

**CITY OF GRETNA, LOUISIANA
FINANCIAL REPORT
FOR THE YEAR ENDED MARCH 31, 2020**

**PREPARED BY:
THE FINANCE DEPARTMENT**

CITY OF GRETNA, LOUISIANA
Basic Financial Statements
Year Ended March 31, 2020
With Supplemental Information Schedules
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INDEPENDENT AUDITOR'S REPORT

Camnetar & Co., CPAs

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INDEPENDENT AUDITOR'S REPORT

**Honorable Mayor and Members of the City Council
City of Gretna, Louisiana**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gretna, Louisiana, as of and for the year ended March 31, 2020, and the related notes to the financial statements, which collectively comprise the City of Gretna, Louisiana's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gretna, Louisiana, as of March 31, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Employer's Proportionate Share of Net Pension Liability and Schedule of the Employer's Contributions on pages 4-16 and 64-78 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Gretna, Louisiana's basic financial statements. The combining and individual non-major fund financial statements, the Schedule of Compensation of Paid Elected Officials, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, the Schedule of Compensation of Paid Elected Officials, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, the Schedule of Compensation of Paid Elected Officials, the Schedule of Compensation, Benefits and Other

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Payments to Agency Head or Chief Executive Officer, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2020, on our consideration of the City of Gretna, 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 Gretna, 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 Gretna, Louisiana's internal control over financial reporting and compliance.

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Gretna, Louisiana
September 30, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2020

As management of the City of Gretna, Louisiana (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended March 31, 2020. The purpose of this management discussion and analysis ("MD&A") is to provide an objective and easy to read analysis of the City's financial activities based on currently known facts, decisions, or conditions. Therefore, readers should consider the information presented here in conjunction with the City's Financial Statements and Notes to the Financial Statements.

Financial Highlights

- The City's total net position increased by \$1,451,663 which represents a 1.92 percent increase from fiscal year 2019. This increase can be attributed to the increase in restricted net position due to the issuance of \$8,880,000 in new revenue bonds for the construction of a new fire station and other public works. The net position of the governmental activities increased by \$969,588 and the net position of the business-type activities increased by \$482,095.
- Assets of the City's governmental activities exceeded its liabilities at the close of fiscal year ending 2020 by \$52,527,824 (*net position*). Of this amount \$56,497,284 or 107.56 percent is invested in capital assets, such as facilities, vehicles and equipment, net of accumulated depreciation and related debt. An additional \$23,261,204 or 44.28 percent is restricted for building renovations, a new fire station, contingencies, and emergency preparedness.
- The City purchased land along the 4th Street Corridor for \$1,869,080 of assigned fund balance for economic investment to complete drainage projects. This assigned fund balance was established with monies from the settlement with BO for the oil spill.
- At the end of fiscal year 2020, the City's total general fund balance was \$8,043,902 compared to \$8,191,905 in fiscal year 2019. This decrease of \$148,003 or 1.81 percent can be attributed to the purchase of land for the completion of drainage projects.
- The City issued \$8,880,000 in new revenue bonds through the Louisiana Local Government Environmental Facilities and Community Development Authority (LCDA) on March 12, 2020. The bonds were issued at a premium of 1,359,441. The proceeds will finance the construction of the new Lafayette Street Fire Station and other public works projects. The bonds are secured by a pledge of the City's Lawfully Available Funds. These bonds received a rating of 'AA' from S&P Global with a stable outlook due to the City's adequate economy and management, and strong budgetary performance.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's financial statements. The City's basic financial statements consist of the following components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements. This report also contains other supplementary information, which is in addition to the basic financial statements themselves.

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2020

Government-wide Financial Statements

Government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The **Statement of Net Position** presents information on all the City's assets and liabilities using the accrual basis of accounting. The difference between the assets and liabilities is reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or weakening. The causes of the change in net position may be the result of many factors, both financial and non-financial in nature. Non-financial factors, which may have an impact on the City's financial condition include the property and sales tax base.

The **Statement of Activities** presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements are designed to distinguish functions of the City that are principally supported by taxes and intergovernmental revenues ("*governmental activities*") from other functions that are intended to recover a significant portion of their cost through user fees and charges ("*business-type activities*"). The business-type activities of the City consist of the Municipal Water and Sewer System.

The following is the City's government-wide financial information for the current and prior years in condensed form. Further details regarding these statements may be found on pages 17 and 18 of this financial report.

Fund Financial Statements

A "*fund*" is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. "Governmental funds" are used to account for essentially the same functions reported as "governmental activities" in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as *on balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, *it is useful to compare the information presented for governmental funds with similar information presented for governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2020

decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. These reconciliations are located on pages 20 and 22.

The City adopts an annual appropriated budget for its General Fund and Other Funds. A budgetary comparison statement for the General Fund and all major funds to demonstrate compliance with the budget is presented on pages 64 through 75.

The basic governmental fund financial statements can be found on pages 19 through 22 of this report.

Proprietary funds. The proprietary funds consist of the Municipal Water & Sewer Funds which are also presented as the business-type activities in the government-wide financial statements. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements can be found on pages 23 through 25 of this report.

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. The notes to the financial statements can be found beginning on page 26 of this report.

Other information. The *combining statements* referred to earlier in connection with non-major governmental funds are presented immediately following the Required Supplemental Information. Combining statements for non-major governmental funds can be found on pages 79 and 80 of this report. The City maintains fourteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Fire Protection Fund, Ambulance Fund, Capital Projects Fund, Debt Service Fund, and the Grant Fund all of which are major funds. Data from the other governmental funds (Garbage Fund, Parks and Recreation Fund, Social Services for The Aged Fund, Street Lights Fund, Tourism Fund, Home Incarceration Fund, Court Security Fund, and Court Security Fund 2nd) are combined into a single, aggregated presentation.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's assets exceeded its liabilities at the close of the most recent fiscal year by \$77,154,838 (*net position*). The City's net position is comprised of \$52,527,824 from governmental activities and \$24,627,014 from business-type activities as shown on page 17.

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2020

CITY OF GRETNA, LOUISIANA
Net Position
March 31, 2020 and 2019

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 31,884,567	\$ 19,352,494	\$ 2,721,940	\$ 1,056,346	\$ 34,606,507	\$ 20,408,840
Capital assets(net)	66,048,284	65,610,728	26,160,615	27,166,606	92,208,899	92,777,334
Total assets	97,932,851	84,963,222	28,882,555	28,222,952	126,815,406	113,186,174
Deferred outflows of resources	6,927,082	6,215,484	1,083,110	1,131,760	8,010,192	7,347,244
Total assets and deferred outflows of resources	\$ 104,859,933	\$ 91,178,706	\$ 29,965,665	\$ 29,354,712	\$ 134,825,598	\$ 120,533,418
Current and other liabilities	\$ 4,005,109	\$ 2,572,443	\$ 1,056,790	\$ 956,315	\$ 5,061,899	\$ 3,528,758
Long-term liabilities	47,478,553	35,842,400	4,185,380	4,130,334	51,663,933	39,972,734
Total liabilities	51,483,662	38,414,843	5,242,170	5,086,649	56,725,832	43,501,492
Deferred inflows of resources	848,447	1,205,627	96,481	123,124	944,928	1,328,751
Total liabilities and deferred inflows of resources	52,332,109	39,620,470	5,338,651	5,209,773	57,670,760	44,830,243
NET POSITION						
Net investment in capital assets	56,497,284	55,124,729	16,544,574	16,544,574	73,041,858	71,669,303
Restricted	23,261,204	13,216,619	88,734	76,734	23,349,938	13,293,353
Unrestricted	(27,230,664)	(16,783,112)	7,993,706	7,523,631	(19,236,958)	(9,259,481)
Total net position	52,527,824	51,558,236	24,627,014	24,144,939	77,154,838	75,703,175
Total liabilities, inflows, and net position	\$ 104,859,933	\$ 91,178,706	\$ 29,965,665	\$ 29,354,712	\$ 134,825,598	\$ 120,533,418

A large portion of the City's governmental activities' net position (\$56,497,284 or 107.56 percent) reflects its investment in capital assets (e.g., land, buildings, furniture and fixtures, machinery, vehicles and equipment, and infrastructure, acquired since April 1, 2003) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. While bonds payable are associated with the capital expenditures for purposes of categorizing net position, the capital assets themselves are not a source of repayment of the bonds. The bonds are serviced primarily by dedicated sales taxes.

Governmental restricted net position increased to \$23,261,204 from \$13,216,619 resulting in an increase of \$10,044,585 or 76.000 percent. The City's governmental unrestricted net position was (\$27,230,668).

Governmental total net position increased to \$52,527,824 from \$51,558,236 representing an increase of \$969,580 or 1.88 percent during the current fiscal year. This is primarily attributed to the increase in net investment in capital assets and the issuance of \$8,880,000 in new bonds for the main purpose of building a new fire station.

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2020

Changes in Net Position

The following table presents a summary of the changes in net position for 2020, with comparative figures from 2019. Governmental activities increased the City's net position by \$969,584.

	March 31, 2020 and 2019					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
REVENUES						
Program revenues:						
Charges for services	\$ 4,077,299	\$ 3,755,659	\$ 6,650,947	\$ 6,397,300	\$10,728,246	\$10,152,959
Operating grants and contributions	854,897	762,917	-	-	854,897	762,917
Capital grants and contributions	1,115,055	1,307,760	-	-	1,115,055	1,307,760
General revenues:						
Ad valorem	9,208,324	8,966,940	602,962	588,151	9,811,286	9,555,091
Sales	9,153,521	8,959,274	-	-	9,153,521	8,959,274
Franchise	671,601	695,044	-	-	671,601	695,044
Intergovernmental	6,374,506	6,164,485	-	-	6,374,506	6,164,485
Fines and forfeitures	3,137,215	3,168,412	-	-	3,137,215	3,168,412
Licenses and permits	417,394	410,495	-	-	417,394	410,495
Miscellaneous	1,841,267	1,141,630	62,845	11,978	1,904,112	1,153,608
Gain/Loss on disposal of assets	71,357	367,362	-	83,301	71,357	450,663
Total revenues	36,922,436	35,699,978	7,316,754	7,080,730	44,239,190	42,780,708
EXPENSES						
Governmental activities:						
General government	4,312,999	3,665,860	-	-	4,312,999	3,665,860
Public safety	21,902,144	20,886,068	-	-	21,902,144	20,886,068
Public works	6,690,529	6,742,671	-	-	6,690,529	6,742,671
Culture and recreation	2,612,755	2,267,293	-	-	2,612,755	2,267,293
Cemetery	78,122	78,063	-	-	78,122	78,063
Interest & issue cost on long-term debt	543,128	207,907	-	-	543,128	207,907
Business-Type activities:						
Water Utility	-	-	3,197,543	3,219,688	3,197,543	3,219,688
Sewer Utility	-	-	3,450,311	3,645,976	3,450,311	3,645,976
Total expenses	36,139,677	33,847,862	6,647,854	6,865,664	42,787,531	40,713,526
Change in net position before special items and transfers	782,759	1,852,116	668,900	215,066	1,451,659	2,067,182
Transfers	186,825	95,373	(186,825)	(95,373)	-	-
Change in net position	969,584	1,947,489	482,075	119,693	1,451,659	2,067,182
Net position -Beginning of year	51,558,236	50,087,416	24,144,939	24,025,246	75,703,175	74,112,662
Cumulative effect of change in accounting principle (Note 5)	-	(476,669)	-	-	-	(476,669)
Net position - End of year	\$52,527,824	\$51,558,236	\$24,627,014	\$24,144,939	\$77,154,838	\$75,703,175

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2020

The City's total revenues for the fiscal year 2020 were \$44,239,190 compared to \$42,780,708 for the fiscal year 2019 or an increase of \$1,458,482 or 3.41 percent.

Total program revenue for charges for services represents funds received from the public for garbage fees, licenses and permits, ambulance services, and water and sewer utility fees. Charges for services increased to \$10,728,247 from \$10,152,959 or 5.67 percent. The service charges for the Water and Sewer Utility Funds are up by \$253,647 or 3.96 percent.

Capital grants and contributions experienced a decrease of \$192,705 or 14.74 percent. This can be attributed to near completion of the 4th Street Extension Project which received both State and Federal Funds.

Sales taxes increased to \$9,153,521 from \$8,959,274 resulting in an increase of \$194,247 or 2.17 percent. The increase in sales tax is a result of several new businesses that opened in the City during the fiscal year.

Ad valorem taxes increased to \$9,811,286 from \$9,555,091 resulting in an increase of \$256,196 or 2.68 percent due to the modest growth of real estate in the City.

Miscellaneous revenues increased to \$1,975,471 from \$1,604,271 resulting in an increase of \$371,198 or 23.14 percent. This increase can be attributed to an additional dividend allocation from the Louisiana Workers' Compensation Corporation based on the City's claims ratings. This one-time allocation was committed in the general fund balance for the Separation and settlement line item specifically to address potential losses on several lawsuits.

The City's total expenses increased to \$42,787,530 from \$40,713,526 resulting in an increase of \$2,074,003 or 5.09 percent. This is due to the purchase of land for the purpose of drainage improvements. The expenses for the Water and Sewer Utility Funds decreased by \$217,810 or 3.17 percent. This is due to the decrease in landfill disposal fees as a result of the installation of new and more efficient equipment designed to reduce the amount of sewer waste and reduce the fees association with the hauling of such waste.

Governmental Activities

The Governmental Activities of the City include General Government, Public Safety, Public Works, Cemetery, Culture and Recreation, and Miscellaneous Programs. Sales taxes, ad valorem taxes, franchise taxes, and intergovernmental revenues as well as occupational licenses and fines fund most of these governmental activities.

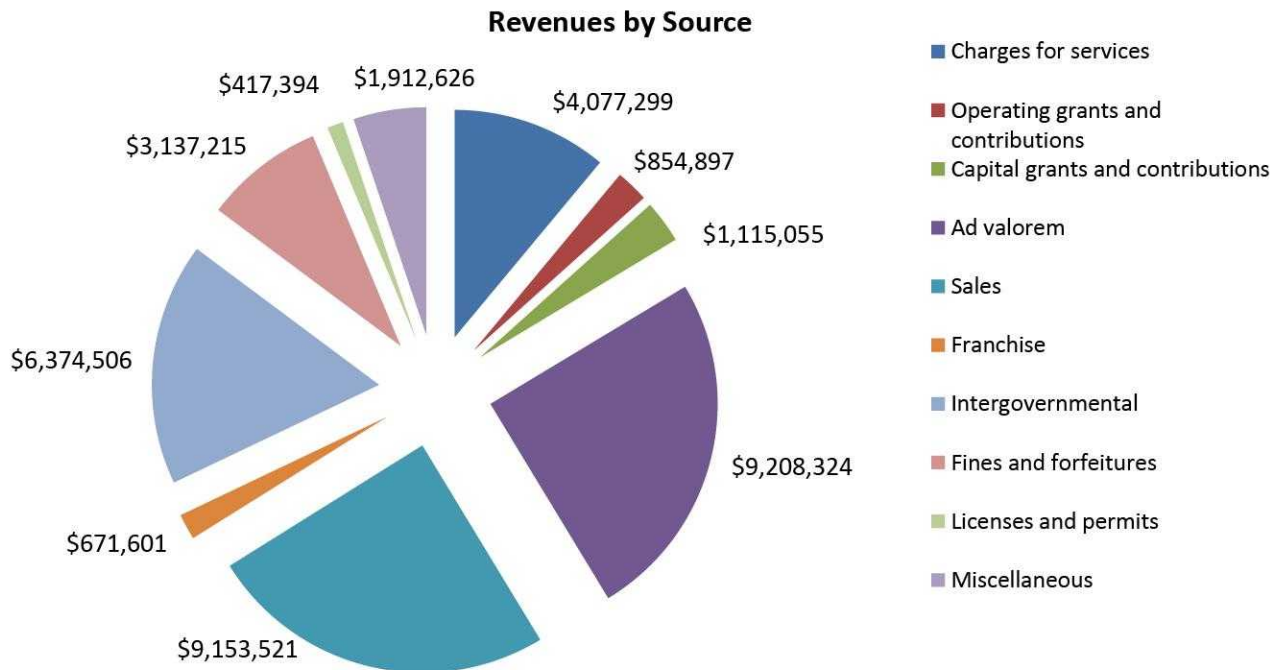
City of Gretna, Louisiana
Management’s Discussion and Analysis
(Unaudited)
March 31, 2020

General Revenues and Program Revenues

General revenues and program revenues are those available for the City to use to pay for the governmental activities described above. The following chart shows the City’s general revenues:

CITY OF GRETNA, LOUISIANA
Revenues by Source
Governmental Activities
For the Year Ended March 31, 2020

Revenues Source	2020	% of Total	Increase (Decrease) from 2019	Percentage Change
Charges for services	\$ 4,077,299	11.043%	\$ 321,639	8.564%
Operating grants and contributions	854,897	2.315%	91,980	12.056%
Capital grants and contributions	1,115,055	3.020%	(192,705)	-14.736%
Ad valorem	9,208,324	24.940%	241,385	2.692%
Sales	9,153,521	24.791%	194,247	2.168%
Franchise	671,601	1.819%	(23,443)	-3.373%
Intergovernmental	6,374,506	17.265%	210,021	3.407%
Fines and forfeitures	3,137,215	8.497%	(31,197)	0.985%
Licenses and permits	417,394	1.130%	6,899	1.681%
Miscellaneous	1,912,626	5.180%	403,634	26.749%
Total	\$ 36,922,438	100.000%	\$ 1,222,460	3.424%



**City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2020**

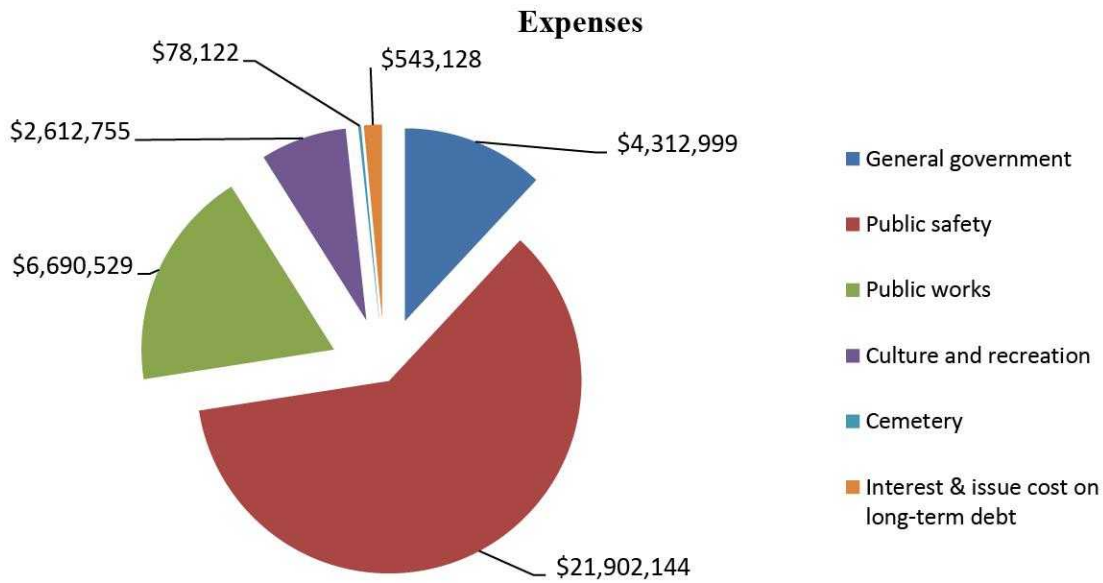
Property Taxes

Property taxes are the largest recurring revenue source for the City comprising 24.94 percent of governmental revenue. For the year ended March 31, 2020, taxes of 60.52 mills were levied on property inside of the City limits remaining the same as the previous year.

Sales Taxes

Sales taxes are the second largest recurring revenue source for the City comprising 24.791 percent of total governmental revenue.

General Program Expenses



Major Funds

The City has presented the following as major funds.

- General Fund
- Fire Protection Fund
- Ambulance Fund
- Capital Projects Fund
- Debt Service Fund
- Grant Fund

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2020

All other governmental funds are presented in one column, titled Total Nonmajor Funds.

- The General Fund is the chief operating fund of the City. The General Fund ended fiscal year March 31, 2020, with an unassigned fund balance of \$6,175,231. This represents an increase of the unassigned fund balance of \$1,424,151 or 29.98 percent. The fund balance of the City's General Fund decreased by \$148,002 or 1.81 percent during the current fiscal year. The following factors highlight the changes.

The City received \$440,000 in one-time additional proceeds from the LWCC due to claims experience. This Miscellaneous revenue was put into the committed fund balance.

Licenses and permits increased by \$132,192 or 11.97 percent due to various development projects in new construction and renovations around the City.

The City's General Fund ad valorem and sales tax revenues increase by \$342,379 or 2.89 percent. This modest growth can be attributed to three new construction and redevelopment projects since 2014, including Rouses grocery store, Walmart, and an 11-acre hotel development.

The City purchased land for \$1,869,080 to complete drainage projects related to the newly built 4th Street Extension project. The purchase was made with monies from the settlement with BP for the oil spill.

- The Fire Protection Fund reported a fund balance of \$3,110,418 compared to \$10,452,691 in 2019 representing a \$7,342,263 increase or 236.05 percent. The Fire Protection Fund received \$7,000,000 in construction funds for a new fire station. These funds were transferred from proceeds from the \$8,880,000 bond issue.
- The Ambulance Fund reported a fund balance of \$852,640 compared to \$771,136 in 2019 representing a \$81,504 increase or 10.57 percent. This increase is due to additional opportunities for charges for service.
- The Capital Projects Fund reported a fund balance of \$5,442,168 compared to \$1,624,839 in 2019 representing a \$3,817,329 increase or 234.94 percent. This is due in part to the increase in gaming revenue dedicated as match money for future capital projects. Additionally, \$3,003,961 was transferred from proceeds from the \$8,880,000 bond issue for upcoming public works projects.
- The Debt Service Fund reported a fund balance of \$1,549,631 compared to \$1,544,274 in 2019 representing a \$5,357 increase or 0.35 percent.
- The Grant Fund reported a fund balance of \$486,051 compared to \$415,774 in 2019 representing a \$70,277 increase or 16.90 percent. These funds represent unspent grant revenues to be expended in future years.

Business-Type Activities

The Business-Type Activities of the City are those that the City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water and sewer departments are reported here.

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2020

General Fund Budgetary Highlights

In accordance with the provisions of the Lawrason Act, the City Administration submits the annual budget for the City by the end of the prior year. The budget is adopted by Councilmanic action.

Over the course of the year, the City Council revises the City's budget numerous times. These amendments are based on changing needs and additional information to prevent budget overruns and better meet the needs of the City.

The following table presents the favorable variance for the General Fund as compared to the revised budget.

CITY OF GRETNA, LOUISIANA
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended March 31, 2020

	Original	Revised	Actual on	Variance
	Budget	Budget	Budgetary	Favorable
	Budget	Budget	Basis	(Unfavorable)
Revenue	\$ 18,968,964	\$ 20,035,889	\$ 20,754,494	\$ 718,605
Expenditures	18,816,5522	21,275,147	20,259,787	1,015,360
Other Financing Sources (Uses)	(150,000)	(180,713)	(631,830)	(451,117)
Net change in fund balance	2,412	(1,419,971)	(137,123)	1,282,848
Fund balance - beginning	8,191,904	8,191,904	8,113,547	(78,357)
Fund balance - ending	<u>\$ 8,194,316</u>	<u>\$ 6,771,933</u>	<u>\$ 7,976,424</u>	<u>\$ 1,204,491</u>

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business type activities as of March 31, 2020, amounts to \$92,208,299 (net of accumulated depreciation) compared to \$92,777,334 at March 31, 2019, representing a decrease of \$568,435 or .62 percent. This investment in capital assets includes land, buildings and system improvements, machinery, vehicles and equipment, park facilities, etc. and infrastructure assets.

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2020

The following is the City's capital assets (net of accumulated depreciation) for the years ended March 31, 2020 and 2019.

CITY OF GRETNA, LOUISIANA
Comparative Statement of Capital Assets
March 31, 2020 and 2019

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 5,559,880	\$ 3,690,800	\$ 299,988	\$ 299,988	\$ 5,859,868	\$ 3,990,788
Construction in process	11,684,313	9,956,358	317,263	763,759	12,001,576	10,720,117
Building and improvements	55,375,096	55,375,097	16,762,716	16,762,716	72,137,812	72,137,813
Equipment and furniture, fixtures	11,727,887	11,508,901	25,951	25,951	11,753,838	11,534,852
Vehicles and road machinery	6,690,784	6,792,216	36,597,467	35,787,804	43,288,251	42,580,020
Historical Infrastructure	17,273,617	17,273,617	-	-	17,273,617	17,273,617
	<u>108,311,577</u>	<u>104,596,989</u>	<u>54,003,385</u>	<u>53,640,218</u>	<u>162,314,962</u>	<u>158,237,207</u>
Less: accumulated depreciation	<u>(42,263,293)</u>	<u>(38,986,261)</u>	<u>(27,842,770)</u>	<u>(26,473,612)</u>	<u>(70,106,063)</u>	<u>(65,459,873)</u>
Capital assets, net	<u>\$ 66,048,284</u>	<u>\$ 65,610,728</u>	<u>\$ 26,160,615</u>	<u>\$ 27,166,606</u>	<u>\$ 92,208,899</u>	<u>\$ 92,777,334</u>

Additional information on the City's capital assets can be found in Note C-3 on pages 39 through 41 of this financial report.

Long-Term Debt

Total long-term debt for the year ended March 31, 2020, is \$53,373,936 compared to \$41,441,812 for the year ended March 31, 2019. Long-term debt increased by \$11,932,124 or 28.79 percent during this fiscal year. The increase of \$2,434,468 can be attributed to the increase in net pension liability. Tax bonds indebtedness for governmental activities was \$9,551,000 compared to \$10,486,000 in fiscal year 2019. This decrease of \$935,000 can be attributed to the annual scheduled debt payment requirements. The City issued \$8,880,000 in new LCDA Revenue bonds with a premium of \$1,359,441 for the construction of a new fire station and other public works projects. Other Post Employment increased by \$200,723.

City of Gretna, Louisiana
Management’s Discussion and Analysis
(Unaudited)
March 31, 2020

The following table presents a summary comparison of the outstanding long-term obligations for the fiscal years ended March 31, 2020 and 2019.

CITY OF GRETNA, LOUISIANA
Comparative Statement of Long-Term Debt
March 31, 2020 and 2019

Governmental Activity	2020	2019
Tax Bonds	\$ 9,551,000	\$ 10,486,000
Revenue Bonds	8,880,000	-
Premiums	\$ 1,359,441	\$ -
EPA Brownsfield Loan	488,500	488,500
Compensated Absences	2,055,289	2,053,578
Other Post Employment Benefits OPEB	1,192,154	991,431
Pension Liability	25,509,146	23,074,678
Promissory Note	-	64,835
	<u>49,035,530</u>	<u>37,159,022</u>
Business Type Activity		
Water Fund Participation Notes	-	-
Sewer Fund Participation Notes	-	-
Water fund 2015 Bond Issue	267,500	317,500
Sewer Fund 2015 Bond Issue	267,500	317,500
Compensated Absences	158,573	175,000
Pension Liability	3,644,833	3,472,790
	<u>4,338,406</u>	<u>4,282,790</u>
Total Long-term Debt	<u>\$ 53,373,936</u>	<u>\$ 41,441,812</u>

Additional information on long-term debt can be found in Note C-4 on pages 41 through 44 of this financial report.

Economic Factors and Next Year’s Budget

Economic Factors

The City continues to strengthen the coordination of public and private sector activities for improved economic development outcomes and quality of life. The City is approximately half-way through construction on the \$2 million downtown Drainage Phase 1 project – a transformation project addressing flood mitigation, downtown development, placemaking, and beautification that serves as the keystone project supporting our Gretna Downtown 2020 Plan. The \$5.6 million Gretna City Park improvement within the Gretna Resilience District and the \$2 million Downtown Drainage Phase 2 projects are anticipated to begin construction by the end of the 2020 calendar year. The City continues to secure significant external funding to support addressing additional longstanding infrastructure needs in the Gretna Resilience District, with an additional \$13 million in federal and state funds secured in the past year.

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2020

Increasingly, Gretna is identified as a community of choice within the Greater New Orleans Region. Our ability to maintain and improve this position relies on providing a competitive suite of public services and maintaining our current fiscal stability. We must continue to proactively govern and financially plan for a future that solidifies Gretna's position in order to maintain a competitive living choice that balances a sense of community, affordability and quality of life within the Greater New Orleans Region and the State of Louisiana.

In mid-March 2020 the State of Louisiana Declared a State of Emergency due to the COVID-19 pandemic. The City of Gretna along with the entire country was placed under a series of Executive Orders that outlined certain restrictions relative to the operation of businesses as well as social gatherings to reduce the spread of COVID-19. Such restrictions relative to businesses, primarily restaurants, casinos and bars, have had a profound impact on the current fiscal year 2020-2021 revenues. Expenditures have increased due to the protective measures taken by the City and Law Enforcement to limit the effects of this disease. The City has made application through the Federal CARES act to seek reimbursement for such measures. The City is still unable to estimate the full extend of impact that the COVID-19 pandemic will have on FY2020-2021 finances. However, due to the strong liquidity and fund balance established by the City, there will be no interruption in City operations.

Budgets

The City's budget for the fiscal year April 1, 2020, to March 31, 2021, was introduced in open session on February 12, 2020, and adopted by Ordinance 4900 on March 13, 2020. The total City Budget anticipates revenues of \$43,681,646 and expenditures of \$50,261,596.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Raylyn Stevens, CPA, Finance Director, P.O. Box 404, Gretna, Louisiana 70054-0404

BASIC FINANCIAL STATEMENTS

CITY OF GRETNA, LOUISIANA
STATEMENT OF NET POSITION
March 31, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 15,711,727	\$ 1,837,352	\$ 17,549,079
Investments	427,447	-	427,447
Receivables, net	1,181,714	884,588	2,066,302
Due from other governments	2,255,240	-	2,255,240
Prepaid expenditures	322,664	-	322,664
Restricted Cash	11,985,775	-	11,985,775
Capital Assets (net)	66,048,284	26,160,615	92,208,899
Total assets	97,932,851	28,882,555	126,815,406
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows-Pension Plan	6,680,326	1,083,110	7,763,436
Deferred Outflows-Other Post Employment Benefits	246,756	-	246,756
Total deferred outflows of resources	6,927,082	1,083,110	8,010,192
Total assets and deferred outflows of resources	\$ 104,859,933	\$ 29,965,665	\$ 134,825,598
LIABILITIES			
Accounts payable	\$ 2,236,609	\$ 303,544	\$ 2,540,153
Accrued liabilities:			
Customer deposits	-	561,885	561,885
General liabilities	211,523	38,335	249,858
Net pension liability:			
Due in more than one year	25,509,146	3,644,833	29,153,979
Other post employment benefit:			
Due in more than one year	1,192,154	-	1,192,154
Compensated absences:			
Due within one year	315,977	53,026	369,003
Due in more than one year	1,739,312	105,547	1,844,859
Bonds payable/other borrowings:			
Due within one year	1,241,000	100,000	1,341,000
Due in more than one year	19,037,941	435,000	19,472,941
Total liabilities	51,483,662	5,242,170	56,725,832
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows-Pension Plan	840,579	96,481	937,060
Deferred Inflows-Other Post Employment Benefits	7,868	-	7,868
Total deferred inflows of resources	848,447	96,481	944,928
NET POSITION			
Net investment in capital assets	56,497,284	16,544,574	73,041,858
Restricted for:			
Capital projects	5,442,168	23,984	5,466,152
Debt service	1,549,631	-	1,549,631
Other purposes	16,269,405	-	16,269,405
Water Tower Maintenance	-	64,750	64,750
Unrestricted	(27,230,664)	7,993,706	(19,236,958)
Total net position	52,527,824	24,627,014	77,154,838
Total liabilities, deferred inflows of resources, and Net Position	\$ 104,859,933	\$ 29,965,665	\$ 134,825,598

The notes to financial statements are an integral part of this statement.

CITY OF GRETN, LOUISIANA
STATEMENT OF ACTIVITIES
For the Year Ended March 31, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 4,312,999	\$ 1,151,523	\$ -	\$ -	\$ (3,161,476)	\$ -	\$ (3,161,476)
Public safety	21,902,144	1,131,418	211,938	-	(20,558,788)	-	(20,558,788)
Public works	6,690,529	1,600,230	101,967	1,115,055	(3,873,277)	-	(3,873,277)
Culture and recreation	2,612,755	188,329	540,991	-	(1,883,435)	-	(1,883,435)
Cemetery	78,122	5,800	-	-	(72,322)	-	(72,322)
Interest & issue cost on long-term debt	543,128	-	-	-	(543,128)	-	(543,128)
Total governmental activities	36,139,677	4,077,300	854,896	1,115,055	(30,092,426)	-	(30,092,426)
Business-type activities:							
Water Utility	3,197,543	3,407,889	-	-	-	210,346	210,346
Sewer Utility	3,450,311	3,243,058	-	-	-	(207,253)	(207,253)
Total business-type activities	6,647,854	6,650,947	-	-	-	3,093	3,093
Total primary government	\$ 42,787,531	\$ 10,728,247	\$ 854,896	\$ 1,115,055	(30,092,426)	3,093	(30,089,333)
General revenues:							
Ad valorem taxes					9,208,324	602,962	9,811,286
Franchise taxes					671,601	-	671,601
Sales taxes					9,153,521	-	9,153,521
Occupational licenses					417,394	-	417,394
Intergovernmental revenues					6,374,506	-	6,374,506
Fines and forfeitures					3,137,214	-	3,137,214
Investment earnings					257,555	-	257,555
Gain (loss) on sale of capital assets					71,357	-	71,357
Miscellaneous					1,583,713	62,845	1,646,558
Transfers					186,825	(186,825)	-
Total general revenues, special items, and transfers					31,062,010	478,982	31,540,992
Change in net position					969,584	482,075	1,451,659
Net position - beginning					51,558,236	24,144,939	75,703,175
Net position - ending					\$ 52,527,820	\$ 24,627,014	\$ 77,154,834

The notes to financial statements are an integral part of this statement.

**CITY OF GRETNA, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
March 31, 2020**

	GENERAL FUND	FIRE PROTECTION	AMBULANCE	CAPITAL PROJECTS	DEBT SERVICE	GRANT FUND	Total Nonmajor Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	\$ 6,680,568	\$ 3,464,626	\$ 773,225	\$ 2,405,214	\$ -	\$ 188,364	\$ 2,199,731	\$ 15,711,728
Investments	125,225	-	-	-	-	302,222	-	427,447
Receivables, net	837,829	63,778	26,658	-	-	-	253,448	1,181,713
Due from other funds	220,045	-	-	-	-	-	-	220,045
Due from other governments	689,388	-	111,613	792,447	-	61,434	600,358	2,255,240
Restricted assets: Cash and cash equivalents	-	7,000,000	-	3,431,717	1,554,058	-	-	11,985,775
Prepaid items (principally insurance)	319,664	-	-	-	-	-	3,000	322,664
Total assets	<u>\$ 8,872,719</u>	<u>\$ 10,528,404</u>	<u>\$ 911,496</u>	<u>\$ 6,629,378</u>	<u>\$ 1,554,058</u>	<u>\$ 552,020</u>	<u>\$ 3,056,537</u>	<u>\$ 32,104,612</u>
LIABILITIES								
Accounts payable	\$ 669,668	\$ 75,723	\$ 58,856	\$ 1,134,836	\$ 4,427	\$ 65,969	\$ 227,129	\$ 2,236,608
Accrued liabilities	159,149	-	-	52,374	-	-	-	211,523
Due to other funds	-	-	-	-	-	-	220,045	220,045
Total liabilities	<u>828,817</u>	<u>75,723</u>	<u>58,856</u>	<u>1,187,210</u>	<u>4,427</u>	<u>65,969</u>	<u>447,174</u>	<u>2,668,176</u>
FUND BALANCES (DEFICITS)								
Nonspendable								
Prepaid expenditures	319,664	-	-	-	-	-	-	319,664
Restricted								
Debt service	-	-	-	-	1,549,631	-	-	1,549,631
Committed								
Capital projects fund	-	-	-	5,442,168	-	-	-	5,442,168
Encumbrances	67,478	-	196	-	-	6,030	-	73,704
Emergency preparation	271,908	-	-	-	-	-	-	271,908
Contingencies	228,379	-	-	-	-	-	-	228,379
Separation and settlement	440,000	-	-	-	-	-	-	440,000
Assigned								
Court management	240,551	-	-	-	-	-	-	240,551
Economic Investment	27,814	-	-	-	-	-	-	27,814
Property seizure	272,877	-	-	-	-	-	-	272,877
Culture & Recreation	-	-	-	-	-	-	818,554	818,554
Public safety	-	10,452,681	852,444	-	-	-	436,736	11,741,861
Public works	-	-	-	-	-	-	1,354,073	1,354,073
Subsequent year expenditures	-	-	-	-	-	480,021	-	480,021
Unassigned	6,175,231	-	-	-	-	-	-	6,175,231
Total fund balances (deficits)	<u>8,043,902</u>	<u>10,452,681</u>	<u>852,640</u>	<u>5,442,168</u>	<u>1,549,631</u>	<u>486,051</u>	<u>2,609,363</u>	<u>29,436,436</u>
Total liabilities and fund balances (deficits)	<u>\$ 8,872,719</u>	<u>\$ 10,528,404</u>	<u>\$ 911,496</u>	<u>\$ 6,629,378</u>	<u>\$ 1,554,058</u>	<u>\$ 552,020</u>	<u>\$ 3,056,537</u>	<u>\$ 32,104,612</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA, LOUISIANA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
March 31, 2020

Total Fund Balance at March 31, 2020-Governmental Funds		<u>\$ 29,436,436</u>
Cost of capital assets at March 31, 2020	\$ 108,311,576	
Less accumulated depreciation as of March 31, 2020:	<u>(42,263,293)</u>	66,048,283
Deferred inflows of resources - pension plan		(840,579)
Deferred outflows of resources - pension plan		6,680,326
Deferred inflows of resources - other post employment benefits		(7,868)
Deferred outflows of resources - other post employment benefits		246,756
Long-term liabilities at March 31, 2020:		
Bonds payable	(18,919,500)	
Unamortized bond premium	(1,359,441)	
Other post employment benefits	(1,192,154)	
Net pension liability	(25,509,146)	
Compensated absences	(2,055,289)	<u>(49,035,530)</u>
Net position-March 31, 2020		<u><u>\$ 52,527,824</u></u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended March 31, 2020

	GENERAL FUND	FIRE PROTECTION	AMBULANCE	CAPITAL PROJECTS	DEBT SERVICE	GRANT FUND	Total Nonmajor Funds	Total Governmental Funds
REVENUES								
Ad valorem	\$ 3,993,972	\$ 2,597,483	\$ 1,115,847	\$ -	\$ -	\$ -	\$ 1,501,022	\$ 9,208,324
Sales	8,195,111	-	-	-	903,000	-	55,410	9,153,521
Franchise	671,601	-	-	-	-	-	-	671,601
Intergovernmental	1,965,258	98,039	-	1,891,052	-	832,905	3,510,667	8,297,921
Charges for services	337,884	-	1,131,418	-	-	-	1,788,559	3,257,861
Fines and forfeitures	3,137,215	-	-	-	-	-	-	3,137,215
Licenses and permits	1,236,833	-	-	-	-	-	-	1,236,833
Miscellaneous	1,216,622	-	29,558	-	29,204	6,044	63,570	1,344,998
Total revenues	<u>20,754,496</u>	<u>2,695,522</u>	<u>2,276,823</u>	<u>1,891,052</u>	<u>932,204</u>	<u>838,949</u>	<u>6,919,228</u>	<u>36,308,274</u>
EXPENDITURES								
Current:								
General government	2,938,880	-	-	-	-	113,538	-	3,052,418
Public safety	11,637,551	2,300,492	2,195,319	-	-	569,075	2,472,024	19,174,461
Public works	3,449,687	-	-	-	-	-	1,906,213	5,355,900
Culture and recreation	-	-	-	-	-	-	2,174,911	2,174,911
Cemetery	78,122	-	-	-	-	-	-	78,122
Debt service:								
Principal retirement	-	-	-	-	935,000	-	-	935,000
Interest	-	-	-	-	182,721	-	-	182,721
Cost of issuance	-	-	-	-	231,431	-	-	231,431
Capital outlay:								
Capital Outlay	2,166,429	52,767	-	1,528,416	-	117,157	216,070	4,080,839
Total expenditures	<u>20,270,669</u>	<u>2,353,259</u>	<u>2,195,319</u>	<u>1,528,416</u>	<u>1,349,152</u>	<u>799,770</u>	<u>6,769,218</u>	<u>35,265,803</u>
Excess (deficiency) of revenues over expenditures	<u>483,827</u>	<u>342,263</u>	<u>81,504</u>	<u>362,636</u>	<u>(416,948)</u>	<u>39,179</u>	<u>150,010</u>	<u>1,042,471</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	7,000,000	-	3,454,693	186,825	31,098	150,000	10,822,616
Transfers out	(631,830)	-	-	-	(10,003,961)	-	-	(10,635,791)
Debt issued	-	-	-	-	8,880,000	-	-	8,880,000
Premium on bond issuance	-	-	-	-	1,359,441	-	-	1,359,441
Total other financing sources (uses)	<u>(631,830)</u>	<u>7,000,000</u>	<u>-</u>	<u>3,454,693</u>	<u>422,305</u>	<u>31,098</u>	<u>150,000</u>	<u>10,426,266</u>
Net change in fund balances	(148,003)	7,342,263	81,504	3,817,329	5,357	70,277	300,010	11,468,737
Fund balances - beginning	8,191,905	3,110,418	771,136	1,624,839	1,544,274	415,774	2,309,353	17,967,699
Fund balances - ending	<u>\$ 8,043,902</u>	<u>\$ 10,452,681</u>	<u>\$ 852,640</u>	<u>\$ 5,442,168</u>	<u>\$ 1,549,631</u>	<u>\$ 486,051</u>	<u>\$ 2,609,363</u>	<u>\$ 29,436,436</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For The Year Ended March 31, 2020

Total net change in fund balances - governmental funds		<u>\$ 11,468,737</u>
Capital assets:		
Capital outlays capitalized	\$ 4,080,839	
Depreciation expense	(3,550,773)	
Loss on disposal of assets	<u>(27,677)</u>	502,389
Change in deferred inflows of resources-pension plan		356,524
Change in deferred outflows of resources - pension plan		472,645
Change in deferred inflows of resources-other post employment benefits		656
Change in deferred outflows of resources - other post employment benefits		238,953
Long-term debt:		
Dabt issued	(8,880,000)	
Principal portion of debt service payments	935,000	
Change in bond premiums	(1,488,419)	
Change in liability for compensated absences	(1,710)	
Change in net pension asset/liability	(2,434,468)	
Change in other post employment benefits	<u>(200,723)</u>	<u>(12,070,320)</u>
Change in net position - governmental activities		<u><u>\$ 969,584</u></u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
March 31, 2020

	Business-type Activities		
	Water Utility	Sewer Utility	Total Enterprise Funds
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,543,288	\$ 294,064	\$ 1,837,352
Receivables, net	446,543	438,045	884,588
Total current assets	<u>1,989,831</u>	<u>732,109</u>	<u>2,721,940</u>
Noncurrent assets:			
Capital assets, net	8,805,939	17,354,675	26,160,614
Total noncurrent assets	<u>8,805,939</u>	<u>17,354,675</u>	<u>26,160,614</u>
Total assets	<u>10,795,770</u>	<u>18,086,784</u>	<u>28,882,554</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources	652,229	430,881	1,083,110
Total deferred outflows of resources	<u>652,229</u>	<u>430,881</u>	<u>1,083,110</u>
Total assets and deferred outflows of resources	<u>\$ 11,447,999</u>	<u>\$ 18,517,665</u>	<u>\$ 29,965,664</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 125,121	\$ 178,424	\$ 303,545
Accrued liabilities	38,333	-	38,333
Accrued compensated absences	28,042	24,984	53,026
Bonds Payable	50,000	50,000	100,000
Total current liabilities	<u>241,496</u>	<u>253,408</u>	<u>494,904</u>
Noncurrent liabilities:			
Customer deposits	561,885	-	561,885
Accrued compensated absences	47,415	58,132	105,547
Bonds Payable	217,500	217,500	435,000
Pension Liability	2,179,672	1,465,161	3,644,833
Total noncurrent liabilities	<u>3,006,472</u>	<u>1,740,793</u>	<u>4,747,265</u>
Total liabilities	<u>3,247,968</u>	<u>1,994,201</u>	<u>5,242,169</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources	56,308	40,173	96,481
Total deferred inflows of resources	<u>56,308</u>	<u>40,173</u>	<u>96,481</u>
Total liabilities and deferred inflows of resources	<u>3,304,276</u>	<u>2,034,374</u>	<u>5,338,650</u>
NET POSITION			
Net investment in capital assets	6,693,959	9,850,615	16,544,574
Restricted for:			
Capital projects	-	23,984	23,984
Water Tower Maintenance	64,750	-	64,750
Unrestricted	1,385,014	6,608,692	7,993,706
Total net position	<u>8,143,723</u>	<u>16,483,291</u>	<u>24,627,014</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 11,447,999</u>	<u>\$ 18,517,665</u>	<u>\$ 29,965,664</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended March 31, 2020

	Business-type Activities		
	Water Utility	Sewer Utility	Total Enterprise Funds
OPERATING REVENUES			
Charges for services	\$ 3,407,888	\$ 3,243,058	\$ 6,650,946
Miscellaneous	32,815	18,031	50,846
Total operating revenues	<u>3,440,703</u>	<u>3,261,089</u>	<u>6,701,792</u>
OPERATING EXPENSES			
Personnel expense	1,627,052	1,227,429	2,854,481
Operating supplies and purchases	279,258	205,444	484,702
Building and maintenance expenses	231,449	210,210	441,659
Outside service	125,031	731,642	856,673
Transportation	79,872	37,933	117,805
General expenses	285,493	190,031	475,524
Depreciation	528,045	841,113	1,369,158
Service charges	34,835	-	34,835
Total operating expenses	<u>3,191,035</u>	<u>3,443,802</u>	<u>6,634,837</u>
Operating income (loss)	<u>249,668</u>	<u>(182,713)</u>	<u>66,955</u>
NONOPERATING REVENUES (EXPENSES)			
Interest expense	(6,509)	(6,509)	(13,018)
Ad valorem	-	602,962	602,962
Rental Income	12,000	-	12,000
Total nonoperating revenues (expenses)	<u>5,491</u>	<u>596,453</u>	<u>601,944</u>
Income (loss) before contributions and transfers	<u>255,159</u>	<u>413,740</u>	<u>668,899</u>
Transfers out	-	(186,825)	(186,825)
Change in net position	<u>255,159</u>	<u>226,915</u>	<u>482,074</u>
Total net position - beginning	<u>7,888,563</u>	<u>16,256,377</u>	<u>24,144,940</u>
Total net position - ending	<u>\$ 8,143,722</u>	<u>\$ 16,483,292</u>	<u>\$ 24,627,014</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended March 31, 2020

	Business-type Activities - Enterprise Funds		
	WATER UTILITY	SEWER UTILITY	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	\$ 3,361,489	\$ 3,178,522	\$ 6,540,011
Payments to employees	(1,480,897)	(1,133,962)	(2,614,859)
Payments to suppliers	(988,247)	(1,338,663)	(2,326,910)
Other payments	29	-	29
Refunds of customer meter deposits	15,684	-	15,684
Net cash provided (used) by operating activities	<u>908,058</u>	<u>705,897</u>	<u>1,613,955</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Ad valorem taxes	-	602,962	602,962
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>602,962</u>	<u>602,962</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Increase (decrease) in compensated absences	2,397	(19,394)	(16,997)
Purchases of capital assets	(66,809)	(296,358)	(363,167)
Loans and loan repayments received from other funds	455,711	-	455,711
Loans to and repayments of loans to other funds	-	(455,711)	(455,711)
Interest paid on capital debt	(6,509)	(6,509)	(13,018)
Principal paid on capital debt	(50,000)	(50,000)	(100,000)
Rental Income	12,000	-	12,000
Operating trans out	-	(186,825)	(186,825)
Net cash provided (used) by capital and related financing activities	<u>346,790</u>	<u>(1,014,797)</u>	<u>(668,007)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash provided (used) by investing activities	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	1,254,848	294,062	1,548,910
Balances - beginning of year	288,440	2	288,442
Balances - end of the year	<u>\$ 1,543,288</u>	<u>\$ 294,064</u>	<u>\$ 1,837,352</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating Income	\$ 249,668	\$ (182,714)	\$ 66,954
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	528,045	841,113	1,369,158
Pension related expenses	117,450	76,601	194,051
Changes in assets and liabilities:			
Accounts Payable - Other	29	-	29
Accounts Payable - Supplier	47,690	36,597	84,287
Customer Receivables	(51,918)	(64,763)	(116,681)
Customer meter deposits payable	15,685	-	15,685
Accrued expenses	1,410	(937)	473
Net cash provided (used) by operating activities	<u>\$ 908,059</u>	<u>\$ 705,897</u>	<u>\$ 1,613,956</u>

The notes to financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. General Statement

The City of Gretna, Louisiana (the City) was incorporated in June 1913, under the provisions of the Lawrason Act. The City operates under a Mayor and City Council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, drainage, sanitation, health, social services, recreation, public improvements, planning and zoning, and general administrative services.

The accounting and reporting policies of the City conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidelines set forth in the *Louisiana Municipal Audit and Accounting Guide*, and the industry audit guide, *Audits of State and Local Governmental Units* and by the Financial Accounting Standards Board (when applicable). As allowed in Section P80 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, the City has elected not to apply Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989. The accompanying basic financial statements have been prepared in conformity with GASB 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. The more significant accounting policies of the City are described below.

2. Financial 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 can 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 has no component units.

3. Basis of Presentation

The government-wide financial statements (the statement of net position) report information on all of the activities of the City. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements. 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.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Basis of Presentation (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements

The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The City has presented the following major governmental funds:

General Fund

The General Fund is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Fire Protection Fund

The Fire Protection Fund is used to account for 17.36 mills in ad valorem tax specifically dedicated for the purchase and maintenance of fire fighting equipment and to provide for payment of contractual obligations to the City's volunteer fire company to provide fire protection to the City and its citizens.

Ambulance Fund

The Ambulance Fund is used to account for 6.69 mills in ad valorem tax specifically dedicated for the salaries and purchases of medical supplies and equipment necessary to operate the City's EMT department which provides emergency medical services to the City and its citizens.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Basis of Presentation (Continued)

Capital Projects Fund

The Capital Projects Fund is used to account for all resources and expenditures in connection with the acquisition of capital facilities and major capital improvements.

Debt Service Fund

The Debt Service Fund is used to account for the collection of Sales Tax revenues and the payment of principal and interest on the Series 2009A and 2009B Sales Tax Bonds and 2014, 2016 Refunding Bonds, and the Series 2020 Bonds.

Grant Fund

The Grant Fund is used to account for grant revenues and expenses received by both City services as well as the Gretna Police Department. Any fund balances represent grant revenues to be expended in future years.

Proprietary Funds

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow. All assets and liabilities are included on the Statement of Net Position. The City has presented the following major proprietary funds:

Municipal Waterworks System Fund

The Municipal Waterworks System Fund is used to account for the provision of water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, and related debt service and billing.

Municipal Sewer System Fund

The Municipal Sewer System Fund is used to account for the provision of sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, and related debt service billing.

Proprietary funds distinguish operating revenues and expenses from non-operating 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. Operating expenses for the proprietary funds include the cost of personnel and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The revenues susceptible to accrual are property taxes, franchise fees, charges for service, interest income and intergovernmental revenues. Sales taxes collected and held by the Parish at year end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

5. Budgets and Budgetary Accounting

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

- a. Not less than 30 days before the end of the fiscal year, the Mayor recommends to the City Council a proposed operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. The proposed budget is summarized and advertised and the public notified that the proposed budget is available for inspection and that within 10 days thereafter public hearings are conducted to obtain taxpayer comments.
- c. The budget is then legally enacted through Councilmanic ordinance.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Budgets and Budgetary Accounting (Continued)

- d. Any revisions that alter the total expenditures of a department or line item changes within the department greater than \$10,000 must be approved by the City Council. Any revisions less than \$10,000 can be changed by the finance director for city departments with approval of the Mayor or for police department with approval of the Chief of Police.
- e. The level of budget control is at the division, department, or project level; and expenditures/encumbrances may not exceed appropriations until additional appropriations have been provided. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and Enterprise Funds. Effective control of cost is, therefore, maintained by Councilmanic action that approves a budget for each project and is controlled on a project life basis.
- f. Budgets for the General Fund, Special Revenue Funds 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. Budgetary comparisons presented for the General Fund, Major Special Revenue Funds, and Capital Projects Fund (for presentation purposes only) in the accompanying financial statements are on this non-GAAP budgetary basis. Budgeted amounts are as originally adopted or as finally amended by the City Council.
- g. All unencumbered appropriations lapse at the end of each fiscal year.

6. Cash and Investments

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Under state law, the City may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Under state law, the City may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash. Investments are stated at cost.

The City maintains a cash investment pool (Central Depository Account) that is used by all of the City's funds. Each fund's portion of this cash pool is displayed on the combined balance sheet as cash. Investments are separately held by several of the City's funds.

Cash and cash equivalents, for cash flow statement purposes, include investments in highly liquid debt instruments with maturities of three months or less, including amounts whose use is limited by board designation.

7. Allowance for Uncollectible Accounts

The City calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Interfund Receivables and Payables

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “due from or to other funds”.

9. Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds. For purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

10. Restricted Assets

Restricted Assets include cash and investments in the General, Capital Projects, Sales Tax and Proprietary Funds which are restricted as to their use. These restrictions are principally related to requirements of bond issues, utility meter deposits, and funds dedicated for future needs or obligations. It is the City’s policy to use restricted assets before unrestricted assets for their intended purpose.

11. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

Assets capitalized have an original cost of \$5,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

<u>Description</u>	<u>Life In Years</u>
Buildings	25-40
Water and Sewer Systems	40
Infrastructure	20-40
Machinery and Equipment	5-20
Improvements	20-30

CITY OF GRETN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Compensated Absences

Employees are allowed to accrue annual leave. In addition, employees are allowed to accrue up to 45 days of sick leave. The balance accumulated is paid to employees upon termination. The current and non-current portion of this obligation in the governmental funds is recorded in the government-wide financial statements. The current and non-current balance of this obligation in the proprietary funds is recorded in the fund financial statements.

13. Long Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are recognized as liabilities in the applicable governmental activities Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond issuance costs during the current period. The face amount of debt issued as well as bond premiums are reported as other financing sources. Payments of principal and interest are recorded as expenditures only when due.

14. Fund Equity

Equity Classifications

Government-Wide Financial Statements

In the Government-Wide Financial Statements equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt** – 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 assets 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 position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

Proprietary fund equity is classified the same as in the government-wide statements.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Fund Equity (Continued)

Fund Financial Statements

During the fiscal year ended March 31, 2013, the City implemented GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- a. **Nonspendable** – This component includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- b. **Restricted** – This component consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legal requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.
- c. **Committed** – This component consists of amounts that can only be used for specific purposes determined by a formal decision of the City Council, which is the highest level of decision making authority for the City. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to commit those amounts.
- d. **Assigned** – This component consists of amounts that are constrained by the City Council Members' intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the City Council.
- e. **Unassigned** – This classification represents amounts that have not been restricted, committed or assigned to specific purposes within the general fund. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the City's policy to use committed resources first, then unassigned as they are needed. The City does not have a formal minimum fund balance policy.

15. Revenues and Expenditure Recognition

- a. **Ad Valorem Taxes.** Ad Valorem taxes are recognized in the fiscal year in which the taxes are levied. Taxes are due and become an enforceable lien on 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 1). City taxes are billed and collected by the City.

**CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Revenues and Expenditure Recognition (Continued)

a. Ad Valorem Taxes. (Continued)

Taxes become delinquent on January 1st in the year after levy. Taxes are levied on property values determined by the Jefferson Parish Assessor's Office. All land and residential improvements are assessed at 10 percent of its fair market value and other property at 15 percent 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 and are distributed to its funds as follows:

<u>FUND</u>	2019	
	MILLAGE	
	City of Gretna	Timberlane Subdivision
General Fund	23.44	23.44
Fire Protection Fund	17.36	
Recreation Fund	4.50	4.50
Street Light Improvements Fund	4.00	4.00
Ambulance Fund	6.69	6.69
Social Services For The Aged Fund	0.50	0.50
Municipal Sewer System Fund	4.03	
	60.52	39.13

b. Sales and Use Tax. For the year ended March 31, 2020, a 4.75% local sales and use tax was levied and collected within the City of Gretna by the Jefferson Parish Sheriff's Office of which 3.25% was received by the City of Gretna and dedicated for the following purposes:

1/4 percent is levied by law enforcement

1954 ½ percent sales tax collected solely for the purpose of constructing and maintaining public roads, highways and bridges within the city

1966 ½ percent sales tax collected for general purposes determined by the Council

1981 ½ percent sales tax is collected and distributed as follows:

1/3 of ½ percent collected parishwide is dedicated for operation and maintenance of city drainage facilities

2/3 of ½ percent collected for operation, maintenance, and capital improvements of drainage and sewerage facilities

**CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Revenues and Expenditure Recognition (Continued)

b. Sales and Use Tax. (Continued)

1984 1 percent sales tax is collected and distributed as follows:

7/8 percent was dedicated to the purchase, construction, acquisition and improvement of the Sewer Capital Program. In 1998, a rededication and extension of this tax was approved to dedicate revenues to the cost of maintenance and replacement of sewerage facilities, and the construction, improvement or maintenance of public roads, streets, or highways located in the city, including the cost of reconstruction, rehabilitation, base stabilization, drainage, adjustments and related sidewalks and curbs. The proceeds of the tax collected within the boundaries, as presently constituted, of each municipality within the Parish shall be returned to each municipality to be used for any lawful purpose. The remaining 1/8 percent of tax collected is to provide funds for law enforcement purposes.

c. Revenues Susceptible to Accrual. Under the modified accrual basis of accounting, some revenues are susceptible to accrual while others are not. Major revenues treated as susceptible to accrual are property taxes, sales taxes, franchise fees, charges for services, and certain state shared revenues such as beer tax.

16. Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the statement of financial position reports separate sections for deferred outflows of resources and deferred inflows of resources. The City currently reports a deferred inflow on deferred revenue as well as deferred outflows and inflows related to its participation in a defined pension plan and other postemployment benefits.

Deferred Outflows of Resources- Represents consumption of resources that are applicable to future reporting periods that will be reported in a separate section after assets.

Deferred Inflows-Deferred Revenue- Represents acquisition of resources that are applicable to a future reporting period that will be reported in separate section after liabilities.

NOTE B – STEWARDSHIP AND ACCOUNTABILITY

1. Budgets and Budget Monitoring

The City adopts annual budgets for its governmental and enterprise funds on a basis consistent with generally accepted accounting principles. Details of the budget adoption process are presented at Note A-5.

The City was in compliance with Louisiana Revised Statute 39:1301 in regards to the adoption of its budget.

a. The Capital Projects Fund is presented with budgetary information for presentation purposes only. Capital projects are budgeted on a project basis as opposed to a fiscal year basis.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE B – STEWARDSHIP AND ACCOUNTABILITY (Continued)

2. Deposits and Investment Laws and Regulations

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. As reflected in Note C-1 regarding cash, cash equivalents, and investments, the City was in compliance with the deposits and investments laws and regulations.

3. Deficit Fund Equity

As of March 31, 2020, no City funds had deficit fund equities.

4. Compliance With Bond and Other Debt Covenants

As of March 31, 2020, the City was in compliance in all material respects with its various bond and debt covenants.

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNTS

1. Cash, Cash Equivalents and Investments

a. Cash and Cash Equivalents.

At March 31, 2020, the City's cash and cash equivalents (book balances) total \$29,534,854 of which \$29,532,564 is in interest-bearing demand deposits, \$0 is in non-interest bearing demand deposits and cash on hand is \$2,290. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance and/or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. The securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually agreeable to both parties.

Custodial Credit Risk – Deposits. At March 31, 2020, the City had \$30,058,150 in deposits (collected bank balances). These deposits were fully secured from risk by \$750,000 of federal deposit insurance and \$33,372,988 pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3) and therefore not exposed to custodial credit risk.

Even though the deposits are considered uncollateralized (Category 3) under the provisions of GASB Statement 3 since the pledged securities are held, LSA-R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified by the city that the fiscal agent bank has failed to pay deposited funds upon demand.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

1. Cash, Cash Equivalents and Investments (Continued)

b. Investments

The City's investments in the Louisiana Asset Management Pool (LAMP) total \$427,447. LAMP is a local government investment pool established as a cooperative effort to enable public entities of the State of Louisiana to aggregate funds for investments.

In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.165 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and state-wide professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 60 days, and consists of no security with a maturity in excess of 397 days. The fair value of a share in LAMP is the same as the book value (i.e., a share in the pool is always worth \$1.00 per share). LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

Interest Rate Risk - Interest Rate Risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal investment policy that limits maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to fully recover the value of the investment. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission.

A copy of the LAMP's audited financial report can be obtained on the LAMP website, www.lamppool.com.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include ad valorem, sales taxes, franchise taxes, and grants. Business-type activities report utilities earnings as their major receivable.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as ad valorem, sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

The following is a summary of receivables for March 31, 2020, net of allowances for uncollectible amounts where applicable:

Class of Receivable	General Fund	Special Revenue Funds	Proprietary Funds
Taxes:			
Ad valorem	\$ 93,126	\$ 126,279	\$ 14,804
Sales and use	744,702	-	-
Intergovernmental			
Federal-grant	3,965	806,496	-
State-grant	-	422,161	-
Other	203,203	337,196	-
Other:			
Accounts	-	217,605	869,784
Other	482,220	-	-
Total	<u>\$ 1,527,216</u>	<u>\$ 1,909,737</u>	<u>\$ 884,588</u>

Uncollectible amounts due for ad valorem taxes and customers' utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. The following details the description and amount of the allowance for uncollectible accounts at March 31, 2020.

CITY OF GRETN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2. Receivables (Continued)

Class of Receivable	General Fund	Special Revenue Funds	Proprietary Funds
Taxes:			
Ad valorem	\$ 128,495	\$ 208,781	\$ 24,947
Other:			
Accounts	<u>-</u>	<u>46,741</u>	<u>137,550</u>
 Total	 <u>\$ 128,495</u>	 <u>\$ 255,522</u>	 <u>\$ 162,497</u>

3. Capital Assets

The following is a summary of the changes in capital assets for the fiscal year ended March 31, 2020:

Governmental Activities:	Balance March 31, 2019	Increases	Decreases	Balance March 31, 2020
Capital Assets Not Depreciated				
Land	\$ 3,690,800	\$ 1,869,080	\$ -	\$ 5,559,880
Other Capital Assets:				
Buildings & improvements	\$ 55,375,096	\$ -	\$ -	\$ 55,375,096
Furniture, fixtures and equipment	11,508,901	218,986	-	11,727,887
Vehicles and road machinery	6,792,215	199,984	301,415	6,690,784
Construction in progress	9,956,358	1,734,079	6,125	11,684,312
Historical Infrastructure	17,273,617	-	-	17,273,617
Total Other Capital Assets	<u>\$ 100,906,187</u>	<u>\$ 2,153,049</u>	<u>\$ 307,540</u>	<u>\$ 102,751,696</u>
Less Accumulated Depreciation:				
Buildings & improvements	\$ 14,429,145	\$ 2,064,880	\$ -	\$ 16,494,025
Furniture, fixtures and equipment	9,315,124	485,073	-	9,800,197
Vehicles and road machinery	3,864,302	589,028	273,738	4,179,592
Construction in progress	-	-	-	-
Historical Infrastructure	11,377,688	411,792	-	11,789,480
Total Accumulated Depreciation	<u>\$ 38,986,259</u>	<u>\$ 3,550,773</u>	<u>\$ 273,738</u>	<u>\$ 42,263,294</u>
Other Capital Assets Net	\$ 61,919,928	\$ (1,397,724)	\$ 33,802	\$ 60,488,402
Totals	<u>\$ 65,610,728</u>	<u>\$ 471,356</u>	<u>\$ 33,802</u>	<u>\$ 66,048,282</u>

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

3. Capital Assets (Continued)

Governmental activities capital assets net of accumulated depreciation at March 31, 2020, are comprised of the following:

General Capital Assets, Net	\$ <u>66,048,284</u>
Total	\$ <u>66,048,284</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 406,996
Public Safety	1,371,303
Public Works	1,334,630
Culture and Recreation	437,844
Total	<u>\$ 3,550,773</u>

The following is a summary of changes in capital assets for business-type activities for the fiscal year ended March 31, 2020:

	<u>March 31, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>March 31, 2020</u>
Business-Type Activities:				
Land	\$ 299,988	\$ -	\$ -	\$ 299,988
Buildings	16,762,716	-	-	16,762,716
Furniture and fixtures	25,951	-	-	25,951
Equipment and vehicles	35,787,804	809,664	-	36,597,468
Construction in progress	763,759	367,133	813,630	317,262
	<u>\$ 53,640,218</u>	<u>\$ 1,176,797</u>	<u>\$ 813,630</u>	<u>\$ 54,003,385</u>
Less: Accumulated Depreciation for:				
Buildings and equipment	<u>26,473,611</u>	<u>1,369,159</u>	<u>-</u>	<u>27,842,770</u>
Total	<u>\$ 27,166,607</u>	<u>\$ (192,362)</u>	<u>\$ 813,630</u>	<u>\$ 26,160,615</u>

Property, plant, and equipment are stated at cost, less an allowance for accumulated depreciation. Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets as follows:

Buildings	25-40 years
Equipment	5-20 years
Infrastructure	20-40 years

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

3. Capital Assets (Continued)

Capital outlays are reported as expenditures in the governmental funds; however, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. The adjustment from governmental funds to the government-wide statements is summarized as follows:

Primary Government

Capital outlay	\$ 4,080,839
Gain on sale of assets	(27,677)
Depreciation expense	<u>(3,550,773)</u>
Total Adjustment	<u>\$ 502,389</u>

4. Long-Term Debt

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

The following is a summary of changes in long-term debt for the year ended March 31, 2020:

Type of Debt	March 31, 2019	Additions	Reductions	March 31, 2020	Due Within One Year
Governmental Activities, net:					
Tax Bonds	\$ 10,486,000	\$ -	\$ 935,000	\$ 9,551,000	\$ 951,000
Revenue Bonds	-	8,880,000	-	8,880,000	290,000
Premiums	-	1,359,441	-	1,359,441	-
Promissory Note	64,835	-	64,835	-	-
EPA Brownsfield Loan	488,500	-	-	488,500	-
Net Pension Liability	23,074,678	2,434,468	-	25,509,146	-
Other Post Employment Benefits OPEB	991,431	200,723	-	1,192,154	-
Compensated Absences	<u>2,053,577</u>	<u>1,712</u>	<u>-</u>	<u>2,055,289</u>	<u>315,977</u>
Total General Long-Term Debt	<u>\$ 37,159,022</u>	<u>\$ 12,876,344</u>	<u>\$ 999,835</u>	<u>\$ 49,035,530</u>	<u>\$ 1,556,977</u>
Business-Type Activities:					
Water Fund 2015 Bond Issue	\$ 317,500	\$ -	\$ 50,000	\$ 267,500	\$ 50,000
Sewer Fund 2015 Bond Issue	317,500	-	50,000	267,500	50,000
Net Pension Liability	3,472,790	172,043	-	3,644,833	-
Compensated Absences	<u>175,000</u>	<u>-</u>	<u>16,427</u>	<u>158,573</u>	<u>53,026</u>
Total Business Type Activities Debt	<u>\$ 4,282,790</u>	<u>\$ 172,043</u>	<u>\$ 116,427</u>	<u>\$ 4,338,406</u>	<u>\$ 153,026</u>

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

4. Long-Term Debt (Continued)

Bonded debt as of March 31, 2020, is comprised of the following governmental activities serial bond issues:

Description	Interest Rates	Final Maturity Date	Range of Annual Principal Payment		Amount Outstanding
			From	To	
Sales tax bonds:					
6/8/2010 issue of \$3,228,000	0.45	2/1/2029	170,000	185,000	1,601,000
11/13/2014 refunding of \$6,085,000	2.05	2/1/2024	660,000	715,000	2,770,000
12/16/2016 refunding of \$5,025,000	1.7	2/1/2029	60,000	980,000	5,180,000
LCDA revenue bonds:					
3/12/2020 issue of \$8,800,000	4.00	3/1/2038	290,000	1,135,000	8,880,000
Unamortized portion of related bond premium					1,359,441
Subtotal					19,790,441
EPA Brownsfield Loan	0.00	n/a	-	-	488,500
Total					\$ 20,278,941

Governmental Activities:

Sales Tax Bonds:

In 2010, the City issued \$3,228,000 of Sales Tax Bonds Series 2009A-State Revolving Fund purchased by “DEQ” for the purpose of wastewater treatment plant upgrades and rehabilitation. The bonds are secured by an irrevocable pledge and dedication of the proceeds of the City’s 1955 1% and 1966 ½% Sales and Use Tax.

In 2014, the City issued \$6,085,000 of Sales Tax Refunding Bonds Series 2014 with a 2.05% interest rate. The City issued the bonds for the purpose of refunding \$6,375,000 aggregate principal amount of the Series 2004 Sales Tax Bonds. The advance refunding reduced total debt service payments over the next 10 years by \$640,679 or an annual average reduction of \$56,699. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$579,689. The refunded bonds are secured by an irrevocable pledge and dedication of the proceeds of the City’s 1955 1% and 1966 ½% Sales and Use Tax.

In 2016, the City issued \$5,360,000 of Sales Tax Refunding Bonds Series 2016 with a 1.70% interest rate. The City issued the bonds for the purpose of refunding \$4,890,000 aggregate principal amount of the Series 2009B Sales Tax Bonds. The advance refunding reduced total debt service payments over the next 13 years by \$751,302 or an annual average reduction of \$57,793. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$620,255. The refunded bonds are secured by an irrevocable pledge and dedication of the proceeds of the City’s 1955 1% and 1966 ½% Sales and Use Tax.

In 2020, the City issued \$8,880,000 of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds Series 2020 with a 4.00% interest rate. The City issued the bonds for the purpose of acquiring, constructing, replacing, improving and maintaining a fire station and other capital improvements in the City. The bonds are secured by an irrevocable pledge and dedication of the proceeds of the City’s Lawfully Available Funds.

At March 31, 2020, \$1,549,631 was available in the debt service fund for servicing of these bonds.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

4. Long-Term Debt (Continued)

Compensated Absences:

Effective December 12, 2012, the City's annual (vacation) and sick leave policy was revised. Each employee shall earn and accumulate sick leave with pay at the rate of 6.5 days per year. After the completion of 3 years of continuous employment each employee shall earn 13 days per year. Employees may never accrue more than 45 days of sick leave.

Full Time employees of the City with less than 5 years of continuous service shall accumulate vacation time at the rate of 10.4 days per year. An employee with more than 5 but less than 10 years of continuous service shall accumulate vacation time at the rate of 13 days per year. Employees with 10 or more years of continuous service shall accumulate vacation time at the rate of 15.6 days per year. Employees having 20 years of continuous service shall accumulate vacation time at the rate of 19.5 days per year. Employees may never accrue more than 60 days of vacation. Therefore, once an employee has accrued 60 days of vacation, vacation hours must be used in order to accrue more hours. Employees may elect an option to sell days at a rate of 50% of their current rate of pay.

Full Time employees of the Police Department with less than 10 years of continuous service shall accumulate vacation time at the rate of 15 days per year. Police Department employees with at least 11 years but less than 15 years shall accumulate vacation time at a rate of 18 days per year. Police Department employees with at least 16 years accumulate vacation time at a rate of 21 days per year. Employees may elect an option to sell days at a rate of 50% of their current rate of pay.

At March 31, 2020, the amount of accumulated annual and sick leave and salary-related cost was \$2,055,289 for all governmental funds with a current liability of \$315,977 and \$158,573 for the proprietary funds with a current liability of \$53,026.

Business-Type Activities:

Limited Tax Bonds:

In 2015, the City issued \$1,000,000 of Limited Tax Revenue Bonds Series 2016 for the purpose of making capital improvements and acquiring equipment, including water meter upgrades. The bonds are secured by an irrevocable pledge and dedication of the proceeds derived from the levy and collection of a special tax of 4.03 mills which the Issuer is authorized to impose and collect in each year through the year 2025.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

4. Long-Term Debt (Continued)

Annual debt service to maturity on bonds, including interest of \$4,941,158 are as follows:

Year Ending Date	Sales Tax Bonds Series 2009A	Sales Tax Refunding Bonds Series 2014	Sales Tax Refunding Bonds Series 2016	Sales Tax Refunding Bonds Series 2020	Utility Limited Tax Bond Series 2015	Total
3/31/2021	\$ 186,210	\$ 726,785	\$ 198,060	\$ 595,753	\$ 110,968	\$ 1,817,776
3/31/2022	186,585	728,050	196,190	651,350	113,918	1,876,093
3/31/2023	186,942	729,008	194,320	651,900	111,765	1,873,935
3/31/2024	186,279	729,657	197,450	653,900	114,613	1,881,899
3/31/2025	186,607	-	995,495	650,300	117,358	1,949,760
3/31/26-3/31/30	745,385	-	3,983,710	3,262,800	-	7,991,895
3/31/31-3/31/35	-	-	-	3,258,600	-	3,258,600
3/31/36-3/31/40	-	-	-	3,257,200	-	3,257,200
Total debt service to maturity	\$ 1,678,008	\$ 2,913,500	\$ 5,765,225	\$ 12,981,803	\$ 568,622	\$ 23,907,158
Less amounts representing interest:						
3/31/2021	\$ 15,210	\$ 56,785	\$ 88,060	\$ 305,753	\$ 10,969	\$ 476,777
3/31/2022	13,585	43,050	86,190	336,350	8,918	488,093
3/31/2023	11,942	29,008	84,320	326,900	6,765	458,935
3/31/2024	10,279	14,657	82,450	313,900	4,613	425,899
3/31/2025	8,607	-	80,495	300,300	2,358	391,760
3/31/26-3/31/30	17,385	-	163,710	1,287,800	-	1,468,895
3/31/31-3/31/35	-	-	-	873,600	-	873,600
3/31/36-3/31/40	-	-	-	357,200	-	357,200
Total interest	77,008	143,500	585,225	4,101,803	33,623	4,941,159
Total principal	\$ 1,601,000	\$ 2,770,000	\$ 5,180,000	\$ 8,880,000	\$ 535,000	\$ 18,966,000

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

5. Segments of Enterprise Activities

Some services provided by the City of Gretna, Louisiana, are financed by user charges, specifically the City's Municipal Waterworks and Sewer Systems. The significant financial data for these enterprises are as follows:

	Water System	Sewerage	Total
Operating Revenues	\$ 3,440,703	\$ 3,261,089	\$ 6,701,792
Operating Expenses			
Depreciation	528,045	841,113	1,369,158
Other Expenses	2,662,990	2,602,689	5,265,679
Total Operating Expenses	3,191,035	3,443,802	6,634,837
Operating Income (Loss)	249,668	(182,713)	66,955
Nonoperating Revenues (Expense)	5,491	409,628	415,119
Net Income (Loss)	255,159	226,915	482,074
Change in Net Position	255,159	226,915	482,074
Beginning Net Position	7,888,563	16,256,377	24,144,940
Ending Net Position	\$ 8,143,722	\$ 16,483,292	\$ 24,627,014

A single revenue stream is not dedicated for the repayment of debt; therefore, the condensed financial information for the statement of net position and cash flows is not presented.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

6. Interfund Transfers

The following is a summary of the operating transfers between funds during the fiscal year ended March 31, 2020:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund:		
Capital Projects Fund	\$ -	\$ 450,732
Grant Fund	-	31,098
Tourism Fund	-	150,000
Total General Fund	<u>-</u>	<u>631,830</u>
Special Revenue Funds:		
Capital Projects Fund	3,454,693	-
Debt Service Fund	186,825	10,003,961
Grant Fund	31,098	-
Fire Fund	7,000,000	-
Tourism Fund	150,000	-
Total Special Revenue Funds	<u>10,822,616</u>	<u>10,003,961</u>
Enterprise Fund:		
Sewer	-	186,825
Total Enterprise Funds	<u>-</u>	<u>186,825</u>
Total All Funds	<u>\$ 10,822,616</u>	<u>\$ 10,822,616</u>

The General Fund transfers funds earmarked in prior years and budgeted for specific construction and tourism related activities. Other transfers from the General Fund were made to meet various one-time obligations. The Capital Projects Fund also allocated district specific funds for public works projects to the General Fund.

7. Interfund Receivables and Payable

The following is a summary of the Governmental Funds Balance Sheet interfund receivables and payables at March 31, 2020:

	<u>Due From</u>	<u>Due To</u>
General Fund:		
Court Security Fund	\$ 110,118	\$ -
Tourism Fund	109,928	-
Total General Fund	<u>220,046</u>	<u>-</u>
Special Revenue Funds:		
Court Security Fund	-	110,118
Tourism Fund	-	109,928
Total Special Revenue Funds	<u>-</u>	<u>220,046</u>
Enterprise Funds:		
Water	-	-
Sewer	-	-
Total Enterprise Funds	<u>-</u>	<u>-</u>
Total All Funds	<u>\$ 220,046</u>	<u>\$ 220,046</u>

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

7. Interfund Receivables and Payable (Continued)

The special revenue fund balances represent short-term receivables and payables incurred in the normal course of the City operations.

8. Fund Balances

The following illustrates the specific purposes of each classification of fund balance in the financial statements:

	General Fund	Major Governmental Funds	Other Governmental Funds	Total
Nonspendable:				
Prepaid items	\$ 319,664	\$ -	\$ -	\$ 319,664
Restricted:				
Debt service	-	1,549,631	-	1,549,631
Committed:				
Capital projects fund	-	5,442,168	-	5,442,168
Encumbrances	67,478	6,226	-	73,704
Emergency preparation	271,908	-	-	271,908
Contingencies	228,379	-	-	228,379
Seperation and settlement	440,000			
Total Committed:	<u>1,007,765</u>	<u>5,448,394</u>	<u>-</u>	<u>6,456,159</u>
Assigned:				
Court management	240,551	-	-	240,551
Culture & recreation	-	-	818,554	818,554
Economic Investment	27,814	-	-	27,814
Property Seizure	272,877	-	-	272,877
Public works	-	-	1,354,073	1,354,073
Public safety	-	11,305,125	436,736	11,741,861
Subsequent year expenditures	-	480,021	-	480,021
Total Assigned:	<u>541,242</u>	<u>11,785,146</u>	<u>2,609,363</u>	<u>14,935,751</u>
Unassigned:	<u>6,175,231</u>	<u>-</u>	<u>-</u>	<u>6,175,231</u>
Total Fund Balance	<u><u>\$ 8,043,902</u></u>	<u><u>\$ 18,783,171</u></u>	<u><u>\$ 2,609,363</u></u>	<u><u>\$ 29,436,436</u></u>

**CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020**

NOTE D – TAX ABATEMENTS

As of March 31, 2020, the City provides tax abatement through one program – the River Express Development Zone 1. This is a local sales tax increments and local ad valorem (property) tax economic development incentive program. The program is authorized under Part II, Chapter 27, Title 33 of the Louisiana Revised Statutes of 1950, as amended (LA. R.S. 33:9038.31, *et seq.*) (the “EDD Act”). Therefore, the City created such a program for the furtherance of economic development projects funded through the incremental increases in such sales taxes with a sales tax match from the City and property taxes collected in the designated district. The qualification requires infrastructure improvements within the district to be reimbursed at a maximum of \$2,000,000 within eight years from the certificate of occupancy of the first development on the site of the district.

The amount of tax abatements granted during 2020 under this program is as follows:

Sales Tax \$176,845

NOTE E – OTHER NOTES

1. Retirement Plans

Substantially all employees of the City are required by State law to belong to retirement plans administered by the Municipal Employees’ Retirement System of Louisiana (MERS) or the Municipal Police Employees’ Retirement System of Louisiana (MPERS), both of which are administered on a statewide basis. Each plan issues a separate financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing or calling the plan.

Municipal Employees’ Retirement System of Louisiana
7937 Office Park Boulevard
Baton Rouge, LA 70809
(225) 925-4810
www.mersla.com

Municipal Police Employees’ Retirement System of Louisiana
7722 Office Park Boulevard, Suite 200
Baton Rouge, LA 70809-7601
(225) 929-7411
www.lampers.org

Disclosures relating to these plans follow:

Municipal Employees’ Retirement System of Louisiana (MERS)

Plan Description. Municipal Employees’ Retirement System of Louisiana (the System) is the administrator of a cost-sharing, multiple-employer defined benefit pension plan. The System was originally established by Act 356 of the 1954 regular session of the Legislature of the State of Louisiana.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE E – OTHER NOTES (Continued)

1. Retirement Plans (Continued)

The System provides retirement benefits to employees of all incorporated villages, towns and cities within the State which do not have their own retirement system and which elect to become members of the System. For the year ended June 30, 2019, there were 87 contributing municipalities in Plan A.

Eligibility Requirements. Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least thirty-five hours per week. Those individuals paid jointly by a participating employer and the parish are not eligible for membership in the System with exceptions as outlined in the statutes.

Benefits Provided. The following is a description of the plan and its benefits, and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

Any member of Plan A who was hired before January 1, 2013, can retire providing the member meets one of the following criteria:

1. Any age with twenty-five (25) or more years of creditable service.
2. Age 60 with a minimum of ten (10) years of creditable service.
3. Any age with 20 years of creditable service, exclusive of military service with an actuarially reduced early benefit.

Eligibility for retirement for Plan A members hired on or after January 1, 2013, is as follows:

1. Age 67 with seven (7) or more years of creditable service.
2. Age 62 with ten (10) or more years of creditable service.
3. Age 55 with thirty (30) or more years of creditable service.
4. Any age with twenty-five (25) years of creditable service, with actuarially reduced early benefit.

Generally, the monthly amount of the retirement allowance for any member of Plan A shall consist of an amount equal to three percent of the member's monthly average final compensation multiplied by his years of creditable service. Final compensation is the average monthly earnings during the highest sixty consecutive months, or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE E – OTHER NOTES (Continued)

1. Retirement Plans (Continued)

Survivor Benefits

Upon death of any member of Plan A with five (5) or more years of creditable service, not eligible for retirement, the plan provides for benefits of the surviving spouse and/or minor children as outlined in the statutes.

Any Plan A member who is eligible for normal retirement at the time of death and who leaves a surviving spouse will be deemed to have retired and selected Option 2 benefits on behalf of the surviving spouse on the date of death. Such benefits will begin only upon proper application and are paid in lieu of any other survivor benefits.

Deferred Retirement Option Plan (DROP)

In lieu of terminating employment and accepting a service retirement allowance, any member who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. Interest is earned when the member has completed DROP participation. Interest earnings are based upon the actual rate of return on the investments identified as DROP funds for the period. In addition, no cost-of-living increases are payable to participants until employment which made them eligible to become members of the System has been terminated for at least one full year.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments in the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the board of trustees. If a participant dies during participation in the DROP, a lump sum equal to the balance in his account shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the three years, payments into the DROP fund cease and the person resumes active contributing membership in the System.

Disability Benefits

For Plan A, a member shall be eligible to retire and receive a disability benefit if he has at least five years of creditable service, is not eligible for normal retirement, and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of forty-five percent of his final average compensation or three percent of his final average compensation multiplied by his years of creditable service whichever is greater or an amount equal to three percent of the member's final average compensation multiplied by his years of creditable service projected to this earliest normal retirement age.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE E – OTHER NOTES (Continued)

1. Retirement Plans (Continued)

Cost of Living Increases

The System is authorized under state law to grant a cost of living increase to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State law allows the System to grant an additional cost of living increase to all retirees and beneficiaries who are age sixty-five and above equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.

Deferred Benefit

The plan provides for deferred benefits for members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits will become payable. Benefits are based on statutes in effect at time of withdrawal.

Contributions. According to State Statute, contribution requirements for all employers are actuarially determined each year. For the System's year ending June 30, 2019, the actual employer contribution rate was 26.00% and the actual employee rate was 9.50% for Plan A. The City contributes both the employee and employer amounts and takes no deductions from the employees' pay for employees hired prior to April 1, 2013.

In accordance with State Statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations. The City's proportionate share of these non-employer contributions totaled \$191,012 during the measurement period, of which \$145,914 is for governmental activities and \$45,098 is for business-type activities.

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

At March 31, 2020, the City reported a liability of \$12,438,212 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2019, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The City's proportion of the Net Pension Liability was based on a projection of the City's projected contribution effort to the plan for the next fiscal year as compared to the total of all employers' projected contribution effort to the plan for the next fiscal year actuarially determined. At June 30, 2019, the City's proportion was 2.976602%, which was an increase of 0.148677% from its proportion measured as of June 30, 2018.

For the year ended March 31, 2020, the City recognized pension expense of \$2,817,422 plus employers' amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$103,088.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE E – OTHER NOTES (Continued)

1. Retirement Plans (Continued)

At March 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 303,479
Changes in assumptions	314,328	-
Differences between projected and actual investment earnings	1,233,604	-
Changes in proportionate share of the NPL	398,762	-
Differences between the City's contributions and proportionate share of contributions	108,583	-
City's contributions subsequent to the March 31, 2020 measurement date	1,410,065	-
Total	\$ 3,465,342	\$ 303,479

Deferred outflows of resources of \$1,410,065 related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of Net Pension Liability in the year ended March 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending March 31	Amount of Amortization
2021	\$ 993,835
2022	496,869
2023	157,536
2024	103,558
	<u>\$1,751,798</u>

Actuarial Methods and Assumptions. A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019, are as follows:

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	3 years
Investment Rate of Return	7.0% net of investment expense
Inflation Rate	2.5%
Salary Increases, including inflation and merit increases	6.40% -1 to 4 years of service 4.50% - More than 4 years of service
Annuitant and Beneficiary Mortality	PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
Employee Mortality	PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
Disabled Lives Mortality	PubNS-2010(B) Disable Retiree Table set equal to 120% for males and females with the full generational MP2018 scale.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE E – OTHER NOTES (Continued)

1. Retirement Plans (Continued)

Discount Rate

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 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.

Best estimates of arithmetic real rates of return for each major asset class included in the System’s target allocation as of June 30, 2019, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Public Equity	50%	2.15%
Public Fixed Income	35%	1.51%
Alternatives	15%	0.64%
Totals	100%	4.30%
Inflation		2.70%
Expected Arithmetic Nominal Return		7.00%

The expected discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System’s actuary. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in the Discount Rate

The following presents the Net Pension Liability of the City calculated using the discount rate of 7.00%, as well as what the City’s Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate calculated at June 30, 2019.

	Changes in Discount Rate-Plan A		
	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City’s proportionate share of the Net Pension Liability	\$16,217,204	\$ 12,438,212	\$ 9,243,200

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE E – OTHER NOTES (Continued)

1. Retirement Plans (Continued)

Payables to the Pension Plan

At March 31, 2020, the City had no payables due to MERS.

Municipal Police Employees' Retirement System of Louisiana (MPERS)

Plan Description. The Municipal Police Employees' Retirement System of Louisiana (the System) is a cost-sharing, multiple-employer defined benefit plan. Membership in the System is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing he or she does not have to pay social security and providing he or she meets the statutory criteria. The System provides retirement benefits for municipal police officers. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefits Provided. Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211-11:2233. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

Membership prior to January 1, 2013 – A member is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55. A member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age with an actuarially reduced benefit.

Benefit rates are three and one-third percent of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

Upon the death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from forty to sixty percent of the member's average final compensation for the surviving spouse. In addition, each child under age eighteen receives benefits equal to ten percent of the member's average final compensation or \$200 per month, whichever is greater.

Membership Commencing January 1, 2013 – Member eligibility for regular retirement, early retirement, disability and survivor benefits are 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 System 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 System for 30 years of creditable services at any at, 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

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE E – OTHER NOTES (Continued)

1. Retirement Plans (Continued)

after he has been a member of the System for 20 years of creditable service at any age, with actuarially reduced benefit from age 55.

Under the Hazardous and Non Hazardous Duty sub plans, the benefit rates are three percent and two and a half percent, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

Upon the death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from twenty-five to fifty-five percent of the member's average final compensation for the surviving spouse. In addition, each child under age eighteen receives benefits equal to ten percent of the member's average final compensation or \$200 per month, whichever is greater. If deceased member had less than ten years of service, beneficiary will receive a refund of employee contributions only.

Cost-of-Living Adjustments

The MPERS Board of Trustees is authorized to provide annual cost of living adjustments computed on the amount of the current regular retirement, disability, beneficiary, or survivor's benefit, not to exceed 3% in any given year. The Board is authorized to provide an additional 2% COLA, computed on the member's original benefit, to all regular retirees, disability, survivors, and beneficiaries who are 65 years of age or older on the cut-off date which determines eligibility.

No regular retiree, survivor, or beneficiary shall be eligible to receive a cost-of-living adjustment until benefits have been received at least one full year and the payment of such COLA, when authorized, shall not be effective until the lapse of at least one-half of the fiscal year.

Members who elect early retirement are not eligible for a cost of living adjustment until they reach regular retirement age.

Deferred Retirement Option Plan (DROP)

A member is eligible to elect to enter the Deferred Retirement Option Plan (DROP) when he is eligible for regular retirement based on the member's sub plan participation. Upon filing the application for the program, the employee's active membership in the System is terminated. At the entry date into the DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at the date of application. The duration of participation in the DROP is thirty-six months or less. If employment is terminated after the three-year period, the participant may receive his benefits by lump sum payment or by a true annuity.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE E – OTHER NOTES (Continued)

1. Retirement Plans (Continued)

Deferred Retirement Option Plan (DROP) (Continued)

If employment is not terminated, active contributing membership into the System shall resume and upon later termination, he shall receive additional retirement benefits based on the additional service. For those eligible to enter DROP prior to January 1, 2004, DROP accounts shall earn interest subsequent to the termination of DROP participation at a rate of half of one percentage point below the percentage rate of return of the System's investment portfolio as certified by the actuary on an annual basis but will never lose money. For those eligible to enter DROP subsequent to January 1, 2004, an irrevocable election is made to earn interest based on the System's investment portfolio return or a money market investment return. This could result in a negative earnings rate being applied to the account.

If the member elects a money market investment return, the funds are transferred to a government money market account.

Initial Benefit Option Plan

In 1999, the State Legislature authorized the System to establish an Initial Benefit Option (IBO) program. IBO is available to members who are eligible for regular retirement and have not participated in DROP. The IBO program provides both a one-time single lump sum payment of up to 36 months of regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest is computed on the balance based on the same criteria as DROP.

Contributions. Contributions for all members are actuarially determined as required by state law but cannot be less than 9% of the employees' earnable compensation excluding overtime but including state supplemental pay.

For the year ended June 30, 2019, total contributions for the System due from employers and employees were 42.25%. The employer and employee contribution rates for all members hired prior to January 1, 2013, and Hazardous Duty members hired after January 1, 2013, were 32.25% and 10%, respectively. The employer and employee contribution rates for all Non-Hazardous Duty members hired after January 1, 2013, were 32.25% and 8%, respectively. The employer and employee contribution rates for all members whose earnable compensation is less than or equal to the poverty guidelines issued by the United States Department of Health and Human Services were 34.75% and 7.5%, respectively.

Non-Employer Contributions

The System also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the Legislature each year based on an actuarial study. Non-employer contributions were recognized as revenue during the year ended June 30, 2019, and excluded from pension expense. The City's proportionate share of these non-employer contributions totaled \$378,928 during the measurement period.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE E – OTHER NOTES (Continued)

1. Retirement Plans (Continued)

Non-Employer Contributions (Continued)

The City's contractually required composite contribution rate for the year ended March 31, 2020, was 32.25% of annual payroll from April 1, 2019, to June 30, 2019, and 32.50% from July 1, 2019, to March 31, 2020, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Additionally, the City contributes both the employee and employer amounts and takes no deductions from the employees' pay for employees hired prior to April 1, 2013.

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

At March 31, 2020, the City reported a liability of \$16,715,767 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2019, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The City's proportion of the Net Pension Liability was based on a projection of the City's projected contribution effort to the plan for the next fiscal year as compared to the total of all employers' projected contribution effort to the plan for the next fiscal year, actuarially determined. At June 30, 2019, the City's proportion was 1.840604%, which is an increase of 0.085478% from its proportion measure as of June 30, 2018.

For the year ended March 31, 2020, the City's recognized pension expense of \$3,483,765 plus the City's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions of \$65,455

At March 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 35,074	\$ 514,269
Changes in assumptions	1,085,996	-
Differences between projected and actual investment earnings	936,721	-
Changes in proportionate share of the NPL	505,831	55,934
Differences between the City's contributions and proportionate share of contributions	42,690	-
City's contributions subsequent to the March 31, 2020 measurement date	1,630,402	-
Total	\$ 4,236,714	\$ 572,203

**CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020**

NOTE E – OTHER NOTES (Continued)

1. Retirement Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Deferred outflows of resources of \$1,630,402 related to pensions resulting from the City’s contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended March 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ending March 31</u>	<u>Amount of Amortization</u>
2021	\$ 1,062,589
2022	140,458
2023	559,930
2024	271,132
	<u>\$ 2,034,109</u>

Actuarial Methods and Assumptions. A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019, are as follows:

Valuation Date	June 30, 2019	
Actuarial Cost Method	Entry Age Normal	
Investment Rate of Return	7.125% net of investment expense	
Expected Remaining Service Lives	4 years	
Inflation Rate	2.50% per annum	
Salary Increases, including Inflation and Merit	Years of <u>Service</u>	Salary Growth <u>Rate</u>
	1-2	9.75%
	3-23	4.75%
	Over 23	4.25%
Mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2029 by Scale AA (set back 1 year for females) for healthy annuitants and beneficiaries RP-2000 Disabled Lives Table set back 5 years for males and set back 3 years for females for disabled annuitants RP-2000 Employee Table set back 4 years for males and 3 years for females active members	
Cost-of-Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not included provisions for potential future increases not yet authorized by the Board of Trustees.	

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE E – OTHER NOTES (Continued)

1. Retirement Plans (Continued)

The mortality rate assumption used was set based upon an experience study performed by the prior actuary on plan data for the period July 1, 2009, through June 30, 2014, and review of similar law enforcement mortality. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System’s liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

Best estimates of arithmetic real rates of return for each major asset class included in the System’s target allocation as of June 30, 2019, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Equity	48.50%	3.28%
Fixed Income	33.50%	0.80%
Alternatives	18.00%	1.06%
Other	.00%	0.00%
Totals	100%	5.14%
Inflation		2.75%
Expected Arithmetic Nominal Return		7.89%

The discount rate used to measure the total pension liability was 7.125%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System’s actuary. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in the Discount Rate.

The following presents the Net Pension Liability of the City calculated using the discount rate of 7.125%, as well as what the City’s Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower (6.125%) or one percentage point higher (8.125%) than the current rate calculated at June 30, 2019.

	1% Decrease 6.125%	Current Discount Rate 7.125%	1% Increase 8.125%
City’s proportionate share of the Net Pension Liability	\$ 23,290,571	\$ 16,715,767	\$ 11,200,164

**CITY OF GRETNA, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 MARCH 31, 2020**

NOTE E – OTHER NOTES (Continued)

1. Retirement Plans (Continued)

Payables to the Pension Plan

At March 31, 2020, the City had no payables due to MPERS.

2. On Behalf Payments for Salaries

Supplemental pay which is paid directly to employees of the City of Gretna by the State of Louisiana, Department of Public Safety, is recognized as intergovernmental revenue and salaries expenditure in the year in which paid. For the year ended March 31, 2020, the amount recognized as revenue and expenditure was \$551,601.

3. Postemployment Health Care and Life Insurance Benefits

General Information about the OPEB Plan

Plan description – The City of Gretna (the City) provides certain continuing health care and life insurance benefits for its retired employees. The City of Gretna’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the City. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the City. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

Benefits Provided – Medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. The employees are covered by two retirement systems whose retirement eligibility (D.R.O.P. entry) provisions are similar. We have used the following as representative of that eligibility: 25 years of service at any age, or age 60 and 10 years of service; for Police, 25 years of service at any age; age 50 and 20 years of service; age 55 and 12 years of service.

Employees covered by benefit terms – At March 31, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	9
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	236
	245

Total OPEB Liability

The City’s total OPEB liability of \$1,192,154 was measured as of March 31, 2020, and was determined by an actuarial valuation as of that date.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE E – OTHER NOTES (Continued)

3. Postemployment Health Care and Life Insurance Benefits (Continued)

Actuarial Assumptions and other inputs – The total OPEB liability in the March 31, 2020, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	3.79% annually (Beginning of Year to Determine ADC)
	2.27%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Flat 5.5% annually

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index on the applicable measurement dates.

The RP-2000 combined healthy without projection.

The actuarial assumptions used in the March 31, 2020, valuation were based on the results of ongoing evaluations of the assumptions from October 1, 2009, to March 31, 2020.

Changes in the Total OPEB Liability

Balance at March 31, 2019	\$ 991,431
Changes for the year:	
Service cost	22,776
Interest	35,326
Differences between expected and actual experience	113,637
Changes in assumptions	147,694
Benefit payments and net transfers	(118,710)
Net changes	<u>200,723</u>
Balance at March 31, 2020	<u>\$ 1,192,154</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 1-percentage-point lower (1.27%) or 1-percentage-point higher (3.27%) than the current discount rate:

	1.0% Decrease (1.27%)	Current Discount Rate (2.27%)	1.0% Increase (3.27%)
Total OPEB liability	\$ 1,410,013	\$ 1,192,154	\$ 1,020,463

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE E – OTHER NOTES (Continued)

3. Postemployment Health Care and Life Insurance Benefits (Continued)

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 1-percentage-point lower (3.0%) or 1-percentage-point higher (5.0%) than the current healthcare trend rates:

	1.0% Decrease (3.0%)	Current Trend (4.0%)	1.0% Increase (5.0%)
Total OPEB liability	\$ 1,075,659	\$ 1,192,154	\$ 1,455,119

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended March 31, 2020, the City recognized OPEB expense of \$79,824. At March 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 104,167	\$ (7,868)
Changes in assumptions	142,589	-
Total	\$ 246,756	\$ (7,868)

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

Years ending March 31:	
2021	21,722
2022	21,722
2023	21,722
2024	21,722
2025	21,722
Thereafter	130,276

4. Operating Leases

The City entered into an operating lease agreement for the lease of four vehicles for the Police Department. The lease term is for four years, which commenced in September 2017. The monthly lease payment beginning October 2017, is \$1,897. Rent expense for the year ended March 31, 2020, was \$20,863.

**CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020**

NOTE E – OTHER NOTES (Continued)

4. Operating Leases (Continued)

The City entered into an operating lease agreement for the lease of five vehicles for the Police Department. The lease term is for five years, which commenced in April 2018. The monthly lease payment beginning April 2018, is \$3,591. Rent expense for the year ended March 31, 2020, was \$43,093. The City entered into operating lease agreements for a variety of vehicles. The lease terms are for five years which have commenced at various periods between August 2016 and March 2019. The total monthly lease payments are \$11,874. Rent expense for the year ended March 31, 2020, was \$142,493.

The City entered into operating lease agreements for a variety of vehicles. The lease terms are for five years which have commenced at various periods between April 2019 and March 2020. The total monthly lease payments are \$4,778. Rent expense for the year ended March 31, 2020, was \$82,455, which included payments of \$31,303 for capitalized price reductions.

The City’s future minimum lease commitment under these operating leases as of March 31, 2020, is as follows:

<u>March 31</u>	<u>Amount Due</u>
2021	\$ 267,579
2022	240,496
2023	183,577
2024	123,860
2025	9,206
Total	<u>\$ 824,718</u>

5. Contingencies and Commitments

The City is a defendant in several lawsuits including claims for damages from wrongful deaths, civil rights violations, injuries, property damage and other actions. The City’s attorneys have evaluated the open claims for the likelihood of an unfavorable outcome to the City and an amount of potential loss. In most instances neither the outcome nor the amount of a potential loss could be estimated.

The City carries insurance for general liability coverage in the amount of \$3,000,000, wrongful act liability coverage in the amount of \$3,000,000, auto liability coverage in the amount of \$3,000,000, and excess liability coverage in the amount of \$10,000,000.

Deductibles under these coverage’s are \$100,000 per occurrence. The City’s third-party administrator has actuarially computed the City’s liability in all cases as of March 31, 2020, to be \$889,525. The city has not accrued a liability on its financial statements to provide for the estimated amount but it has provided a reserve of fund balance in its General Fund under the caption “Reserve for separation and settlement” in the amount of \$440,000. The remainder is unreserved.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE E – OTHER NOTES (Continued)

5. Contingencies and Commitments (Continued)

Effective April 1, 2020 the coverage limits were changed for auto liability of \$1,000,000 and deductibles for all coverages were increased to \$300,000.

6. Subsequent Events

Management of the City of Gretna has evaluated subsequent events through September 30, 2020, the date which the financial statements were available to be issued. The City is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF GRETNA, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
REVENUES						
Taxes	\$ 12,219,633	\$ 12,415,856	\$ 12,860,684	\$ -	\$ 12,860,684	\$ 444,828
Intergovernmental	1,789,285	1,937,284	1,965,258	-	1,965,258	27,974
Charges for services	371,000	343,500	337,884	-	337,884	(5,616)
Fines and forfeitures	2,996,620	3,217,350	3,137,216	-	3,137,216	(80,134)
Licenses and permits	1,041,155	1,167,055	1,236,833	-	1,236,833	69,778
Miscellaneous	551,271	954,844	1,216,621	-	1,216,621	261,777
Total revenues	<u>18,968,964</u>	<u>20,035,889</u>	<u>20,754,494</u>	<u>-</u>	<u>20,754,494</u>	<u>718,605</u>
EXPENDITURES						
Current:						
General government	2,913,765	2,964,202	2,938,880	1,657	2,940,537	23,665
Public safety	12,365,348	12,306,922	11,637,551	32,105	11,669,656	637,266
Public works	3,323,343	3,831,840	3,449,686	369	3,450,055	381,785
Cemetery	74,263	70,000	78,122	-	78,122	(8,122)
Capital outlay	139,833	2,102,183	2,166,429	(45,011)	2,121,418	(19,235)
Total expenditures	<u>18,816,552</u>	<u>21,275,147</u>	<u>20,270,668</u>	<u>(10,880)</u>	<u>20,259,787</u>	<u>1,015,360</u>
Excess (deficiency) of revenues over expenditures	<u>152,412</u>	<u>(1,239,258)</u>	<u>483,826</u>	<u>10,880</u>	<u>494,707</u>	<u>1,733,965</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(150,000)	(180,713)	(631,830)	-	(631,830)	(451,117)
Total other financing sources (uses)	<u>(150,000)</u>	<u>(180,713)</u>	<u>(631,830)</u>	<u>-</u>	<u>(631,830)</u>	<u>(451,117)</u>
Net change in fund balances	2,412	(1,419,971)	(148,003)	10,880	(137,123)	1,282,848
Fund balances - beginning	<u>8,191,904</u>	<u>8,191,904</u>	<u>8,191,904</u>	<u>(78,357)</u>	<u>8,113,547</u>	<u>(78,357)</u>
Fund balances - ending	<u>\$ 8,194,316</u>	<u>\$ 6,771,933</u>	<u>\$ 8,043,901</u>	<u>\$ (67,477)</u>	<u>\$ 7,976,424</u>	<u>\$ 1,204,491</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual	Adjustment	Actual	Variance with
	Original	Final	GAAP Basis	To Budget Basis	Budget Basis	Final Budget Favorable/ (Unfavorable)
Taxes:						
Ad valorem	\$ 3,952,000	\$ 4,005,000	\$ 3,993,972	\$ -	\$ 3,993,972	\$ (11,028)
Sales	7,587,633	7,739,856	8,195,111	-	8,195,111	455,255
Franchises						
Entergy	300,000	302,000	306,774	-	306,774	4,774
Atmos Energy Company	63,000	63,000	64,169	-	64,169	1,169
Cable Television	222,000	221,000	214,682	-	214,682	(6,318)
Off Track Betting	95,000	85,000	85,976	-	85,976	976
Total taxes	12,219,633	12,415,856	12,860,684	-	12,860,684	444,828
Licenses and permits:						
Occupational licenses	380,000	410,500	417,394	-	417,394	6,894
Alcoholic beverage	41,750	41,480	51,440	-	51,440	9,960
Chain store	12,000	12,000	13,060	-	13,060	1,060
Plumbing	4,625	5,000	4,500	-	4,500	(500)
Electrical	6,500	6,100	6,500	-	6,500	400
Taxi cab	6,780	8,400	9,580	-	9,580	1,180
Recreational	13,000	13,000	12,640	-	12,640	(360)
Insurance	415,000	430,000	456,636	-	456,636	26,636
Fireworks	40,500	37,750	37,750	-	37,750	-
Ride/Home Sharing Fees	18,500	18,500	20,952	-	20,952	2,452
Issuance fee	4,500	4,325	4,075	-	4,075	(250)
Cemetery fee	-	-	5,800	-	5,800	5,800
Building	98,000	180,000	196,506	-	196,506	16,506
Total licenses and permits	1,041,155	1,167,055	1,236,833	-	1,236,833	69,778
Intergovernmental:						
Grants-Matching Funds	-	-	-	-	-	-
911 fees	47,580	47,580	47,580	-	47,580	0
Federal grant	-	-	11,000	-	11,000	11,000
Riverboat casino gaming	1,112,705	1,112,704	1,106,251	-	1,106,251	(6,453)
Beer tax	39,000	37,000	39,097	-	39,097	2,097
State video poker	430,000	430,000	451,872	-	451,872	21,872
Jefferson parish council	-	140,000	137,010	-	137,010	(2,990)
Parish road tax	160,000	170,000	172,448	-	172,448	2,448
Total intergovernmental	1,789,285	1,937,284	1,965,258	-	1,965,258	27,974
Charges for services:						
Inspection fees						
Electrical	25,000	25,000	24,624	-	24,624	(376)
Plumbing	31,000	37,000	36,995	-	36,995	(5)
Resubdivision fees	15,000	10,000	7,835	-	7,835	(2,165)
Parking meter	230,000	197,000	167,541	-	167,541	(29,459)
Magistrate fees	13,000	13,000	17,572	-	17,572	4,572
Grass cutting fees	35,000	38,000	54,323	-	54,323	16,323
Other	22,000	23,500	28,994	-	28,994	5,494
Total charges for services	371,000	343,500	337,884	-	337,884	(5,616)

The notes to financial statements are an integral part of this statement.

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual	Adjustment	Actual	Variance with
	Original	Final	GAAP Basis	To Budget Basis	Budget Basis	Final Budget Favorable/ (Unfavorable)
Fines and forfeitures:						
Fines	1,341,620	1,376,350	1,436,481	-	1,436,481	60,131
Speed enforcement program	1,550,000	1,694,000	1,535,037	-	1,535,037	(158,963)
Court cost	105,000	147,000	165,699	-	165,699	18,699
Total fines and forfeitures	<u>2,996,620</u>	<u>3,217,350</u>	<u>3,137,216</u>	<u>-</u>	<u>3,137,216</u>	<u>(80,134)</u>
Miscellaneous:						
Interest on invested funds	135,000	170,000	221,853	-	221,853	51,853
Rents	30,000	34,498	34,498	-	34,498	(0)
Insurance claims	75,000	30,000	26,228	-	26,228	(3,772)
Sale of assets	30,000	50,000	72,806	-	72,806	22,806
Other	281,271	670,346	861,237	-	861,237	190,891
Total miscellaneous	<u>551,271</u>	<u>954,844</u>	<u>1,216,622</u>	<u>-</u>	<u>1,216,622</u>	<u>261,778</u>
 Total revenues	 <u>\$ 18,968,964</u>	 <u>\$ 20,035,889</u>	 <u>\$ 20,754,495</u>	 <u>\$ -</u>	 <u>\$ 20,754,495</u>	 <u>\$ 718,606</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final				
General government:						
City administration:						
Personnel expenses	\$ 534,713	\$ 545,500	\$ 557,853	\$ -	\$ 557,853	\$ (12,353)
Supplies	5,600	6,400	4,193	-	4,193	2,207
Service charges	669,600	654,062	583,577	1,657	585,234	68,828
Capital outlay	-	1,856,900	1,869,080	-	1,869,080	(12,180)
Total city administration	1,209,913	3,062,862	3,014,703	1,657	3,016,360	46,502
Elected officials:						
Personnel expenses	129,914	130,539	128,751	-	128,751	1,788
Supplies	1,413	1,363	1,314	-	1,314	49
Service charges	57,600	71,200	60,016	-	60,016	11,184
Capital outlay	-	-	-	-	-	-
Total elected officials	188,927	203,102	190,081	-	190,081	13,021
City attorney:						
Personnel expenses	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Service charges	642,848	666,879	703,993	-	703,993	(37,114)
Capital outlay	-	-	-	-	-	-
Total city attorney	642,848	666,879	703,993	-	703,993	(37,114)
Department of finance:						
Personnel expenses	546,027	547,725	549,743	-	549,743	(2,018)
Supplies	8,500	8,800	9,649	-	9,649	(849)
Service charges	139,250	152,590	162,915	-	162,915	(10,325)
Capital outlay	-	-	-	-	-	-
Total department of finance	693,777	709,115	722,306	-	722,306	(13,191)
Tax collection:						
Personnel expenses	134,780	134,009	136,778	-	136,778	(2,769)
Supplies	11,370	13,170	10,889	-	10,889	2,281
Service charges	32,150	31,965	29,209	-	29,209	2,756
Capital outlay	-	-	-	-	-	-
Total tax collection	178,300	179,144	176,876	-	176,876	2,268
Total general government	2,913,765	4,821,102	4,807,960	1,657	4,809,617	11,485
Less capital outlay	-	1,856,900	1,869,080	-	1,869,080	(12,180)
Total general government, net capital outlay	\$ 2,913,765	\$ 2,964,202	\$ 2,938,880	\$ 1,657	\$ 2,940,537	\$ 23,665

The notes to financial statements are an integral part of this statement.

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final				
Public safety:						
City court:						
Personnel expenses	\$ 735,850	\$ 723,387	\$ 709,893	\$ -	\$ 709,893	\$ 13,494
Supplies	29,000	30,900	26,296	116	26,412	4,488
Service charges	204,751	222,961	216,246	-	216,246	6,715
Capital outlay	64,833	64,833	64,833	-	64,833	(0)
Total city court	<u>1,034,434</u>	<u>1,042,081</u>	<u>1,017,268</u>	<u>116</u>	<u>1,017,384</u>	<u>24,697</u>
City police:						
Personnel expenses	6,754,995	6,781,095	6,537,761	-	6,537,761	243,334
Supplies	681,500	559,000	505,952	3,575	509,528	49,472
Service charges	2,433,103	2,612,337	2,303,845	545	2,304,390	307,947
Capital outlay	75,000	180,100	222,137	(45,011)	177,126	2,974
Total city police	<u>9,944,598</u>	<u>10,132,532</u>	<u>9,569,694</u>	<u>(40,892)</u>	<u>9,528,804</u>	<u>603,728</u>
Zoning & code enforcement:						
Personnel expenses	494,483	508,407	509,960	-	509,960	(1,553)
Supplies	24,670	21,723	22,928	-	22,928	(1,205)
Service charges	141,222	152,296	145,379	-	145,379	6,917
Capital outlay	-	-	-	-	-	-
Total zoning & code enforcement	<u>660,375</u>	<u>682,426</u>	<u>678,267</u>	<u>-</u>	<u>678,267</u>	<u>4,159</u>
Building official:						
Personnel expenses	286,772	285,400	285,954	-	285,954	(554)
Supplies	12,252	10,352	9,971	-	9,971	381
Service charges	58,200	75,800	79,392	8,250	87,642	(11,842)
Capital outlay	-	-	-	-	-	-
Total building official	<u>357,224</u>	<u>371,552</u>	<u>375,318</u>	<u>8,250</u>	<u>383,568</u>	<u>(12,016)</u>
Communication:						
Personnel expenses	505,548	315,889	264,417	-	264,417	51,473
Supplies	-	-	-	-	-	-
Service charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total communication	<u>505,548</u>	<u>315,889</u>	<u>264,417</u>	<u>-</u>	<u>264,417</u>	<u>51,473</u>
Emergency preparedness:						
Personnel expenses	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Service charges	3,000	7,375	19,558	19,620	39,178	(31,803)
Capital outlay	-	-	-	-	-	-
Total emergency preparedness	<u>3,000</u>	<u>7,375</u>	<u>19,558</u>	<u>19,620</u>	<u>39,178</u>	<u>(31,803)</u>
Total public safety	<u>12,505,179</u>	<u>12,551,855</u>	<u>11,924,520</u>	<u>(12,906)</u>	<u>11,911,616</u>	<u>640,239</u>
Less capital outlay	<u>139,833</u>	<u>244,933</u>	<u>286,970</u>	<u>(45,011)</u>	<u>241,960</u>	<u>2,973</u>
Total public safety, net capital outlay	<u>\$ 12,365,346</u>	<u>\$ 12,306,922</u>	<u>\$ 11,637,550</u>	<u>\$ 32,105</u>	<u>\$ 11,669,657</u>	<u>\$ 637,265</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final				
Public works:						
Engineering:						
Personnel expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	140,000	175,000	162,305	282	162,587	12,413
Capital outlay	-	-	-	-	-	-
Total engineering	<u>140,000</u>	<u>175,000</u>	<u>162,305</u>	<u>282</u>	<u>162,587</u>	<u>12,413</u>
Streets:						
Personnel expenses	1,520,110	1,628,029	1,643,737	-	1,643,737	(15,708)
Supplies	214,380	254,334	242,258	(1,384)	240,874	13,460
Service charges	1,174,513	1,510,087	1,192,232	1,470	1,193,703	316,385
Capital outlay	-	350	10,378	-	10,378	(10,028)
Total streets	<u>2,909,003</u>	<u>3,392,800</u>	<u>3,088,606</u>	<u>86</u>	<u>3,088,692</u>	<u>304,108</u>
Drainage:						
Personnel expenses	66,340	67,890	67,192	-	67,192	698
Supplies	21,000	11,500	11,622	-	11,622	(122)
Service charges	187,000	185,000	130,338	-	130,338	54,662
Capital outlay	-	-	-	-	-	-
Total drainage	<u>274,340</u>	<u>264,390</u>	<u>209,154</u>	<u>-</u>	<u>209,153</u>	<u>55,237</u>
Total public works	<u>3,323,343</u>	<u>3,832,190</u>	<u>3,460,064</u>	<u>369</u>	<u>3,460,432</u>	<u>371,758</u>
Less capital outlay	<u>-</u>	<u>350</u>	<u>10,378</u>	<u>-</u>	<u>10,378</u>	<u>(10,028)</u>
Total public works, net capital outlay	<u>\$ 3,323,343</u>	<u>\$ 3,831,840</u>	<u>\$ 3,449,686</u>	<u>\$ 369</u>	<u>\$ 3,450,054</u>	<u>\$ 381,786</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final				
Cemetery:						
Personnel expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	74,263	70,000	78,122	-	78,122	(8,122)
Capital outlay	-	-	-	-	-	-
Total cemetery	<u>74,263</u>	<u>70,000</u>	<u>78,122</u>	<u>-</u>	<u>78,122</u>	<u>(8,122)</u>
Less capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cemetery, net capital outlay	<u>74,263</u>	<u>70,000</u>	<u>78,122</u>	<u>-</u>	<u>78,122</u>	<u>(8,122)</u>
Total expenditures	<u>\$ 18,816,550</u>	<u>\$ 21,275,147</u>	<u>\$ 20,270,667</u>	<u>\$ (10,880)</u>	<u>\$ 20,259,787</u>	<u>\$ 1,015,360</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
FIRE PROTECTION
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
REVENUES						
Taxes						
Ad valorem	\$ 2,615,000	\$ 2,650,000	\$ 2,597,483	\$ -	\$ 2,597,483	\$ (52,517)
Intergovernmental	-	-	-	-	-	-
Fire insurance tax	97,500	98,039	98,039	-	98,039	(0)
Total revenues	<u>2,712,500</u>	<u>2,748,039</u>	<u>2,695,522</u>	<u>-</u>	<u>2,695,522</u>	<u>(52,517)</u>
EXPENDITURES						
Public safety						
Personnel expenses	250,082	276,275	237,047	-	237,047	39,228
Supplies	-	-	-	-	-	-
Service charges	1,834,600	2,231,732	2,063,444	-	2,063,444	168,288
Capital Outlay	-	300,000	52,767	-	52,767	247,233
Total expenditures	<u>2,084,682</u>	<u>2,808,007</u>	<u>2,353,258</u>	<u>-</u>	<u>2,353,258</u>	<u>454,749</u>
Excess (deficiency) of revenues over expenditures	<u>627,818</u>	<u>(59,968)</u>	<u>342,264</u>	<u>-</u>	<u>342,264</u>	<u>402,232</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	7,000,000	7,000,000	-	7,000,000	-
Total other financing sources (uses)	<u>-</u>	<u>7,000,000</u>	<u>7,000,000</u>	<u>-</u>	<u>7,000,000</u>	<u>-</u>
Net change in fund balances	627,818	6,940,032	7,342,264	-	7,342,264	402,232
Fund balances - beginning	3,110,417	3,110,417	3,110,417	-	3,110,417	-
Fund balances - ending	<u>\$ 3,738,235</u>	<u>\$ 10,050,449</u>	<u>\$ 10,452,681</u>	<u>\$ -</u>	<u>\$ 10,452,681</u>	<u>\$ 402,232</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
AMBULANCE
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
REVENUES						
Taxes						
Ad valorem	\$ 1,120,000	\$ 1,135,000	\$ 1,115,847	\$ -	\$ 1,115,847	\$ (19,153)
Intergovernmental						
State grants	-	-	-	-	-	-
Jefferson parish	40,000	30,000	19,811	-	19,811	(10,189)
Charges for services	988,500	1,080,000	1,111,607	-	1,111,607	31,607
Miscellaneous	1,473	25,425	29,558	-	29,558	4,133
Total revenues	<u>2,149,973</u>	<u>2,270,425</u>	<u>2,276,823</u>	<u>-</u>	<u>2,276,823</u>	<u>6,398</u>
EXPENDITURES						
Public safety						
Personnel expenses	1,811,800	1,856,495	1,817,939	-	1,817,939	38,556
Supplies	96,200	110,050	110,479	(195)	110,284	(234)
Service charges	237,692	262,623	266,902	-	266,902	(4,279)
Capital Outlay	185	4,000	-	-	-	4,000
Total expenditures	<u>2,145,877</u>	<u>2,233,168</u>	<u>2,195,320</u>	<u>(195)</u>	<u>2,195,125</u>	<u>38,043</u>
Excess (deficiency) of revenues over expenditures	<u>4,096</u>	<u>37,257</u>	<u>81,503</u>	<u>195</u>	<u>81,698</u>	<u>44,441</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	4,096	37,257	81,503	195	81,698	44,441
Fund balances - beginning	771,136	771,136	771,136	(137)	771,000	(137)
Fund balances - ending	<u>\$ 775,232</u>	<u>\$ 808,393</u>	<u>\$ 852,639</u>	<u>\$ 58</u>	<u>\$ 852,698</u>	<u>\$ 44,304</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
REVENUES						
Intergovernmental						
Jefferson parish council	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grant	336,000	937,294	979,334	-	979,334	42,040
State grant	1,650,000	25,370	135,720	-	135,720	110,350
Riverboat casino revenue	862,296	850,296	775,997	-	775,997	(74,299)
Miscellaneous						
Interest	50	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	<u>2,848,346</u>	<u>1,812,960</u>	<u>1,891,052</u>	<u>-</u>	<u>1,891,052</u>	<u>78,092</u>
EXPENDITURES						
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Culture & recreation	-	-	-	-	-	-
Capital outlay	2,539,012	1,372,336	1,528,416	(503)	1,527,913	(155,577)
Total expenditures	<u>2,539,012</u>	<u>1,372,336</u>	<u>1,528,416</u>	<u>(503)</u>	<u>1,527,913</u>	<u>(155,577)</u>
Excess (deficiency) of revenues over expenditures	<u>309,334</u>	<u>440,624</u>	<u>362,636</u>	<u>503</u>	<u>363,139</u>	<u>(77,485)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	2,570,020	3,454,693	-	3,454,693	884,673
Transfers out	-	(70,020)	-	-	-	70,020
Total other financing sources (uses)	<u>-</u>	<u>2,500,000</u>	<u>3,454,693</u>	<u>-</u>	<u>3,454,693</u>	<u>954,693</u>
Net change in fund balances	309,334	2,940,624	3,817,329	503	3,817,832	877,208
Fund balances - beginning	1,624,839	1,624,839	1,624,839	-	1,624,839	-
Fund balances - ending	<u>\$ 1,934,173</u>	<u>\$ 4,565,463</u>	<u>\$ 5,442,168</u>	<u>\$ 503</u>	<u>\$ 5,442,671</u>	<u>\$ 877,208</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
REVENUES						
Taxes						
Sales	\$ 907,000	\$ 903,000	\$ 903,000	\$ -	\$ 903,000	\$ -
Miscellaneous						
Interest on invested funds	24,000	30,000	29,204	-	29,204	(796)
Total revenues	<u>931,000</u>	<u>933,000</u>	<u>932,204</u>	<u>-</u>	<u>932,204</u>	<u>(796)</u>
EXPENDITURES						
Debt service:						
Principal retirement	935,000	935,000	935,000	-	935,000	-
Interest	182,721	182,721	182,721	-	182,721	-
Cost of issuance	-	170,000	231,431	-	231,431	(61,431)
Total expenditures	<u>1,117,721</u>	<u>1,287,721</u>	<u>1,349,152</u>	<u>-</u>	<u>1,349,152</u>	<u>(61,431)</u>
Excess (deficiency) of revenues over expenditures	<u>(186,721)</u>	<u>(354,721)</u>	<u>(416,948)</u>	<u>-</u>	<u>(416,948)</u>	<u>(62,227)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	186,825	186,825	186,825	-	186,825	-
Transfer out	-	(9,500,000)	(10,003,961)	-	(10,003,961)	503,961
Proceeds 2020 bond issue	-	9,500,000	8,880,000	-	8,880,000	620,000
Premium 2020 bond issue	-	-	1,359,441	-	1,359,441	(1,359,441)
Total other financing sources (uses)	<u>186,825</u>	<u>186,825</u>	<u>422,305</u>	<u>-</u>	<u>422,305</u>	<u>(235,480)</u>
Net change in fund balances	104	(167,896)	5,357	-	5,357	173,253
Fund balances - beginning	1,544,273	1,544,273	1,544,273	-	1,544,273	-
Fund balances - ending	<u>\$ 1,544,377</u>	<u>\$ 1,376,377</u>	<u>\$ 1,549,630</u>	<u>\$ -</u>	<u>\$ 1,549,630</u>	<u>\$ 173,253</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GRANT FUND
For the Year Ended March 31, 2020

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
REVENUES						
Intergovernmental						
Jefferson parish	\$ -	\$ 440,000	\$ 530,000	\$ -	\$ 530,000	\$ 90,000
Federal grant	255,000	144,497	261,090	-	261,090	116,593
State grant	-	20,760	20,760	-	20,760	-
Community development	-	-	-	-	-	-
Miscellaneous						
Interest	-	-	6,044	-	6,044	6,044
Other	-	9,357	21,055	-	21,055	11,698
Total revenues	<u>255,000</u>	<u>614,614</u>	<u>838,949</u>	<u>-</u>	<u>838,949</u>	<u>224,335</u>
EXPENDITURES						
General government	150,000	100,000	113,538	-	113,538	(13,538)
Public safety	255,047	723,688	569,075	6,030	575,105	148,583
Capital outlay	-	-	117,157	-	117,157	(117,157)
Total expenditures	<u>405,047</u>	<u>823,688</u>	<u>799,770</u>	<u>6,030</u>	<u>805,800</u>	<u>17,888</u>
Excess (deficiency) of revenues over expenditures	<u>(150,047)</u>	<u>(209,074)</u>	<u>39,179</u>	<u>(6,030)</u>	<u>33,149</u>	<u>242,223</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	30,713	31,098	-	31,098	385
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>30,713</u>	<u>31,098</u>	<u>-</u>	<u>31,098</u>	<u>385</u>
Net change in fund balances	(150,047)	(178,361)	70,277	(6,030)	64,247	242,608
Fund balances - beginning	<u>415,774</u>	<u>415,774</u>	<u>415,774</u>	<u>-</u>	<u>415,774</u>	<u>-</u>
Fund balances - ending	<u>\$ 265,727</u>	<u>\$ 237,413</u>	<u>\$ 486,051</u>	<u>\$ (6,030)</u>	<u>\$ 480,021</u>	<u>\$ 242,608</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETN, LOUISIANA
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
For The Year Ended March 31, 2020

Total OPEB Liability	2019	2020
Service cost	\$ 22,152	\$ 22,776
Interest	38,429	35,326
Changes of benefit terms	-	-
Differences between expected and actual experience	(9,180)	113,637
Changes of assumptions	8,403	147,694
Benefit payments	<u>112,521</u>	<u>(118,710)</u>
Net change in total OPEB liability	(52,717)	200,723
Total OPEB liability - beginning	<u>1,044,148</u>	<u>991,431</u>
Total OPEB liability - ending (a)	<u><u>\$ 991,431</u></u>	<u><u>\$ 1,192,154</u></u>
Covered-employee payroll	\$ 10,094,467	\$ 10,498,245
Net OPEB liability as a percentage of covered-employee payroll	9.82%	11.36%
Notes to Schedule:		
<i>Benefit Changes:</i>	None	None
<i>Changes of Assumptions:</i>		
<i>Discount Rate:</i>	3.79%	2.27%

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

CITY OF GRETNA, LOUISIANA
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
Year Ended March 31, 2020*

Year Ended June 30,	Plan	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Fiduciary Net Position As a Percentage of the Total Pension Liability
2019	MERS	2.976602%	\$12,438,212	\$5,501,446	226.09%	64.68%
2018	MERS	2.827925%	\$11,709,526	\$5,176,978	226.18%	63.94%
2017	MERS	2.784653%	\$11,649,378	\$5,057,190	230.35%	62.49%
2016	MERS	2.759553%	\$11,310,609	\$4,929,524	229.45%	62.11%
2015	MERS	2.728560%	\$ 9,746,844	\$4,656,998	209.29%	66.18%
2019	MPERS	1.840604%	\$16,715,767	\$5,748,011	290.81%	71.01%
2018	MPERS	1.755126%	\$14,837,942	\$5,195,650	285.58%	71.89%
2017	MPERS	1.774431%	\$15,417,028	\$5,270,319	292.53%	70.08%
2016	MPERS	1.774431%	\$16,631,418	\$4,872,952	341.30%	66.04%
2015	MPERS	1.788425%	\$14,010,440	\$4,719,875	296.84%	70.73%

*The amounts presented have a measurement date of June 30, 2019

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

CITY OF GRETNA, LOUISIANA
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS
Year Ended March 31, 2020

Year Ended March 31,	Plan	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2020	MERS	\$ 1,560,018	\$ 1,560,018	\$ -	\$ 5,707,885	27.33%
2019	MERS	\$ 1,403,072	\$ 1,403,072	\$ -	\$ 5,453,294	25.73%
2018	MERS	\$ 1,244,310	\$ 1,244,310	\$ -	\$ 5,140,022	24.21%
2017	MERS	\$ 1,143,736	\$ 1,143,736	\$ -	\$ 5,231,646	21.86%
2016	MERS	\$ 961,580	\$ 961,580	\$ -	\$ 4,869,129	19.75%
2020	MPERS	\$ 1,790,214	\$ 1,790,214	\$ -	\$ 5,518,312	32.44%
2019	MPERS	\$ 1,802,415	\$ 1,802,415	\$ -	\$ 5,644,294	31.93%
2018	MPERS	\$ 1,625,751	\$ 1,625,751	\$ -	\$ 5,246,699	30.99%
2017	MPERS	\$ 1,670,238	\$ 1,670,238	\$ -	\$ 5,094,098	32.79%
2016	MPERS	\$ 1,490,376	\$ 1,490,376	\$ -	\$ 4,852,165	30.72%

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

OTHER SUPPLEMENTAL INFORMATION

CITY OF GRETN, LOUISIANA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
March 31, 2020

	<u>GARBAGE</u>	<u>RECREATION</u>	<u>SOCIAL SERV FOR THE AGED</u>	<u>STREET LIGHTS</u>	<u>TOURISM</u>	<u>HOME INCARCERATION</u>	<u>COURT SECURITY 24TH JDC</u>	<u>COURT SECURITY 2ND PARISH</u>	<u>Total Nonmajor Special revenue funds</u>
ASSETS									
Cash and cash equivalents	\$ 172,879	\$ 459,098	\$ 203,212	\$ 1,144,669	\$ -	\$ 91,867	\$ -	\$ 128,007	\$ 2,199,732
Receivables, net	210,619	24,917	1,992	15,920	-	-	-	-	253,448
Due from other governments	-	-	-	-	271,399	66,164	240,370	22,425	600,358
Prepaid items (principally insurance)	-	-	3,000	-	-	-	-	-	3,000
Total assets	<u>\$ 383,498</u>	<u>\$ 484,015</u>	<u>\$ 208,204</u>	<u>\$ 1,160,589</u>	<u>\$ 271,399</u>	<u>\$ 158,031</u>	<u>\$ 240,370</u>	<u>\$ 150,432</u>	<u>\$ 3,056,538</u>
LIABILITIES									
Accounts payable	\$ 133,640	\$ 30,101	\$ 2,177	\$ 56,374	\$ 2,857	\$ 1,656	\$ 323	\$ -	\$ 227,128
Due to other funds	-	-	-	-	109,928	-	110,118	-	220,046
Total liabilities	<u>133,640</u>	<u>30,101</u>	<u>2,177</u>	<u>56,374</u>	<u>112,785</u>	<u>1,656</u>	<u>110,441</u>	<u>-</u>	<u>447,174</u>
FUND BALANCES (DEFICITS)									
Nonspendable									
Assigned	249,858	453,914	206,026	1,104,215	158,614	156,374	129,930	150,432	2,609,363
Total fund balances (deficits)	<u>249,858</u>	<u>453,914</u>	<u>206,026</u>	<u>1,104,215</u>	<u>158,614</u>	<u>156,374</u>	<u>129,930</u>	<u>150,432</u>	<u>2,609,363</u>
Total liabilities and fund balances (deficits)	<u>\$ 383,498</u>	<u>\$ 484,015</u>	<u>\$ 208,203</u>	<u>\$ 1,160,589</u>	<u>\$ 271,399</u>	<u>\$ 158,030</u>	<u>\$ 240,371</u>	<u>\$ 150,432</u>	<u>\$ 3,056,537</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended March 31, 2020

	<u>GARBAGE</u>	<u>RECREATION</u>	<u>SOCIAL SERV FOR THE AGED</u>	<u>STREET LIGHTS</u>	<u>TOURISM</u>	<u>HOME INCARCERATION</u>	<u>COURT SECURITY 24TH JDC</u>	<u>COURT SECURITY 2ND PARISH</u>	<u>Total Nonmajor Special revenue funds</u>
REVENUES									
Ad valorem	\$ -	\$ 750,569	\$ 83,389	\$ 667,064	\$ -	\$ -	\$ -	\$ -	\$ 1,501,022
Sales	-	-	-	-	55,410	-	-	-	55,410
Intergovernmental	-	-	-	-	862,844	895,699	1,459,925	292,199	3,510,667
Charges for services	1,600,230	114,892	-	-	73,436	-	-	-	1,788,558
Miscellaneous	150	4,935	3,150	-	55,335	-	-	-	63,570
Total revenues	<u>1,600,380</u>	<u>870,396</u>	<u>86,539</u>	<u>667,064</u>	<u>1,047,025</u>	<u>895,699</u>	<u>1,459,925</u>	<u>292,199</u>	<u>6,919,227</u>
EXPENDITURES									
Current:									
Public safety	-	-	-	-	-	810,848	1,385,759	275,418	2,472,025
Public works	1,582,305	-	-	323,908	-	-	-	-	1,906,213
Culture and recreation	-	803,833	66,597	-	1,304,481	-	-	-	2,174,911
Debt service:									
Capital Outlay	-	-	-	149,835	8,552	57,683	-	-	216,070
Total expenditures	<u>1,582,305</u>	<u>803,833</u>	<u>66,597</u>	<u>473,743</u>	<u>1,313,033</u>	<u>868,531</u>	<u>1,385,759</u>	<u>275,418</u>	<u>6,769,219</u>
Excess (deficiency) of revenues over expenditures	<u>18,075</u>	<u>66,563</u>	<u>19,942</u>	<u>193,321</u>	<u>(266,008)</u>	<u>27,168</u>	<u>74,166</u>	<u>16,781</u>	<u>150,008</u>
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	150,000	-	-	-	150,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,000</u>
Net change in fund balances	18,075	66,563	19,942	193,321	(116,008)	27,168	74,166	16,781	300,008
Fund balances - beginning	231,783	387,351	186,084	910,893	274,621	129,206	55,764	133,651	2,309,353
Fund balances - ending	<u>\$ 249,858</u>	<u>\$ 453,914</u>	<u>\$ 206,026</u>	<u>\$ 1,104,214</u>	<u>\$ 158,613</u>	<u>\$ 156,374</u>	<u>\$ 129,930</u>	<u>\$ 150,432</u>	<u>\$ 2,609,361</u>

The notes to financial statements are an integral part of this statement.

SCHEDULE OF COMPENSATION OF ELECTED OFFICIALS

CITY OF GRETNA, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO
CITY COUNCIL
For The Year Ended March 31, 2020

<u>COUNCILMAN</u>	<u>SALARY</u>
Wayne A. Rau	\$ 17,000
Mark Miller	\$ 17,000
Milton Crosby, Sr.	\$ 17,000
Jackie J Berthelot	\$ 17,000
Mike Hinyub	\$ 17,000

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA, LOUISIANA
SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS
AND OTHER PAYMENTS TO AGENCY HEAD
For The Year Ended March 31, 2020

Agency Head: Mayor Belinda Constant	AMOUNT
Salary	\$ 90,000
Benefits - insurance	7,606
Benefits - retirement	24,551
Benefits - other	336
Travel	6,850
Registration fees	1,205
Total	\$ 130,548

The notes to financial statements are an integral part of this statement.

CITY OF GRETNA
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
YEAR ENDED MARCH 31, 2020

DESCRIPTION	CFDA NUMBER	GRANT NUMBER	TOTAL GRANT AWARD	TOTAL EXPENDITURES
DEPARTMENT OF TRANSPORTATION				
Passed Through Louisiana Department of Transportation and Development				
4th Street Extension Project	20.205	H.001413	\$ 7,194,083	\$ 76,289
TOTAL DEPARTMENT OF TRANSPORTATION			7,194,083	76,289
DEPARTMENT OF JUSTICE				
Direct Awards				
Bullet Proof Vest Partnership	16.607	-	13,154	13,154
Passed Through Louisiana Commission on Law Enforcement				
Victim Assistance	16.575	2017-VA-03/04/306	123,200	92,301
Victim Assistance	16.575	2018-VA-03/04/4933	256,413	39,991
Street Sales Disruption	16.738	2017-DJ-01-4594	20,000	12,993
Street Sales Disruption	16.738	2018-DJ-01-4891	20,000	1,424
Passed Through Jefferson Parish Sheriff's Office				
Human Trafficking Grant	16.320	2018-VT-BX-K087	19,849	19,849
TOTAL DEPARTMENT OF JUSTICE			452,616	179,712
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed Through Jefferson Parish Office of Community Development				
Gretna Comprehensive Development Code	14.228	B-OG-DG-22-0001	540,000	81,207
Downtown Drainage	14.228	26-PARA-3425	900,000	900,000
Passed Through State of Louisiana Office of Community Development				
LA Safe	14.228	B-06-DG-22-001	4,000,000	130,689
LA Safe	14.272	B-13-DS-22-00002	1,605,000	53,381
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			7,045,000	1,165,277
DEPARTMENT OF ENVIRONMENTAL QUALITY				
Brownsfield Cleanup	66.818	BP 98-6127-01-0	11,362	11,362
TOTAL DEPARTMENT OF ENVIRONMENTAL QUALITY			11,362	11,362
DEPARTMENT OF HOMELAND SECURITY				
City Hall Wind Retrofit	97.047	EMT 2016-PC 0008 (2)	460,766	42,972
TOTAL DEPARTMENT OF HOMELAND SECURITY			460,766	42,972
TOTAL			\$ 15,109,827	\$ 1,475,612

CITY OF GRETNA, LOUISIANA
NOTES TO SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
MARCH 31, 2020

NOTE A - FISCAL PERIOD AUDITED

Single audit testing procedures were performed for program transactions occurring during the year ended March 31, 2020. Federal financial assistance received during the year did meet the criteria set forth in the Single Audit Act and Uniform Guidance. Grant terms are indicated in the Schedule of Federal Financial Assistance.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

The accompanying Schedule of Federal Financial Assistance has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the City has met the qualifications for the respective grants. Costs incurred in programs partially funded by federal grants are applied against federal grant funds to the extent of revenue available when they properly apply to the grant.

STATISTICAL SECTION
(Unaudited)

CITY OF GRETN, LOUISIANA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 24,420,663	\$ 24,364,442	\$ 26,779,995	\$ 29,203,707	\$ 35,809,790	\$ 41,067,410	\$ 44,777,129	\$ 54,674,544	\$ 55,124,729	\$ 56,497,284
Restricted	9,455,335	20,322,958	16,754,364	17,082,957	14,926,857	15,146,697	14,587,783	13,155,564	13,216,619	23,261,204
Unrestricted	7,111,800	(1,190,269)	668,506	1,353,769	1,682,356	(14,388,130)	(16,327,504)	(17,742,692)	(16,783,112)	(27,230,664)
Total governmental net position	<u>\$ 40,987,798</u>	<u>\$ 43,497,131</u>	<u>\$ 44,202,865</u>	<u>\$ 47,640,433</u>	<u>\$ 52,419,003</u>	<u>\$ 41,825,977</u>	<u>\$ 43,037,408</u>	<u>\$ 50,087,416</u>	<u>\$ 51,558,236</u>	<u>\$ 52,527,824</u>
Business-type activities										
Net investment in capital assets	\$ 16,544,576	\$ 16,544,576	\$ 16,544,576	\$ 16,544,576	\$ 16,544,576	\$ 16,544,576	\$ 16,544,576	\$ 16,544,576	\$ 16,544,574	\$ 16,544,574
Restricted	23,984	23,984	23,984	23,984	38,234	53,234	64,234	76,734	76,734	88,734
Unrestricted	(1,940,796)	166,077	5,553,149	6,695,968	7,081,525	5,510,361	5,966,536	7,403,936	7,523,631	7,993,706
Total business-type net position	<u>\$ 14,627,764</u>	<u>\$ 16,734,637</u>	<u>\$ 22,121,709</u>	<u>\$ 23,264,528</u>	<u>\$ 23,664,335</u>	<u>\$ 22,108,171</u>	<u>\$ 22,575,346</u>	<u>\$ 24,025,246</u>	<u>\$ 24,144,939</u>	<u>\$ 24,627,014</u>
Primary governmental										
Net investment in capital assets	\$ 40,965,239	\$ 40,909,018	\$ 43,324,571	\$ 45,748,283	\$ 52,354,366	\$ 57,611,986	\$ 61,321,705	\$ 71,219,120	\$ 71,669,303	\$ 73,041,858
Restricted	9,479,319	20,346,942	16,778,348	17,106,941	14,965,091	15,199,931	14,652,017	13,232,298	13,293,353	23,349,938
Unrestricted	5,171,004	(1,024,192)	6,221,655	8,049,737	8,763,880	(8,877,769)	(10,360,968)	(10,338,756)	(9,259,481)	(19,236,958)
Total primary governmental net position	<u>\$ 55,615,562</u>	<u>\$ 60,231,768</u>	<u>\$ 66,324,574</u>	<u>\$ 70,904,961</u>	<u>\$ 76,083,337</u>	<u>\$ 63,934,148</u>	<u>\$ 65,612,754</u>	<u>\$ 74,112,662</u>	<u>\$ 75,703,175</u>	<u>\$ 77,154,838</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETN, LOUISIANA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
General government	\$ 3,500,801	\$ 3,088,124	\$ 3,474,521	\$ 3,139,827	\$ 3,429,621	\$ 4,360,216	\$ 3,540,469	\$ 3,523,454	\$ 3,665,860	\$ 4,312,999
Public safety	16,311,339	16,075,617	17,504,187	16,909,669	17,718,839	18,188,685	20,220,044	19,485,234	20,886,068	21,902,144
Public works	6,398,406	6,060,430	6,106,102	6,237,424	6,820,303	6,505,554	6,837,253	6,794,738	6,742,671	6,690,529
Culture and recreation	965,395	1,188,598	1,267,932	1,695,193	2,000,082	2,361,037	2,340,042	2,654,110	2,267,293	2,612,755
Cemetery	55,184	62,017	59,584	97,490	70,678	69,781	71,694	73,576	78,063	78,122
Interest & issue cost on long-term debt	642,152	578,319	567,553	562,594	697,456	378,523	949,172	224,482	207,907	543,128
Total governmental activities expenses	<u>27,873,277</u>	<u>27,053,105</u>	<u>28,979,879</u>	<u>28,642,197</u>	<u>30,736,979</u>	<u>31,863,796</u>	<u>33,958,674</u>	<u>32,755,594</u>	<u>33,847,862</u>	<u>36,139,677</u>
Business-type activities:										
Water	2,330,034	2,629,276	2,729,306	2,888,865	2,920,161	2,992,061	3,173,731	3,323,990	3,219,688	3,197,543
Sewer	2,317,007	2,667,194	2,816,378	3,012,882	3,242,600	3,217,817	3,386,025	3,545,529	3,645,976	3,450,311
Interest on long-term debt	26,690	21,505	23,292	-	-	-	-	-	-	-
Total business-type activities expenses	<u>4,673,731</u>	<u>5,317,975</u>	<u>5,568,976</u>	<u>5,901,747</u>	<u>6,162,761</u>	<u>6,209,878</u>	<u>6,559,756</u>	<u>6,869,519</u>	<u>6,865,664</u>	<u>6,647,854</u>
Total primary government expenses	<u>\$ 32,547,008</u>	<u>\$ 32,371,080</u>	<u>\$ 34,548,855</u>	<u>\$ 34,543,944</u>	<u>\$ 36,899,740</u>	<u>\$ 38,073,674</u>	<u>\$ 40,518,430</u>	<u>\$ 39,625,113</u>	<u>\$ 40,713,526</u>	<u>\$ 42,787,531</u>
Program revenues										
Governmental activities:										
Charges for services										
General government	\$ 1,011,869	\$ 857,870	\$ 826,637	\$ 915,467	\$ 1,051,029	\$ 1,200,523	\$ 1,219,636	\$ 1,077,851	\$ 1,073,327	\$ 1,151,523
Public safety	343,510	425,809	403,267	559,976	464,590	578,065	815,594	1,194,706	965,792	1,131,418
Public works	1,403,799	1,392,692	1,462,770	1,503,310	1,507,094	1,496,519	1,589,914	1,573,769	1,585,179	1,600,230
Culture and recreation	34,009	59,517	64,353	90,098	72,370	96,291	106,708	184,784	131,361	188,329
Cemetery	-	-	-	-	-	-	-	-	-	5,800
Operating grants and contributions	1,394,054	2,188,342	1,990,912	1,120,057	610,272	1,200,154	1,380,407	1,005,284	762,917	854,896
Capital grants and contributions	1,830,599	1,398,757	4,509,133	1,382,092	5,041,121	2,673,217	3,460,629	9,243,359	1,307,760	1,115,055
Total governmental activities program revenues	<u>6,017,840</u>	<u>6,322,987</u>	<u>9,257,072</u>	<u>5,571,000</u>	<u>8,746,476</u>	<u>7,244,769</u>	<u>8,572,888</u>	<u>14,279,753</u>	<u>5,826,336</u>	<u>6,047,251</u>
Business-type activities:										
Charges for services										
Water	2,632,538	2,851,937	2,839,228	2,877,894	3,052,024	3,106,997	3,288,338	3,324,876	3,296,886	3,407,889
Sewer	2,296,784	2,570,332	2,549,630	2,650,978	2,859,960	2,955,240	3,103,572	3,116,200	3,100,414	3,243,058
Operating grants and contributions	-	-	-	28,976	-	-	-	-	-	-
Capital grants and contributions	-	-	-	50,000	-	50,000	-	-	-	-
Total business-type activities program revenues	<u>4,929,322</u>	<u>5,422,269</u>	<u>5,388,858</u>	<u>5,607,848</u>	<u>5,911,984</u>	<u>6,112,237</u>	<u>6,391,910</u>	<u>6,441,076</u>	<u>6,397,300</u>	<u>6,650,947</u>
Total primary government program revenues	<u>\$ 10,947,162</u>	<u>\$ 11,745,256</u>	<u>\$ 14,645,930</u>	<u>\$ 11,178,848</u>	<u>\$ 14,658,460</u>	<u>\$ 13,357,006</u>	<u>\$ 14,964,798</u>	<u>\$ 20,720,829</u>	<u>\$ 12,223,636</u>	<u>\$ 12,698,198</u>
Net (Expense) Revenue										
Governmental activities	\$ (21,855,437)	\$ (20,730,118)	\$ (19,722,807)	\$ (23,071,197)	\$ (21,990,503)	\$ (24,619,027)	\$ (25,385,786)	\$ (18,475,841)	\$ (28,021,526)	\$ (30,092,426)
Business-type activities	255,591	104,294	(180,118)	(293,899)	(250,777)	(97,641)	(167,846)	(428,443)	(468,364)	3,093
Total primary government net expense	<u>\$ (21,599,846)</u>	<u>\$ (20,625,824)</u>	<u>\$ (19,902,925)</u>	<u>\$ (23,365,096)</u>	<u>\$ (22,241,280)</u>	<u>\$ (24,716,668)</u>	<u>\$ (25,553,632)</u>	<u>\$ (18,904,284)</u>	<u>\$ (28,489,890)</u>	<u>\$ (30,089,333)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Ad valorem taxes	\$ 5,419,688	\$ 5,619,215	\$ 6,413,093	\$ 6,735,794	\$ 7,022,225	\$ 7,137,305	\$ 6,939,897	\$ 7,714,156	\$ 8,966,940	\$ 9,208,324
Franchise taxes	812,960	745,519	682,007	730,981	754,657	744,777	710,653	688,198	695,044	671,601
Sales taxes	7,091,683	6,813,376	6,740,890	7,022,652	7,241,356	7,635,462	7,960,175	8,453,220	8,959,274	9,153,521

CITY OF GRETN, LOUISIANA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Occupational licenses	385,383	409,527	380,622	385,704	416,090	412,586	396,581	405,611	410,495	417,394
Intergovernmental revenues	5,271,722	5,479,299	5,625,899	5,487,177	5,321,766	5,398,168	5,699,349	5,811,977	6,164,485	6,374,506
Fines and forfeitures	5,431,403	4,428,144	5,307,249	5,776,364	5,722,108	5,330,652	4,809,719	3,298,652	3,168,412	3,137,214
Investment earnings	21,171	18,766	14,930	7,367	8,667	7,723	25,601	87,238	204,357	257,555
Gain (loss) on sale of capital assets	-	-	111,111	(73,362)	100,679	60,523	56,938	292,107	367,362	71,357
Miscellaneous	1,995,513	1,223,217	342,992	1,475,421	265,378	3,980,095	10,590	5,092	937,273	1,583,713
Transfers	(458,012)	(1,497,612)	(5,190,252)	(1,039,330)	(83,851)	-	(12,288)	(1,230,401)	95,373	186,825
Total governmental activities	25,971,511	23,239,451	20,428,541	26,508,768	26,769,075	30,707,291	26,597,215	25,525,850	29,969,015	31,062,010
Business-type activities:										
Ad valorem taxes	395,226	451,068	482,934	490,093	512,019	528,859	545,984	586,119	588,151	602,962
Investment earnings	819	884	473	132	23	223	134	102	96	-
Gain (loss) on sale of capital assets	-	-	(163,470)	(105,968)	35,304	-	5,605	3,010	11,882	-
Miscellaneous	51,504	53,015	57,001	13,129	19,386	78,812	71,010	58,712	83,301	62,845
Transfers	458,012	1,497,612	5,190,252	1,039,330	83,851	-	12,288	1,230,401	(95,373)	(186,825)
Total business-type activities	905,561	2,002,579	5,567,190	1,436,716	650,583	607,894	635,021	1,878,344	588,057	478,982
Total primary government	\$ 26,877,072	\$ 25,242,030	\$ 25,995,731	\$ 27,945,484	\$ 27,419,658	\$ 31,315,185	\$ 27,232,236	\$ 27,404,194	\$ 30,557,072	\$ 31,540,992
Change in Net Position										
Governmental activities	\$ 4,116,074	\$ 2,509,333	\$ 705,734	\$ 3,437,571	\$ 4,778,572	\$ 6,088,264	\$ 1,211,429	\$ 7,050,009	\$ 1,947,489	\$ 969,584
Business-type activities	1,161,152	2,106,873	5,387,072	1,142,817	399,806	510,253	467,175	1,449,901	119,693	482,075
Total primary government	\$ 5,277,226	\$ 4,616,206	\$ 6,092,806	\$ 4,580,388	\$ 5,178,378	\$ 6,598,517	\$ 1,678,604	\$ 8,499,910	\$ 2,067,182	\$ 1,451,659

The notes to financial statements are an integral part of this statement.

CITY OF GRETN, LOUISIANA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Nonspendable	\$ -	\$ 40,334	\$ 53,617	\$ 177,871	\$ 192,330	\$ 205,282	\$ 279,070	\$ 289,532	\$ 301,714	\$ 319,664
Restricted	2,000,000	1,047,247	1,047,247	-	-	-	-	-	-	-
Committed	4,954,800	6,097,956	6,715,313	4,893,152	4,941,943	2,868,786	2,275,474	1,303,723	625,421	1,007,765
Assigned	200,424	444,124	480,807	2,207,677	981,955	3,079,275	2,428,534	2,539,378	2,513,690	541,241
Unassigned	3,345,466	4,391,194	3,679,035	4,167,193	4,746,951	5,104,992	3,593,247	3,764,363	4,751,080	6,175,231
Total general fund	<u>\$ 10,500,690</u>	<u>\$ 12,020,855</u>	<u>\$ 11,976,019</u>	<u>\$ 11,445,893</u>	<u>\$ 10,863,179</u>	<u>\$ 11,258,335</u>	<u>\$ 8,576,325</u>	<u>\$ 7,896,996</u>	<u>\$ 8,191,905</u>	<u>\$ 8,043,902</u>
All other governmental funds										
Restricted	\$ 2,005,719	\$ 2,033,391	\$ 1,599,709	\$ 1,600,426	\$ 1,584,217	\$ 1,570,371	\$ 1,527,524	\$ 1,523,882	\$ 1,544,274	\$ 1,549,631
Committed	9,075,616	7,176,439	2,848,681	2,767,869	2,119,796	3,007,780	2,312,759	1,704,584	1,624,976	5,442,168
Assigned	3,492,404	3,483,467	4,008,990	3,542,383	5,106,615	4,415,206	5,764,422	5,415,169	6,606,544	14,400,735
Unassigned	-	-	-	1,893,579	-	-	-	-	-	-
Total other governmental funds	<u>\$ 14,573,739</u>	<u>\$ 12,693,297</u>	<u>\$ 8,457,380</u>	<u>\$ 9,804,257</u>	<u>\$ 8,810,628</u>	<u>\$ 8,993,357</u>	<u>\$ 9,604,705</u>	<u>\$ 8,643,635</u>	<u>\$ 9,775,794</u>	<u>\$ 21,392,534</u>

The notes to financial statements are an integral part of this statement.

CITY OF GRETN, LOUISIANA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
REVENUES										
Ad valorem	\$ 5,419,688	\$ 5,619,215	\$ 6,413,093	\$ 6,735,794	\$ 7,022,225	\$ 7,137,305	\$ 6,939,897	\$ 7,714,156	\$ 8,966,940	\$ 9,208,324
Sales	7,091,683	6,813,376	6,740,890	7,022,652	7,241,356	7,635,462	7,960,174	8,453,220	8,959,276	9,153,521
Franchise	812,960	745,519	682,007	730,981	754,657	744,777	710,653	688,198	695,044	671,601
Intergovernmental	8,496,375	9,032,913	12,111,324	7,963,595	10,967,159	9,268,539	9,834,487	16,019,592	8,172,171	8,297,921
Charges for services	2,133,581	2,125,615	2,147,800	2,323,201	2,276,954	2,575,328	3,065,633	3,341,432	3,061,513	3,257,861
Fines and forfeitures	5,431,403	4,428,144	5,307,249	5,776,364	5,722,108	5,330,652	4,809,721	3,298,652	3,168,412	3,137,215
Licenses and permits	1,044,989	1,019,800	989,849	1,131,354	1,234,219	1,208,656	1,062,801	1,095,288	1,104,641	1,236,833
Miscellaneous	2,138,178	588,203	515,185	666,785	575,099	3,912,824	1,238,491	803,763	990,471	1,344,998
Total revenues	32,568,857	30,372,785	34,907,397	32,350,726	35,793,777	37,813,543	35,621,857	41,414,301	35,118,468	36,308,274
EXPENDITURES										
Current:										
General government	3,008,318	2,585,755	2,979,284	2,662,325	3,034,070	3,966,374	3,150,509	3,171,783	2,788,267	3,052,418
Public safety	15,317,039	15,080,152	16,473,836	15,968,495	16,868,129	17,194,215	19,143,503	17,431,243	19,403,874	19,174,461
Public works	5,475,124	5,017,737	5,072,309	4,992,126	5,547,027	5,201,842	5,554,050	5,467,401	5,411,069	5,355,900
Culture and recreation	873,232	1,087,239	1,167,243	1,393,277	1,678,855	1,966,406	1,899,752	2,201,126	1,830,497	2,174,911
Cemetery	55,184	62,017	59,584	97,490	70,678	69,781	71,694	73,576	78,063	78,122
Debt service:										
Principal retirement	671,000	686,236	701,282	783,134	357,000	808,000	830,000	902,000	918,000	935,000
Interest	613,694	549,861	539,095	534,136	485,337	364,520	832,000	216,822	200,247	182,721
Cost of issuance	-	-	-	-	89,020	1,500	64,178	-	-	231,431
Capital outlay:										
Capital Outlay	4,094,238	4,385,255	9,603,505	4,234,233	8,866,154	7,663,023	6,649,543	12,360,345	3,156,758	4,080,839
Total expenditures	30,107,829	29,454,252	36,596,138	30,665,216	36,996,270	37,235,661	38,195,229	41,824,296	33,786,775	35,265,803
Excess (deficiency) of revenues over expenditures	2,461,028	918,533	(1,688,741)	1,685,510	(1,202,493)	577,882	(2,573,372)	(409,995)	1,331,693	1,042,471
OTHER FINANCING SOURCES (USES)										
Transfers in	2,706,474	3,326,774	2,527,700	4,199,506	2,752,591	3,520,480	3,296,251	4,543,589	1,109,939	10822616
Transfers out	(3,164,490)	(4,824,387)	(7,717,952)	(5,238,836)	(2,836,443)	(3,520,480)	(3,308,540)	(5,773,991)	(1,014,564)	(10,635,791)
Sale of Assets	-	-	-	-	-	-	-	-	-	-
Proceeds of 2009A Bonds	-	-	2,578,829	170,574	-	-	-	-	-	-
Proceeds of 2009B Bonds	-	-	-	-	-	-	-	-	-	-
Proceeds from loans	340,035	218,804	19,410	-	-	-	-	-	-	-
Refunding 2014 Bonds	-	-	-	-	6,085,000	-	-	-	-	-
Refunding 2016 Bonds	-	-	-	-	-	-	5,360,000	-	-	-
Payment to refund 2014 bonds	-	-	-	-	(6,375,000)	-	-	-	-	-
Payment to refund 2016 bonds	-	-	-	-	-	-	(4,845,000)	-	-	-
Proceeds of 2020 Bonds	-	-	-	-	-	-	-	-	-	8,880,000
Premium on 2020 Bonds	-	-	-	-	-	-	-	-	-	1,359,441
Total other financing sources (uses)	(117,981)	(1,278,809)	(2,592,013)	(868,756)	(373,852)	-	502,711	(1,230,402)	95,375	10,426,266
Net change in fund balances	2,343,047	(360,276)	(4,280,754)	816,754	(1,576,345)	577,882	(2,070,661)	(1,640,397)	1,427,068	11,468,737
Fund balances - beginning	22,731,381	25,074,428	24,714,152	20,433,398	21,250,152	19,673,807	20,251,689	18,181,028	16,540,631	17,967,699
Fund balances - ending	\$ 25,074,428	\$ 24,714,152	\$ 20,433,398	\$ 21,250,152	\$ 19,673,807	\$ 20,251,689	\$ 18,181,028	\$ 16,540,631	\$ 17,967,699	\$ 29,436,436
Debt service as a percentage of noncapital expenditures	4.94%	4.93%	4.60%	4.98%	2.99%	3.96%	5.27%	3.80%	3.65%	3.58%

The notes to financial statements are an integral part of this statement.

**OTHER INDEPENDENT AUDITOR'S REPORTS
AND FINDINGS AND RECOMMENDATIONS**

**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***

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

**Honorable Mayor and Members of the City Council
City of Gretna, Louisiana**

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gretna, Louisiana, (the City) as of and for the year ended March 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated September 30, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

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

Camnetar & Co.

Camnetar & Co., CPAs

a professional accounting corporation

Gretna, Louisiana
September 30, 2020

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

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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**

**Honorable Mayor and Members of the City Council
City of Gretna, Louisiana**

Report on Compliance for Each Major Federal Program

We have audited the City of Gretna, Louisiana's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended March 31, 2020. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City 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 March 31, 2020.

Report on Internal Control Over Compliance

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

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

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

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

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

Camnetar & Co.

Camnetar & Co., CPAs

a professional accounting corporation

Gretna, Louisiana
September 30, 2020

FINDINGS AND RECOMMENDATIONS

**CITY OF GRETNA, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2020**

We have audited the general purpose financial statements of the City of Gretna, Louisiana as of and for the year ended March 31, 2020, and have issued our report thereon dated September 30, 2020. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of the Uniform Guidance. Our audit of the financial statements as of March 31, 2020, resulted in an unmodified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements.

Internal Control
 Material Weaknesses Yes No Significant Deficiencies Yes No

Compliance
 Compliance Material to Financial Statements Yes No

b. Federal Awards

Internal Control
 Material Weaknesses Yes No Significant Deficiencies Yes No

Type of Opinion On Compliance Unmodified Qualified
 For Major Programs Disclaimer Adverse

Are their findings required to be reported in accordance with Uniform Guidance?

Yes No

Was a management letter issued?

Yes No

c. Identification of Major Programs:

Downtown Drainage	CFDA 14.228
Gretna Comprehensive Development Code	CFDA 14.228
La Safe	CFDA 14.228

Dollar threshold used to distinguish between Type A and Type B Programs: \$750,000

Is the auditee a "low-risk" auditee? Yes No

**CITY OF GRETNA, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2020**

Section II Financial Statement Findings

A – Issues of Noncompliance

NONE

B – Significant Deficiencies

NONE

Section III Federal Award Findings and Questioned Costs

NONE

SCHEDULE OF PRIOR YEAR FINDINGS

**CITY OF GRETNA, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED MARCH 31, 2020**

**SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL
STATEMENTS**

NONE

**SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL
FUNDS**

NONE

SECTION III - MANAGEMENT LETTER

NONE

**CORRECTIVE ACTION PLAN
FOR
CURRENT YEAR AUDIT FINDINGS**

**CITY OF GRETNA, LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED MARCH 31, 2020**

Section I - Internal Control And Compliance Material To The Financial Statement

NONE

Section II - Internal Control And Compliance Material To Federal Awards

NONE

Section III - Management Letter

NONE