and amortized in the in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,150,301
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Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities; however, interest expense is recognized as the interest accrues, regardless of when it is due.	2,541
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Pension benefit (expense), which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the statement of activities.	4,049,843
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The City's proportionate share of non-employer contributions to the pension plans are reported in the statement of activities.	1,919,368
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Payment of compensated absences is reported as expenditures in the governmental funds when actually paid. However, on the statement of activities compensated absences are expensed as they are accrued. This is the change in the compensated absences liability.	(7,210)
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OPEB benefit (expense), which is the change in the OPEB liability adjusted for changes in in deferred outflows and inflows of resources related to OPEB, is reported in the statement of activities.	1,016,063
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Contracts for long-term finance lease obligations provide current financial resources to governmental funds, while payments on finance lease obligations consume current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This is the change in the finance lease liability.	536,077
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Long-term lease agreements are reported as income in the governmental funds when actually received, however, the lease agreements are recorded as a long-term receivable and income is is recorded over the life of the agreement. This is the change in lease receivable.	(166,085)
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Internal service funds are used by management to charge the costs of insurance to individual funds. The net revenue (expense) of internal service funds are reported with governmental activities.	715,552
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Change in net position of governmental activities	<u>\$ 28,870,089</u>
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The accompanying notes are an integral part of this statement.

**CITY OF KENNER, LOUISIANA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2022**

	<b><u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u></b>			<b><u>GOVERNMENTAL</u></b>
	<b><u>DEPARTMENT OF</u></b>	<b><u>CIVIC</u></b>		<b><u>ACTIVITIES</u></b>
	<b><u>WASTEWATER</u></b>	<b><u>CENTER</u></b>		<b><u>INTERNAL</u></b>
	<b><u>OPERATIONS</u></b>	<b><u>OPERATIONS</u></b>	<b><u>TOTAL</u></b>	<b><u>SERVICE FUNDS</u></b>
<b>ASSETS</b>				
Current assets:				
Cash	\$ -	\$ 450,920	\$ 450,920	\$ 679,969
Equity in pooled cash	-	-	-	-
Receivables (net, where applicable, of allowances for uncollectibles)				
Accounts	-	-	-	-
Intergovernmental	152,218	276,448	428,666	-
Service charges	2,601,137	99,253	2,700,390	-
Other	-	24,750	24,750	-
Due from other funds	132,686	-	132,686	-
Restricted cash	11,622,015	-	11,622,015	-
Restricted equity in pooled cash	400,000	-	400,000	-
Refundable deposits	3,669	-	3,669	-
	<u>14,911,725</u>	<u>851,371</u>	<u>15,763,096</u>	<u>679,969</u>
Total current assets				
Noncurrent assets:				
Capital assets:				
Land	-	3,798,726	3,798,726	-
Buildings and improvements	136,914,532	20,346,163	157,260,695	-
Improvements other than buildings	-	2,490,052	2,490,052	-
Furniture and fixtures	13,725,750	4,993,289	18,719,039	-
Vehicles and field equipment	2,068,038	-	2,068,038	-
Construction in progress	2,997,113	-	2,997,113	-
	<u>(86,973,560)</u>	<u>(20,080,346)</u>	<u>(107,053,906)</u>	<u>-</u>
Less: accumulated depreciation				
Total capital assets, net	<u>68,731,873</u>	<u>11,547,884</u>	<u>80,279,757</u>	<u>-</u>
Total noncurrent assets	<u>68,731,873</u>	<u>11,547,884</u>	<u>80,279,757</u>	<u>-</u>
Total assets	<u>\$ 83,643,598</u>	<u>\$ 12,399,255</u>	<u>\$ 96,042,853</u>	<u>\$ 679,969</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	<u>254,036</u>	<u>-</u>	<u>254,036</u>	<u>-</u>

(Continued)

**CITY OF KENNER, LOUISIANA**  
**STATEMENT OF NET POSITION (CONTINUED)**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2022**

**BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS**

	<b><u>DEPARTMENT OF WASTEWATER OPERATIONS</u></b>	<b><u>CIVIC CENTER OPERATIONS</u></b>	<b><u>TOTAL</u></b>	<b><u>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS</u></b>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ 569,261	\$ 139,050	\$ 708,311	\$ -
Estimated claims payable	-	-	-	4,839,454
Accrued liabilities	82,448	30,795	113,243	-
Accrued bond interest	68,205	-	68,205	-
Deposits on future events	-	280,631	280,631	-
Due to other funds	7,552,097	1,542,234	9,094,331	826,231
Bonds payable	2,869,000	-	2,869,000	-
	<u>11,141,011</u>	<u>1,992,710</u>	<u>13,133,721</u>	<u>5,665,685</u>
<b>NONCURRENT LIABILITIES</b>				
Bonds payable	29,970,747	-	29,970,747	-
	<u>29,970,747</u>	<u>-</u>	<u>29,970,747</u>	<u>-</u>
	<u>41,111,758</u>	<u>1,992,710</u>	<u>43,104,468</u>	<u>5,665,685</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	<u>-</u>	<u>3,750</u>	<u>3,750</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	35,892,126	11,547,884	47,440,010	-
Contributed capital:				
Ad valorem tax bonds	6,346,000	-	6,346,000	-
Sales tax bonds	14,040,723	19,506,320	33,547,043	-
Excess revenue bonds	-	2,642,162	2,642,162	-
Federal government	32,623,517	-	32,623,517	-
State government	3,952,285	2,805,747	6,758,032	-
Municipal government	11,133,912	-	11,133,912	-
Rate payers	7,863,943	-	7,863,943	-
Restricted for capital projects	3,366,820	-	3,366,820	-
Restricted for debt service	8,655,195	-	8,655,195	-
Unrestricted	(5,128,265)	(1,145,089)	(6,273,354)	(4,985,716)
<b>Total net position</b>	<u>\$ 42,785,876</u>	<u>\$ 10,402,795</u>	<u>\$ 53,188,671</u>	<u>\$ (4,985,716)</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, 2022**

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>			<b>GOVERNMENTAL</b>
	<b>DEPARTMENT OF</b>	<b>CIVIC</b>		<b>ACTIVITIES</b>
	<b>WASTEWATER</b>	<b>CENTER</b>		<b>INTERNAL</b>
	<b>OPERATIONS</b>	<b>OPERATIONS</b>	<b>TOTAL</b>	<b>SERVICE FUNDS</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 8,711,014	\$ 940,347	\$ 9,651,361	\$ 5,939,086
Total operating revenues	8,711,014	940,347	9,651,361	5,939,086
<b>OPERATING EXPENSES</b>				
Personnel services	2,483,441	232,182	-	-
Supplies and other expenses	277,391	46,452	323,843	-
Building and maintenance expenses	3,032,747	424,435	3,457,182	-
Outside services	2,065,820	1,248,466	3,314,286	166,830
Public works	6,264	-	6,264	-
Insurance claims	-	-	-	(87,221)
Insurance premiums	-	64,766	64,766	5,146,037
Depreciation	4,191,758	627,835	4,819,593	-
Other	520,501	-	520,501	-
Total operating expenses	12,577,922	2,644,136	12,506,435	5,225,646
Operating loss	(3,866,908)	(1,703,789)	(5,570,697)	713,440
<b>NON-OPERATING REVENUES</b>				
<b>(EXPENSES)</b>				
Ad valorem taxes	614,718	-	614,718	-
Hotel/motel taxes	-	132,494	132,494	-
Cable television franchise fees	-	292,468	292,468	-
Intergovernmental	400,000	-	400,000	-
Amortization of bond premium	(9,796)	-	(9,796)	-
Interest income	57,428	209	57,637	2,112
Interest expense	(510,897)	-	(510,897)	-
Total non-operating revenues (expense)	551,453	425,171	976,624	2,112
Income (loss) before contributions and transfers	(3,315,455)	(1,278,618)	(4,594,073)	715,552
Capital contributions	299,019	26,285	325,304	-
Transfers out	(725,170)	-	(725,170)	-
Transfers in	397,000	-	397,000	-
Change in net position	(3,344,606)	(1,252,333)	(4,596,939)	715,552
Net position - beginning of year	46,130,482	11,655,128	57,785,610	(5,701,268)
Net position - end of year	\$ 42,785,876	\$ 10,402,795	\$ 53,188,671	\$ (4,985,716)

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, 2022**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>			<u>GOVERNMENTAL</u>
	<u>DEPARTMENT OF WASTEWATER OPERATIONS</u>	<u>CIVIC CENTER OPERATIONS</u>	<u>TOTAL</u>	<u>ACTIVITIES INTERNAL SERVICE FUNDS</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers	\$ 8,327,527	\$ 974,180	\$ 9,301,707	\$ 5,939,086
Payments to suppliers	(8,583,311)	(2,045,215)	(10,628,526)	(5,978,761)
Internal activity - payments (to)/from other funds	3,832,432	666,016	4,498,448	125,048
Net cash provided (used) by operating activities	<u>3,576,648</u>	<u>(405,019)</u>	<u>3,171,629</u>	<u>85,373</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Ad valorem taxes	614,718	-	614,718	-
Hotel/motel taxes	-	132,494	132,494	-
Cable television franchise fees	-	318,334	318,334	-
Internal activity - payments to other funds	(328,170)	-	(328,170)	-
Net cash provided by noncapital financing activities	<u>286,548</u>	<u>450,828</u>	<u>737,376</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Intergovernmental	400,000	-	400,000	-
Payments on long-term debt	(2,080,000)	-	(2,080,000)	-
Proceeds from long-term debt	424,091	-	424,091	-
Interest paid on long-term debt	(496,963)	-	(496,963)	-
Purchases of capital assets	(970,797)	-	(970,797)	-
Net cash used by capital and related financing activities	<u>(2,723,669)</u>	<u>-</u>	<u>(2,723,669)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest and dividends received	57,428	209	57,637	2,112
Net cash provided (used) by investing activities	<u>57,428</u>	<u>209</u>	<u>57,637</u>	<u>2,112</u>
Net increase (decrease) in cash and cash equivalents	1,196,955	46,018	1,242,973	87,485
Cash and cash equivalents, beginning of year	10,825,060	404,902	11,229,962	592,484
Cash and cash equivalents, end of year	<u>\$ 12,022,015</u>	<u>\$ 450,920</u>	<u>\$ 12,472,935</u>	<u>\$ 679,969</u>

(Continued)

**CITY OF KENNER, LOUISIANA**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>			<u>GOVERNMENTAL</u>
	<u>DEPARTMENT OF</u> <u>WASTEWATER</u> <u>OPERATIONS</u>	<u>CIVIC</u> <u>CENTER</u> <u>OPERATIONS</u>	<u>TOTAL</u>	<u>ACTIVITIES</u> <u>INTERNAL</u> <u>SERVICE FUNDS</u>
<b>Reconciliation to Statement of Net Position:</b>				
Cash	\$ -	\$ 450,920	\$ 450,920	\$ 679,969
Restricted cash	11,622,015	-	11,622,015	-
Equity in pooled cash	400,000	-	400,000	-
Cash and cash equivalents, end of year	<u>\$ 12,022,015</u>	<u>\$ 450,920</u>	<u>\$ 12,472,935</u>	<u>\$ 679,969</u>
<b>Reconciliation of operating income to net cash provided by (used for) operating activities:</b>				
Operating loss	\$ (3,866,908)	\$ (1,703,789)	\$ (5,570,697)	\$ 713,440
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	4,191,758	627,835	4,819,593	-
Change in current assets and current liabilities:				
Decrease (increase) in receivables	(383,487)	2,804	(380,683)	-
Decrease (increase) in due from other funds	(15,456)	-	(15,456)	-
Increase (decrease) in accounts payable	(213,108)	(1,184)	(214,292)	-
Increase (decrease) in accrued liabilities	15,961	(27,730)	(11,769)	-
Increase (decrease) in estimated claims payable	-	-	-	(753,115)
Increase (decrease) in due to other funds	3,847,888	666,016	4,513,904	125,048
Increase (decrease) in deposits on future events	-	31,029	31,029	-
Total adjustments	<u>7,443,556</u>	<u>1,298,770</u>	<u>8,742,326</u>	<u>(628,067)</u>
Net cash provided by (used for) operating activities	<u>\$ 3,576,648</u>	<u>\$ (405,019)</u>	<u>\$ 3,171,629</u>	<u>\$ 85,373</u>
<b>Noncash investing, capital, and financing activities:</b>				
Contributions of capital	\$ 1,024,051	\$ 26,285	\$ 1,050,336	\$ -
Acquisitions of property, plant and equipment through capital contributions	<u>(1,024,051)</u>	<u>(26,285)</u>	<u>(1,050,336)</u>	<u>-</u>
Net effect of noncash activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

**CITY OF KENNER, LOUISIANA  
STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUND  
JUNE 30, 2022**

	<b>AIRPORT SALES TAX FUND</b>
<b>ASSETS</b>	
Equity in pooled cash	\$ 3
Receivables (net, where applicable, of allowance for uncollectibles)	
Intergovernmental	<u>503,883</u>
Total assets	<u><u>503,886</u></u>
<b>LIABILITIES</b>	
Due to other governments	<u>\$ 503,886</u>
Total liabilities	<u>503,886</u>
<b>NET POSITION</b>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of this statement.



**CITY OF KENNER, LOUISIANA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

	<b>AIRPORT SALES TAX FUND</b>
<b>REVENUES</b>	
Taxes	\$ 3,638,208
Total revenues	3,638,208
 <b>EXPENDITURES</b>	
Distributions to other governments	3,638,208
Total expenditures	3,638,208
Change in net position	-
Net position - beginning of year	-
Net position - end of year	\$ -

The accompanying notes are an integral part of this statement.

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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 (including custodial funds). 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, 2022**

**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 assets 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 assets that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

The City reports the following major governmental funds:

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

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

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

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

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

The *General Debt Fund* accounts for the tax levy needed to comply with the interest and principal redemption requirements of bond indentures for the LDEQ Taxable Sewer Revenue Bond, Series 2009, the Sales Tax Bonds Series 2013, the LDEQ Taxable Sewer Sales Tax Bonds Series 2015, and the Sales Tax Refunding Bonds Series 2020.

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, 2022**

**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 a custodial fund and it accounts for assets held by the City as a custodian for other governmental entities.

The Airport Sales Tax Fund (custodial 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 net position and a statement of changes in fiduciary net position. The custodial fund is reported in the financial statements using the economic resources measurement focus.

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, 2022**

**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 is 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, 2022**

**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, 2022**

**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*”. Intangible assets also include a right-to-use asset associated with certain lease obligations.

**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 finance 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, 2022**

**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 STANDARDS**

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*, which became effective for the fiscal year ended June 30, 2022. This Statement outlines a single model for certain leases based on the foundational principle that leases are financings of the right to use of an underlying asset. Other than short term leases, under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The City has analyzed the provisions of GASB Statement No. 87, *Leases*, and has concluded that there are several lease arrangements which qualify for adjustment and disclosure under the new statement. No cumulative effect adjustment recorded in the year of adoption was considered necessary since there was no material difference in the accounting for these leases under the new standard.

In October 2021, the GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*, which became effective in the fiscal year ended June 30, 2022. This statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.



**CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

16. PREPAID ITEMS

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

**NOTE B - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

1. BUDGETARY PROCEDURES

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

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

2. BUDGETARY COMPARISON

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

Budgetary comparison information is required to be presented for the general fund and each major special revenue fund with a legally adopted budget. The City adopts annual operating budgets for the general fund and all special revenue funds. The major special revenue funds are One Percent Sales Tax of 1984 Fund and the Fire Protection Fund. Since accounting principles applied for the purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with generally accepted accounting principles (GAAP), a reconciliation of the resulting basis and timing differences in the net change in fund balances for the year ended June 30, 2022, is presented as a note in required supplementary information.

**NOTE C - DEPOSITS AND INVESTMENTS**

Deposits

At June 30, 2022, the City of Kenner has cash (book balances) totaling \$58,334,169 as follows:

Governmental Funds:	
Money market funds	\$ 339,168
Demand deposits	44,838,229
Petty cash	3,865
Proprietary Funds:	
Enterprise Funds:	
Petty cash	500
Demand deposits	12,472,435
Internal Service Funds:	
Demand deposits	679,969
Custodial Fund:	
Demand deposits	3
	\$ 58,334,169

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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, 2022, the City’s demand deposits and money market funds bank balances of \$58,362,374 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 or enabling legislation 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, 2022, 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, 2022, 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, 2022, 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>\$ 5,145,957</u>	<u>\$ 5,145,957</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Credit risk is defined as the risk that an insurer or other counterparty to an investment will not fulfill its obligations. The City invested only in obligations of federal agencies or federally sponsored entities in the amount of \$5,145,957, 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, 2022**

**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	\$ 24,425,657	\$ 291,481	\$ 6,015	\$ 24,723,153
Total Equity in Pooled Cash	<u>\$ 24,425,657</u>	<u>\$ 291,481</u>	<u>\$ 6,015</u>	<u>\$ 24,723,153</u>
<u>Equity in Pool</u>				
General Fund	\$ 13,765,139	\$ 273,670	\$ 6,015	\$ 14,044,824
Sales Tax Fund	-	-	-	-
Fire Protection Fund	-	-	-	-
Enterprise Funds	400,000	-	-	400,000
Custodial Fund	3	-	-	3
General Debt	-	17,811	-	17,811
Consolidated General Capital Projects	73,566	-	-	73,566
Consolidated Capital Projects w/Bond Proceeds	7,465,733	-	-	7,465,733
Nonmajor Governmental Funds	2,721,216	-	-	2,721,216
Total Equity in Pool	<u>\$ 24,425,657</u>	<u>\$ 291,481</u>	<u>\$ 6,015</u>	<u>\$ 24,723,153</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, 2022, consists of the following amounts:

General Fund	<u>\$ 1,037,417</u>
Proprietary Funds:	
Department of Wastewater Operations	<u>\$ 56,755</u>

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE F - SALES TAX**

A sales tax of 9.75% for the period of July 1, 2021 through June 30, 2022, 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 2021 which are collected and reported as revenue for the fiscal year ended June 30, 2022, is as follows:

Fund	2021 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, 2022**

**NOTE H - CAPITAL ASSETS**

1. Capital asset activity for the fiscal year ended June 30, 2022, was as follows:

	June 30, 2021	Additions	Reductions	Completed Construction	June 30, 2022
<b>Governmental Activities</b>					
Capital assets not being depreciated:					
Land	\$ 11,592,898	\$ -	\$ -	\$ -	\$ 11,592,898
Works of art	2,160,128	-	-	-	2,160,128
Construction-in-progress	24,780,975	6,497,949	-	(525,117)	30,753,807
<b>Total capital assets not being depreciated</b>	<b>38,534,001</b>	<b>6,497,949</b>	<b>-</b>	<b>(525,117)</b>	<b>44,506,833</b>
Capital assets being depreciated:					
Buildings and building improvements	59,635,944	-	-	-	59,635,944
Improvements other than buildings	14,516,210	416,684	-	525,117	15,458,011
Street system	287,468,296	-	-	-	287,468,296
Drainage system	378,927,269	-	-	-	378,927,269
Furniture, fixtures, and equipment	22,876,057	697,516	-	-	23,573,573
Vehicles	18,649,819	1,782,494	-	-	20,432,313
Bridges	4,283,102	-	-	-	4,283,102
<b>Total capital assets being depreciated</b>	<b>786,356,697</b>	<b>2,896,694</b>	<b>-</b>	<b>525,117</b>	<b>789,778,508</b>
Less accumulated depreciation for:					
Buildings and building improvements	41,232,324	1,098,670	-	-	42,330,994
Improvements other than buildings	6,984,784	845,580	-	-	7,830,364
Street system	231,066,217	3,958,232	-	-	235,024,449
Drainage system	360,903,225	5,858,444	-	-	366,761,669
Furniture, fixtures, and equipment	18,873,104	684,391	-	-	19,557,495
Vehicles	16,073,147	973,567	-	-	17,046,714
Bridges	1,836,788	118,412	-	-	1,955,200
<b>Total accumulated depreciation</b>	<b>676,969,589</b>	<b>13,537,296</b>	<b>-</b>	<b>-</b>	<b>690,506,885</b>
<b>Total capital assets being depreciated, net</b>	<b>109,387,108</b>	<b>(10,640,602)</b>	<b>-</b>	<b>525,117</b>	<b>99,271,623</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 147,921,109</b>	<b>\$ (4,142,653)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 143,778,456</b>

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE H - CAPITAL ASSETS (CONTINUED)**

	June 30, 2021	Additions	Reductions	Completed Construction	June 30, 2022
<b>Business-Type Activities</b>					
Capital assets not being depreciated:					
Land	\$ 3,798,726	\$ -	\$ -	\$ -	\$ 3,798,726
Construction-in-progress	2,382,881	751,317	-	(137,085)	2,997,113
	<u>6,181,607</u>	<u>751,317</u>	<u>-</u>	<u>(137,085)</u>	<u>6,795,839</u>
Total capital assets not being depreciated					
Capital assets being depreciated:					
Buildings and building improvements	135,681,471	-	-	-	135,681,471
Improvements other than buildings	23,932,189	-	-	137,085	24,069,274
Furniture, fixtures, and equipment	18,473,274	245,765	-	-	18,719,039
Vehicles	1,769,019	299,019	-	-	2,068,038
	<u>179,855,953</u>	<u>544,784</u>	<u>-</u>	<u>137,085</u>	<u>180,537,822</u>
Total capital assets being depreciated					
Less accumulated depreciation for:					
Buildings and building improvements	65,947,016	1,699,215	-	-	67,646,231
Improvements other than buildings	19,498,290	2,736,074	-	-	22,234,364
Furniture, fixtures, and equipment	15,233,906	298,714	-	-	15,532,620
Vehicles	1,555,099	85,590	-	-	1,640,689
	<u>102,234,311</u>	<u>4,819,593</u>	<u>-</u>	<u>-</u>	<u>107,053,904</u>
Total accumulated depreciation					
Total capital assets being depreciated, net					
	<u>77,621,642</u>	<u>(4,274,809)</u>	<u>-</u>	<u>137,085</u>	<u>73,483,918</u>
Business-type activities capital assets, net					
	<u>\$ 83,803,249</u>	<u>\$ (3,523,492)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,279,757</u>

**CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE H - CAPITAL ASSETS (CONTINUED)**

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

Governmental activities:		
General government	\$	615,528
Public safety		1,136,382
Public works		10,467,141
Culture and recreation		1,291,205
Health and welfare		<u>27,040</u>
Total depreciation expense - governmental activities		<u><u>\$ 13,537,296</u></u>
Business-type activities:		
Wastewater Operations	\$	4,191,758
Civic Center Operations		<u>627,835</u>
Total depreciation expense - business-type activities		<u><u>\$ 4,819,593</u></u>

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

	Project/Contract Authorization June 30, 2022	Expended to June 30, 2022	Committed	Required Future Financing
General government	\$ -	\$ -	\$ -	\$ -
Public safety	1,192,574	811,061	381,513	381,513
Public works	32,491,981	29,942,746	2,549,235	2,549,235
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Total	<u><u>\$ 33,684,555</u></u>	<u><u>\$ 30,753,807</u></u>	<u><u>\$ 2,930,748</u></u>	<u><u>\$ 2,930,748</u></u>

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE I - LONG-TERM DEBT**

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

Long-term debt at June 30, 2022, 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>
<b>Governmental Activities</b>					
Sales Tax Bonds, Series 2020	0.76 - 2.69%	6/1/2033	34,825,000	\$ 34,825,000	\$ 34,825,000
LDEQ loan, Sewer Revenue Bonds, Series 2009 - Direct Borrowing	0.95%	11/1/2030	22,000,000	22,000,000	11,572,822
Excess Revenue Certificate of Indebtness	2.97%	3/21/2029	1,750,000	<u>1,750,000</u>	<u>1,261,000</u>
Total Governmental Activities				<u>\$ 58,575,000</u>	<u>\$ 47,658,822</u>
<b>Business-Type Activities</b>					
Sewer Revenue Bonds, Series 2011	3.00 - 5.00%	11/1/2021	16,000,000	\$ 16,000,000	\$ -
Sewer Revenue Bonds, Series 2019	2.1 - 3.4%	11/1/2036	12,045,000	12,045,000	11,910,000
LDEQ loan, Sewer Revenue Bonds, Series 2012 - Direct Borrowing	0.95%	11/1/2034	21,000,000	21,000,000	14,499,000
LDEQ loan, Clean Water Revolving Fund	0.45%	6/1/1937	9,500,000	713,402	680,402
LDEQ loan, Sales Tax Bonds, Series 2015 - Direct Borrowing	0.95%	6/1/2037	15,000,000	<u>7,259,484</u>	<u>5,887,484</u>
Total Business-Type Activities				<u>\$ 57,017,886</u>	<u>\$ 32,976,886</u>
Total Bonds				<u>\$ 115,592,886</u>	<u>\$ 80,635,708</u>

**2. EXCESS REVENUE CERTIFICATE OF INDEBTNESS:**

On September 17, 2019, the City issued \$1,750,000 of Series 2019 Excess Revenue Certificates of Indebtedness to pay off two loans with the Firefighters Retirement System that were incurred from a merger into the System. This is a taxable loan and is payable semiannually at a rate of 2.97%. No interest was capitalized; interest incurred and expensed during the year was \$41,928. At June 30, 2022, the outstanding balance on the loan was \$1,261,000. In the event of default, the lender may declare all payments plus a default fee at a rate of 2% immediately due and payable.



**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE I - LONG-TERM DEBT (CONTINUED)**

**4. SALES TAX REVENUE REFUNDING BONDS SERIES 2020**

On December 22, 2020, the City issued \$34,825,000 of Series 2020 Sales Tax and Refunding Bonds to currently refund the outstanding Series 2013 Bonds. These bonds were issued with a discount of \$278,600, which reduces the balance of the debt, and is being amortized over the life of the bonds. The new issue resulted in net savings of \$896,700, which is the difference between the old debt and the new debt which was reflected as a gain in the fiscal year of issuance, and a deferred amount of \$2,991,645, which is being amortized over the life of the bonds. No interest was capitalized; interest incurred and expensed during the year was \$668,786. As of June 30, 2022, the outstanding balance of this loan, net of discount, was \$34,583,546. 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.

**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 \$9,019. During the year ended June 30, 2022, the final payment was made on this loan in the amount of \$555,000 and the outstanding balance of this loan was \$-0-. \$11,570,000 of these bonds were refunded in association with the 2019 Sewer Bond issue noted below. 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, 2022, \$11,572,822 was outstanding. The City has drawn a total of \$22,000,000 through June 30, 2022. Total interest and administrative fees paid during the year ended June 30, 2022, were \$54,859 and \$60,954, 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 0.45%. As of June 30, 2022, \$14,499,000 was outstanding. The City has drawn a total of \$21,000,000 through June 30, 2022. Total interest and administrative fees paid during the year ended June 30, 2022, were \$67,592 and \$75,103, respectively. Net revenues from the operation of the wastewater system are pledged as collateral for this loan. The City will be in default if it fails to pay principal, interest or administrative fees when due or comply with any bond covenants for 30 days after first notice of default. In the event of default, 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 0.45%. As of June 30, 2022, \$5,887,484 was outstanding. The City has drawn a total of \$7,259,484 through June 30, 2022. Total interest and administrative fees paid during the year ended June 30, 2022, were \$28,132 and \$31,257 respectively. Sales tax revenue was pledged as collateral for this loan. The City will be in default if it fails to pay principal, interest or administrative fees when due. In the event of default, the LDEQ has the right to take any action permitted or required pursuant to the agreement and take whatever other action necessary to collect the amounts then due.

In 2019, the City executed another loan agreement with the Louisiana Department of Environmental Quality (the "LDEQ") for the purpose of providing funding for the rehabilitation of the sewer system within the City. This loan is classified as direct borrowing. The LDEQ Revolving Fund Loan authorized a loan amount of \$9,500,000 with an interest rate of 0.45%. As of June 30, 2022, \$680,402 was outstanding. The City has drawn a total of \$713,402 through June 30, 2022. Total interest and administrative fees paid during the year ended June 30, 2022, were \$1,970 and \$2,189, 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.

**CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE I - LONG-TERM DEBT (CONTINUED)**

**7. SEWER REFUNDING BONDS SERIES 2019**

On December 26, 2019, the City issued \$12,045,000 of Series 2019 Sewer Refunding Bonds to provide for the planning, construction, improvement, maintenance, operation and funding of improvements to the City's wastewater collection, treatment and disposal system, and partially refund the Sewer Revenue Bonds Series 2011. These bonds were issued with a discount of \$166,527, which reduces the balance of the debt, and is being amortized over the life of the bonds. The new issue resulted in net savings of \$722,680 and a deferred amount of \$308,473, which is being amortized over the life of the bonds. Interest paid during the year was \$345,252. As of June 30, 2022, the outstanding balance of this loan, net of discount, was \$11,772,861. \$12,274,447, which included \$615,565 of prior debt service funds, was placed in escrow to pay off the 2011 Sewer Bonds. Net revenues from the operation of the wastewater system were pledged as collateral for these bonds. The City will be in default if it fails to pay principal or interest when due. In the event of default, the owners of the bonds shall be entitled to exercise all rights and powers for which provision is made under Louisiana law.

**8. FINANCE LEASES**

The City has several finance lease obligations in effect during the year ended June 30, 2022. During the year ended June 30, 2022, the City of Kenner implemented GASB Statement No. 87, *Leases*. For more information on these leases, as well as the financial and reporting effects of GASB Statement No. 87, see Note N.

**9. COMPENSATED ABSENCES**

General

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

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

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

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

General

Regular part time employees:	
0 - 5	<sup>1</sup> / <sub>2</sub> day/month
5 - 10	<sup>3</sup> / <sub>4</sub> 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.

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE I - LONG-TERM DEBT (CONTINUED)**

**9. COMPENSATED ABSENCES (CONTINUED)**

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

Fire Department

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

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

Police Department

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

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

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

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

Police personnel earn sick leave at the following rates:

Full time employees:	8 hours/month not to exceed 12 days (96 hours)/year
Regular part time employees:	<sup>1</sup> / <sub>2</sub> 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.

**10. CHANGES IN LONG-TERM DEBT**

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2022:

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE I - LONG-TERM DEBT (CONTINUED)**

**10. CHANGES IN LONG-TERM DEBT (CONTINUED)**

	Balance <u>6/30/2021</u>	Issue or <u>Additions</u>	Payments or <u>Expenditures</u>	Discount/ <u>(Premium)</u>	Balance <u>6/30/2022</u>	Net of Unamortized Premium/ Discount <u>6/30/2022</u>	Due Within <u>One Year</u>
Governmental Activities:							
Sales Tax							
Revenue Refunding Bonds 2020	\$ 34,564,973	\$ -	\$ -	\$ 18,573	\$ 34,583,546	\$ 34,825,000	\$ 2,440,000
LDEQ loan, Sewer Revenue Bonds, Series 2009 - Direct Borrowing	12,808,822	-	1,236,000	-	11,572,822	11,572,822	1,246,000
Excess Revenue Certificate of Indebtness	1,424,000	-	163,000	-	1,261,000	1,261,000	167,000
OPEB Liability (Note O)	17,180,718	837,682	4,385,479	-	13,632,921	13,632,921	-
Net Pension Liability (Note P)	77,361,308	4,949,551	37,976,534	-	44,334,325	44,334,325	-
Finance lease liability	1,030,786	1,367,475	536,077	-	1,862,184	1,862,184	451,692
Compensated Absences	5,736,683	1,789,923	1,782,713	-	5,743,893	5,743,893	2,474,797
Total Governmental Activities	<u>\$ 150,107,290</u>	<u>\$ 8,944,631</u>	<u>\$ 46,079,803</u>	<u>\$ 18,573</u>	<u>\$ 112,990,691</u>	<u>\$ 113,232,145</u>	<u>\$ 6,779,489</u>
Business-Type Activities:							
Sewer Revenue Bonds 2011	\$ 555,000	\$ -	\$ 555,000	\$ -	\$ -	\$ -	\$ -
Sewer Revenue Bonds 2019	11,848,065	-	85,000	9,796	11,772,861	11,910,000	660,000
LDEQ loan, Sewer Revenue Bonds 2012 - Direct Borrowing	15,542,000	-	1,043,000	-	14,499,000	14,499,000	1,053,000
LEDQ loan, Clean Water Revolving Fund	289,311	424,091	33,000	-	680,402	680,402	438,000
LDEQ loan, Sales Tax Bonds 2015 - Direct Borrowing	6,251,484	-	364,000	-	5,887,484	5,887,484	718,000
Total Business-Type Activities	<u>\$ 34,485,860</u>	<u>\$ 424,091</u>	<u>\$ 2,080,000</u>	<u>\$ 9,796</u>	<u>\$ 32,839,747</u>	<u>\$ 32,976,886</u>	<u>\$ 2,869,000</u>

The annual requirements to maturity for Sales Tax Revenue Refunding Bonds Series 2020 as of June 30, 2022, are as follows:

Year Ending, June 30,	Principal	Interest
2023	\$ 2,440,000	\$ 674,100
2024	2,460,000	655,630
2025	2,485,000	630,907
2026	2,510,000	601,956
2027	2,550,000	564,030
2028-2032	13,505,000	2,065,369
2033-2035	8,875,000	468,219
	<u>34,825,000</u>	<u>\$ 5,660,211</u>
Less Bond Discount	(241,454)	
Net Debt Service Requirement	<u>\$ 34,583,546</u>	

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE I - LONG-TERM DEBT (CONTINUED)**

11. CHANGES IN LONG-TERM DEBT (CONTINUED)

The annual requirements to maturity for the LDEQ Taxable Sewer Bond Series 2009 as of June 30, 2022, are as follows:

Year Ending, June 30,	Principal	Interest
2023	\$ 1,246,000	\$ 49,274
2024	1,255,000	43,647
2025	1,266,000	37,975
2026	1,275,000	32,257
2027	1,286,000	26,495
2028-2031	5,244,822	47,434
Debt Service Requirement	\$ 11,572,822	\$ 237,082

The annual requirements to maturity for the LDEQ Taxable Sewer Bond Series 2012 as of June 30, 2022, are as follows:

Year Ending, June 30,	Principal	Interest
2023	\$ 1,053,000	\$ 62,876
2024	1,063,000	58,115
2025	1,073,000	53,309
2026	1,083,000	48,458
2027	1,094,000	43,560
2028-2032	5,627,000	142,671
2033-2035	3,506,000	23,765
Debt Service Requirement	\$ 14,499,000	\$ 432,754

The annual requirements to maturity for the LDEQ Taxable Sales Bond Series 2015 as of June 30, 2022, are as follows:

Year Ending, June 30,	Principal	Interest
2023	\$ 718,000	\$ 26,494
2024	724,000	23,263
2025	731,000	20,005
2026	738,000	16,715
2027	745,000	13,394
2028-2030	2,231,484	19,936
Debt Service Requirement	\$ 5,887,484	\$ 119,807

The loan has not been fully disbursed as of June 30, 2022. 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, 2022**

**NOTE I - LONG-TERM DEBT (CONTINUED)**

11. CHANGES IN LONG-TERM DEBT (CONTINUED)

The annual requirements to maturity for the LDEQ Taxable Sewer Bond Series 2019 as of June 30, 2022, are as follows:

Year Ending, June 30,	Principal	Interest
2023	\$ 167,000	\$ 37,452
2024	172,000	32,492
2025	178,000	27,383
2026	183,000	22,097
2027	188,000	16,662
2028-2029	373,000	16,394
Debt Service Requirement	\$ 1,261,000	\$ 152,480

The annual requirements to maturity for the Sewer Refunding Bonds Series 2019 as of June 30, 2022 are as follows:

Year Ending, June 30,	Principal	Interest
2023	\$ 660,000	\$ 337,048
2024	670,000	322,748
2025	685,000	307,500
2026	705,000	290,810
2027	720,000	272,458
2028-2032	3,920,000	1,043,926
2033-2037	4,550,000	389,480
Debt Service Requirement	11,910,000	\$ 2,963,970
Less Bond Discount	(137,139)	
	\$ 11,772,861	

The annual requirements to maturity for the LDEQ Cleanwater Revolving Loan as of June 30, 2022 are as follows:

Year Ending, June 30,	Principal	Interest
2023	\$ 438,000	\$ 3,062
2024	242,402	1,091
Debt Service Requirement	\$ 680,402	\$ 4,153

The loan has not been fully disbursed as of June 30, 2022. The annual future payments will change once all of the loan proceeds have been received.

Future payments for the finance lease agreements as of June 30, 2022, are as follows:

Year Ending, June 30,	Principal	Interest
2023	\$ 451,692	\$ 51,046
2024	427,200	38,571
2025	404,136	27,197
2026	415,224	16,110
2027	163,932	5,229
	\$ 1,862,184	\$ 138,153

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE I - LONG-TERM DEBT (CONTINUED)**

12. 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, 2022, are as follows:

	Transfer In:								Total
	General Fund	General Capital Projects	Capital Projects with Bond Proceeds	Fire Protection	General Debt (Major)	Nonmajor Governmental	Department of Wastewater Operations	Internal Service Funds	
Transfer Out:									
General Fund	\$ -	\$ 12,030,676	\$ -	\$ 5,003,814	\$ 907,410	\$ 2,341,842	\$ -	\$ -	\$ 20,283,742
One Percent Sales Tax of 1984 Fund	15,234,164	-	-	718,737	-	198,891	-	-	16,151,791
Fire Protection	-	-	-	-	-	-	-	-	-
General Debt	-	-	-	-	-	-	-	-	-
General Capital Projects	-	-	-	-	563,533	-	-	-	563,533
Nonmajor Governmental	-	-	2,540,546	-	-	-	-	-	2,540,546
Capital Projects Funded with Bonds Proceeds	-	-	-	-	-	-	-	-	-
General Debt (Major)	-	-	-	-	-	-	397,000	-	397,000
Department of Wastewater Operations	-	-	-	-	725,169	-	-	-	725,169
<b>Total</b>	<b>\$ 15,234,164</b>	<b>\$ 12,030,676</b>	<b>\$ 2,540,546</b>	<b>\$ 5,722,551</b>	<b>\$ 2,196,112</b>	<b>\$ 2,540,733</b>	<b>\$ 397,000</b>	<b>\$ -</b>	<b>\$ 40,661,781</b>

Transfers are primarily used to move funds from:

General Fund – to the General Capital projects for the gaming revenues dedicated for capital projects, to the Nonmajor Governmental funds (Garbage Collection and Disposal fund), and the Fire Protection fund because dedicated revenues are not sufficient to cover expenditures, and 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.

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

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

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

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

General Debt Fund – to the Wastewater fund to provide funding for debt service of the 2019 Sewer Revenue Bonds.

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

The composition of interfund balances as of June 30, 2022, 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	\$ 3,170,942
	General Capital Projects Fund	1,497,118
	General Capital Projects Funded with Bond Proceeds	2,824,547
	Nonmajor Governmental Funds	720,936
	Department of Wastewater Operations	7,552,097
	Internal Service Funds	826,231
	Consolidated General Debt (Major)	7,311,519
	Civic Center Operations	1,542,234
	Fire Protection	1,878,319
One Percent Sales Tax of 1984 Fund	Nonmajor Governmental Funds	310,733
Fire Protection	One Percent Sales Tax of 1984 Fund	91,656
	Property Tax	855,915
Department of Wastewater Operations	Property Tax	132,686
General Capital Projects Fund	General Fund	11,904,786
General Capital Projects Funded with Bond Proceeds	Property Tax	506,123
	Nonmajor Governmental Funds	114,898
	General Capital Projects Fund	2,140,077
Nonmajor Governmental Funds	General Fund	382,762
	One Percent Sales Tax of 1984 Fund	19,863
	Property Tax	292,757
		<u>\$44,076,199</u>

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

**NOTE K - TREASURE CHEST RIVERBOAT CASINO AGREEMENT**

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

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

During the year ended June 30, 2022, the City of Kenner implemented GASB Statement No. 87, *Leases*. For more information on the financial and reporting effects of GASB Statement No. 87 on this lease agreement, see Note N.



**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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 \$4,839,454 (which includes claims incurred but not reported in the Fund at June 30, 2022) 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 2020, 2021, and 2022 were as follows:

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
2019 - 2020	\$ 5,138,535	\$ 1,187,162	\$ (916,434)	\$ 5,409,263
2020 - 2021	5,409,263	1,246,881	(1,063,575)	5,592,569
2021 - 2022	5,592,569	(86,171)	(666,944)	4,839,454

The amount of estimated claims payable due within one year of these financial statements is \$1,981,702.

**HEALTH INSURANCE**

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

**NOTE M - COMMITMENTS AND CONTINGENCIES**

**LITIGATION**

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

**CONSTRUCTION**

Construction commitments are discussed in Note H.

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE M - COMMITMENTS AND CONTINGENCIES (CONTINUED)**

ENCUMBRANCES

Significant encumbrances by fund are as follows:

Fund	Amounts
General Fund	\$ 1,228,279
Fire Protection	69,335
General Capital Projects	2,653,895
Capital Projects Funded with Bond Proceeds	1,045,563
Other Governmental Funds	1,415
Total Encumbrances	\$ 4,998,487

**NOTE N - LEASES**

During the year ended June 30, 2022, the City of Kenner implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under GASB Statement No. 87, leases will be categorized into three different categories: short-term leases, leases that transfer ownership, and all other leases.

For short-term leases, payments will be recorded as expenses as incurred by the lessee and revenue as received by the lessor.

For leases that transfer ownership at the end of the lease, the City classifies these leases as finance leases. Governmental fund assets under finance leases are recorded in the government-wide financial statements. As of June 30, 2022, the City has five finance lease agreements as lessee. See Note I for more information on the City of Kenner's finance lease liability balance.

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

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

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

On December 2, 2020, the City entered into a lease-purchase finance agreement with a vendor for radios under a seven-year finance lease. The original net present value of this lease was \$633,056, with a corresponding interest rate of 3.58%. Under the terms of this agreement, the ownership of the radios may be turned over to the City at the conclusion of the lease, if the City exercises its purchase option. The radios, valued at \$633,056, are included in capital assets.

On June 29, 2021, the City entered into a lease-purchase finance agreement with a vendor for vehicles under a five-year finance lease, beginning when the City took possession of the vehicles, which was June 2022. The original net present value of this lease was \$962,676, with a corresponding interest rate of 5.83%. Under the terms of this 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 \$962,676, are included in capital assets.

For all other lease obligations, a lessee is required to recognize a lease liability and an intangible right to use lease asset.

On October 20, 2021, the City entered into a lease agreement with De Lage Landen Financial Services, Inc. for the use of heavy equipment. The term of the lease is 60 months, commencing on November 1, 2021 and ending on October 31, 2026. The lease does not contain any purchase options nor does it contain any options to renew. The minimum monthly payment due on the lease is \$7,301, with an interest rate of 3.15%. As of June 30, 2022, a right to use asset, net of amortization of \$50,366, of \$350,826 and a lease liability of \$354,433 are recorded in the City's government-wide financial statements.

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE N - LEASES (CONTINUED)**

Annual requirements to amortize the right to use asset are as follows:

<u>Year Ending June 30,</u>	<u>Amortization</u>
2023	\$ 80,960
2024	80,960
2025	80,960
2026	80,960
2027	26,986
	<u>\$ 350,826</u>

Future payments for the finance lease agreements as of June 30, 2022, are as follows:

<u>Year Ending, June 30,</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 451,692	\$ 51,046
2024	427,200	38,571
2025	404,136	27,197
2026	415,224	16,110
2027	163,932	5,229
	<u>\$ 1,862,184</u>	<u>\$ 138,153</u>

The City also participates in several leases where it serves as the lessor. Under GASB 87, the lessor is required to recognize a lease receivable and a deferred inflow of resources.

The City 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. This lease currently ends July 1, 2024. The minimum monthly lease payment for July 1, 2021 through June 30, 2022 is \$178,157. The minimum monthly lease payment for July 1, 2022 through June 30, 2024 is \$140,538. The interest rate for this lease is the City's incremental borrowing rate of 7.0%. As of June 30, 2022, this lease resulted in a lease receivable of \$3,138,932 and deferred inflows of resources, net of amortization of \$1,847,361, of \$3,324,195. For more information on the lease agreement with Treasure Chest Casino, L.L.C. see Note K.

The City and Pontchartrain Hotel Investment Group, LLC entered into a lease of property on July 26, 1999 for a term of 45 years, commencing on July 26, 1999. The lease contains a renewal option of 25 years, exercisable at the lessee's option. The lease payments are due quarterly on January 1, April 1, July 1, and October 1 of each year in a fixed amount of \$12,500. The lessee currently operates a Hilton Garden Inn on the premises. The interest rate for this lease is the City's incremental borrowing rate of 7.0%. As of June 30, 2022, this lease resulted in a lease receivable of \$541,776 and deferred inflows of resources, net of amortization of \$25,139, of \$527,923.

The City and Outfront Media, L.L.C. entered into a lease agreement on December 9, 2015 where the City leased a portion of property to Outfront Media, L.L.C for the purpose of maintaining and storing the lessee's advertising signs. The term of the lease is 15 years, commencing on January 1, 2016, and the lease automatically renews for successive one-year periods on the same terms and conditions unless either party objects to the renewal more than 90 days prior to end of the term of this lease then in effect. The rental payments will be due monthly, at a rate of \$1,500 for year 1 through year 5, \$1,700 for year 6 through year 10, and \$1,900 for year 11 through year 15. The interest rate for this lease is the City's incremental borrowing rate of 7.0%. As of June 30, 2022, this lease resulted in a lease receivable of \$138,321 and deferred inflows of resources, net of amortization of \$10,322, of \$132,996.

For the year ended June 30, 2022, lease revenue and interest income relating to these leases were \$1,702,884 and \$339,310, respectively.

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE N - LEASES (CONTINUED)**

Annual principal receipts on the receivable and related interest on these three leases are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 1,537,860	\$ 218,996
2024	1,649,005	107,852
2025	26,551	43,849
2026	29,657	41,943
2027	33,028	39,772
2028-2032	167,994	161,806
2033-2037	136,607	113,393
2038-2042	191,598	58,402
2043-2047	46,729	3,271
	<u>\$ 3,819,029</u>	<u>\$ 789,284</u>

Future amortization of deferred inflows of resources on these three leases are as follows:

<u>Year Ending June 30,</u>	<u>Amortization</u>
2023	\$ 1,702,884
2024	1,702,882
2025	40,786
2026	40,785
2027	40,787
2028-2032	180,459
2033-2037	125,696
2038-2042	125,696
2043-2047	25,139
	<u>\$ 3,985,114</u>

**NOTE O - 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, 2022.

**NOTE P - 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, 2022, 204 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*.

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE P - POSTEMPLOYMENT BENEFITS (CONTINUED)**

**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 60<sup>th</sup> birthday and have 10 years of service; (2) for firefighter or police employees, have 25 years of continuous service with the City or reach 50<sup>th</sup> birthday and have 20 years of service with the City or reach 55<sup>th</sup> 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 \$100 per month without a health screening and \$30 per month with a health screening. The City's portion is \$506 per month for employee/retiree coverage with a health screening and \$576 per month without a health screening.

Retired employees eligible for Medicare coverage are excluded from the Blue Cross Healthcare Plan and may choose to be covered by one of the two Medicare Supplement Plans offered through the City of Kenner by People's Health and Humana. The monthly premium is \$190 for People's Health and \$306 for Humana. The City pays \$100 per month for retiree-only coverage with Medicare plans for those retirees hired prior to March 31, 1986. All other retirees are responsible for the entire monthly premium.

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

**EMPLOYEES COVERED BY BENEFIT TERMS**

At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits payments	204
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	592
Total	796

**TOTAL OPEB LIABILITY**

At June 30, 2022, the City reported a total OPEB liability of \$13,632,921. The total OPEB liability was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2021.

**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

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE P - POSTEMPLOYMENT BENEFITS (CONTINUED)**

ACTUARIAL METHODS AND ASSUMPTIONS (CONTINUED)

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, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise noted:

<b>Valuation Date</b>	June 30, 2021
<b>Measurement Date</b>	June 30, 2022
<b>Actuarial cost method</b>	Entry Age Normal, Level Percentage of Pay
<b>Actuarial assumptions:</b>	
<b>Expected remaining service lives</b>	3 years
<b>Inflation rate</b>	2.50%
<b>Salary increase rate</b>	2.00%
<b>Discount rate</b>	3.69%
<b>Mortality rates</b>	<i>Pre-Retirement Mortality</i> : PubG.H-2010 Employee Mortality Table, Generational with Projection Scale MP-2021. <i>Post-Retirement Mortality</i> : PubG.H-2010 Healthy Retiree Mortality Table, Generational with Projection Scale MP-2021.
<b>Healthcare cost trend rates</b>	<i>Pre-65</i> : The healthcare cost trend was 6.0%, initially, and decreases to an ultimate rate of 4.0% in 2075. <i>65 &amp; Over</i> : The healthcare cost trend rate is a flat 2.5%.
<b>Employee turnover rates</b>	An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 10%. The percent turnover for each age range are as follows: 20-25 (17.0%), 26-40 (10.2%), 41-50 (6.8%), and 51+ (5.1%).

CHANGES IN THE TOTAL OPEB LIABILITY

The following is a summary of the changes in the City's total OPEB liability for the year ended June 30, 2022:

Balance at 06/30/2021	\$ 17,180,718
Changes for the year:	
Service cost	465,902
Interest	329,734
Differences between expected and actual experience	42,046
Changes in assumptions/inputs	(3,439,558)
Benefit payments	(945,921)
Net changes	<u>(3,547,797)</u>
Balance at 06/30/2022	<u>\$ 13,632,921</u>

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

For the year ended June 30, 2022, the City recognized OPEB benefit of \$70,142. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 771,455	\$ -
Changes of assumptions or other inputs	-	2,503,007
	<u>\$ 771,455</u>	<u>\$ 2,503,007</u>

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE P - POSTEMPLOYMENT BENEFITS (CONTINUED)**

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

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

Year ending June 30:	
2023	\$ (865,776)
2024	(865,776)
	<u>\$ (1,731,552)</u>

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.69%) or one percentage point higher (4.69%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	<u>\$ 15,053,181</u>	<u>\$ 13,632,921</u>	<u>\$ 12,394,781</u>

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

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB liability	<u>\$ 12,325,273</u>	<u>\$ 13,632,921</u>	<u>\$ 15,201,634</u>

**NOTE Q - 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, 2022**

**NOTE Q - PENSION PLANS (CONTINUED)**

**PLAN DESCRIPTIONS (CONTINUED)**

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

The MERS retirement information in this Note is provided as of the latest actuarial valuation, June 30, 2021. 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 10.0% of their earnable compensation, and the City is required to contribute at an actuarially determined rate. The current rate is 29.5% of earnable compensation. At July 1, 2022, the employer rate remained at 29.5% for the 2022-2023 fiscal year, and the employee rate remained at 10.0%.

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

Members of MPERS hired prior to January 1, 2013, are eligible for normal retirement after they have been a member of the plan, if they have 25 years of service at any age or they have 20 years' service and are age 50 or have 12 years' service and are age 55. Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211 - 11:2233. The monthly retirement benefit is equal to 3 <sup>1</sup>/<sub>3</sub> 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 <sup>1</sup>/<sub>2</sub> 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, 2021. 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 29.75% and 10.0%, respectively. The employer and employee contribution rates for all Non Hazardous Duty members hired after January 1, 2013, were 29.75% and 8.0%, respectively. At July 1, 2022, the employer's contribution rate increased to 31.25%, 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 31.25% and the employee rate remained at 8.0% for all Non Hazardous duty members hired after January 1, 2013.

The Firefighters' Retirement System (FRS)

Under FRS, employees with 20 or more years of service who have attained age 50 or employees who have 12 years of service who have attained age 55 or 25 years of service at any age are entitled to annual pension benefits equal to 3 <sup>1</sup>/<sub>3</sub>% 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.



**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE Q - PENSION PLANS (CONTINUED)**

PLAN DESCRIPTIONS (CONTINUED)

The FRS retirement information in this Note is provided as of the latest actuarial valuation, June 30, 2021. 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 33.75% of annual-covered payroll. Effective July 1, 2022, the employer's contribution rate decreased to 33.25% and the employee rate remained at 10.0%.

CURRENT MEMBERSHIP

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

CONTRIBUTIONS MADE

The employer contribution rates are established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the system's actuary. Each plan pays a separate actuarially-determined employer contribution rate. However, all assets of each plan are used for the payment of benefits for all classes of members within each system, regardless of their plan membership. Employer contributions to MERS, MPERS, and FRS were \$4,392,986, \$2,203,396, and \$2,226,928, respectively, for the year ended June 30, 2022.

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, 2022, the City of Kenner, Louisiana reported a liability for MERS, MPERS, and FRS of \$21,109,894, \$13,417,738, and \$9,806,693, respectively, for its proportionate share of the net pension liability. The net pension liabilities were measured as of June 30, 2021, 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, 2021, the City of Kenner, Louisiana's proportion for MERS, MPERS, and FRS was 7.589383%, 2.517141%, and 2.767241%, respectively. This reflects an increase for MERS of 0.061715%, a decrease for MPERS of 0.174913%, and a decrease for FRS of 0.108778% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the City of Kenner, Louisiana recognized pension expense and contributions revenue from non-employer contributions as follows:

	Pension Expense/ (Benefit)	Contributions Revenue - Non Employer Contributions
MERS	\$ (1,053,137)	\$ 566,317
MPERS	(2,326,334)	562,512
FRS	(670,372)	790,539
Total	<u>\$ (4,049,843)</u>	<u>\$ 1,919,368</u>

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE Q - PENSION PLANS (CONTINUED)**

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

At June 30, 2022, the City of Kenner, Louisiana reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>			
	<b>MERS</b>	<b>MPERS</b>	<b>FRS</b>	<b>Total</b>
Differences between expected and actual experience	\$ 7,607	\$ -	\$ 139,949	\$ 147,556
Changes in proportion	1,101,230	188,688	3,238,700	4,528,618
Change of assumptions	771,439	1,485,943	2,125,039	4,382,421
Employer contributions subsequent to the measurement date	4,392,986	2,203,396	2,226,928	8,823,310
<b>Total</b>	<b>\$ 6,273,262</b>	<b>\$ 3,878,027</b>	<b>\$ 7,730,616</b>	<b>\$ 17,881,905</b>

	<b>Deferred Inflows of Resources</b>			
	<b>MERS</b>	<b>MPERS</b>	<b>FRS</b>	<b>Total</b>
Differences between expected and actual experience	\$ 241,396	\$ 413,225	\$ 880,663	\$ 1,535,284
Difference between projected and actual earnings on plan investments	5,947,736	6,265,027	5,951,275	18,164,038
Difference between employer contributions and proportionate share of contributions	50,129	6,952	11,794	68,875
Change of assumptions	-	382,752	-	382,752
Changes in proportion	-	1,402,660	727,207	2,129,867
<b>Total</b>	<b>\$ 6,239,261</b>	<b>\$ 8,470,616</b>	<b>\$ 7,570,939</b>	<b>\$ 22,280,816</b>

During the year ended June 30, 2022, employer contributions totaling \$4,392,986, \$2,203,396, and \$2,226,928 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

	<b>MERS</b>	<b>MPERS</b>	<b>FRS</b>	<b>Total</b>
Year Ending June 30,				
2023	\$ 211,530	\$ (1,585,933)	\$ (332,002)	\$ (1,706,405)
2024	(1,023,819)	(1,483,413)	(345,896)	(2,853,128)
2025	(1,533,373)	(1,568,194)	(748,880)	(3,850,447)
2026	(2,013,323)	(2,158,445)	(1,109,117)	(5,280,885)
2027	-	-	421,537	421,537
Thereafter	-	-	47,107	47,107
<b>Total</b>	<b>\$ (4,358,985)</b>	<b>\$ (6,795,985)</b>	<b>\$ (2,067,251)</b>	<b>\$ (13,222,221)</b>

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE Q - PENSION PLANS (CONTINUED)**

**ACTUARIAL ASSUMPTIONS**

Total pension liabilities for MERS, MPERS, and FRS in the June 30, 2021, actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

	<b>MERS</b>	<b>MPERS</b>	<b>FRS</b>
<b>Actuarial cost method</b>	Entry Age Normal	Entry Age Normal	Entry Age Normal
<b>Actuarial assumptions:</b>			
<b>Expected Remaining Service Lives</b>	3 Years	4 Years	7 Years
<b>Investment rate of return</b>	6.85%, net of investment expense	6.75%, net of investment expense	6.90%, net of investment expense
<b>Inflation rate</b>	2.50% per annum	2.50% per annum	2.50% per annum
<b>Projected salary increases</b>	Vary from 6.4% in the first four years of service to 4.5% after four years of service	Salary growth rate based on years of service, ranging from 12.30% for 1-2 years of service to 4.70% for over 2 years of service.	Vary from 14.1% in the first two years of service and 5.2% with three or more years of service.
<b>Cost-of-living adjustments</b>	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.
<b>Mortality</b>	PubG-2010(B) Healthy Retiree Table for Annuitant members; PubG-2010(B) Employee Table for Active members; PubNS-2010(B) Disabled Retiree Table for Disabled annuitants	Pub-2010 Healthy Retiree Table for Annuitant members; Pub-2010 Employee Table for Active members; Pub-2010 Disabled Retiree Table for Disabled annuitants	Pub-2010 Healthy Retiree Table for Annuitant members; Pub-2010 Employee Table for Active members; Pub-2010 Disabled Retiree Table for Disabled annuitants
<b>Termination and disability</b>	Termination, disability and retirement assumptions were projected based on a five year (2013-2018) experience study of the System's members.	Termination, disability and retirement assumptions were projected based on a five year (2014-2019) experience study of the System's members.	Termination, disability and retirement assumptions were projected based on a five year (2014-2019) experience study of the System's members.

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

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, 2021, are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>			<b>Long-Term Expected Real Rate of Return</b>		
	<b>MERS</b>	<b>MPERS</b>	<b>FRS</b>	<b>MERS</b>	<b>MPERS</b>	<b>FRS</b>
Equity	53%	55.5%	56%	2.31%	3.48%	3.60%
Fixed Income	38%	30.5%	26%	1.65%	0.59%	0.32%
Alternatives	9%	14%	18%	0.39%	1.01%	1.55%
Other	0%	0%	0%	0.00%	0.00%	0.00%
Total	100%	100%	100%	4.35%	5.08%	5.47%
Inflation				2.60%	2.22%	2.50%
Expected Arithmetic Nominal Return				6.95%	7.30%	7.97%

**CITY OF KENNER, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE Q - PENSION PLANS (CONTINUED)**

ACTUARIAL ASSUMPTIONS (CONTINUED)

DISCOUNT RATES

The discount rate used to measure the total pension liability for MERS, MPERS, and FRS was 6.85%, 6.75%, and 6.90%, 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 (6.85% for MERS, 6.75% for MPERS, and 6.90% for FRS), as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
MERS	\$ 31,264,831	\$ 21,109,894	\$ 12,532,642
MPERS	23,384,997	13,417,738	5,098,440
FRS	18,813,417	9,806,693	2,295,181
Total	<u>\$ 73,463,245</u>	<u>\$ 44,334,325</u>	<u>\$ 19,926,263</u>

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the pension plans' fiduciary net position is available in the separately issued MERS, MPERS, and FRS 2021 Annual Financial Reports at [www.mersla.com](http://www.mersla.com), [www.lampers.org](http://www.lampers.org), and [www.lafirefightersret.com](http://www.lafirefightersret.com), respectively.

PAYABLES TO THE PENSION PLANS

At June 30, 2022, there were no amounts owed to any of the three pension plans for employee and employer legally-required contributions.

**NOTE R – DEFICIT FUND BALANCES/NET POSITION**

At June 30, 2022, the Self-Insurance Fund had a deficit in its unrestricted net position of \$4,600,344. This deficit will be eliminated by the City making additional contributions into the fund during future years.

At June 30, 2022, the Health Insurance Fund had a deficit in its unrestricted net position of \$385,372. This deficit will be eliminated by the City making additional contributions into the fund during future years.

At June 30, 2022, the Civic Center Operations Fund had a deficit in its unrestricted net position of \$1,145,089. This deficit will be eliminated by the future revenues.

At June 30, 2022, the Department of Wastewater Operations Fund had a deficit in its unrestricted net position of \$5,128,265. This deficit will be eliminated by future revenues.

**NOTE S – ON-BEHALF PAYMENTS FOR SALARIES AND BENEFITS**

Supplemental salary payments are made by the State of Louisiana directly to certain groups of employees. The City is not legally responsible for these payments. Therefore, the basis for recognizing the revenue and expenditure payments is the actual state contribution. For the year ended June 30, 2022, the State paid supplemental salaries to police and fire employees of the City. The City is required to pay from its own budget the payroll taxes and retirement contributions on these on-behalf payments. For the year ended June 30, 2022, the City has recognized \$1,412,061 as revenue and expenditure for on-behalf salary payments made by the State of Louisiana.

**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, 2022**

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
<b>REVENUES</b>						
Taxes	\$ 36,691,732	\$ -	\$ 36,691,732	\$ 27,630,634	\$ 27,630,634	\$ 9,061,098
Licenses and permits	3,924,955	-	3,924,955	4,359,508	4,359,508	(434,553)
Intergovernmental	15,981,009	(357,689)	15,623,320	9,086,325	9,124,325	6,498,995
Charges for services	642,989	-	642,989	905,724	905,724	(262,735)
Fines and forfeitures	1,102,592	-	1,102,592	827,506	827,506	275,086
Interest	73,136	-	73,136	50,000	50,000	23,136
Miscellaneous	546,851	-	546,851	250,872	250,872	295,979
<b>Total revenues</b>	<b>58,963,264</b>	<b>(357,689)</b>	<b>58,605,575</b>	<b>43,110,569</b>	<b>43,148,569</b>	<b>15,457,006</b>
<b>EXPENDITURES</b>						
General government	12,260,132	106,046	12,366,178	14,780,411	14,374,307	2,008,129
Public safety	20,939,161	441,289	21,380,450	21,910,674	22,498,445	1,117,995
Public works	5,044,847	2,240	5,047,087	5,802,448	6,143,333	1,096,246
Health and welfare	20,582	-	20,582	61,182	92,377	71,795
Culture and recreation	2,798,465	4,333	2,802,798	3,532,191	3,680,786	877,988
Transit and urban development	198,656	-	198,656	460,045	460,045	261,389
<b>Total expenditures</b>	<b>41,261,843</b>	<b>553,908</b>	<b>41,815,751</b>	<b>46,546,951</b>	<b>47,249,293</b>	<b>5,433,542</b>
Excess (deficiency) of revenues over (under) expenditures	17,701,421	(911,597)	16,789,824	(3,436,382)	(4,100,724)	20,890,548
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	15,234,164	-	15,234,164	11,003,564	10,960,466	4,273,698
Operating transfers out	(20,283,742)	-	(20,283,742)	(9,239,732)	(10,906,410)	(9,377,332)
<b>Total other financing sources (uses)</b>	<b>(5,049,578)</b>	<b>-</b>	<b>(5,049,578)</b>	<b>1,763,832</b>	<b>54,056</b>	<b>(5,103,634)</b>
<b>Net change in fund balance</b>	<b>12,651,843</b>	<b>(911,597)</b>	<b>11,740,246</b>	<b>(1,672,550)</b>	<b>(4,046,668)</b>	<b>15,786,914</b>
Fund balance - beginning of year	27,406,732	-	27,406,732	27,406,732	27,406,732	-
Fund balance - end of year	\$ 40,058,575	\$ (911,597)	\$ 39,146,978	\$ 25,734,182	\$ 23,360,064	\$ 15,786,914

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, 2022**

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
<b>REVENUES</b>						
Taxes:						
Sales tax	\$ 16,151,791	\$ -	\$ 16,151,791	\$ 12,511,340	\$ 12,511,340	\$ 3,640,451
Total revenues	16,151,791	-	16,151,791	12,511,340	12,511,340	3,640,451
<b>EXPENDITURES</b>						
Personnel	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	16,151,791	-	16,151,791	12,511,340	12,511,340	3,640,451
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers out	(16,151,791)	-	(16,151,791)	(12,511,340)	(12,511,340)	(3,640,451)
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, 2022**

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
<b>REVENUES</b>						
Taxes:						
Ad valorem tax	\$ 3,966,359	\$ -	\$ 3,966,359	\$ 3,810,026	\$ 3,810,026	\$ 156,333
Parking tax	1,856,187	-	1,856,187	1,250,000	1,250,000	606,187
Cable franchise tax	292,468	-	292,468	343,000	343,000	(50,532)
Intergovernmental	147,839	-	147,839	310,522	310,522	(162,683)
Charges for services	1,740	-	1,740	1,295	1,295	445
Interest	206	-	206	700	700	(494)
Miscellaneous	38	-	38	100	100	(62)
Total revenues	<u>6,264,837</u>	<u>-</u>	<u>6,264,837</u>	<u>5,715,643</u>	<u>5,715,643</u>	<u>549,194</u>
<b>EXPENDITURES</b>						
Public safety:						
Personnel	10,818,016	-	10,818,016	10,174,854	10,980,026	162,010
Supplies	103,852	1,452	105,304	93,900	105,328	24
Capital outlay	52	-	52	-	52	-
Service charges	1,065,468	65,493	1,130,961	843,963	1,289,396	158,435
Total expenditures	<u>11,987,388</u>	<u>66,945</u>	<u>12,054,333</u>	<u>11,112,717</u>	<u>12,374,802</u>	<u>320,469</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,722,551)</u>	<u>(66,945)</u>	<u>(5,789,496)</u>	<u>(5,397,074)</u>	<u>(6,659,159)</u>	<u>869,663</u>
<b>OTHER FINANCING SOURCES</b>						
Transfers out	-	-	-	-	-	-
Transfers in	<u>5,722,551</u>	<u>-</u>	<u>5,722,551</u>	<u>5,397,374</u>	<u>5,397,374</u>	<u>325,177</u>
Net change in fund balance	-	(66,945)	(66,945)	300	(1,261,785)	1,194,840
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>\$ (66,945)</u>	<u>\$ (66,945)</u>	<u>\$ 300</u>	<u>\$ (1,261,785)</u>	<u>\$ 1,194,840</u>

See accompanying note to budgetary comparison schedules.



**CITY OF KENNER, LOUISIANA**  
**NOTES TO BUDGETARY COMPARISON SCHEDULES**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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)	\$ 11,740,246	\$ 94,993	\$ (52)	\$ (66,945)
Basis differences:				
To adjust for encumbrances	553,908	1,415	52	66,945
Entity differences:				
To adjust for revenues not budgeted	<u>357,689</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances (GAAP basis)	<u>\$ 12,651,843</u>	<u>\$ 96,408</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF KENNER, LOUISIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**FOR THE FIVE YEARS ENDED JUNE 30, 2022**

	2018	2019	2020	2021	2022
Total OPEB Liability					
Service cost	\$ 362,812	\$ 370,068	\$ 316,253	\$ 388,785	\$ 465,902
Interest	769,735	775,992	463,758	395,892	329,734
Changes of benefit terms	-	(4,823,106)	-	-	-
Differences between expected and actual experience	(55,831)	(567,525)	78,397	1,486,846	42,046
Changes in assumption or other inputs	-	(1,379,446)	1,308,416	(419,939)	(3,439,558)
Benefit payments	(850,746)	(971,517)	(912,190)	(881,893)	(945,921)
Net change in total OPEB liability	225,970	(6,595,534)	1,254,634	969,691	(3,547,797)
Total OPEB liability - beginning	21,325,957	21,551,927	14,956,393	16,211,027	17,180,718
Total OPEB liability - end	<u>\$21,551,927</u>	<u>\$14,956,393</u>	<u>\$16,211,027</u>	<u>\$ 17,180,718</u>	<u>\$ 13,632,921</u>
Covered employee payroll	\$28,193,097	\$25,381,491	\$25,889,121	\$ 26,792,806	\$ 27,328,662
Total OPEB liability as a percentage of covered employee payroll	76.4%	58.9%	62.6%	64.1%	49.9%

**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%    2020 - 2.45%    2021 - 1.92%  
2022 - 3.69%

Other actuarial assumption changes included: first year claim cost trends to reflect actual changes to premium and retiree contribution 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 NINE YEARS ENDED JUNE 30, 2022**

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>					
2022	7.58938%	\$ 21,109,894	\$ 15,027,514	140.5%	77.8%
2021	7.52767%	\$ 32,545,187	\$ 14,385,314	226.2%	64.5%
2020	6.77526%	\$ 28,311,510	\$ 12,545,209	225.7%	64.7%
2019	6.81746%	\$ 28,228,888	\$ 12,399,087	227.7%	63.9%
2018	6.81440%	\$ 28,507,508	\$ 12,377,177	230.3%	62.5%
2017	6.55929%	\$ 26,884,611	\$ 11,717,163	229.4%	62.1%
2016	6.89655%	\$ 24,635,568	\$ 11,767,976	209.3%	66.2%
2015	6.92951%	\$ 17,784,191	\$ 11,699,489	152.0%	74.0%
2014	6.92428%	\$ 21,461,170	\$ 11,624,136	184.6%	68.0%
<u>MPERS:</u>					
2022	2.51714%	\$ 13,417,738	\$ 7,674,836	174.8%	84.1%
2021	2.69205%	\$ 24,880,853	\$ 8,315,009	299.2%	70.9%
2020	2.64627%	\$ 24,032,591	\$ 8,242,059	291.6%	71.0%
2019	2.79167%	\$ 23,600,915	\$ 8,238,570	286.5%	71.9%
2018	2.94155%	\$ 25,680,932	\$ 8,797,386	291.9%	70.1%
2017	3.01853%	\$ 28,292,130	\$ 8,455,544	334.6%	66.0%
2016	3.04822%	\$ 23,879,578	\$ 8,153,754	292.9%	70.7%
2015	3.03337%	\$ 18,977,030	\$ 8,058,896	235.5%	75.1%
2014	3.07695%	\$ 24,580,017	\$ 8,024,893	306.3%	66.7%
<u>FRS:</u>					
2022	2.76724%	\$ 9,806,693	\$ 6,941,032	141.3%	86.8%
2021	2.87602%	\$ 19,935,268	\$ 7,160,161	278.4%	72.6%
2020	2.47553%	\$ 15,501,521	\$ 5,986,331	258.9%	74.0%
2019	2.01524%	\$ 11,591,806	\$ 4,799,460	241.5%	74.8%
2018	2.07568%	\$ 11,897,490	\$ 4,851,604	245.2%	73.5%
2017	1.95589%	\$ 12,793,256	\$ 4,412,472	289.9%	68.2%
2016	2.00546%	\$ 10,823,693	\$ 4,262,059	254.0%	72.4%
2015	2.01242%	\$ 8,955,108	\$ 4,207,688	212.8%	76.0%
2014	2.11904%	\$ 10,991,862	\$ 4,140,703	265.5%	70.7%

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

See accompanying notes.

**CITY OF KENNER, LOUISIANA**  
**SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS**  
**FOR THE TEN YEARS ENDED JUNE 30, 2022**

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>					
2022	\$ 4,392,986	\$ 4,392,986	\$ -	\$ 14,894,475	29.5%
2021	\$ 4,433,117	\$ 4,433,117	\$ -	\$ 15,027,514	29.5%
2020	\$ 3,992,614	\$ 3,992,614	\$ -	\$ 14,385,314	27.8%
2019	\$ 3,260,999	\$ 3,260,999	\$ -	\$ 12,545,209	26.0%
2018	\$ 3,261,548	\$ 3,261,548	\$ -	\$ 12,399,087	26.3%
2017	\$ 3,067,606	\$ 3,067,606	\$ -	\$ 12,377,177	24.8%
2016	\$ 2,815,810	\$ 2,815,810	\$ -	\$ 11,717,163	24.0%
2015	\$ 2,314,139	\$ 2,314,139	\$ -	\$ 11,767,976	19.7%
2014	\$ 2,324,274	\$ 2,324,274	\$ -	\$ 11,699,489	19.9%
2013	\$ 2,193,659	\$ 2,193,659	\$ -	\$ 11,624,136	18.9%
<u>MPERS:</u>					
2022	\$ 2,203,396	\$ 2,203,396	\$ -	\$ 7,406,373	29.8%
2021	\$ 2,590,258	\$ 2,590,258	\$ -	\$ 7,674,836	33.8%
2020	\$ 2,702,376	\$ 2,702,376	\$ -	\$ 8,315,009	32.5%
2019	\$ 2,665,150	\$ 2,665,150	\$ -	\$ 8,242,059	32.3%
2018	\$ 2,658,061	\$ 2,658,061	\$ -	\$ 8,238,570	32.3%
2017	\$ 2,533,362	\$ 2,533,362	\$ -	\$ 8,797,386	28.8%
2016	\$ 2,793,171	\$ 2,793,171	\$ -	\$ 8,455,544	33.0%
2015	\$ 2,494,386	\$ 2,494,386	\$ -	\$ 8,153,754	30.6%
2014	\$ 2,568,431	\$ 2,568,431	\$ -	\$ 8,058,896	31.9%
2013	\$ 2,498,256	\$ 2,498,256	\$ -	\$ 8,024,893	31.1%
<u>FRS:</u>					
2022	\$ 2,226,928	\$ 2,226,928	\$ -	\$ 6,598,304	33.8%
2021	\$ 2,238,483	\$ 2,238,483	\$ -	\$ 6,941,032	32.3%
2020	\$ 1,986,945	\$ 1,986,945	\$ -	\$ 7,160,161	27.8%
2019	\$ 1,585,503	\$ 1,585,503	\$ -	\$ 5,986,331	26.5%
2018	\$ 1,586,377	\$ 1,586,377	\$ -	\$ 4,799,460	33.1%
2017	\$ 1,271,881	\$ 1,271,881	\$ -	\$ 4,851,604	26.2%
2016	\$ 1,225,030	\$ 1,225,030	\$ -	\$ 4,412,472	27.8%
2015	\$ 1,202,399	\$ 1,202,399	\$ -	\$ 4,262,059	28.2%
2014	\$ 1,246,652	\$ 1,246,652	\$ -	\$ 4,207,688	29.6%
2013	\$ 1,188,672	\$ 1,188,672	\$ -	\$ 4,140,703	28.7%

See accompanying notes.

**CITY OF KENNER, LOUISIANA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION II**  
**JUNE 30, 2022**

**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, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2015	June 30, 2014
Investment Rate of Return	6.85%	6.95%	7.00%	7.275%	7.40%	7.50%	7.75%
Inflation Rate	2.50%	2.50%	2.50%	2.60%	2.775%	2.875%	3.00%
Projected Salary Increases	4.5 - 6.4%	4.5 - 6.4%	4.5 - 6.4%	5.00%	5.75%	5.00%	5.75%

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

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

**MPERS:**

1. CHANGES OF BENEFIT TERMS

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

2. CHANGES OF ASSUMPTIONS

Following is a detail description of the changes:

Valuation Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2015	June 30, 2014
Investment Rate of Return	6.75%	6.95%	7.125%	7.20%	7.325%	7.50%	7.75%
Inflation Rate	2.50%	2.50%	2.50%	2.60%	2.70%	2.875%	3.00%
Projected Salary Increases	4.7 - 12.3%	4.7 - 12.3%	4.25 - 9.75%	4.25 - 9.75%	4.25 - 9.75%	4.25 - 9.75%	4 - 10%

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.

2. CHANGES OF ASSUMPTIONS

Following is a detail description of the changes:

**CITY OF KENNER, LOUISIANA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION II**  
**JUNE 30, 2022**

**FRS: (Continued)**

2. CHANGES OF ASSUMPTIONS (Continued)

Valuation Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2015	June 30, 2014
Investment Rate of Return	6.90%	7.00%	7.150%	7.30%	7.400%	7.50%	7.75%
Inflation Rate	2.50%	2.50%	2.50%	2.70%	2.775%	2.875%	3.00%
Projected Salary Increases	5.2 - 14.1%	4.5 - 14.1%	4.5 - 14.75%	4.75 - 15%	4.75 - 15%	4.75 - 15%	5.5 - 15%

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, 2022**

**SPECIAL REVENUE FUNDS**

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

**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

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

**GARBAGE COLLECTION AND DISPOSAL FUND**

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

**STREETS AND DRAINAGE FUND**

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

**DEBT SERVICE FUNDS**

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

**AD VALOREM TAX BOND FUND**

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

**FIREMEN'S PENSION MERGER FUND**

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



**CITY OF KENNER, LOUISIANA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**

	SPECIAL REVENUE FUNDS			
	GARBAGE COLLECTION AND DISPOSAL	STREETS AND DRAINAGE	COMMUNITY DEVELOPMENT BLOCK GRANT	TOTAL
	<b>ASSETS</b>			
Cash	\$ -	\$ 158	\$ 49,103	\$ 49,261
Equity in pooled cash	-	-	420,424	420,424
Investments	-	-	-	-
Receivables (net, where applicable, of allowances for uncollectibles)				
Accounts	1,235,617	-	-	1,235,617
Intergovernmental	-	-	-	-
Interest	-	-	-	-
Other	-	-	691	691
Due from other funds	206,598	441,937	30,884	679,419
Prepaid items	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 1,442,215</u>	<u>\$ 442,095</u>	<u>\$ 501,102</u>	<u>\$ 2,385,412</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 558,940	\$ 200	\$ -	\$ 559,140
Contracts payable	-	-	-	-
Accrued liabilities	-	15,755	47,813	63,568
Due to other funds	720,936	425,631	-	1,146,567
	<u>1,279,876</u>	<u>441,586</u>	<u>47,813</u>	<u>1,769,275</u>
Total liabilities	<u>1,279,876</u>	<u>441,586</u>	<u>47,813</u>	<u>1,769,275</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	162,339	509	-	162,848
	<u>162,339</u>	<u>509</u>	<u>-</u>	<u>162,848</u>
Fund balances:				
Restricted				
Federal grants	\$ -	\$ -	\$ 451,874	\$ 451,874
Debt service	-	-	-	-
Committed				
Encumbrances	-	52	1,415	1,467
Other commitments	-	(52)	-	(52)
Unassigned	-	-	-	-
	<u>-</u>	<u>-</u>	<u>453,289</u>	<u>453,289</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>453,289</u>	<u>453,289</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,442,215</u>	<u>\$ 442,095</u>	<u>\$ 501,102</u>	<u>\$ 2,385,412</u>

DEBT SERVICE			TOTAL
AD VALOREM	FIREMEN'S		NONMAJOR
TAX BONDS	PENSION MERGER	TOTAL	GOVERNMENTAL
	FUND		FUNDS
\$ -	\$ -	\$ -	\$ 49,261
7,136	282,395	289,531	709,955
-	-	-	-
-	-	-	1,235,617
-	-	-	-
-	-	-	-
-	-	-	691
15,963	-	15,963	695,382
-	-	-	-
<u>\$ 23,099</u>	<u>\$ 282,395</u>	<u>\$ 305,494</u>	<u>\$ 2,690,906</u>
\$ -	\$ -	\$ -	\$ 559,140
-	-	-	-
-	-	-	63,568
-	-	-	1,146,567
-	-	-	1,769,275
15,963	-	15,963	178,811
\$ -	\$ -	\$ -	\$ 451,874
7,136	282,395	289,531	289,531
-	-	-	1,467
-	-	-	(52)
-	-	-	-
<u>7,136</u>	<u>282,395</u>	<u>289,531</u>	<u>742,820</u>
<u>\$ 23,099</u>	<u>\$ 282,395</u>	<u>\$ 305,494</u>	<u>\$ 2,690,906</u>

**CITY OF KENNER, LOUISIANA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	SPECIAL REVENUE FUNDS			TOTAL
	GARBAGE COLLECTION AND DISPOSAL	STREETS AND DRAINAGE	COMMUNITY DEVELOPMENT BLOCK GRANT	
<b>REVENUES</b>				
Taxes	\$ 859,591	\$ 3,160,904	\$ -	\$ 4,020,495
Intergovernmental	-	-	120,436	120,436
Charges for services	3,840,637	-	-	3,840,637
Interest	-	-	958	958
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>4,700,228</b>	<b>3,160,904</b>	<b>121,394</b>	<b>7,982,526</b>
<b>EXPENDITURES</b>				
Current:				
Public safety	-	-	-	-
Public works	6,320,895	663,456	-	6,984,351
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	366,622	366,622
Transit and urban development	-	-	535,332	535,332
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Miscellaneous	-	-	-	-
Debt issuance costs	-	-	-	-
<b>Total Expenditures</b>	<b>6,320,895</b>	<b>663,456</b>	<b>901,954</b>	<b>7,886,305</b>
Excess (deficiency) of revenues over (under) expenditures	(1,620,667)	2,497,448	(780,560)	96,221
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,620,667	43,098	876,968	2,540,733
Transfers out	-	(2,540,546)	-	(2,540,546)
Issuance of long term debt	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>1,620,667</b>	<b>(2,497,448)</b>	<b>876,968</b>	<b>187</b>
Net change in fund balances	-	-	96,408	96,408
Fund balances - beginning of year	-	-	356,881	356,881
Fund balances - end of year	\$ -	\$ -	\$ 453,289	\$ 453,289

DEBT SERVICE FUNDS			TOTAL NONMAJOR GOVERNMENTAL FUNDS	
AD VALOREM TAX BONDS	FIREMEN'S PENSION MERGER FUND	TOTAL		
\$ 57	\$ 285,853	\$ 285,910	\$ 4,306,405	
-	-	-	120,436	
-	-	-	3,840,637	
13	628	641	1,599	
-	-	-	-	
<u>70</u>	<u>286,481</u>	<u>286,551</u>	<u>8,269,077</u>	
-	-	-	-	
-	-	-	6,984,351	
-	-	-	-	
-	-	-	-	
-	-	-	366,622	
-	-	-	535,332	
-	163,000	163,000	163,000	
-	41,927	41,927	41,927	
-	-	-	-	
-	-	-	-	
<u>-</u>	<u>204,927</u>	<u>204,927</u>	<u>8,091,232</u>	
<u>70</u>	<u>81,554</u>	<u>81,624</u>	<u>177,845</u>	
-	-	-	2,540,733	
-	-	-	(2,540,546)	
-	-	-	-	
<u>-</u>	<u>-</u>	<u>-</u>	<u>187</u>	
70	81,554	81,624	178,032	
<u>7,066</u>	<u>200,841</u>	<u>207,907</u>	<u>564,788</u>	
<u>\$ 7,136</u>	<u>\$ 282,395</u>	<u>\$ 289,531</u>	<u>\$ 742,820</u>	

**CITY OF KENNER, LOUISIANA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2022**

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
<b>TAXES</b>						
Ad valorem tax	\$ 1,114,930	\$ -	\$ 1,114,930	\$ 1,070,987	\$ 1,070,987	\$ 43,943
Sales tax	27,256,526	-	27,256,526	18,770,798	18,770,798	8,485,728
Beer tax	45,032	-	45,032	60,000	60,000	(14,968)
Parking tax	1,766,910	-	1,766,910	1,785,146	1,785,146	(18,236)
Franchises						
Electricity service	1,809,565	-	1,809,565	1,510,035	1,510,035	299,530
Gas service	233,546	-	233,546	183,892	183,892	49,654
Off-track wagering	71,319	-	71,319	87,170	87,170	(15,851)
Hotel/motel tax	402,253	-	402,253	189,059	189,059	213,194
Telephone	74,419	-	74,419	75,752	75,752	(1,333)
Video service	160,714	-	160,714	199,278	199,278	(38,564)
Consumer tax	173,799	-	173,799	-	-	173,799
Riverboat	3,582,719	-	3,582,719	3,698,517	3,698,517	(115,798)
Total taxes	36,691,732	-	36,691,732	27,630,634	27,630,634	9,061,098
<b>LICENSES AND PERMITS</b>						
Business:						
Occupational	2,560,669	-	2,560,669	2,357,237	2,357,237	203,432
Alcoholic beverage	88,820	-	88,820	87,710	87,710	1,110
Chain store	41,194	-	41,194	37,819	37,819	3,375
Plumbing	41,291	-	41,291	36,052	36,052	5,239
Electrical	31,513	-	31,513	28,425	28,425	3,088
Taxi cab	534,756	-	534,756	650,140	650,140	(115,384)
Air conditioning	18,150	-	18,150	19,025	19,025	(875)
Bingo	50	-	50	100	100	(50)
Animal control	-	-	-	-	-	-
Total business	3,316,443	-	3,316,443	3,216,508	3,216,508	99,935
Non-business:						
Building	424,644	-	424,644	940,000	940,000	(515,356)
Miscellaneous	2,700	-	2,700	3,000	3,000	(300)
Brake tags	181,168	-	181,168	200,000	200,000	(18,832)
Total non-business	608,512	-	608,512	1,143,000	1,143,000	(534,488)
Total licenses and permits	3,924,955	-	3,924,955	4,359,508	4,359,508	(434,553)
<b>INTERGOVERNMENTAL</b>						
Federal Grants	14,288,313	(357,689)	13,930,624	7,783,851	7,821,851	6,108,773
From state:						
Parish transportation fund	456,192	-	456,192	409,090	409,090	47,102
Parish road fund	221,023	-	221,023	212,903	212,903	8,120
Video poker	768,945	-	768,945	432,689	432,689	336,256
Other state grants	-	-	-	-	-	-
From other local government subdivisions:						
Jefferson Council on Aging	35,536	-	35,536	36,792	36,792	(1,256)
Jefferson Parish	211,000	-	211,000	211,000	211,000	-
Total intergovernmental	\$ 15,981,009	\$ (357,689)	\$ 15,623,320	\$ 9,086,325	\$ 9,124,325	\$ 6,498,995

(Continued)

**CITY OF KENNER, LOUISIANA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2022**

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
<b>CHARGES FOR SERVICES</b>						
Zoning fees	\$ 4,500	\$ -	\$ 4,500	\$ 19,613	\$ 19,613	\$ (15,113)
Inspection fees						
Electrical	46,110	-	46,110	68,351	68,351	(22,241)
Plumbing	29,370	-	29,370	42,333	42,333	(12,963)
Air conditioning, heating, and other	49,532	-	49,532	62,624	62,624	(13,092)
Maps and document sales	3,742	-	3,742	2,135	2,135	1,607
Tax research fees	4,618	-	4,618	6,465	6,465	(1,847)
Police reports	57,330	-	57,330	42,040	42,040	15,290
Weed cutting fees	58,372	-	58,372	325,420	325,420	(267,048)
Recreation department						
Participation fees	65,854	-	65,854	102,000	102,000	(36,146)
Admission fees	45,477	-	45,477	48,922	48,922	(3,445)
Identification and other fees	46,051	-	46,051	124,821	124,821	(78,770)
Community service fees	-	-	-	-	-	-
Administrative charges	232,033	-	232,033	61,000	61,000	171,033
Total charges for services	642,989	-	642,989	905,724	905,724	(262,735)
<b>FINES AND FORFEITURES</b>						
Fines	927,669	-	927,669	705,422	705,422	222,247
Forfeitures	143,425	-	143,425	89,725	89,725	53,700
DWI fines	3,580	-	3,580	1,417	1,417	2,163
Reinstatement fees	27,918	-	27,918	30,942	30,942	(3,024)
Total fines and forfeitures	1,102,592	-	1,102,592	827,506	827,506	275,086
<b>INTEREST ON INVESTED FUNDS</b>						
	73,136	-	73,136	50,000	50,000	23,136
<b>MISCELLANEOUS</b>						
Donations	27,205	-	27,205	-	-	27,205
Rents	308,193	-	308,193	153,751	153,751	154,442
Other investment income	87,753	-	87,753	31,977	31,977	55,776
Other	123,700	-	123,700	65,144	65,144	58,556
Total miscellaneous	546,851	-	546,851	250,872	250,872	295,979
Total revenues	\$ 58,963,264	\$ (357,689)	\$ 58,605,575	\$ 43,110,569	\$ 43,148,569	\$ 15,457,006

**CITY OF KENNER, LOUISIANA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2022**

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
<b>GENERAL GOVERNMENT</b>						
Personnel	\$ 7,527,149	\$ -	\$ 7,527,149	\$ 10,153,946	\$ 9,312,588	\$ 1,785,439
Supplies	77,064	1,559	78,623	130,796	140,388	61,765
Service charges	4,576,590	107,429	4,684,019	4,495,669	4,917,694	233,675
Capital outlay	79,329	(2,942)	76,387	-	3,637	(72,750)
Total general government	12,260,132	106,046	12,366,178	14,780,411	14,374,307	2,008,129
<b>PUBLIC SAFETY</b>						
Personnel	16,554,281	(114,422)	16,439,859	18,977,727	17,275,697	835,838
Supplies	637,844	628	638,472	567,200	708,069	69,597
Service charges	3,121,960	5,601	3,127,561	2,365,747	3,129,099	1,538
Capital outlay	625,076	549,482	1,174,558	-	1,385,580	211,022
Total public safety	20,939,161	441,289	21,380,450	21,910,674	22,498,445	1,117,995
<b>PUBLIC WORKS</b>						
Personnel	4,148,564	-	4,148,564	4,694,315	4,736,781	588,217
Supplies	331,514	10,550	342,064	790,751	829,224	487,160
Service charges	534,623	(8,050)	526,573	317,382	547,182	20,609
Capital outlay	30,146	(260)	29,886	-	30,146	260
Total public works	5,044,847	2,240	5,047,087	5,802,448	6,143,333	1,096,246
<b>HEALTH AND WELFARE</b>						
Personnel	20,079	-	20,079	58,982	90,177	70,098
Supplies	-	-	-	1,000	1,000	1,000
Service charges	503	-	503	1,200	1,200	697
Capital outlay	-	-	-	-	-	-
Total health and welfare	20,582	-	20,582	61,182	92,377	71,795

(Continued)

**CITY OF KENNER, LOUISIANA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2022**

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
<b>CULTURE AND RECREATION</b>						
Personnel	\$ 2,469,688	\$ -	\$ 2,469,688	\$ 2,877,141	\$ 2,946,141	\$ 476,453
Supplies	106,031	(112)	105,919	263,850	293,995	188,076
Service charges	222,494	4,445	226,939	381,200	430,650	203,711
Capital outlay	252	-	252	10,000	10,000	9,748
Total culture and recreation	<u>2,798,465</u>	<u>4,333</u>	<u>2,802,798</u>	<u>3,532,191</u>	<u>3,680,786</u>	<u>877,988</u>
<b>TRANSIT</b>						
Personnel	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Service charges	198,656	-	198,656	460,045	460,045	261,389
Capital outlay	-	-	-	-	-	-
TOTAL TRANSIT	<u>198,656</u>	<u>-</u>	<u>198,656</u>	<u>460,045</u>	<u>460,045</u>	<u>261,389</u>
<b>TOTAL EXPENDITURES</b>						
Personnel	30,719,761	(114,422)	30,605,339	36,762,111	34,361,384	3,756,045
Supplies	1,152,453	12,625	1,165,078	1,753,597	1,972,676	807,598
Service charges	8,654,826	109,425	8,764,251	8,021,243	9,485,870	721,619
Capital outlay	734,803	546,280	1,281,083	10,000	1,429,363	148,280
TOTAL EXPENDITURES	<u>\$ 41,261,843</u>	<u>\$ 553,908</u>	<u>\$ 41,815,751</u>	<u>\$ 46,546,951</u>	<u>\$ 47,249,293</u>	<u>\$ 5,433,542</u>



**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	\$ 957,186	\$ -	\$ 957,186	\$ 907,099	\$ 1,033,266	\$ 76,080
Supplies	12,222	1,016	13,238	32,170	35,644	22,406
Service charges	190,697	86,849	277,546	197,000	290,451	12,905
Capital outlay	1,097	-	1,097	-	369	(728)
	<u>\$ 1,161,202</u>	<u>\$ 87,865</u>	<u>\$ 1,249,067</u>	<u>\$ 1,136,269</u>	<u>\$ 1,359,730</u>	<u>\$ 110,663</u>

MAYOR'S OFFICE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 1,105,069	\$ -	\$ 1,105,069	\$ 1,030,509	\$ 1,084,421	\$ (20,648)
Supplies	2,109	21	2,130	1,650	1,924	(206)
Service charges	36,070	-	36,070	46,428	41,059	4,989
Capital outlay	226	-	226	-	226	-
Total expenditures	<u>\$ 1,143,474</u>	<u>\$ 21</u>	<u>\$ 1,143,495</u>	<u>\$ 1,078,587</u>	<u>\$ 1,127,630</u>	<u>\$ (15,865)</u>

FINANCE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 1,195,683	\$ -	\$ 1,195,683	\$ 1,453,957	\$ 1,520,815	\$ 325,132
Supplies	16,321	1,084	17,405	16,350	18,466	1,061
Service charges	53,962	-	53,962	62,000	64,830	10,868
Capital outlay	4,551	(2,942)	1,609	-	2,942	1,333
Total expenditures	<u>\$ 1,270,517</u>	<u>\$ (1,858)</u>	<u>\$ 1,268,659</u>	<u>\$ 1,532,307</u>	<u>\$ 1,607,053</u>	<u>\$ 338,394</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	\$ 248,264	\$ -	\$ 248,264	\$ 384,285	\$ 339,986	\$ 91,722
Supplies	-	-	-	2,540	2,540	2,540
Service charges	17,423	-	17,423	18,120	21,262	3,839
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>\$ 265,687</u>	<u>\$ -</u>	<u>\$ 265,687</u>	<u>\$ 404,945</u>	<u>\$ 363,788</u>	<u>\$ 98,101</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	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PERSONNEL

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 322,843	\$ -	\$ 322,843	\$ 336,962	\$ 352,459	\$ 29,616
Supplies	3,689	(60)	3,629	3,000	6,416	2,787
Service charges	68,702	-	68,702	98,075	98,075	29,373
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 395,234	\$ (60)	\$ 395,174	\$ 438,037	\$ 456,950	\$ 61,776

PLANNING

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 342,262	\$ -	\$ 342,262	\$ 410,280	\$ 423,459	\$ 81,197
Supplies	71	-	71	1,800	1,765	1,694
Service charges	37,319	(1,296)	36,023	18,950	20,695	(15,328)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 379,652	\$ (1,296)	\$ 378,356	\$ 431,030	\$ 445,919	\$ 67,563

INFORMATION TECHNOLOGY

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 422,632	\$ -	\$ 422,632	\$ 355,971	\$ 387,955	\$ (34,677)
Supplies	4,906	(333)	4,573	9,500	10,475	5,902
Service charges	434,954	(1,812)	433,142	857,735	852,522	419,380
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 862,492	\$ (2,145)	\$ 860,347	\$ 1,223,206	\$ 1,250,952	\$ 390,605

(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	\$ 327,645	\$ -	\$ 327,645	\$ 293,073	\$ 311,314	\$ (16,331)
Supplies	1,521	-	1,521	2,615	2,360	839
Service charges	64,446	-	64,446	36,251	45,812	(18,634)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 393,612	\$ -	\$ 393,612	\$ 331,939	\$ 359,486	\$ (34,126)

GENERAL MUNICIPAL EXPENSE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 718,668	\$ -	\$ 718,668	\$ 602,729	\$ 562,237	\$ (156,431)
Supplies	27,562	700	28,262	43,550	44,797	16,535
Service charges	1,621,579	5,966	1,627,545	1,263,687	1,265,421	(362,124)
Capital outlay	73,355	-	73,355	-	-	(73,355)
Total expenditures	\$ 2,441,164	\$ 6,666	\$ 2,447,830	\$ 1,909,966	\$ 1,872,455	\$ (575,375)

MAYOR'S COURT

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 669,055	\$ -	\$ 669,055	\$ 770,792	\$ 709,571	\$ 40,516
Supplies	8,047	507	8,554	13,921	13,975	5,421
Service charges	152,011	-	152,011	144,100	175,847	23,836
Capital outlay	100	-	100	-	100	-
Total expenditures	\$ 829,213	\$ 507	\$ 829,720	\$ 928,813	\$ 899,493	\$ 69,773

CITY ATTORNEY

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 656,035	\$ -	\$ 656,035	\$ 1,219,632	\$ 873,489	\$ 217,454
Supplies	616	(1,376)	(760)	3,250	1,576	2,336
Service charges	617,432	17,722	635,154	44,451	449,002	(186,152)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 1,274,083	\$ 16,346	\$ 1,290,429	\$ 1,267,333	\$ 1,324,067	\$ 33,638

(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	\$ -	\$ -	\$ -	\$ -	\$ 1,402	\$ 1,402
Supplies	-	-	-	-	-	-
Service charges	1,210,870	-	1,210,870	1,615,472	1,499,070	288,200
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ 1,210,870</b>	<b>\$ -</b>	<b>\$ 1,210,870</b>	<b>\$ 1,615,472</b>	<b>\$ 1,500,472</b>	<b>\$ 289,602</b>

PAY INCENTIVES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 503,775	\$ -	\$ 503,775	\$ 2,309,547	\$ 1,630,600	\$ 1,126,825
Supplies	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ 503,775</b>	<b>\$ -</b>	<b>\$ 503,775</b>	<b>\$ 2,309,547</b>	<b>\$ 1,630,600</b>	<b>\$ 1,126,825</b>

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	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ 15,129</b>	<b>\$ -</b>	<b>\$ 15,129</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (15,129)</b>

ECONOMIC DEVELOPMENT

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 58,032	\$ -	\$ 58,032	\$ 79,110	\$ 81,614	\$ 23,582
Supplies	-	-	-	450	450	450
Service charges	55,996	-	55,996	93,400	93,648	37,652
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ 114,028</b>	<b>\$ -</b>	<b>\$ 114,028</b>	<b>\$ 172,960</b>	<b>\$ 175,712</b>	<b>\$ 61,684</b>

(Continued)

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

TOTAL - GENERAL GOVERNMENT FUNCTION

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 7,527,149	\$ -	\$ 7,527,149	\$ 10,153,946	\$ 9,312,588	\$ 1,785,439
Supplies	77,064	1,559	78,623	130,796	140,388	61,765
Service charges	4,576,590	107,429	4,684,019	4,495,669	4,917,694	233,675
Capital outlay	79,329	(2,942)	76,387	-	3,637	(72,750)
Total expenditures	<u>\$ 12,260,132</u>	<u>\$ 106,046</u>	<u>\$ 12,366,178</u>	<u>\$ 14,780,411</u>	<u>\$ 14,374,307</u>	<u>\$ 2,008,129</u>

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

POLICE ADMINISTRATIVE SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 2,120,092	\$ (5,550)	\$ 2,114,542	\$ 2,164,263	\$ 2,108,033	\$ (6,509)
Supplies	43,140	19,697	62,837	34,000	52,981	(9,856)
Service charges	979,181	31,213	1,010,394	748,500	947,318	(63,076)
Capital outlay	563,748	164,160	727,908	-	782,475	54,567
Total expenditures	\$ 3,706,161	\$ 209,520	\$ 3,915,681	\$ 2,946,763	\$ 3,890,807	\$ (24,874)

POLICE FIELD SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 6,562,123	\$ (57,512)	\$ 6,504,611	\$ 7,761,217	\$ 7,160,683	\$ 656,072
Supplies	471,874	9,964	481,838	351,000	465,700	(16,138)
Service charges	1,371,466	4,908	1,376,374	1,334,000	1,403,073	26,699
Capital outlay	57,275	385,322	442,597	-	598,105	155,508
Total expenditures	\$ 8,462,738	\$ 342,682	\$ 8,805,420	\$ 9,446,217	\$ 9,627,561	\$ 822,141

POLICE INVESTIGATING SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 3,265,746	\$ (35,789)	\$ 3,229,957	\$ 3,440,081	\$ 3,197,081	\$ (32,876)
Supplies	10,196	702	10,898	11,000	12,000	1,102
Service charges	-	-	-	15,000	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 3,275,942	\$ (35,087)	\$ 3,240,855	\$ 3,466,081	\$ 3,209,081	\$ (31,774)

POLICE COMMUNICATIONS SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 870,904	\$ -	\$ 870,904	\$ 859,750	\$ 892,530	\$ 21,626
Supplies	-	-	-	-	-	-
Service charges	60,308	-	60,308	31,000	61,000	692
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 931,212	\$ -	\$ 931,212	\$ 890,750	\$ 953,530	\$ 22,318

(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	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 916,082	\$ -	\$ 916,082	\$ 1,089,145	\$ 917,175	\$ 1,093
Supplies	50,732	(3,326)	47,406	113,000	43,926	(3,480)
Service charges	14,992	-	14,992	13,000	15,400	408
Capital outlay	2,350	-	2,350	-	5,000	2,650
Total expenditures	\$ 984,156	\$ (3,326)	\$ 980,830	\$ 1,215,145	\$ 981,501	\$ 671

POLICE TECHNICAL SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 1,022,394	\$ (15,571)	\$ 1,006,823	\$ 1,327,213	\$ 1,018,687	\$ 11,864
Supplies	32,241	(25,570)	6,671	36,500	99,320	92,649
Service charges	45,738	3,969	49,707	31,000	48,100	(1,607)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 1,100,373	\$ (37,172)	\$ 1,063,201	\$ 1,394,713	\$ 1,166,107	\$ 102,906

CODE ENFORCEMENT - ADMINISTRATION

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 1,469,490	\$ -	\$ 1,469,490	\$ 1,935,454	\$ 1,578,448	\$ 108,958
Supplies	22,289	(392)	21,897	14,600	25,314	3,417
Service charges	630,430	(34,489)	595,941	173,905	625,394	29,453
Capital outlay	1,703	-	1,703	-	-	(1,703)
Total expenditures	\$ 2,123,912	\$ (34,881)	\$ 2,089,031	\$ 2,123,959	\$ 2,229,156	\$ 140,125

POLICE SUPPORT SERVICES

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

(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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EMERGENCY MANAGEMENT

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 327,450	\$ -	\$ 327,450	\$ 400,604	\$ 403,060	\$ 75,610
Supplies	7,372	(447)	6,925	7,100	8,828	1,903
Service charges	19,845	-	19,845	19,342	28,814	8,969
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 354,667	\$ (447)	\$ 354,220	\$ 427,046	\$ 440,702	\$ 86,482

TOTAL - PUBLIC SAFETY FUNCTION

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
Personnel	\$ 16,554,281	\$ (114,422)	\$ 16,439,859	\$ 18,977,727	\$ 17,275,697	\$ 835,838
Supplies	637,844	628	638,472	567,200	708,069	69,597
Service charges	3,121,960	5,601	3,127,561	2,365,747	3,129,099	1,538
Capital outlay	625,076	549,482	1,174,558	-	1,385,580	211,022
Total expenditures	\$ 20,939,161	\$ 441,289	\$ 21,380,450	\$ 21,910,674	\$ 22,498,445	\$ 1,117,995



**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	\$ 380,927	\$ -	\$ 380,927	\$ 445,039	\$ 465,459	\$ 84,532
Supplies	5,361	33	5,394	6,419	9,520	4,126
Service charges	3,432	-	3,432	8,500	8,500	5,068
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 389,720	\$ 33	\$ 389,753	\$ 459,958	\$ 483,479	\$ 93,726

PUBLIC WORKS - TRAFFIC

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

PUBLIC WORKS - PARKWAYS

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 437,570	\$ -	\$ 437,570	\$ 620,090	\$ 642,363	\$ 204,793
Supplies	7,775	1,927	9,702	18,500	21,732	12,030
Service charges	64,721	(54,452)	10,269	35,000	110,986	100,717
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 510,066	\$ (52,525)	\$ 457,541	\$ 673,590	\$ 775,081	\$ 317,540

(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	\$ 381,526	\$ -	\$ 381,526	\$ 448,768	\$ 414,738	\$ 33,212
Supplies	93,108	10,005	103,113	228,780	234,549	131,436
Service charges	214,417	16,904	231,321	132,807	183,287	(48,034)
Capital outlay	3,649	(260)	3,389	-	3,649	260
<b>Total expenditures</b>	<b>\$ 692,700</b>	<b>\$ 26,649</b>	<b>\$ 719,349</b>	<b>\$ 810,355</b>	<b>\$ 836,223</b>	<b>\$ 116,874</b>

PUBLIC WORKS - GENERAL SERVICES

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 2,025,057	\$ -	\$ 2,025,057	\$ 2,144,208	\$ 2,171,139	\$ 146,082
Supplies	217,955	(1,466)	216,489	527,100	552,735	336,246
Service charges	124,979	-	124,979	51,575	131,150	6,171
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ 2,367,991</b>	<b>\$ (1,466)</b>	<b>\$ 2,366,525</b>	<b>\$ 2,722,883</b>	<b>\$ 2,855,024</b>	<b>\$ 488,499</b>

PUBLIC WORKS ADMINISTRATION

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 435,562	\$ -	\$ 435,562	\$ 554,688	\$ 572,318	\$ 136,756
Supplies	2,294	51	2,345	4,725	4,746	2,401
Service charges	83,418	29,498	112,916	62,000	76,016	(36,900)
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ 521,274</b>	<b>\$ 29,549</b>	<b>\$ 550,823</b>	<b>\$ 621,413</b>	<b>\$ 653,080</b>	<b>\$ 102,257</b>

TOTAL - PUBLIC WORKS FUNCTION

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 4,148,564	\$ -	\$ 4,148,564	\$ 4,694,315	\$ 4,736,781	\$ 588,217
Supplies	331,514	10,550	342,064	790,751	829,224	487,160
Service charges	534,623	(8,050)	526,573	317,382	547,182	20,609
Capital outlay	30,146	(260)	29,886	-	30,146	260
<b>Total expenditures</b>	<b>\$ 5,044,847</b>	<b>\$ 2,240</b>	<b>\$ 5,047,087</b>	<b>\$ 5,802,448</b>	<b>\$ 6,143,333</b>	<b>\$ 1,096,246</b>

**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	\$ 20,010	\$ -	\$ 20,010	\$ 58,982	\$ 69,501	\$ 49,491
Supplies	-	-	-	1,000	1,000	1,000
Service charges	-	-	-	1,200	1,200	1,200
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 20,010	\$ -	\$ 20,010	\$ 61,182	\$ 71,701	\$ 51,691

COUNCIL ON AGING

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 69	\$ -	\$ 69	\$ -	\$ 20,676	\$ 20,607
Supplies	-	-	-	-	-	-
Service charges	503	-	503	-	-	(503)
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 572	\$ -	\$ 572	\$ -	\$ 20,676	\$ 20,104

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	\$ 20,079	\$ -	\$ 20,079	\$ 58,982	\$ 90,177	\$ 70,098
Supplies	-	-	-	1,000	1,000	1,000
Service charges	503	-	503	1,200	1,200	697
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 20,582	\$ -	\$ 20,582	\$ 61,182	\$ 92,377	\$ 71,795

**COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND  
CULTURE AND RECREATION FUNCTION**

LEISURE SERVICES

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 9,149	\$ -	\$ 9,149	\$ 286,813	\$ 286,813	\$ 277,664
Supplies	11,086	(685)	10,401	100,000	101,248	90,847
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 20,235	\$ (685)	\$ 19,550	\$ 386,813	\$ 388,061	\$ 368,511

PLANETARIUM

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	34,430	3,934	38,364	30,000	35,226	(3,138)
Service charges	1,156	-	1,156	5,000	4,004	2,848
Capital outlay	(1,250)	-	(1,250)	-	-	1,250
Total expenditures	\$ 34,336	\$ 3,934	\$ 38,270	\$ 35,000	\$ 39,230	\$ 960

CULTURE & RECREATION - HUMANITIES AND MUSEUMS

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 116,050	\$ -	\$ 116,050	\$ 117,811	\$ 124,700	\$ 8,650
Supplies	1,735	-	1,735	3,500	3,500	1,765
Service charges	(3,406)	-	(3,406)	-	-	3,406
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 114,379	\$ -	\$ 114,379	\$ 121,311	\$ 128,200	\$ 13,821

CULTURE & RECREATION - MAIN STREET PROGRAM

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ 37,474	\$ -	\$ 37,474	\$ 42,786	\$ 44,985	\$ 7,511
Supplies	-	-	-	250	250	250
Service charges	2,477	-	2,477	15,800	16,154	13,677
Capital outlay	-	-	-	-	-	-
Total expenditures	\$ 39,951	\$ -	\$ 39,951	\$ 58,836	\$ 61,389	\$ 21,438

(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	\$ 1,266,395	\$ -	\$ 1,266,395	\$ 1,306,672	\$ 1,331,233	\$ 64,838
Supplies	17,243	(2,536)	14,707	90,100	98,663	83,956
Service charges	130,749	2,870	133,619	187,000	226,918	93,299
Capital outlay	1,502	-	1,502	10,000	10,000	8,498
<b>Total expenditures</b>	<b>\$ 1,415,889</b>	<b>\$ 334</b>	<b>\$ 1,416,223</b>	<b>\$ 1,593,772</b>	<b>\$ 1,666,814</b>	<b>\$ 250,591</b>

RECREATION MAINTENANCE

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 700,673	\$ -	\$ 700,673	\$ 778,975	\$ 800,496	\$ 99,823
Supplies	33,560	(825)	32,735	38,000	52,794	20,059
Service charges	75,219	790	76,009	158,000	167,846	91,837
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ 809,452</b>	<b>\$ (35)</b>	<b>\$ 809,417</b>	<b>\$ 974,975</b>	<b>\$ 1,021,136</b>	<b>\$ 211,719</b>

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	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

CULTURE & RECREATION - FOOD BANK

EXPENDITURES	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL	FINAL	
				BUDGET	BUDGET	
Personnel	\$ 339,947	\$ -	\$ 339,947	\$ 344,084	\$ 357,914	\$ 17,967
Supplies	7,977	-	7,977	2,000	2,314	(5,663)
Service charges	16,299	785	17,084	15,400	15,728	(1,356)
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ 364,223</b>	<b>\$ 785</b>	<b>\$ 365,008</b>	<b>\$ 361,484</b>	<b>\$ 375,956</b>	<b>\$ 10,948</b>

(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	\$ 2,469,688	\$ -	\$ 2,469,688	\$ 2,877,141	\$ 2,946,141	\$ 476,453
Supplies	106,031	(112)	105,919	263,850	293,995	188,076
Service charges	222,494	4,445	226,939	381,200	430,650	203,711
Capital outlay	252	-	252	10,000	10,000	9,748
<b>Total expenditures</b>	<b>\$ 2,798,465</b>	<b>\$ 4,333</b>	<b>\$ 2,802,798</b>	<b>\$ 3,532,191</b>	<b>\$ 3,680,786</b>	<b>\$ 877,988</b>

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

TOTAL - TRANSIT FUNCTION

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES						
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	198,656	-	198,656	460,045	460,045	261,389
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>\$ 198,656</u>	<u>\$ -</u>	<u>\$ 198,656</u>	<u>\$ 460,045</u>	<u>\$ 460,045</u>	<u>\$ 261,389</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, 2022**

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGETARY AMOUNTS</u>		<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
				<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	
<b>REVENUES</b>						
Intergovernmental	\$ 120,436	\$ -	\$ 120,436	\$ 106,739	\$ 106,739	\$ 13,697
Interest	958	-	958	700	700	258
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>121,394</u>	<u>-</u>	<u>121,394</u>	<u>107,439</u>	<u>107,439</u>	<u>13,955</u>
<b>EXPENDITURES</b>						
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	458,897	-	458,897	717,305	717,527	258,630
Supplies	4,782	197	4,979	6,749	9,786	4,807
Service charges	71,653	1,077	72,730	72,620	80,860	8,130
Capital outlay	-	-	-	-	-	-
Total urban development	<u>535,332</u>	<u>1,274</u>	<u>536,606</u>	<u>796,674</u>	<u>808,173</u>	<u>271,567</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, 2022**  
**(CONTINUED)**

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
<b>EXPENDITURES (CONTINUED)</b>						
Health & Welfare:						
Personnel	\$ 348,874	\$ -	\$ 348,874	\$ 335,920	\$ 348,883	\$ 9
Supplies	7,106	141	7,247	8,000	8,120	873
Service charges	10,642	-	10,642	4,500	8,296	(2,346)
Capital outlay	-	-	-	-	-	-
Total Health & Welfare	<u>366,622</u>	<u>141</u>	<u>366,763</u>	<u>348,420</u>	<u>365,299</u>	<u>(1,464)</u>
Total Expenditures	<u>901,954</u>	<u>1,415</u>	<u>903,369</u>	<u>1,145,094</u>	<u>1,173,472</u>	<u>270,103</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(780,560)</u>	<u>(1,415)</u>	<u>(781,975)</u>	<u>(1,037,655)</u>	<u>(1,066,033)</u>	<u>284,058</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	876,968	-	876,968	876,968	905,346	(28,378)
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>876,968</u>	<u>-</u>	<u>876,968</u>	<u>876,968</u>	<u>905,346</u>	<u>(28,378)</u>
Net change in fund balance	96,408	(1,415)	94,993	(160,687)	(160,687)	255,680
Fund balance - beginning of year	<u>356,881</u>	<u>-</u>	<u>356,881</u>	<u>356,881</u>	<u>356,881</u>	<u>-</u>
Fund balance - end of year	<u>\$ 453,289</u>	<u>\$ (1,415)</u>	<u>\$ 451,874</u>	<u>\$ 196,194</u>	<u>\$ 196,194</u>	<u>\$ 255,680</u>

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, 2022**

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
<b>REVENUES</b>						
Taxes:						
Ad valorem tax	\$ 859,591	\$ -	\$ 859,591	\$ 825,630	\$ 825,630	\$ 33,961
Charges for services:						
Garbage fees and penalties	3,840,637	-	3,840,637	4,074,015	4,308,795	(468,158)
Interest	-	-	-	-	-	-
Total revenues	<u>4,700,228</u>	<u>-</u>	<u>4,700,228</u>	<u>4,899,645</u>	<u>5,134,425</u>	<u>(434,197)</u>
<b>EXPENDITURES</b>						
Public works:						
Contractual services	<u>6,320,895</u>	<u>-</u>	<u>6,320,895</u>	<u>5,906,847</u>	<u>6,321,847</u>	<u>952</u>
Total expenditures	<u>6,320,895</u>	<u>-</u>	<u>6,320,895</u>	<u>5,906,847</u>	<u>6,321,847</u>	<u>952</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,620,667)</u>	<u>-</u>	<u>(1,620,667)</u>	<u>(1,007,202)</u>	<u>(1,187,422)</u>	<u>(433,245)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	1,620,667	-	1,620,667	1,007,202	1,007,202	613,465
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>1,620,667</u>	<u>-</u>	<u>1,620,667</u>	<u>1,007,202</u>	<u>1,007,202</u>	<u>613,465</u>
Net change in fund balances	-	-	-	-	(180,220)	180,220
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>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (180,220)</u>	<u>\$ 180,220</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, 2022**

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
<b>REVENUES</b>						
Taxes:						
Ad valorem tax	\$ 3,160,904	\$ -	\$ 3,160,904	\$ 3,028,565	\$ 3,028,565	\$ 132,339
Total revenues	3,160,904	-	3,160,904	3,028,565	3,028,565	132,339
<b>EXPENDITURES</b>						
Public works:						
Personnel	627,870	-	627,870	1,114,490	1,139,220	511,350
Supplies	31,553	52	31,605	4,000	22,368	(9,237)
Service charges	4,033	-	4,033	10,000	10,000	5,967
Total expenditures	663,456	52	663,508	1,128,490	1,171,588	508,080
Excess (deficiency) of revenues over (under) expenditures	2,497,448	(52)	2,497,396	1,900,075	1,856,977	640,419
<b>OTHER FINANCING SOURCES</b>						
Transfers in	43,098	-	43,098	-	43,098	-
Transfers out	(2,540,546)	-	(2,540,546)	(1,873,853)	(1,873,853)	(666,693)
Net change in fund balance	-	(52)	(52)	26,222	26,222	(26,274)
Fund balance - beginning of year	-	-	-	-	-	-
Fund balance - end of year	\$ -	\$ (52)	\$ (52)	\$ 26,222	\$ 26,222	\$ (26,274)

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, 2022**

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
<b>REVENUES</b>						
Taxes:						
Sales tax	\$ 2,015,513	\$ -	\$ 2,015,513	\$ 4,227,444	\$ 4,227,444	\$ (2,211,931)
Interest	72,725	-	72,725	33,000	33,000	39,725
Total revenues	2,088,238	-	2,088,238	4,260,444	4,260,444	(2,172,206)
<b>EXPENDITURES</b>						
Debt service:						
Principal	1,236,000	-	1,236,000	2,381,000	2,381,000	1,145,000
Interest	846,833	-	846,833	847,620	847,620	787
Miscellaneous	36,000	-	36,000	36,000	36,000	-
Total expenditures	2,118,833	-	2,118,833	3,264,620	3,264,620	1,145,787
Excess (deficiency) of revenues over (under) expenditures	(30,595)	-	(30,595)	995,824	995,824	(1,026,419)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	2,196,112	-	2,196,112	1,354,627	1,354,627	841,485
Transfers out	(397,000)	-	(397,000)	-	-	(397,000)
Total other financing sources (uses)	1,799,112	-	1,799,112	1,354,627	1,354,627	444,485
Net change in fund balance	1,768,517	-	1,768,517	2,350,451	2,350,451	(581,934)
Fund balance - beginning of year	6,745,156	-	6,745,156	6,745,156	6,745,156	-
Fund balance - end of year	\$ 8,513,673	\$ -	\$ 8,513,673	\$ 9,095,607	\$ 9,095,607	\$ (581,934)

**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, 2022**

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
<b>REVENUES</b>						
Taxes:						
Ad valorem tax	\$ 57	\$ -	\$ 57	\$ -	\$ -	\$ 57
Interest	13	-	13	15	15	(2)
Total revenues	70	-	70	15	15	55
<b>EXPENDITURES</b>						
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	70	-	70	15	15	55
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balance	70	-	70	15	15	55
Fund balance - beginning of year	7,066	-	7,066	7,066	7,066	-
Fund balance - end of year	\$ 7,136	\$ -	\$ 7,136	\$ 7,081	\$ 7,081	\$ 55

**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, 2022**

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
<b>REVENUES</b>						
Taxes						
Fire insurance premium	\$ 285,853	\$ -	\$ 285,853	\$ 200,000	\$ 200,000	\$ 85,853
Interest	628	-	628	700	700	(72)
Loan Proceeds	-	-	-	-	-	-
Total revenues	<u>286,481</u>	<u>-</u>	<u>286,481</u>	<u>200,700</u>	<u>200,700</u>	<u>85,781</u>
<b>EXPENDITURES</b>						
Debt service:						
Principal	163,000	-	163,000	163,000	163,000	-
Interest and fiscal charges	41,927	-	41,927	42,293	42,293	366
Debt issuance costs	-	-	-	-	-	-
Total expenditures	<u>204,927</u>	<u>-</u>	<u>204,927</u>	<u>205,293</u>	<u>205,293</u>	<u>366</u>
Excess (deficiency) of revenues over (under) expenditures	<u>81,554</u>	<u>-</u>	<u>81,554</u>	<u>(4,593)</u>	<u>(4,593)</u>	<u>86,147</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
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	81,554	-	81,554	(4,593)	(4,593)	86,147
Fund balance - beginning of year	<u>200,841</u>	<u>-</u>	<u>200,841</u>	<u>200,841</u>	<u>200,841</u>	<u>-</u>
Fund balance - end of year	<u>\$ 282,395</u>	<u>\$ -</u>	<u>\$ 282,395</u>	<u>\$ 196,248</u>	<u>\$ 196,248</u>	<u>\$ 86,147</u>

**CITY OF KENNER, LOUISIANA  
ENTERPRISE FUND DESCRIPTIONS  
JUNE 30, 2022**

**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, 2022**

	ACTUAL	ADJ. TO BUDGETARY BASIS	BUDGETARY BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
				ORIGINAL BUDGET	FINAL BUDGET	
<b>OPERATING REVENUES</b>						
Charges for services						
Sewerage service charges	\$ 8,711,014	\$ -	\$ 8,711,014	\$ 8,585,138	\$ 8,585,138	\$ 125,876
Total operating revenues	8,711,014	-	8,711,014	8,585,138	8,585,138	125,876
<b>OPERATING EXPENSES</b>						
Personnel services	2,483,441	-	2,483,441	2,608,229	2,462,843	(20,598)
Supplies and other expenses	277,391	-	277,391	306,901	288,610	11,219
Building and maintenance expenses	3,032,747	-	3,032,747	1,100,000	1,830,196	(1,202,551)
Outside services	2,065,820	-	2,065,820	1,475,890	2,106,251	40,431
Depreciation	4,191,758	(4,191,758)	-	-	-	-
Public works	6,264	-	6,264	-	-	(6,264)
Other	520,501	-	520,501	625,000	775,346	254,845
Total operating expenses	12,577,922	(4,191,758)	8,386,164	6,116,020	7,463,246	(922,918)
Operating income (loss)	(3,866,908)	4,191,758	324,850	2,469,118	1,121,892	(797,042)
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Ad valorem taxes	614,718	-	614,718	585,871	585,871	28,847
Operating grants	400,000	(400,000)	-	-	-	-
Interest income	57,428	-	57,428	25,000	25,000	32,428
Amortization of bond discount	(9,796)	9,796	-	-	-	-
Interest expense	(510,897)	-	(510,897)	(496,967)	(428,167)	(82,730)
Total non-operating revenues (expenses)	551,453	(390,204)	161,249	113,904	182,704	(21,455)
Income (loss) before contributions and transfers	(3,315,455)	3,801,554	486,099	2,583,022	1,304,596	(818,497)
Bond payments	-	-	-	(1,683,000)	(1,683,000)	1,683,000
Capital contributions	299,019	(299,019)	-	-	-	-
Transfer in	397,000	-	397,000	-	-	397,000
Transfer out	(725,170)	-	(725,170)	(791,094)	(671,233)	(53,937)
Change in net position	(3,344,606)	3,502,535	157,929	108,928	(1,049,637)	1,207,566
Net position - beginning of year	46,130,482	-	46,130,482	46,130,482	46,130,482	-
Net position - end of year	\$42,785,876	\$ 3,502,535	\$46,288,411	\$46,239,410	\$45,080,845	\$ 1,207,566



**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, 2022**

	ACTUAL	ADJ. TO BUDGETARY BASIS	BUDGETARY	BUDGETARY AMOUNTS		VARIANCE WITH FINAL BUDGET
				ORIGINAL BUDGET	FINAL BUDGET	POSITIVE (NEGATIVE)
<b>OPERATING REVENUES</b>						
Charges for services:						
Rental charges	\$ 454,372	\$ -	\$ 454,372	\$ 742,500	\$ 742,500	\$ (288,128)
Parking	25,200	-	25,200	50,000	50,000	(24,800)
Concessions	52,325	-	52,325	86,500	86,500	(34,175)
Catering	223,528	-	223,528	183,600	183,600	39,928
Reimbursed services	140,441	-	140,441	264,150	264,150	(123,709)
Advertising	15,000	-	15,000	25,000	25,000	(10,000)
Miscellaneous	29,481	-	29,481	28,400	28,400	1,081
Total operating revenues	940,347	-	940,347	1,380,150	1,380,150	(439,803)
<b>OPERATING EXPENSES</b>						
Personnel services	232,182	-	232,182	229,446	237,615	5,433
Supplies and other expenses	46,452	-	46,452	25,800	21,780	(24,672)
Building and maintenance expense	424,435	-	424,435	537,740	586,745	162,310
Outside services	1,248,466	-	1,248,466	1,266,120	1,217,100	(31,366)
Insurance premiums	64,766	-	64,766	55,000	61,948	(2,818)
General expenses:						
Depreciation	627,835	(627,835)	-	-	-	-
Total operating expenses	2,644,136	(627,835)	2,016,301	2,114,106	2,125,188	108,887
Operating income (loss)	(1,703,789)	627,835	(1,075,954)	(733,956)	(745,038)	(330,916)
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Ad valorem taxes	-	-	-	-	-	-
Hotel/motel taxes	132,494	-	132,494	192,359	192,359	(59,865)
Cable television franchise fees	292,468	-	292,468	343,000	343,000	(50,532)
Interest income	209	-	209	200	200	9
Total non-operating revenues	425,171	-	425,171	535,559	535,559	(110,388)
Income (loss) before contributions, and transfers	(1,278,618)	627,835	(650,783)	(198,397)	(209,479)	(441,304)
Capital Contributions	26,285	-	26,285	-	-	(26,285)
Change in net position	(1,252,333)	627,835	(624,498)	(198,397)	(209,479)	(467,589)
Net position - beginning of year	11,655,128	-	11,655,128	11,655,128	11,655,128	-
Net position - end of year	\$ 10,402,795	\$ 627,835	\$ 11,030,630	\$ 11,456,731	\$ 11,445,649	\$ (467,589)

**CITY OF KENNER, LOUISIANA**  
**INTERNAL SERVICE FUND DESCRIPTIONS**  
**JUNE 30, 2022**

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, 2022**

	SELF- INSURANCE FUND	HEALTH INSURANCE FUND	TOTAL
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash	\$ 242,001	\$ 437,968	\$ 679,969
Equity in pooled cash	-	-	-
Investments	-	-	-
Due from other funds	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>242,001</u>	<u>437,968</u>	<u>679,969</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Estimated claims payable	4,839,454	-	4,839,454
Due to other funds	2,891	823,340	826,231
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>4,842,345</u>	<u>823,340</u>	<u>5,665,685</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>			
Unrestricted	<u>(4,600,344)</u>	<u>(385,372)</u>	<u>(4,985,716)</u>
	<u>          </u>	<u>          </u>	<u>          </u>
Total net position	<u>\$ (4,600,344)</u>	<u>\$ (385,372)</u>	<u>\$ (4,985,716)</u>

**CITY OF KENNER, LOUISIANA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	SELF- INSURANCE FUND	HEALTH INSURANCE FUND	TOTAL
	<u>          </u>	<u>          </u>	<u>          </u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 925,000	\$ 5,014,086	\$ 5,939,086
	<u>          </u>	<u>          </u>	<u>          </u>
<b>OPERATING EXPENSES</b>			
Outside services	166,830	-	166,830
Insurance claims	(87,221)	-	(87,221)
Insurance premiums	-	5,146,037	5,146,037
	<u>          </u>	<u>          </u>	<u>          </u>
Total operating expenses	79,609	5,146,037	5,225,646
	<u>          </u>	<u>          </u>	<u>          </u>
Operating income (loss)	845,391	(131,951)	713,440
	<u>          </u>	<u>          </u>	<u>          </u>
<b>NON-OPERATING REVENUE (EXPENSE)</b>			
Interest income	982	1,130	2,112
	<u>          </u>	<u>          </u>	<u>          </u>
Total non-operating revenue	982	1,130	2,112
	<u>          </u>	<u>          </u>	<u>          </u>
Income (loss) before transfers	846,373	(130,821)	715,552
	<u>          </u>	<u>          </u>	<u>          </u>
Transfers in	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
Change in net position	846,373	(130,821)	715,552
	<u>          </u>	<u>          </u>	<u>          </u>
Net position - beginning of year	(5,446,717)	(254,551)	(5,701,268)
	<u>          </u>	<u>          </u>	<u>          </u>
Net position - end of year	\$ (4,600,344)	\$ (385,372)	\$ (4,985,716)
	<u>          </u>	<u>          </u>	<u>          </u>

**CITY OF KENNER, LOUISIANA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	SELF- INSURANCE FUND	HEALTH INSURANCE FUND	TOTAL
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Cash flows from operating activities:</b>			
Receipts from insured	\$ 925,000	\$ 5,014,086	\$ 5,939,086
Payments to suppliers	(832,724)	(5,146,037)	(5,978,761)
Internal activity - receipts from other funds	-	125,048	125,048
Net cash provided by (used for) operating activities	<u>92,276</u>	<u>(6,903)</u>	<u>85,373</u>
<b>Cash flows from non-capital financing activities:</b>			
Transfers in	-	-	-
Transfers (out)	-	-	-
Net cash provided by (used for) non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from investing activities:</b>			
Proceeds from sales and maturities of investments	-	-	-
Purchases of investments	-	-	-
Interest and dividends received	982	1,130	2,112
Net cash provided by investing activities	<u>982</u>	<u>1,130</u>	<u>2,112</u>
Net increase (decrease) in cash and cash equivalents	93,258	(5,773)	87,485
Cash and cash equivalents, beginning of year	<u>148,743</u>	<u>443,741</u>	<u>592,484</u>
Cash and cash equivalents, end of year	<u>\$ 242,001</u>	<u>\$ 437,968</u>	<u>\$ 679,969</u>
<b>Reconciliation to Statement of Net Position:</b>			
Cash	\$ 242,001	\$ 437,968	\$ 679,969
Equity in pooled cash	<u>-</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents, end of year	<u>\$ 242,001</u>	<u>\$ 437,968</u>	<u>\$ 679,969</u>
<b>Reconciliation of operating income to net cash provided by (used for) operating activities:</b>			
Operating loss	\$ 845,391	\$ (131,951)	\$ 713,440
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	(753,115)	-	(753,115)
Increase (decrease) in due to other funds	-	125,048	125,048
Total adjustments	<u>(753,115)</u>	<u>125,048</u>	<u>(628,067)</u>
Net cash provided by (used for) operating activities	<u>\$ 92,276</u>	<u>\$ (6,903)</u>	<u>\$ 85,373</u>

**CITY OF KENNER, LOUISIANA**  
**COMBINING STATEMENT OF CASH FLOWS (CONTINUED)**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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

**CITY OF KENNER, LOUISIANA  
SCHEDULE OF COUNCILPERSONS' COMPENSATION  
YEAR ENDED JUNE 30, 2022**

<u>COUNCILPERSON</u>	<u>NUMBER OF DA YS SERVED</u>	<u>COMPENSATION</u>
Kristi McKinney	365	\$ 36,664
Gregory Carroll	365	31,328
Glenn Hayes Sr.	365	30,387
Thomas Willmott	365	43,811
George Branigan	365	36,442
Brian Brennan	365	32,129
Michael Sigur	365	36,946
		<u>\$ 247,707</u>

**CITY OF KENNER, LOUISIANA**  
**SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS**  
**TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**  
**JUNE 30, 2022**

Agency Head Name: E. "Ben" Zahn, Mayor  
Period: July 1, 2021 - June 30, 2022

Salary	\$ 114,976
Benefits - insurance	9,140
Benefits - retirement	33,918
Reimbursements	5,897
Automobile expenses	<u>5,608</u>
	<u>\$ 169,539</u>



**CITY OF KENNER, LOUISIANA  
 SUPPLEMENTARY INFORMATION  
 JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY  
 AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION  
FOR THE YEAR ENDED JUNE 30, 2022**

	First Six Month Period Ended <u>12/31/2021</u>	Second Six Month Period Ended <u>06/30/2022</u>
Cash Basis Presentation		
Receipts From:		
LA Office of Motor Vehicles, Criminal Court Costs/Fees	\$ 4,275	\$ 4,650
Subtotal Receipts	\$ 4,275	\$ 4,650
Ending Balance of Amounts Assessed but Not Received	\$ -	\$ -

**CITY OF KENNER, LOUISIANA  
SUPPLEMENTARY INFORMATION  
JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY  
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION  
FOR THE YEAR ENDED JUNE 30, 2022**

	First Six Month Period Ended <u>12/31/2021</u>	Second Six Month Period Ended <u>06/30/2022</u>
Cash Basis Presentation		
Beginning Balance of Amounts Collected	\$ 781,391	\$ 1,198,837
Add Collections:		
Bond Fees	\$ 30,672	\$ 40,522
Pre-Trial Diversion Program Fees	176,508	346,367
Criminal Costs/Fees	30,797	32,806
Criminal Fees - Contempt	9,263	9,573
Criminal Fines - Other	116,957	131,705
Service/Collection Fees	39,393	54,845
Other	<u>68,381</u>	<u>79,617</u>
Subtotal Collections	<u>\$ 471,971</u>	<u>\$ 695,435</u>
Less Disbursements to Governments & Nonprofits:		
Louisiana Association of Chiefs of Police, Court Costs/Fees	\$ 504	\$ 2,534
Treasurer, State of Louisiana, Court Costs/Fees	8,362	3,329
Supreme Court of Louisiana, Court Costs/Fees	3,073	3,240
Crimestoppers, Inc., Court Costs/Fees	2,072	2,198
LA Commission on Law Enforcement, Court Costs/Fees	2,308	2,405
24th Judicial District Indigent Defendant Board, Court Costs/Fees	36,882	40,062
Department of Health and Hospitals, Court Costs/Fees	<u>1,324</u>	<u>1,401</u>
Subtotal Disbursements/Retainage	<u>\$ 54,525</u>	<u>\$ 55,169</u>
Ending Balance of Amounts Assessed but Not Received	<u>\$ 1,198,837</u>	<u>\$ 1,839,103</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>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental activities					
Net investment in capital assets	\$ 180,438,285	\$ 138,185,196	\$ 156,456,600	\$ 149,042,805	\$ 138,501,616
Restricted	20,477,759	34,664,950	7,965,322	6,604,685	9,097,420
Unrestricted	<u>(4,721,675)</u>	<u>4,026,130</u>	<u>(45,070,937)</u>	<u>(40,835,794)</u>	<u>(41,045,645)</u>
Total governmental activities net position	<u>\$ 196,194,369</u>	<u>\$ 176,876,276</u>	<u>\$ 119,350,985</u>	<u>\$ 114,811,696</u>	<u>\$ 106,553,391</u>
Business-type activities					
Net investment in capital assets	\$ 56,241,502	\$ 55,967,834	\$ 52,907,339	\$ 59,774,596	\$ 63,270,535
Restricted	15,068,526	13,261,209	12,630,950	13,027,560	13,384,442
Unrestricted	<u>(4,328,953)</u>	<u>(594,712)</u>	<u>165,593</u>	<u>(997,691)</u>	<u>(6,210,890)</u>
Total business-type activities net position	<u>\$ 66,981,075</u>	<u>\$ 68,634,331</u>	<u>\$ 65,703,882</u>	<u>\$ 71,804,465</u>	<u>\$ 70,444,087</u>
Primary government					
Net investment in capital assets	\$ 236,679,787	\$ 194,153,030	\$ 209,363,939	\$ 208,817,401	\$ 201,772,151
Restricted	35,546,285	47,926,159	20,596,272	19,632,245	22,481,862
Unrestricted	<u>(9,050,628)</u>	<u>3,431,418</u>	<u>(44,905,344)</u>	<u>(41,833,485)</u>	<u>(47,256,535)</u>
Total primary government net position	<u>\$ 263,175,444</u>	<u>\$ 245,510,607</u>	<u>\$ 185,054,867</u>	<u>\$ 186,616,161</u>	<u>\$ 176,997,478</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>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Governmental activities					
Net investment in capital assets	\$ 131,061,483	\$ 129,458,648	\$ 123,879,923	\$ 145,247,752	\$ 137,320,415
Restricted	9,212,571	9,853,877	9,129,011	38,538,685	36,634,898
Unrestricted	<u>(53,958,644)</u>	<u>(40,073,193)</u>	<u>(34,684,716)</u>	<u>(96,510,270)</u>	<u>(57,809,057)</u>
Total governmental activities net position	<u>\$ 86,315,410</u>	<u>\$ 99,239,332</u>	<u>\$ 98,324,218</u>	<u>\$ 87,276,167</u>	<u>\$ 116,146,256</u>
Business-type activities					
Net investment in capital assets	\$ 59,419,503	\$ 54,030,338	\$ 51,167,760	\$ 49,317,389	\$ 47,440,010
Restricted	14,776,869	16,176,932	9,170,548	10,120,330	12,022,015
Unrestricted	<u>(6,645,075)</u>	<u>(8,556,031)</u>	<u>(266,727)</u>	<u>(1,652,109)</u>	<u>(6,273,354)</u>
Total business-type activities net position	<u>\$ 67,551,297</u>	<u>\$ 61,651,239</u>	<u>\$ 60,071,581</u>	<u>\$ 57,785,610</u>	<u>\$ 53,188,671</u>
Primary government					
Net investment in capital assets	\$ 190,480,986	\$ 183,488,986	\$ 175,047,683	\$ 194,565,141	\$ 184,760,425
Restricted	23,989,440	26,030,809	18,299,559	48,659,015	48,656,913
Unrestricted	<u>(60,603,719)</u>	<u>(48,629,224)</u>	<u>(34,951,443)</u>	<u>(98,162,379)</u>	<u>(64,082,411)</u>
Total primary government net position	<u>\$ 153,866,707</u>	<u>\$ 160,890,571</u>	<u>\$ 158,395,799</u>	<u>\$ 145,061,777</u>	<u>\$ 169,334,927</u>

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Expenses</b>					
Governmental activities:					
General government	\$ 14,334,561	\$ 15,177,249	\$ 13,813,735	\$ 14,836,858	\$ 16,586,949
Public safety	29,726,401	29,635,749	29,475,863	30,883,950	33,467,757
Public works	30,447,190	28,877,594	27,941,741	32,764,458	24,782,776
Health and welfare	461,077	463,687	801,735	613,131	858,793
Culture and recreation	7,458,593	8,328,521	6,358,836	7,008,906	9,948,548
Transit and urban development	2,178,189	1,807,143	1,894,391	2,922,725	1,588,093
Interest on long-term debt and other charges	1,582,211	1,743,210	1,877,967	2,023,349	1,972,444
Debt issuance costs	166,797	699,366	-	-	-
Total governmental activities expenses	<u>86,355,019</u>	<u>86,732,519</u>	<u>82,164,268</u>	<u>91,053,377</u>	<u>89,205,360</u>
Business-type activities:					
Wastewater operations	10,025,404	9,868,246	10,525,025	10,344,589	10,148,155
Civic center operations	3,228,630	3,317,342	3,913,657	3,461,541	3,091,574
Total business-type activities expenses	<u>13,254,034</u>	<u>13,185,588</u>	<u>14,438,682</u>	<u>13,806,130</u>	<u>13,239,729</u>
Total primary government expenses	<u>\$ 99,609,053</u>	<u>\$ 99,918,107</u>	<u>\$ 96,602,950</u>	<u>\$ 104,859,507</u>	<u>\$ 102,445,089</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 7,397,121	\$ 7,396,643	\$ 7,871,195	\$ 8,518,059	\$ 8,537,637
Public safety	3,582,022	3,670,994	3,539,018	3,651,930	3,542,687
Public works	4,219,748	4,196,238	4,629,113	7,796,416	4,699,524
Other activities	1,022,077	985,922	1,048,379	1,310,601	1,774,337
Operating grants and contributions	2,119,168	1,432,247	3,930,625	2,225,208	2,396,402
Capital grants and contributions	3,843,389	2,492,715	2,305,682	3,135,333	5,244,371
Total governmental activities program revenues	<u>22,183,525</u>	<u>20,174,759</u>	<u>23,324,012</u>	<u>26,637,547</u>	<u>26,194,958</u>
Business-type activities:					
Charges for services:					
Wastewater operations	6,323,934	7,045,527	7,550,271	8,146,011	8,810,605
Civic center operations	1,297,089	1,306,346	1,364,595	1,440,206	1,458,603
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	2,074,647	-	68,498	8,925,652	657,463
Total business-type activities program revenues	<u>9,695,670</u>	<u>8,351,873</u>	<u>8,983,364</u>	<u>18,511,869</u>	<u>10,926,671</u>
Total primary government program revenues	<u>\$ 31,879,195</u>	<u>\$ 28,526,632</u>	<u>\$ 32,307,376</u>	<u>\$ 45,149,416</u>	<u>\$ 37,121,629</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)**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Expenses</b>					
Governmental activities:					
General government	\$ 15,358,488	\$ 12,481,649	\$ 15,477,985	\$ 16,542,202	\$ 20,603,881
Public safety	35,312,148	32,024,036	38,724,619	39,321,598	61,965,240
Public works	25,194,381	25,521,327	26,461,697	27,879,499	25,569,280
Health and welfare	1,118,220	465,377	807,725	717,023	82,478
Culture and recreation	7,139,313	5,209,904	5,612,076	5,240,077	4,613,177
Transit and urban development	1,616,963	1,366,794	2,013,063	2,331,725	1,758,667
Interest on long-term debt and other charges	1,914,936	1,949,980	1,818,282	829,732	1,232,947
Debt issuance costs	-	-	41,325	579,755	-
Total governmental activities expenses	<u>87,654,449</u>	<u>79,019,067</u>	<u>90,956,772</u>	<u>93,441,611</u>	<u>115,825,670</u>
Business-type activities:					
Wastewater operations	12,131,852	11,781,751	10,189,845	10,461,179	13,098,615
Civic center operations	2,795,722	2,533,012	2,556,339	2,445,117	2,644,136
Total business-type activities expenses	<u>14,927,574</u>	<u>14,314,763</u>	<u>12,746,184</u>	<u>12,906,296</u>	<u>15,742,751</u>
Total primary government expenses	<u>\$ 102,582,023</u>	<u>\$ 93,333,830</u>	<u>\$ 103,702,956</u>	<u>\$ 106,347,907</u>	<u>\$ 131,568,421</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 7,752,734	\$ 7,125,479	\$ 5,962,627	\$ 5,897,413	\$ 6,206,645
Public safety	4,261,438	4,540,654	4,667,909	4,574,049	4,053,381
Public works	5,814,361	5,430,424	5,046,721	5,542,394	5,268,659
Other activities	1,788,108	2,031,554	1,561,699	923,026	1,358,792
Operating grants and contributions	2,781,272	4,807,988	11,229,153	5,885,037	40,295,629
Capital grants and contributions	5,545,840	10,775,121	7,637,006	4,364,872	5,040,511
Total governmental activities program revenues	<u>27,943,753</u>	<u>34,711,220</u>	<u>36,105,115</u>	<u>27,186,791</u>	<u>62,223,617</u>
Business-type activities:					
Charges for services:					
Wastewater operations	8,305,494	7,770,473	8,588,011	8,196,502	8,711,014
Civic center operations	1,553,304	1,352,263	913,598	1,130,917	940,347
Operating grants and contributions	-	-	5,170	-	-
Capital grants and contributions	984,220	138,937	491,268	504,676	725,304
Total business-type activities program revenues	<u>10,843,018</u>	<u>9,261,673</u>	<u>9,998,047</u>	<u>9,832,095</u>	<u>10,376,665</u>
Total primary government program revenues	<u>\$ 38,786,771</u>	<u>\$ 43,972,893</u>	<u>\$ 46,103,162</u>	<u>\$ 37,018,886</u>	<u>\$ 72,600,282</u>

(Continued)

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Net (Expense) Revenue</b>					
Governmental activities	\$ (64,171,494)	\$ (66,557,760)	\$ (58,840,256)	\$ (64,415,830)	\$ (63,010,402)
Business-type activities	(3,558,364)	(1,759,790)	(5,455,318)	4,705,739	(2,313,058)
<b>Total primary government net expense</b>	<u>\$ (67,729,858)</u>	<u>\$ (68,317,550)</u>	<u>\$ (64,295,574)</u>	<u>\$ (59,710,091)</u>	<u>\$ (65,323,460)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Taxes:					
Ad valorem	\$ 7,617,724	\$ 7,714,727	\$ 8,083,474	\$ 8,096,586	\$ 8,118,440
Hotel/motel*	-	-	-	274,270	283,656
Sales and use	31,708,191	30,831,511	31,898,990	32,423,441	33,751,167
Beer tax	76,434	70,784	70,120	67,959	65,301
Parking	2,090,075	2,303,311	2,496,875	2,760,154	2,885,134
Franchise	7,916,445	7,837,526	8,003,764	7,650,076	7,539,276
Grants/contributions not restricted to specific programs	218,121	105,524	54,448	24,511	101,102
Investment earnings	40,631	42,272	128,207	374,122	493,319
Miscellaneous	242,494	468,097	501,170	553,877	302,527
Settlement proceeds	-	-	-	6,960,079	-
Gain (loss) on disposal of capital assets	99	-	-	700,894	773,000
Transfers	(19,936)	(2,134,085)	19,935	(9,428)	439,175
<b>Total governmental activities</b>	<u>49,890,278</u>	<u>47,239,667</u>	<u>51,256,983</u>	<u>59,876,541</u>	<u>54,752,097</u>
Business-type activities:					
Taxes:					
Ad valorem	595,762	442,735	625,549	542,529	544,023
Hotel/motel*	-	-	-	266,042	275,146
Sales and use	-	-	-	-	-
Franchise	781,448	728,574	701,842	394,707	387,544
Grants/contributions not restricted to specific programs	156,398	95,019	1,159,217	112,028	-
Investment earnings	12,751	7,630	52,248	172,451	175,142
Miscellaneous	42,666	5,003	5,948	10,505	-
Gain (loss) on disposal of capital assets	(483,861)	-	-	(112,846)	10,000
Proceeds from insurance	-	-	-	-	-
Transfers	19,936	2,134,085	(19,935)	9,428	(439,175)
<b>Total business-type activities</b>	<u>1,125,100</u>	<u>3,413,046</u>	<u>2,524,869</u>	<u>1,394,844</u>	<u>952,680</u>
<b>Total primary government</b>	<u>\$ 51,015,378</u>	<u>\$ 50,652,713</u>	<u>\$ 53,781,852</u>	<u>\$ 61,271,385</u>	<u>\$ 55,704,777</u>
<b>Change in Net Position</b>					
Governmental activities	\$ (14,281,216)	\$ (19,318,093)	\$ (7,583,273)	\$ (4,539,289)	\$ (8,258,305)
Business-type activities	(2,433,264)	1,653,256	(2,930,449)	6,100,583	(1,360,378)
<b>Total primary government</b>	<u>\$ (16,714,480)</u>	<u>\$ (17,664,837)</u>	<u>\$ (10,513,722)</u>	<u>\$ 1,561,294</u>	<u>\$ (9,618,683)</u>

(Continued)



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

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Net (Expense) Revenue</b>					
Governmental activities	\$ (59,710,696)	\$ (44,307,847)	\$ (54,851,657)	\$ (66,254,820)	\$ (53,602,053)
Business-type activities	(4,084,556)	(5,053,090)	(2,748,137)	(3,074,201)	(5,366,086)
<b>Total primary government net expense</b>	<u>\$ (63,795,252)</u>	<u>\$ (49,360,937)</u>	<u>\$ (57,599,794)</u>	<u>\$ (69,329,021)</u>	<u>\$ (58,968,139)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Taxes:					
Ad valorem	\$ 8,238,143	\$ 8,419,900	\$ 8,587,467	\$ 9,053,680	\$ 9,173,394
Hotel/motel*	499,322	202,958	194,796	178,698	136,592
Sales and use	33,732,865	36,622,373	34,790,081	36,433,665	45,423,830
Beer tax	62,159	60,711	59,227	58,586	45,032
Parking	3,101,075	3,236,930	2,500,818	1,986,895	3,623,097
Franchise	7,444,344	7,180,721	6,132,818	6,065,204	4,555,836
Consumer	-	-	-	122,726	151,323
Grants/contributions not restricted to specific programs	35,722	29,933	54,558	26,015	218,521
Investment earnings	605,697	944,943	838,237	237,751	637,597
Insurance proceeds	-	-	-	-	15,864,121
Lease revenue	-	-	-	-	1,702,884
Miscellaneous	449,888	328,814	313,406	622,306	611,745
Settlement proceeds	-	-	-	-	-
Gain (loss) on disposal of capital assets	-	22,500	203,400	55,000	-
Transfers	318,548	271,986	171,735	366,243	328,170
<b>Total governmental activities</b>	<u>54,487,763</u>	<u>57,321,769</u>	<u>53,846,543</u>	<u>55,206,769</u>	<u>82,472,142</u>
Business-type activities:					
Taxes:					
Ad valorem	552,033	564,211	574,499	606,685	614,718
Hotel/motel*	325,883	196,869	188,951	173,337	132,494
Sales and use	-	-	-	-	-
Franchise	409,430	375,944	369,355	336,776	292,468
Grants/contributions not restricted to specific programs	-	-	-	-	-
Investment earnings	222,968	287,953	207,409	37,675	57,637
Miscellaneous	-	-	-	-	-
Gain (loss) on disposal of capital assets	-	(1,999,959)	-	-	-
Transfers	(318,548)	(271,986)	(171,735)	(366,243)	(328,170)
<b>Total business-type activities</b>	<u>1,191,766</u>	<u>(846,968)</u>	<u>1,168,479</u>	<u>788,230</u>	<u>769,147</u>
<b>Total primary government</b>	<u>\$ 55,679,529</u>	<u>\$ 56,474,801</u>	<u>\$ 55,015,022</u>	<u>\$ 55,994,999</u>	<u>\$ 83,241,289</u>
<b>Change in Net Position</b>					
Governmental activities	\$ (5,222,933)	\$ 13,013,922	\$ (1,005,114)	\$ (11,048,051)	\$ 28,870,089
Business-type activities	(2,892,790)	(5,900,058)	(1,579,658)	(2,285,971)	(4,596,939)
<b>Total primary government</b>	<u>\$ (8,115,723)</u>	<u>\$ 7,113,864</u>	<u>\$ (2,584,772)</u>	<u>\$ (13,334,022)</u>	<u>\$ 24,273,150</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)

	<b>Fiscal Year</b>				
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
General fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	635,059	144,011	742,419	132,955	140,429
Restricted	2,225,664	1,995,638	1,845,524	1,768,991	1,803,344
Committed	345,445	485,101	601,469	3,435,096	584,870
Assigned	2,397,898	2,267,631	2,519,307	2,219,967	1,712,310
Unassigned	6,517,899	6,131,325	5,980,799	8,855,189	11,213,217
<b>Total general fund</b>	<b>\$ 12,121,965</b>	<b>\$ 11,023,706</b>	<b>\$ 11,689,518</b>	<b>\$ 16,412,198</b>	<b>\$ 15,454,170</b>
All other governmental funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted	18,252,095	32,669,312	31,552,813	27,129,795	21,941,251
Committed	1,439,396	7,225,718	10,871,980	17,980,162	17,732,624
Assigned	-	-	-	-	-
Unassigned	(465,042)	3,963,802	(27,746)	(22,358)	(293,544)
<b>Total all other governmental funds</b>	<b>\$ 19,226,449</b>	<b>\$ 43,858,832</b>	<b>\$ 42,397,047</b>	<b>\$ 45,087,599</b>	<b>\$ 39,380,331</b>

(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)

	<b>Fiscal Year</b>				
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
General fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	505,737	515,503	63,170	648,898	1,074,620
Restricted	2,108,511	2,781,633	2,505,370	1,735,581	1,605,753
Committed	657,696	367,188	271,336	370,856	1,228,279
Assigned	3,756,456	1,573,848	7,406,301	1,016,776	-
Unassigned	10,030,526	16,510,347	15,315,500	23,634,621	36,149,923
<b>Total general fund</b>	<b>\$ 17,058,926</b>	<b>\$ 21,748,519</b>	<b>\$ 25,561,677</b>	<b>\$ 27,406,732</b>	<b>\$ 40,058,575</b>
All other governmental funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted	22,717,278	23,126,211	15,610,496	19,363,651	22,033,963
Committed	18,410,977	19,974,112	24,615,123	19,219,937	28,893,374
Assigned	-	-	-	-	-
Unassigned	(28,831)	41,225	128,562	198,244	(69,335)
<b>Total all other governmental funds</b>	<b>\$ 41,099,424</b>	<b>\$ 43,141,548</b>	<b>\$ 40,354,181</b>	<b>\$ 38,781,832</b>	<b>\$ 50,858,002</b>

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

	Fiscal Year				
	2013	2014	2015	2016	2017
<b>Revenues</b>					
Taxes	\$ 48,702,710	\$ 48,328,061	\$ 50,058,106	\$ 51,327,286	\$ 52,588,514
Licenses and permits	3,445,677	3,191,259	3,896,737	7,027,733	3,897,098
Intergovernmental	7,039,477	4,871,406	5,745,262	4,769,560	7,501,068
Charges for services	4,619,331	4,716,197	4,466,196	4,680,205	4,857,515
Fines and forfeitures	2,322,357	2,187,652	2,119,325	1,894,829	2,165,691
Interest	15,273	15,647	99,612	333,946	414,856
Miscellaneous	746,692	955,303	1,004,101	1,389,177	1,128,366
Total revenues	<u>66,891,517</u>	<u>64,265,525</u>	<u>67,389,339</u>	<u>71,422,736</u>	<u>72,553,108</u>
<b>Expenditures</b>					
General government	11,700,333	12,403,699	11,509,666	12,118,543	13,462,653
Public safety	26,629,412	26,234,628	26,400,885	28,579,578	28,772,959
Public works	14,657,352	14,971,997	15,328,831	21,777,427	21,073,634
Health and welfare	398,757	404,803	844,481	507,252	647,243
Culture and recreation	6,094,878	7,009,417	5,171,902	5,327,908	8,372,602
Transit and urban development	2,086,908	1,721,693	1,860,824	2,796,924	1,509,933
Debt Service					
Principal	5,483,832	18,569,019	4,987,765	5,109,170	4,620,744
Interest and fiscal charges	1,794,687	1,975,501	2,103,841	1,987,594	1,934,814
Agent fees	-	-	-	-	-
Debt issuance costs	166,797	699,366	-	-	-
Miscellaneous	36,000	36,000	36,000	36,000	36,000
Total expenditures	<u>69,048,956</u>	<u>84,026,123</u>	<u>68,244,195</u>	<u>78,240,396</u>	<u>80,430,582</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,157,439)</u>	<u>(19,760,598)</u>	<u>(854,856)</u>	<u>(6,817,660)</u>	<u>(7,877,474)</u>
<b>Other financing sources (uses)</b>					
Proceeds from sale of property	-	-	-	700,894	773,000
Transfers in	19,747,075	19,523,670	20,233,048	18,273,409	22,248,288
Transfers out	(19,771,811)	(21,657,755)	(20,513,113)	(18,282,837)	(21,809,110)
Premium on bonds issued	-	1,156,726	-	-	-
Long-term debt issued	424,838	44,272,081	38,947	-	-
Payment to refunded bonds escrow agent	(8,725,000)	-	-	-	-
Proceeds of refunding bonds and other debt	9,205,000	-	-	-	-
Total other financing sources (uses)	<u>880,102</u>	<u>43,294,722</u>	<u>(241,118)</u>	<u>691,466</u>	<u>1,212,178</u>
<b>Special item</b>					
Proceeds from BP settlement	-	-	-	6,960,079	-
Net change in fund balances	<u>\$ (1,277,337)</u>	<u>\$ 23,534,124</u>	<u>\$ (1,095,974)</u>	<u>\$ (6,126,194)</u>	<u>\$ (6,665,296)</u>
Capital expenditures	1,147,333	2,295,433	2,573,386	5,036,558	10,251,979
Non-capital expenditures	67,901,623	81,730,690	65,670,809	73,203,838	70,178,603
Debt service, (interest and principal only) as a percentage of noncapital expenditures	<u>10.36%</u>	<u>25.14%</u>	<u>10.80%</u>	<u>9.69%</u>	<u>9.34%</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				
	2018	2019	2020	2021	2022
<b>Revenues</b>					
Taxes	\$ 52,841,647	\$ 55,119,890	\$ 51,580,860	\$ 53,843,051	\$ 65,280,456
Licenses and permits	5,314,977	5,018,406	3,929,419	3,749,745	3,924,954
Intergovernmental	7,433,369	12,114,120	17,838,518	8,976,690	44,276,760
Charges for services	4,764,982	4,520,445	4,910,699	5,093,998	4,485,364
Fines and forfeitures	2,421,112	2,211,169	1,384,318	975,999	1,102,593
Interest	520,678	870,649	762,468	126,137	208,579
Insurance proceeds	-	-	-	-	15,864,121
Miscellaneous	1,200,392	2,202,676	1,592,394	1,171,148	1,445,353
Total revenues	<u>74,497,157</u>	<u>82,057,355</u>	<u>81,998,676</u>	<u>73,936,768</u>	<u>136,588,180</u>
<b>Expenditures</b>					
General government	12,475,852	11,276,228	13,390,683	14,557,643	20,254,269
Public safety	29,989,256	30,606,677	32,406,167	32,099,946	63,097,561
Public works	14,995,569	22,387,195	23,850,966	19,379,316	21,507,833
Health and welfare	774,831	540,728	528,128	468,528	387,204
Culture and recreation	5,825,754	4,229,515	4,591,669	3,554,691	3,243,500
Transit and urban development	1,378,299	1,358,396	1,776,046	2,118,323	1,738,780
Debt Service					
Principal	4,808,892	3,024,760	4,692,220	1,252,000	1,943,117
Interest and fiscal charges	1,875,997	1,819,177	1,701,434	1,213,371	942,749
Agent fees	4,000	152,690	139,248	38,543	-
Debt issuance costs	-	-	41,325	-	-
Miscellaneous	36,000	36,000	36,000	36,000	36,000
Total expenditures	<u>72,164,450</u>	<u>75,431,366</u>	<u>83,153,886</u>	<u>74,718,361</u>	<u>113,151,013</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,332,707</u>	<u>6,625,989</u>	<u>(1,155,210)</u>	<u>(781,593)</u>	<u>23,437,167</u>
<b>Other financing sources (uses)</b>					
Proceeds from sale of property	-	22,500	203,400	55,000	-
Transfers in	20,441,257	22,105,830	20,594,611	24,590,563	40,264,782
Transfers out	(20,122,709)	(22,022,603)	(20,770,892)	(24,224,320)	(39,936,612)
Premium on bonds issued	-	-	-	-	-
Long-term debt issued	-	-	1,750,000	-	-
Increase in obligations under finance lease	672,594	-	403,887	633,056	962,676
Proceeds of refunding bonds and other debt	-	-	-	-	-
Total other financing sources (uses)	<u>991,142</u>	<u>105,727</u>	<u>2,181,006</u>	<u>1,054,299</u>	<u>1,290,846</u>
<b>Special item</b>					
Proceeds from BP settlement	-	-	-	-	-
Net change in fund balances	<u>\$ 3,323,849</u>	<u>\$ 6,731,716</u>	<u>\$ 1,025,796</u>	<u>\$ 272,706</u>	<u>\$ 24,728,013</u>
Capital expenditures	4,816,430	10,790,959	12,483,519	5,979,890	8,431,967
Non-capital expenditures	67,348,020	64,640,407	70,670,367	68,738,471	104,719,046
Debt service, (interest and principal only) as a percentage of noncapital expenditures	<u>9.93%</u>	<u>7.49%</u>	<u>9.05%</u>	<u>3.59%</u>	<u>2.76%</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>
2013	2.5833%	0.1667%	2.0000%
2014	2.5833%	0.1667%	2.0000%
2015	2.5833%	0.1667%	2.0000%
2016	2.5833%	0.1667%	2.0000%
2017	2.5833%	0.1667%	2.0000%
2018	2.5833%	0.1667%	2.0000%
2019	2.5833%	0.1667%	2.0000%
2020	2.5833%	0.1667%	2.0000%
2021	2.5833%	0.1667%	2.0000%
2022	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)

<b>Fiscal Year</b>	<b>Real Estate</b>	<b>Personal Property</b>	<b>Tax Sale</b>	<b>Public Service Corporations</b>	<b>Railway Rolling Stock</b>	<b>Total Assessments</b>	<b>Less: Tax Exempt Real Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Actual Value (1)</b>
2013	459,736,113	90,962,548	4,619,090	30,393,912	56,450	585,768,113	102,620,280	483,147,833	17.51	5,452,971,430	8.86%
2014	461,435,216	90,052,443	3,847,380	29,310,348	64,960	584,710,347	101,659,460	483,050,887	17.51	5,449,010,967	8.86%
2015	467,997,815	96,136,586	3,418,430	32,126,720	63,320	599,742,871	100,950,120	498,792,751	17.51	5,569,673,289	8.96%
2016	481,794,686	90,900,102	3,580,020	33,096,239	88,690	609,459,737	100,582,890	508,876,847	17.17	6,091,002,670	8.35%
2017	489,092,499	90,446,691	3,324,140	34,258,582	89,410	617,211,322	100,885,160	516,326,162	17.17	5,756,130,944	8.97%
2018	499,462,920	88,393,308	3,005,720	37,530,201	102,820	628,494,969	101,101,420	527,393,549	17.17	6,234,949,690	8.46%
2019	509,786,612	93,569,127	2,892,660	37,014,559	118,600	643,381,558	101,137,160	542,244,398	17.17	5,998,141,294	9.04%
2020	528,737,920	93,983,520	6,960,080	40,918,452	129,020	670,728,992	101,595,600	569,133,392	17.17	6,254,423,993	9.10%
2021	536,517,060	93,194,013	5,237,490	37,901,941	127,280	672,977,784	100,989,030	571,988,754	17.17	6,292,367,060	9.09%
2022	551,854,660	101,224,285	5,156,610	39,895,480	142,320	698,273,355	100,370,530	597,902,825	17.17	6,511,859,933	9.18%

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. Tax rates 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)

<b>Fiscal Year</b>	<b>City Direct Rates</b>							<b>Overlapping Rate</b>	<b>Total Direct &amp; Overlapping Rates</b>
	<b>Basic Rate</b>	<b>Garbage Collection</b>	<b>Fire Protection</b>	<b>General Obligation Debt Service</b>	<b>Street Maintenance &amp; Improvement</b>	<b>Wastewater Operations</b>	<b>Total Direct</b>	<b>Jefferson Parish Districts (1)</b>	
2013	2.01	1.55	7.15	-	5.70	1.10	17.51	66.28	83.79
2014	2.01	1.55	7.15	-	5.70	1.10	17.51	66.28	83.79
2015	2.01	1.55	7.15	-	5.70	1.10	17.51	66.28	83.79
2016	2.01	1.55	7.15	-	5.70	1.10	17.51	66.28	83.79
2017	1.97	1.52	7.01	-	5.59	1.08	17.17	65.61	82.78
2018	1.97	1.52	7.01	-	5.59	1.08	17.17	65.61	82.78
2019	1.97	1.52	7.01	-	5.59	1.08	17.17	65.61	82.78
2020	1.97	1.52	7.01	-	5.59	1.08	17.17	65.61	82.78
2021	1.97	1.52	7.01	-	5.59	1.08	17.17	65.61	82.78
2022	1.97	1.52	7.01	-	5.59	1.08	17.17	65.61	82.78

(1) Source: Jefferson Parish Assessor.



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

Taxpayer	June 30, 2022			June 30, 2013		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Entergy Louisiana LLC	\$ 11,781,854	1	1.30%	\$ 4,857,780	5	3.00%
Five Properties	9,643,190	2	1.06%	8,396,350	1	5.00%
Entergy Services LLC	7,781,547	3	0.86%	3,544,195	10	2.00%
Pellerin Milnor Corp.	6,753,390	4	0.74%	5,491,360	3	3.00%
CREF3 901 Airline Dr. LLC	5,845,870	5	0.64%			
Carmax	5,520,051	6	0.61%			
Southwest Airlines	4,957,840	7	0.54%	5,486,050	4	2.00%
Chateau Living Center LLC	4,832,085	8	0.53%			
Atmos Energy Corp.	4,649,331	9	0.51%			
Wal Mart	4,225,680	10	0.46%	4,178,250	8	2.00%
Esplanade Mall Realty				6,590,930	2	4.00%
Bellsouth				4,374,877	6	3.00%
Westport Petroleum				4,336,116	7	3.00%
Treasure Chest Casino				4,152,199	9	3.00%
<b>Total</b>	<b>\$ 65,990,838</b>		<b>7.25%</b>	<b>\$ 51,408,107</b>		<b>30.00%</b>

Source: City of Kenner Finance Department

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

<b>Fiscal Year</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected (or Adjusted) within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2013	8,459,927	8,076,814	95.47%	184,074	8,260,888	97.65%
2014	8,458,230	8,150,033	96.36%	108,935	8,258,968	97.64%
2015	8,733,871	8,417,971	96.38%	167,764	8,585,735	98.30%
2016	8,787,704	8,488,335	96.59%	148,241	8,636,576	98.28%
2017	8,737,422	8,456,190	96.78%	166,417	8,622,607	98.69%
2018	8,865,327	8,551,461	96.46%	172,745	8,724,206	98.41%
2019	9,055,354	8,779,021	96.95%	143,951	8,922,972	98.54%
2020	9,310,343	8,862,523	95.19%	257,488	9,120,011	97.96%
2021	9,772,025	9,365,502	95.84%	133,939	9,499,441	97.21%
2022	9,821,052	9,290,701	94.60%	N/A	9,290,701	94.60%

Source: City of Kenner Finance Department

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

Fiscal Year	Sales Tax Revenue Bonds	Certificates of Indebtedness	LCDA Revenue Bonds	LDEQ Taxable Bonds	Notes Payable	Finance Lease Liability	Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
							Mortgage Payable	Sewer Revenue Bonds			
2013	16,440,000	-	9,205,000	12,848,469	2,253,133	-	-	18,066,426	58,813,028	3.44%	880
2014	42,400,000	-	7,380,000	14,497,550	2,172,114	-	-	24,761,160	91,210,824	5.20%	1,362
2015	40,085,000	-	5,570,000	13,760,496	2,085,349	-	-	28,943,311	90,444,156	5.17%	1,349
2016	37,700,000	-	3,735,000	12,967,497	1,989,179	-	-	30,992,447	87,384,123	5.05%	1,304
2017	36,095,000	-	1,880,000	17,134,822	1,889,435	-	-	32,817,905	89,817,162	5.10%	1,339
2018	34,445,000	-	-	16,065,822	1,786,355	565,782	-	34,913,002	87,775,961	4.79%	1,301
2019	32,745,000	-	-	14,988,822	1,668,221	436,157	-	37,071,497	86,909,697	4.80%	1,304
2020	30,975,000	1,582,000	-	13,902,822	-	687,917	-	36,489,268	83,637,007	4.29%	1,225
2021	34,825,000	1,424,000	-	12,808,822	-	1,030,786	-	34,632,795	84,721,403	4.29%	1,245
2022	34,825,000	1,261,000	-	11,572,822	-	1,862,184	-	32,976,886	82,497,892	4.13%	1,262

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)

<b>Fiscal Year</b>	<b>General Bonded Debt Outstanding</b>			<b>Percentage of Estimated Actual Taxable Value of Property (1)</b>	<b>Per Capita (2)</b>
	<b>General Obligation Bonds</b>	<b>Debt Service Monies Available</b>	<b>Net General Obligation Bonds Outstanding</b>		
2013	\$ -	\$ -	\$ -	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-
2022	-	-	-	-	-

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, 2022**  
(Unaudited)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Jefferson Parish	\$ 605,096,000	17.00%	\$ 102,866,320
Jefferson Parish Public School System	\$ 185,255,000	14.00%	<u>25,935,700</u>
Subtotal, overlapping debt			128,802,020
City direct debt			<u>49,521,006</u>
Total direct and overlapping debt			<u><u>\$ 178,323,026</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)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Debt Limit	\$ 205,018,840	\$ 204,648,621	\$ 209,910,005	\$ 213,310,908	\$ 216,023,963	\$ 219,973,239	\$ 225,183,545	\$ 234,755,147	\$ 235,542,224	\$ 244,395,674
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<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>	<u>\$ 234,755,147</u>	<u>\$ 235,542,224</u>	<u>\$ 244,395,674</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 2022

Assessed value	<u>\$ 698,273,355</u>
Debt limit -- 35% of assessed value	244,395,674
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>\$ 244,395,674</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)

<b>Fiscal Year</b>	<b>Sales Tax Bonds</b>			
	<b>Sales Tax Collections</b>	<b>Debt Service</b>		<b>Coverage</b>
		<b>Principal</b>	<b>Interest</b>	
2013	12,584,294	3,265,000	772,929	3.12
2014	11,789,242	2,020,000	1,466,161	3.38
2015	12,025,651	2,315,000	1,734,551	2.97
2016	13,352,252	2,385,000	1,644,624	3.31
2017	13,921,420	1,605,000	1,594,369	4.35
2018	12,872,530	1,650,000	1,546,219	4.03
2019	14,913,533	1,700,000	1,496,719	4.67
2020	14,351,703	1,770,000	1,428,719	4.49
2021	15,593,702	-	678,959	22.97
2022	21,483,742	-	668,786	32.12

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>
2013	66,820	1,708,854,680	25,574	7.9%
2014	66,975	1,755,079,875	26,205	6.0%
2015	67,064	1,748,626,736	26,074	6.7%
2016	66,993	1,731,233,106	25,842	6.4%
2017	67,089	1,761,421,695	26,255	5.9%
2018	67,451	1,832,508,768	27,168	5.7%
2019	66,657	1,810,937,376	27,168	5.0%
2020	68,265	1,947,463,920	28,528	12.8%
2021	68,039	1,975,104,131	29,029	8.9%
2022	65,364	1,997,393,112	30,558	5.1%

- (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)

<b>Employer</b>	<b>June 30, 2022</b>			<b>June 30, 2013</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Treasure Chest Casino	700	1	2.16%	760	1	1.97%
Ochsner Medical Center	689	2	2.12%	700	2	1.81%
City of Kenner	577	3	1.78%	621	3	1.61%
Pellerin Milnor Group	489	4	1.51%	588	5	1.52%
Cross Road Centers	280	5	0.86%	600	4	1.55%
Altus Global Trade Solutions	207	6	0.64%			
Revolution Foods, Inc.	85	7	0.26%			
Cycle Construction	65	8	0.20%			
Alfred Conhagen Inc. of LA	45	9	0.14%			
Gulf South Pipeline	30	10	0.09%			
Sams Club				250	6	0.65%
Fleming Construction Co.				215	7	0.56%
Macy's Inc.				200	9	0.52%
Chateau Living Center				200	10	0.52%
Delta Airlines				200	8	0.52%
<b>Total</b>	<b>3,167</b>		<b>9.76%</b>	<b>4,334</b>		<b>11.23%</b>

Source: JEDCO, EDS Department

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

<b>Function/Program</b>	<b>Full-time Equivalent Employees as of June 30</b>									
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
General government	86	89	86	85	88	83	91	97	93	81
Public safety	333	328	326	324	318	311	338	326	322	313
Public works	73	73	69	68	69	73	84	113	106	109
Health and welfare	36	36	35	34	38	34	34	34	26	26
Culture and recreation	79	75	68	64	69	54	38	35	33	29
Transit and urban development	14	14	14	14	12	19	21	21	20	19
Total	621	615	598	589	594	574	606	626	600	577

Source: City of Kenner payroll department.

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

Function	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Police										
Physical arrests	7,767	7,573	7,625	7,333	6,134	5,692	4,110	3,103	3,280	2,145
Parking violations	928	447	470	418	471	384	548	409	324	258
Traffic violations	19,973	17,397	18,568	17,139	15,292	15,586	18,899	12,880	10,515	13,732
Fire										
Emergency responses	1,662	1,366	1,504	1,728	1,706	2,044	2,124	2,191	2,454	3,040
Fires extinguished	190	136	189	146	113	203	151	157	81	135
Refuse collection										
Refuse collected (tons per month)	3,314	3,129	3,254	2,908	2,914	3,049	3,089	3,517	3,757	4,078
Recyclables collected (tons per month)	4	11.15	11.00	30.00	80.15	74.85	52.84	25.44	16.18	16.00
Other public works										
Street resurfacing (sq. ft.)	285,813	39,609	124,569	3,705	3,890	3,890	4,680	2,410	2,700	44,200
Potholes repaired	527	1,123	1,153	1,154	2,017	855	258	151	157	196
Wastewater										
Average daily sewage treatment (mil per day)	10.5	9.1	9.5	10.6	11.8	10.6	10.6	11.1	11.1	12.2

Source: City of Kenner Finance Department.

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

<b>Function</b>	<b>Fiscal Year 2013</b>	<b>Fiscal Year 2014</b>	<b>Fiscal Year 2015</b>	<b>Fiscal Year 2016</b>	<b>Fiscal Year 2017</b>	<b>Fiscal Year 2018</b>	<b>Fiscal Year 2019</b>	<b>Fiscal Year 2020</b>	<b>Fiscal Year 2021</b>	<b>Fiscal Year 2022</b>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	210	201	182	181	180	191	171	184	182	185
Fire										
Stations	6	6	6	6	6	6	5	6	6	6
Pieces of equipment	20	19	19	18	18	20	20	27	28	30
Water										
Water mains (miles)	264	264	264	264	264	264	264	264	264	264
Fire hydrants	2,919	2,923	2,725	2,726	2,919	2,919	2,927	2,928	2,927	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	6,995	7,000	7,000	7,000	7,060	6,931	7,141	7,160	7,160
Traffic signals	19	19	20	20	20	20	20	20	21	21
Health and welfare	**	**	**	**	**	**	**	**	**	**
Culture and recreation										
Parks	4	4	4	4	4	4	4	4	4	4
Playgrounds	11	11	11	11	11	11	9	9	9	9
Art Galleries and Museums	7	7	5	5	5	5	5	5	5	5
Gymnasiums	10	10	10	10	10	10	9	10	10	10
Wastewater										
Sanitary and storm sewers (miles)	905	905	905	905	905	905	905	905	905	905
Treatment plants	1	1	1	1	1	1	1	1	1	1
Low-lift stations	79	79	79	79	79	79	79	79	79	79
Treatment capacity	13.5 MGD	13.5 MGD	13.5 MGD	13.5 MGD	15.2 MGD	15.2 MGD	15.2 MGD	15.2 MGD	14.3 MGD	14.3 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

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

December 27, 2022

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, 2022, 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, 2022.

### Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Kenner, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Kenner, Louisiana's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-01 that we consider to be a significant deficiency.

### **Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2022-02.

### **City of Kenner, Louisiana's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Kenner, Louisiana's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Kenner, Louisiana's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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.

  
New Orleans, Louisiana



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

December 27, 2022

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

### Report on Compliance for Each Major Federal Program

#### Opinion on 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, 2022. 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.

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, 2022.

#### Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance Section of our report.

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We are required to be independent of City of Kenner, Louisiana and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Kenner, Louisiana's compliance with the compliance requirements referred to above.

### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Kenner, Louisiana's federal programs.

### **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Kenner, Louisiana's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Kenner, Louisiana's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Kenner, Louisiana's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Kenner, Louisiana's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the City of Kenner, Louisiana's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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, Hopmann, Hogan & Porter LLP

New Orleans, Louisiana

**CITY OF KENNER, LOUISIANA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<u>FEDERAL GRANTOR / PASS-THROUGH GRANTOR / PROGRAM TITLE</u>	<u>FEDERAL ASSISTANCE LISTING NUMBER</u>	<u>GRANT</u>	<u>PASS-THROUGH ENTITY IDENTIFYING NUMBER</u>	<u>2022 FEDERAL EXPENDITURES</u>
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
Direct:				
Cluster of Programs:				
Community Development Block Grant	14.218	B-14-MC-22-0008		\$ 26,557
Community Development Block Grant	14.218	B-20-MC-22-0008		225,944
Community Development Block Grant - CARES Act	14.218.119	B-20-MW-22-0008		224,274
Community Development Block Grant	14.218	B-21-MC-22-0008		<u>397,786</u>
				874,561
Passed Through Jefferson Parish:				
Home Investment Partnership Program	14.239	Unavailable		<u>243,998</u>
Community Development Block Grant - Disaster Recovery	14.269	E26P-00002		<u>52,920</u>
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				<u><u>1,171,479</u></u>
<b>DEPARTMENT OF JUSTICE</b>				
Direct:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0515		<u>5,160</u>
Bulletproof Vest Partnership Grant Program	16.607	Unavailable		<u>7,880</u>
Passed Through Louisiana Commission Law Enforcement:				
Narcotics Criminal Patrols Program	16.738	6199		<u>18,341</u>
Victims of Child Abuse Act Training and Assistance	16.758	5915		<u>33,916</u>
Victim Assistance Grant	16.575	5907		<u>21,019</u>
TOTAL DEPARTMENT OF JUSTICE				<u><u>86,316</u></u>
<b>DEPARTMENT OF HOMELAND SECURITY</b>				
Direct:				
Staffing for Adequate Fire & Emergency Response	97.083	EMW-2017-FH-00322		<u>147,840</u>
Passed through Louisiana Governor's Office of Homeland Security and Emergency Preparedness:				
Disaster Grants - Public Assistance - Sally	97.036	3543-DR-LA		5,923
Disaster Grants - Public Assistance - Ida	97.036	4611-DR-LA		23,799,419
Hazard Mitigation Grant Program	97.039	2016-PDM-LA		<u>182,828</u>
				23,988,170
TOTAL DEPARTMENT OF HOMELAND SECURITY				<u><u>24,136,010</u></u>

**CITY OF KENNER, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022  
(CONTINUED)**

OFFICE OF NATIONAL DRUG CONTROL POLICY

Passed Through Jefferson Parish Sheriff's Office:

Gulf Coast High Intensity Drug Trafficking Areas	95.001	G22GC0001A	<u>5,154</u>
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TOTAL OFFICE OF NATIONAL DRUG CONTROL POLICY	<u><u>5,154</u></u>
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DEPARTMENT OF TRANSPORTATION

Passed Through Louisiana Department of Transportation and Development:

Chateau Safe Routes to Schools	20.205	H011201	20,822
Pedestrian Safety Improvements	20.205	H0122361	20,822
FAP - Fire Station Relocation	20.205	H013104	522,288
FAP - Aberdeen Street Improvements	20.205	H011276	6,208
FAP - West Esplanade/Duncan Canal Improvements	20.205	H011731	2,144,279
FAP - Veterans Blvd Lighting Airport	20.205	H010973	2,455
FAP - Streetscaping Project	20.205	H009804	<u>20,224</u>
			2,737,098

TOTAL DEPARTMENT OF TRANSPORTATION	<u><u>2,737,098</u></u>
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ENVIRONMENTAL PROTECTION AGENCY

Passed Through the Louisiana Department of Environmental Quality:

Loan from Louisiana Municipal Revolving Loan Fund	66.458	Unavailable	<u>424,091</u>
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Passed Through the UNO Research & Technology Foundation:

Gravity Sewer Collection System Investigation	66.125	BR-01F57501	<u>5,315</u>
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TOTAL ENVIRONMENTAL PROTECTION AGENCY	<u><u>429,406</u></u>
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DEPARTMENT OF THE TREASURY

Direct

Coronavirus State and Local Fiscal Recovery Funds (American Rescue Plan Grant)	21.027	Unavailable	<u>13,833,851</u>
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TOTAL DEPARTMENT OF THE TREASURY	<u><u>13,833,851</u></u>
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SMALL BUSINESS ADMINISTRATION

Direct

Shuttered Venue Operators Program	59.075	SBAHQ21SV009962.2	<u>56,864</u>
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TOTAL SMALL BUSINESS ADMINISTRATION	<u><u>56,864</u></u>
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TOTAL FEDERAL ASSISTANCE	<u><u>\$ 42,456,178</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, 2022**

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, 2022. 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, 2022. Loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at June 30, 2022 consist of:

<u>Assistance Listing Number</u>	<u>Program Name</u>	<u>Outstanding Balance</u>
66.458	LDEQ #3	\$11,572,822
66.458	LDEQ #4	14,499,000
66.458	LDEQ #5	5,887,484
66.458	LDEQ #6	680,402

**CITY OF KENNER, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2022**

**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 X none noted
- Significant deficiencies identified that are not considered to be material weaknesses? X yes \_\_\_ none noted
- Noncompliance material to financial statements noted? \_\_\_yes X none noted
- One instance of noncompliance was noted that was not material to the financial statements. See Current Year Audit Finding 2022-02

Federal Awards:

Internal control over major programs:

- Material weakness(es) identified? \_\_\_yes X none noted
- Significant deficiencies identified that are not considered to be material weaknesses \_\_\_yes X none noted

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

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

Identification of major programs:

	<u>CFDA Number</u>	<u>Expenditures</u>
Disaster Grants – Public Assistance	97.036	\$ 23,805,342
Coronavirus State and Local Fiscal Recovery Funds	21.027	13,833,851
Dollar threshold for distinguishing Types A and B programs:		\$ 1,201,693

Auditee qualified as low-risk auditee? Xyes \_\_\_no

**CITY OF KENNER, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2022**

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

2022-01: Pooled Cash

Condition

During our testing of pooled cash, we noted several issues with the pooled cash bank reconciliation. We noted various transactions that were shown as outstanding on the bank reconciliation but had cleared the bank as of June 30, 2022. We also noted several items recorded on the bank that were not recorded on the general ledger, and several items recorded on the general ledger that were not recorded on the bank statement. This could have resulted in a material misstatement in the financial statements.

Criteria

Pooled cash accounts should be reconciled monthly and on a timely basis from the end of each month and properly reconciled to financial records.

Effect

Several adjustments needed to be made to correct the postings in the general ledger and reconcile the pooled cash balances as of June 30, 2022.

Cause

The transactions noted above in the condition were not reconciled and recorded on a timely basis by June 30, 2022, and instead, were reconciled several months later.

Recommendation

We recommend all transactions be recorded timely and reconciled timely so that there are no posting errors and pooled cash can be properly reconciled to the City's financial records.

Management's Corrective Action Plan

The City will monitor transactions closer, and follow up on transactions that need additional backup paperwork in a more timely manner.

2022-02: Amended Budget

Condition

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

**CITY OF KENNER, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2022**

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

2022-02: Amended Budget (Continued)

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 increase in expenditures was related to the increase in revenue as the City continued to recover from the COVID-19 pandemic. Due to an increase in sales tax revenue collected in the current fiscal year, there was an increase in the related distributions of that tax revenue, which had not been anticipated or budgeted for the current fiscal year.

Recommendation

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

Management's Corrective Action Plan

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

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

2022-03: Allowable Costs

**Program:** Disaster Grants – Public Assistance  
**CFDA Number:** 97.036

Condition

During our allowable costs testing procedures, we selected several expenditures and traced them to supporting invoice documentation. Through our testing, we noted two expense invoices which contained an amount that agreed to what was paid, however, there was no backup documentation to determine how the vendor arrived at the amount that was charged to the City. The expenses in question totaled \$1,840,440.



**CITY OF KENNER, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2022**

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT  
(CONTINUED)**

2022-03: Allowable Costs (Continued)

Criteria

OMB Uniform Guidance requires that eligible costs must be directly tied to the performance of eligible work and adequately documented. The amount paid by the City agreed to the amount on the invoices, however, it appears the calculation of the amount charged was not adequately documented.

Cause

In the immediate aftermath of Hurricane Ida, emergency debris removal was required to ensure public safety. Due to the mass devastation in the geographic region, several outside vendors were needed to perform this service. To ensure the work could get done as quickly as possible and ensure public safety, all invoices were approved and paid without ensuring they had all the required supporting documentation.

Effect

Two supporting invoices may not have included enough supporting calculations to determine the amount charged. These expenses may not be reimbursed.

Recommendation

The City should ensure all proper documentation and calculations are obtained for expenditures that are expected to be reimbursed with federal funds to ensure all expenditures will be reimbursed.

Management's Views and Corrective Action Plan

As noted above, the City had mass devastation due to Hurricane Ida, and decisions were made to quickly remove debris from roadways to ensure public safety. The City had an employee who was monitoring all debris contractors, and receiving updates from them daily. The work was confirmed, yet the amount of details needed to get reimbursed was not initially obtained. For future disasters, the City will discuss with all vendors exactly what documentation will be required before work begins.

**CITY OF KENNER, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR JUNE 30, 2021**

**A. SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**

2021-01: Adopted Budget

Condition

The City did not advertise the 2020-21 fiscal year proposed budget or officially adopt the original budget at an open meeting prior to the start of the fiscal year in accordance with Louisiana budget laws.

Criteria

The proposed budget shall be completed and submitted to the governing authority of a municipality and made available for public inspection as provided for in R.S. 39:1308 no later than fifteen days prior to the beginning of each fiscal year. All action necessary to adopt and otherwise finalize and implement the budget for a fiscal year shall be taken in open meeting and completed before the end of the prior fiscal year.

Effect

A proposed budget was not officially advertised or adopted in accordance with Louisiana budget laws.

Cause

Due to the effects of COVID-19, the proposed budget could not be completed in time due to lack of accurate information available at the time of preparation. In accordance with the City's Home Rule Charter, a proposed budget with the 2019-2020 fiscal year numbers was presented to the board and deemed adopted within the allowable time period, however, it was not advertised or officially adopted in an open meeting in accordance with Louisiana budget laws.

Recommendation

We recommend the City advertise and adopt the proposed fiscal year budget in accordance with Louisiana budget laws.

Status

This matter was resolved during the year.

2021-02: Amended Budget

Condition

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

**CITY OF KENNER, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR JUNE 30, 2021**

**A. SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS (Continued)**

2021-02: Amended Budget (Continued)

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 increase in expenditures was related to the increase in revenue as the City recovers from the COVID-19 pandemic. Due to an increase in sales tax revenue collected in the current fiscal year, there was an increase in the related distributions of that tax revenue, which had not been anticipated or budgeted for the current fiscal year.

Recommendation

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

Status

This matter remains present in 2022. See current year finding 2022-02.

CITY OF KENNER, LOUISIANA

INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES

FOR THE FISCAL YEAR JULY 1, 2021  
THROUGH JUNE 30, 2022

CITY OF KENNER, LOUISIANA

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THROUGH JUNE 30, 2022

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# Duplantier Hrapmann Hogan & Maher, LLP

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(1919-1985)

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

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

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

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

December 19, 2022

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

Honorable Mayor and Members of the Council  
City of Kenner, Louisiana  
and The Louisiana Legislative Auditor

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

We have performed the procedures enumerated below, which were agreed to by the City of Kenner, Louisiana (the City) and the Louisiana Legislative Auditor, on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs) for the year ended June 30, 2022. The City of Kenner, Louisiana's management is responsible for the control and compliance areas identified in the SAUPs.

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

The City of Kenner, Louisiana has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal year July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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The procedures and associated findings are as follows:

### *Written Policies and Procedures*

1. Obtain and inspect the City's written policies and procedures and observed whether they addressed each of the following categories and subcategories if applicable to public funds and the entity's operations:

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Members  
American Institute of  
Certified Public Accountants  
Society of LA CPAs

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
- 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/Collections**, 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, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- 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 of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- 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 (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology 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.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results:

As a result of applying the above agreed-upon procedures, we noted the following:

- Fuel Cards – The City does not maintain the required policies and procedures for fuel cards.
- Information Technology Disaster Recovery/Business Continuity – Policies and procedures lack the following: (i) identification of critical data and frequency of data backups in a separate physical location isolated from the network, (ii) use of antivirus software on all systems and (iii) timely application of all available system and software patches/updates. In addition, the two policies provided by the City of Kenner during AUP procedures related to disaster recovery but did not indicate general IT security policies.

Management's Response:

The City will develop and implement the required procedures to regulate the use of fuel cards for City vehicles, including how cards are to be controlled, allowable business uses, documentation requirements, required approvers of statements, and monitoring card usage. The City will also develop and implement new procedures regarding the identification of critical data and frequency of data backups in a separate physical location isolated from the network, use of antivirus software on all systems, and timely application of all available system and software patches/updates, in addition to currently abating and addressing the City's IT infrastructure vulnerabilities. This includes the most recent migration to a more secure government cloud. This will make the City more resilient when facing emergencies and reduce the dependency on costly Multi-Protocol Label Switching (MPLS) connections and increase security.

These policies will be developed in coordination with the appropriate departments and implemented before the end of the next fiscal year.

***Board or Finance Committee***

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2. Obtain and inspect the board/finance committee minutes for the calendar year, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the calendar year, and:
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the calendar year.*



- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observed that the minutes for at least one meeting during the calendar year referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Results:

No findings were noted.

***Bank Reconciliations***

---

3. Obtain a listing of City bank accounts for the fiscal year from management and management's representation that the listing is complete. Ask management to identify the City's main operating account. Select the City's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal year, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
  - a) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - b) Bank reconciliations included evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results:

No findings were noted.

***Collections (excluding electronic funds transfers)***

---

4. Obtain a list of deposit sites for the fiscal year where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees responsible for cash collections do not share cash drawers/registers.
- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Results:

As a result of applying the above agreed-upon procedures, we noted the following:

- Both the clerk of court and the police department have employees responsible for collections sharing registers.

Management's response:

In both the clerk of court and police departments, employees responsible for collections will be issued separate registers. Employees will no longer be allowed to share registers.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the calendar year.

Results:

No findings were noted.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliation" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

Results:

As a result of applying the above agreed-upon procedures, we noted the following:

- Two deposits selected for testing were not deposited within one day of receipt at the collection location.

Management's Response:

The City uses an employee of Gulf Coast Bank who makes pickups at the Finance Department twice weekly. All funds received are kept in a locked safe during period between receipt and pickup. This is done to prevent City employees from having to transport deposits to the bank. All receipts are deposited in Gulf Coast Bank within one day of pickup.

***Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)***

---

8. Obtain a listing of locations that process payments for the fiscal year and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Results:

No findings were noted.

- 10. For each location selected under #8 above, obtain the City's non-payroll disbursement transaction population (excluding cards and travel reimbursement) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
  - a) Observe the disbursement matched the related original itemized invoice and supporting documentation indicated deliverables included on the invoice were received by the entity.
  - b) Observed the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results:

No findings were noted.

***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

---

- 11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal year, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- 12. Use the listing prepared by management and randomly select 5 cards (or all cards if less than 5) that were used during the fiscal year. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
  - a) Observe there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
  - b) Observe that finance charges and late fees were not assessed on the selected statements.

Results:

No findings were noted.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement and obtained supporting documentation for the transactions. For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny. For each transaction, we observed it is supported by:

- a) An original itemized receipt that identifies precisely what was purchased,
- b) Written documentation of the business/public purpose,
- c) Documentation of the individuals participating in meals (for meals charges only)

Results:

No findings were noted.

***Travel and Travel-Related Expense Reimbursement (excluding card transactions)***

---

14. Obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal year and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain 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, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration.
- b) If reimbursed using actual cost, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observed that the documentation includes the names of those individuals participating and other documentation required by written policy (procedure #1h).
- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

Results:

No findings were noted.

***Contracts***

---

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal year.

Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe the contract was approved by the governing body/board, if required by policy or law.
- c) If the contract was amended, observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms. (e.g., if approval is required for any amendment, was approval documented).
- d) Randomly select one payment from the fiscal year for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Results:

No findings were noted.

***Payroll and Personnel***

---

16. Obtain a listing of employees and officials employed during the fiscal year and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results:

No findings were noted.

17. Randomly select one pay period during the fiscal year. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Observe supervisors approved the attendance and leave of the selected employees or officials.
  - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Results:

No findings were noted.

- 18. Obtain a listing of those employees or officials that received termination payments during the fiscal year and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the City's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Results:

No findings were noted.

- 19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results:

No findings were noted.

***Ethics***

---

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
  - a) Observe the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year
  - b) Observe the City maintains documentation which demonstrates each employee and official were notified of any changes to the City's ethics policy during the calendar year, as applicable.

Results:

No findings were noted.

***Debt Service***

---

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal year and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

Results:

This procedure was not applicable as the City did not issue any new debt during the fiscal year.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal year and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results:

No findings were note.

***Fraud Notice***

---

23. Obtain a listing of misappropriations of public funds and assets during the fiscal year and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the City reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Results:

No findings were noted.

24. Observe the City has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results:

No findings were noted.

***Information Technology Disaster Recovery/Business Continuity***

---

25. Perform the following procedures:

- a) Obtain and inspect the City's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observed that such backup occurred within the past week. If backups are stored on a



physical medium (e.g., tapes, CDs), observed evidence that backups are encrypted before being transported.

- b) Obtain and inspect the City's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- c) Obtain a listing of the City's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Results:

We performed the procedures and discussed the results with management of the City.

***Sexual Harassment***

---

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Results:

No findings were noted.

27. Observe the City has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the City's premises if the City does not have a website).

Results:

No findings were noted.

28. Obtain the City's annual sexual harassment report for the current fiscal year, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;

December 19, 2022

- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

Results:

No findings were noted.

We were engaged by the City of Kenner, Louisiana to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to, and did not, conduct an examination or review engagement, 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.

We are required to be independent of the City of Kenner, Louisiana and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the results 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 Louisiana Legislative Auditor as a public document.



New Orleans, Louisiana