Luther Speight & Company, LLC Certified Public Accountants and Consultants

NEW ORLEANS REDEVELOPMENT AUTHORITY

AUDITED FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

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Luther Speight & Company, LLC Certified Public Accountants and Consultants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of New Orleans Redevelopment Authority New Orleans, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the discretely presented component unit information, and the aggregate remaining fund information of the New Orleans Redevelopment Authority (NORA) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise NORA's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the discretely presented component unit information, and the aggregate remaining fund information of NORA, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NORA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about NORA's ability to continue as a going concern for a reasonable period of time.

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

Emphasis of a Matter

As described in NOTE 3, other post-retirement benefits liability at December 31, 2022 was \$1,762,779. The liability was based on various actuarial valuation assumptions made by the respective fund's actuary and management of NORA. Because actual experience may differ from the assumptions used in the actuarial valuation, there is the risk that the liability at December 31, 2022 could be under or overstated.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 through 13 and pages 71 through 76, and Schedules III (Schedule of Other Post Employment Benefit Plan) and IV (Schedule of Contributions) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise NORA's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head (the schedules) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2023, on our consideration of NORA'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 solely 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 NORA'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 NORA's internal control over financial reporting and compliance.

Luther Speight & Company, LLC

New Orleans, Louisiana

June 23, 2023

This report offers readers of these financial statements an overview and analysis of the financial activities of New Orleans Redevelopment Authority (NORA) as of and for the year ended December 31, 2022 in comparison to December 31, 2021. This narrative is designed to assist the reader in focusing on significant financial issues, identify changes in NORA's financial position, identify any material deviations from the approved budget documents, and identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) is designed to focus on NORA's current year activities, resulting changes and currently known facts.

FINANCIAL HIGHLIGHTS

NORA's assets exceeded its liabilities by \$3,655,297 and \$3,903,374 for the years ended 2022 and 2021.

NORA's total net position decreased at December 31, 2022 by \$178,782 prior to the effect of a prior period adjustment of (\$426,859), totaling (\$248,077). For 2021, net position increased by \$269,229, prior to the effect of a prior period adjustment of \$199,896, totaling \$69,333. The decrease in net position for the years ended December 31, 2022 and 2021 was primarily due to decline in program revenues from operating grants and activities. For the years ended December 31, 2022 and 2021, net revenues (expenses) were (\$50,965) and (\$16,081), respectively for governmental activities. Similarly, net revenues (expenses) for the business type activities were \$229,747 in 2022 and \$285,310 in 2021.

At December 31, 2022 and 2021, NORA's governmental funds reported combined fund balance of \$463,273 and \$459,207, respectively.

OVERVIEW OF THE FINANCIAL STATEMENTS

NORA's financial statements focus' on the government as a whole (government-wide), major individual funds and the aggregate remaining funds. Both perspectives (government-wide, major fund and the aggregate remaining funds) allow the reader to address relevant questions, broaden a basis for comparison (year to year of government to government) and should enhance NORA's accountability.

Management's Discussion and Analysis introduces NORA's basic financial statements. The basic financial statements include (1) government-wide financial statements, (2) fund level financial statements, and (3) notes to the financial statements. NORA also includes in this report additional information to supplement the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements on pages 14 through 16 are designed to be similar to private-sector business. These statements combine NORA's current financial resources with capital assets and long-term obligations.

The Statement of Net Position on pages 14 and 15 presents information on all of NORA's assets and liabilities, with the difference between the two reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of NORA is improving or deteriorating.

At December 31, 2022 and 2021, NORA recorded a cumulative unfunded OPEB of 1,757,483 and \$1,641,901, respectively.

Deferred inflows of resources at December 31, 2022 was \$28,719,831 and \$32,479,292 for December 31, 2021. The deferred inflows of resources represent the acquisition of funds applicable to future years.

At December 31, 2022 and 2021, NORA reported deferred inflow of resources (OPEB) of \$307,480 and \$275,715 of deferred outflows of resources (OPEB).

The Statement of Activities on page 16, presents information showing how NORA's assets changed during the most recent 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 the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (i.e., earned but unused vacation leave result in cash flows for future periods). The focus of the Statement of Activities is on both the gross and net cost of various activities, which are provided by NORA's grant revenues. This is intended to summarize information and simplify the user's analysis of cost of various governmental services.

The governmental activities reflect NORA's basic services including the rehabilitation and/or removal of buildings and other improvements whose physical conditions render them detrimental to the safety and welfare of the public at large, and whose existence directly threatens the physical, social and economic stability of the surrounding neighborhood facilities and jeopardizes the well-being of the entire community. The business-type activities of NORA reflect the development of viable urban communities including decent housing and suitable living environments and expanding economic opportunities, principally for persons of low and moderate income. These services are financed primarily with grants, proceeds from sales of inventory, and other charges.

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. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is now on major funds, rather than generic fund types. Within the basic financial statements, fund financial statements focus on NORA's most significant funds rather than NORA as a whole. Major funds are separately reported while others are combined into a single, aggregated presentation.

NORA's funds can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. NORA's governmental funds on pages 17 through 33 are presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan is typically developed excluding certain timing differences between the budget basis and accounting principles generally accepted in the United States of America.

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 year. Such information may be useful in evaluating NORA's current financing requirements..

Proprietary funds on pages 35 through 37 provide the same type of information as the government-wide financial statements, only in more detail for the enterprise fund.

The governmental major funds total column requires reconciling because of the different measurement focus which is reflected on the page following each statement. The reconciliation incorporates long-term obligations and capital assets, as applicable into the government-wide statements.

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 are a required part of the basic financial statements and can be found on pages 38 through 70 of the accompanying audit report.

Supplementary, Required Supplementary and Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information which can be found on pages 71 through 76 of this report. A Schedule of Expenditures of Federal Awards can be found on pages 77 and 79. Schedule II can be found on page 80. Also, the Required Supplementary Information (Scheduled III and IV) can be found on pages 81 and 82. The supplementary sections are included for additional information and analysis and do not constitute a part of the basic financial statements.

Using This Annual Report

Our auditors have provided assurance in their independent auditor's report located immediately preceding this Management's Discussion and Analysis. That opinion is unmodified with respect to the basic financial statements. Varying degrees of assurances are being provided by the auditors regarding the other information included in the report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

Financial Analysis of NORA as a Whole

As year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of NORA as a whole.

STATEMENT OF NET POSITION COMPARATIVE

		2022	2021	\$ Change
Current Assets	\$	33,498,860	36,368,220	(2,869,360)
Noncurrent Assets		28,916,345	32,104,314	(3,187,969)
Deferred Outflows		239,803	275,715_	(35,912)
Total Assets and Deferred Outflows of Resources		62,655,008	68,748,249	(6,093,241)
Current Liabilities		18,717,179	20,355,841	(1,638,662)
Noncurrent Liabilities		11,255,221	11,792,724	(537,503)
Inflows of Resources		29,027,311	32,696,310	(3,668,999)
Total Liabilities and Inflows of Resources		58,999,711	64,844,875	(5,845,164)
Net Position:				
Net Investment in capital assets		211,798	241,396	(29,598)
Unrestricted		3,399,499	3,617,978	(218,479)
Restricted	***************************************	44,000	44,000_	
Total Net Position	\$	3,655,297	\$ 3,903,374	(248,077)

NORA's net position at December 31, 2022 and 2021 were \$3,655,297 and \$3,903,374. Of these amounts, \$211,798 and \$241,396 represent the amount of investment in capital assets in 2022 and 2021, respectively. The remaining \$3,399,499 for 2022 and \$3,617,978 for 2021 represent the unrestricted net position. There was no change in restricted net position for 2022 and 2021, totaling \$44,000.

NORA's net position at December 31, 2020 and 2019 were \$3,834,041 and \$3,276,047. Of these amounts, \$276,359 and \$311,088 represent the amount of investment in capital assets in 2020 and 2019, respectively. The remaining \$3,513,682 for 2020 and \$2,920,959 for 2019 represent unrestricted net position, and restricted net position of \$44,000 for 2020 and 2019, respectively.

Current assets decreased from \$36,368,220 in 2021 to \$33,498,860 in 2022. The decrease in current assets relate primarily to the disposition of land and structures in NORA's inventory under the Road Home Disposition Program and the timely collection of grants receivable and program income. These properties are disposed of through various development mechanisms with the income returned to the appropriate governmental entity.

Capital assets at December 31, 2022 reflects a decrease from \$241,396 in 2021 to \$211,798 in 2022 and from \$311,088 in 2019 to \$276,359 in 2020 as a result of the impact of depreciation expense.

At December 31, 2022, loans receivable net reflects a decrease of \$1,080,223 from 2021 and \$1,684,856 from 2020 due to the net impact of origination and payment of loans.

For 2021, current liabilities decreased from \$20,355,841 in 2021 to \$18,717,179 in 2022. This change was due to NORA's disposition and sale activities which furthered the redevelopment of blighted and abandoned properties.

Noncurrent liabilities decreased from \$11,792,724 in 2021 to \$11,255,221 in 2022 due to a decrease in unfunded other postemployment benefits.

NORA's major source of program revenues totaling \$2,066,956 and \$5,415,933 for the years ended December 31, 2022, and 2021, represent grants and/or contributions from governmental entities, proceeds from sale of real property and fees charged for services. The decrease is primarily attributable to the level of construction related activities more specifically related phase-out of the Disaster Commercial Corridors program and expense containment for the Road Home Property Disposition Program.

General revenues constitute the remaining source of total revenues totaling \$7,572,085 in 2022 and \$4,887,527 in 2021 which are primarily the result of program income.

NORA's proprietary funds' revenue (program and general) resulted from the contributions, fees and other income in the amount of \$331,720 in 2022 and \$848,627 in 2021. NORA's major source of general revenues came as a result of program income.

Program expenses for the governmental activities were \$9,330,586 in 2022 and \$9,470,914 in 2021 for the governmental funds. For the business-type activities expenses totaled \$129,673 for 2022 to \$563,317 in 2021.

The major components of program expenses for 2022 and 2021 were related to salaries and related fringe benefits, purchase or investment in the development of properties in New Orleans, property maintenance, and other contractual services related to property acquisition and redevelopment.

STATEMENT OF ACTIVITIES COMPARATIVE

	2022	2021	\$ Change
Program Revenues:			
Operating Grants and Contributions	\$ 2,018,142	4,625,273	(2,607,131)
Sales of Inventory	20,194	758,080	(737,886)
Fees and Other	28,620	32,580	(3,960)
	2,066,956	5,415,933	(3,348,977)
General Revenues:			
Interest Income	263,219	58,732	204,487
Program Income	5,927,951	3,586,281	2,341,670
Other Income	 1,380,915	1,242,514	138,401
	 7,572,085	4,887,527	2,684,558
Total Revenues	9,639,041	10,303,460	(664,419)
Expenses			
General Expenses	 9,460,259	10,034,231	(573,972)
Change in Net Position	178,782	269,229	(90,447)
Net Position, Beginning of			
Year, As Restated	 3,476,515	3,634,145	(157,630)
Total Net Position	\$ 3,655,297	\$ 3,903,374	\$ (248,077)

Financial Analysis of NORA's Funds

Governmental Funds: As discussed, the focus of NORA's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing NORA's financing requirements. In particular, unreserved fund balance may serve as a useful measure of NORA's net resources available for spending at the end of the year.

At December 31, 2022 and 2021, NORA's governmental funds reported combined fund balance of \$463,273 and \$459,207, respectively.

Major Governmental Funds: The general fund is the chief operating fund of NORA. At December 31, 2022 and 2021, unreserved fund balance of the general fund was \$463,273 and \$407,830, respectively. Non-spendable fund balance at December 31, 2022 and 2021 were \$0 and \$51,377, respectively.

The Blighted Properties Removal Program Fund receives funding under contract with the City of New Orleans to provide rehabilitation, clearance, and redevelopment of slums in blighted areas of the City of New Orleans. The fund balance always reflects a zero balance as this fund operates on a cost-reimbursement basis.

Proprietary Funds: The focus of NORA's proprietary funds is to provide the same type of information found in the government-wide financial statements, but in more detail.

Major Proprietary Funds: Net position at December 31, 2022 and 2021 amounted to \$5,238,104 and \$5,008,357, representing an increase of \$229,747. Of the total net position, net investment in capital assets were \$211,798 in 2022 and \$222,382 in 2021.

General Fund Budgetary Highlights

The Blighted Properties Removal Program Fund's entitlement program grants' original budgets for the fiscal years 2022 and 2021 were \$1,000,000 for each year. In addition, NORA received blighted related program funding (City of New Orleans and State) to rehabilitate and redevelop blighted properties.

Capital Asset and Debt Administration

At December 31, 2022 and 2021, NORA had \$211,798 and \$241,396 in investment in capital assets consisting principally of land. See NOTE 6 for detailed composition of capital assets.

At December 31, 2022 and 2021 NORA had no debt.

Economic Factors and Next Year's Budget and Rates

NORA's budget for 2023 covers multiple years. Those sources include:

Recovery Funding \$11.9M

(Katrina/Rita D-CDBG Funding through the State of Louisiana and City of New Orleans) - Funding for city-wide commercial project gap financing; property disposition and maintenance of former Road Home properties; acquisition of abandoned properties; and commercial façade improvement financing. NORA has continued to grow as an organization and partner with the City of New Orleans by creating new programs to help realize its community development and redevelopment goals via affordable rental gap financing, development of model resilient homes, and small business assistance grants.

Housing Construction Loan Fund

\$3.5M

(Katrina/Rita D-CDBG Funding through the State of Louisiana and City of New Orleans) - Residential Development funding has been established for Housing Construction Loan Fund through NORA's non-profit subsidiary, New Orleans Redevelopment Unlimited, Inc. (NORU), to financially assist developers in the Gentilly Woods, Lower Nineth Ward, Pontchartrain Park, and New Orleans East neighborhoods in accelerating the redevelopment of vacant and blighted properties in these areas.

National Disaster Resilience Competition (NDRC)

\$4M

Funds provided by the City of New Orleans with CDBG National Disaster Resilience (CDBG-NDR) awarded under the National Disaster Resilience Competition for the purpose of designing and implementing a program that offers new stormwater management interventions on privately owned property and benefits low/moderate income residents. The green infrastructure interventions will promote best practices in diverting stormwater away from the public drainage system.

Blighted Properties Removal Program Fund

\$1M

(City of New Orleans) - Funds provided using CDBG Annual (Entitlement) to implement strategies to reduce blight such as acquisition and disposition of blighted properties, maintenance of non-Road Home properties, interim nuisance abatement, management of disposition activities, and redevelopment framework planning for city owned properties leased by NORA for further development.

Continued,

Neighborhood Stabilization (NSP2)

\$.67M

In February 2010, NORA was awarded \$29.7 million from the U.S. Department of Housing and Urban Development to fund the Neighborhood Stabilization 2 (NSP2) Program. NORA generated program income from the sale of homes it developed and repayment of homebuyer subsidy when homes are resold to non-qualified households. This Program Income has been retained and will be used to develop new affordable rental or homeownership units or provide homebuyer assistance on units qualified census tracts.

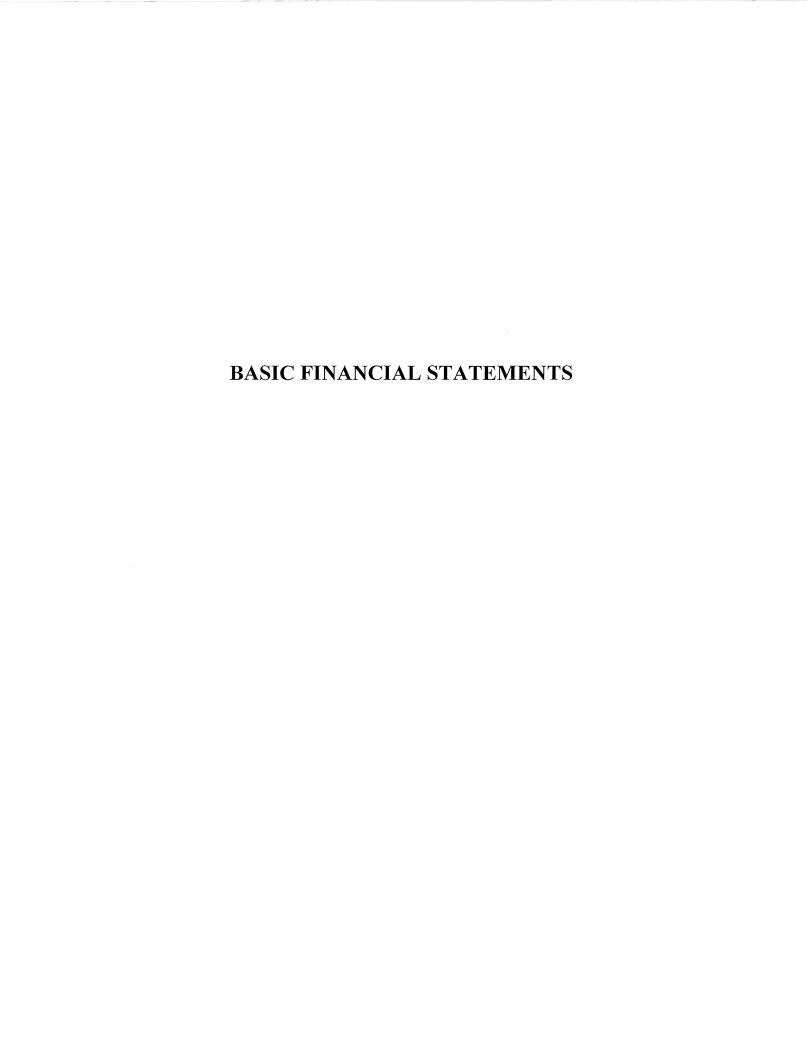
Ford Foundation \$.47M

NORA has secured approval from the Ford Foundation to dedicate the balance of this recoverable grant in support of long-term affordability for a portion of the 56 planned residential units at 1429-31 St. Bernard Avenue.

Although NORA has a significant budget for 2023, there are still challenges that NORA must overcome. Primarily, all funding anticipated is on a cost reimbursement basis. In addition, before the end of 2023, the State of Louisiana Office of Community Development is preparing for final closeout of Hurricanes Katrina and Rita Disaster Community Development Block Grants (D-CDBG). NORA does not currently anticipate any new programs or funding from the State of Louisiana is working directly with the City to fund programs utilizing the balance of program income held by NORA.

Requests for Information

The report is designed to provide a general overview of NORA's finances for all those that are interested in NORA's finances. Any questions concerning any of the enclosed information in this report and/or requests for additional information should be addressed to the Executive Director, New Orleans Redevelopment Authority, 1409 Oretha Castle Blvd., New Orleans, Louisiana 70113.



NEW ORLEANS REDEVELOPMENT AUTHORITY STATEMENT OF NET POSITION DECEMBER 31, 2022

ASSESTS AND DEFERRED OUTFLOWS OF RESOURCES

	overnmental Activities		siness-Type Activities		Total Primary Unit	Component Unit
Current Assets:		-				
Cash Unrestricted (NOTE 4)	\$ 1,348,803	\$	-	\$	1,348,803	\$ -
Cash Restricted (NOTE 5)	6,290,991		753,040		7,044,031	1,359,824
Amounts Receivable (NOTE 17)	205,747		242		205,989	1,579
Grant Receivable (NOTE 8)	1,581,725		-		1,581,725	911,955
Accrued Interest Receivable	276,668		-		276,668	-
Prepaid Items and Other Assets (NOTE 19)	124,221		456		124,677	709
Loan Receivable (NOTE 22)	111,209		500,195		611,404	1,758,340
Due From Funds	1,060,475		-		1,060,475	563,978
Investment Unrestricted (NOTE 20)	239,716		1,842,203		2,081,919	-
Investment Restricted (NOTE 21)	599,131		-		599,131	2,206,848
Land, Unimproved Land and Structures (NOTE 7)	 16,114,465		2,449,573_		18,564,038	
Total Current Assets	\$ 27,953,151		5,545,709	_\$_	33,498,860	\$ 6,803,233
Noncurrent Assets:						
Cash Restricted (NOTE 5)	18,124,892		_		18,124,892	-
Capital Assets, net (NOTE 6)	-		211,798		211,798	-
Loans Receivable, net (NOTE 22)	 10,579,655		-		10,579,655	
Total Noncurrent Assets	 28,704,547		211,798		28,916,345	
Total Assets	56,657,698		5,757,507		62,415,205	6,803,233
Deferred Outflows of Resources:						
Deferred Outflows OPEB (NOTE 3)	 239,803			-	239,803	
Total Assets and Deferred Outflows	 56,897,501	\$	5,757,507	\$_	62,655,008	\$ 6,803,233

NEW ORLEANS REDEVELOPMENT AUTHORITY STATEMENT OF NET POSITION DECEMBER 31, 2022

<u>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u>

		overnmental Activities		siness-Type Activities	Total Primary Unit	(Component Unit
Current Liabilities:							
Amounts Payable - Vendors	\$	1,221,312	\$	1,085	\$ 1,222,397	\$	371,567
Amounts Payable State of Louisiana		16,114,465		-	16,114,465		-
Due to Other Funds, net		1,070,782		-	1,070,782		536,120
Accrued Salaries, Taxes and Withholdings Payable		51,276		1,335	52,611		4,520
Compensated Absences Payable (NOTE 14)		69,796		-	69,796		-
Deposits Held for Buyers (NOTE 15)		170,340		16,788	 187,128		3,720
Total Current Liabilities		18,697,971		19,208	 18,717,179		915,927
Non-Current Liabilities:							
Compensated Absences Payable		151,124		-	151,124		_
Unfunded Other Post Employement Benefits (NOTE 3)		1,757,483		-	1,757,483		_
Revolving loan (NOTE 23)		9,346,614		-	 9,346,614		4,871,627
Total Non-Current Liabilities		11,255,221		_	 11,255,221		4,871,627
Total Liabilities	E44	29,953,192		19,208	29,972,400		5,787,554
Deferred inflows of resources:							
Deferred Inflows OPEB		307,480		-	307,480		-
Deferred Grant Funds and Cost of Assets		28,219,636	-	500,195	 28,719,831		865,718
Total Deferred Inflows of Resources:		28,527,116		500,195	 29,027,311		865,718
Total Liabilities and Deferred Inflows of Resources		58,480,308		519,403	58,999,711		6,653,272
Net Position							
Net Investment in Capital Assets		_		211,798	211,798		_
Unrestricted		(1,582,807)		4,982,306	3,399,499		149,961
Restricted	<u> </u>		-	44,000	 44,000		
Total Net Position	\$	(1,582,807)	\$	5,238,104	\$ 3,655,297	\$	149,961

NEW ORLEANS REDEVELOPMENT AUTHORITY STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2022

NET (EXPENSES) REVENUES AND CHANGES IN NET PROGRAM REVENUES POSITON

			P	ROGRAM	RE	VENUES	POSITON								
Functions]	Expenses	Charges For Services			Grants/ ntributions		vernmental Activities	Business Type Activities		Total Primary Unit			mponent Units	
Governmental Activities															
Blighted Properties Removal Program															
Nonmajor	\$	2,628,291	\$	-	\$	1,112,347	\$	(1,515,944)	\$	-	\$	(1,515,944)	\$	-	
Disaster O.C. Haley		179,998		-		-		(179,998)		-		(179,998)		_	
Road Home Property Disposition		2,630,742		_		7,000		(2,623,742)		_		(2,623,742)		-	
National Disaster Resilience Competition		870,850		_		870,850		-		-		-		-	
Orleans Houising Investment Program		2,024,745		_		_		(2,024,745)		_		(2,024,745)		_	
General Fund		995,960		-		245		(995,715)		-		(995,715)		-	
Total Government Activities	\$	9,330,586	\$		\$	1,990,442	\$	(7,340,144)	\$	-	\$	(7,340,144)	\$	-	
Business Type Activities															
Real Estate Acquisition and Land															
Banking Mechanism		129,673		28,620		27,700		-		(73,353)		(73,353)		_	
Total Business Activities		129,673		28,620	-	27,700		-		(73,353)		(73,353)		-	
Total Primary Government	\$	9,460,259	\$	28,620	\$	2,018,142	\$	(7,340,144)	\$	(73,353)	\$	(7,413,497)	\$	-	
Component Units															
NORU - General Fund/Unrestricted		25,357		_		-		-		-		-		(25,357)	
NORU - OHIP		2,013,975		-		2,013,975		_		-		-		-	
Total Component Units		2,039,332		-		2,013,975		-		-		-		(25,357)	
General Revenues															
Interest Income								231,357		31,862		263,219		69,518	
Program Income								5,927,951		-		5,927,951		,	
Transfers								919,408		-		919,408		-	
Other Revenue								210,463		271,238		481,701		1,127	
Total General Revenues							_	7,289,179		303,100		7,592,279		70,645	
Change in Net Position								(50,965)		229,747		178,782		45,288	
Net Position at the Beginning of Year								(1,104,983)		5,008,357	_	3,903,374		104,673	
Prior Period Adjustment								(426,859)		-		(426,859)			
Net Position, Beginning of Year, as Restated								(1,531,842)		5,008,357		3,476,515		104,673	
Net Assets at the End of Year							\$	(1,582,807)	\$	5,238,104	\$	3,655,297	\$	149,961	

ASSETS Governmental Funds

	 General Fund		BG - Disaster retha Castle Haley Fund	P	ad Home roperty sposition Fund	J	Natjonal Disaster Resilience Competition		Orleans Housing nvestment Program	Nonmajor Governmental Funds		Go	Total overnmental Funds
Cash - Unrestricted	\$ 1,348,803	\$	-	\$	-	\$	-	\$	-	\$	_	\$	1,348,803
Cash - Restricted	-		2,091,131	1	1,592,806		-		4,396,239		6,335,707		24,415,883
Amounts Receivable. net	-		-		7,951		-		-		197,796		205,747
Accrued Interest Receivable	-		276,668		-		-		-		-		276,668
Prepaid Items and Other Assets	59,384		-		55,074		-		-		9,763		124,221
Grants Receivable	-		178,705		-		331,818		-		1,071,202		1,581,725
Loans Receivable, net	777,720		6,592,226		1,261,333		-		-		2,059,585		10,690,864
Due From Other Funds	1,060,475		-		-		-		-		-		1,060,475
Investments - Unrestricted	239,716		-		-		-		-		-		239,716
Investments - Restricted	-		-		-		-		-		599,131		599,131
Land, Unimproved Land and Structures	 -		-	1	2,358,050		-		-		3,756,415		16,114,465
Total Assets	\$ 3,486,098	\$_	9,138,730	\$ 2	5,275,214	\$	331,818	_\$_	4,396,239	_\$_	14,029,599	_\$	56,657,698

LIABILITIES Governmental Funds

	General Fund	 BG - Disaster retha Castle Haley Fund	Road Home Property Disposition Fund		Natjonal Disaster Resilience Competition		Orleans Housing evestment Program		Nonmajor overnmental Funds	Go	Total overnmental Funds
Liabilities:											
Accounts Payable - Vendors	\$ 42,637	\$ 10	\$ 162,099	\$	229,380	\$	371,382	\$	415,804	\$	1,221,312
Amounts Payable - State of Louisiana	-	-	12,358,050		-		-		3,756,415		16,114,465
Due To Other Funds	27,858	-	-		100,506		-		942,418		1,070,782
Salaries and Related Payroll Taxes Payable	13,065	-	17,060		1,932		204		19,015		51,276
Revolving Loans	777,720	6,868,894	-		-		-		1,700,000		9,346,614
Deposits Held for Buyers	 <u>-</u>	-	169,784						556		170,340
Total Liabilities	861,280	 6,868,904	12,706,993		331,818		371,586		6,834,208		27,974,789
Deferred Inflows of Resources:											
Deferred Grant Funds and Cost of Assets	2,161,545	2,269,826	12,568,221		_		4,024,653		7,195,391		28,219,636
Total Deferred Inflows of Resources:	2,161,545	2,269,826	12,568,221		-		4,024,653		7,195,391		28,219,636
Fund Balances: Nonspendable Unassigned Total Fund Balances:	463,273 463,273	 - - -	- - -		- - -					-	463,273 463,273
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 3,486,098	\$ 9,138,730	 25,275,214	\$	331,818	\$	4,396,239	_\$	14,029,599	\$	56,657,698

ASSETS

	 CDBG - Annual (Entitlement)	CDE	CDBG - Target Zone		Neighborhood Stabilization Program 2	ordable Housing Pilot Program	Abandoned erty Program	P	age Total
Cash - Unrestricted	\$ -	\$	-	\$	-	\$ -	\$ -	\$	-
Cash - Restricted	-		116,198		743,500	45,843	122,824		1,028,365
Amounts Receivable, net	-		-		27,867	169,715	-		197,582
Accrued Interest Receivable	-		-		-	-	-		-
Prepaid Items and Other Assets	5,961		-		-	3,802	-		9,763
Grants Receivable	934,456		-		-	_	-		934,456
Loans Receivable, net	-		51,612		1,936,844	64,936	-		2,053,392
Due from Other Funds	-		-		-	-	-		-
Investments - Unrestricted	-		-		-	_	-		-
Investments - Restricted	-		-		-	599,131	-		599,131
Land, Unimproved Land and Structures	603		88,300		-	102,824	71,000		262,727
Total Assets	\$ 941,020	\$	256,110	\$	2,708,211	\$ 986,251	\$ 193,824	\$	5,085,416

ASSETS

	_	Mitigation Program	N	NI Grant Faç		Façade Renew 2.0		de Algiers State Fund	Strategic uisition Fund	P	age Total
Cash - Unrestricted	\$	-	\$	-	\$	-	\$	-	\$ -	\$	-
Cash - Restricted		-		-		1,028,552		-	523,552		1,552,104
Amounts Receivable, net		-		-		-		-	214		214
Accrued Interest Receivable		-		-		-		-	-		-
Prepaid Items and Other Assets		-		-		-		-	-		-
Grants Receivable		32,606		2,256		-		101,884	-		136,746
Loans Receivable, net		-		1,282		Η		-	4,911		6,193
Due from Other Funds		-		-		-		-	-		-
Investments - Unrestricted		-		-		-		-	-		-
Investments - Restricted		-		-		-		-	-		-
Land, Unimproved Land and Structures				171,000		-		_	3,322,688	***	3,493,688
Total Assets	\$	32,606	\$	174,538	\$	1,028,552	\$	101,884	\$ 3,851,365	\$	5,188,945

ASSETS

	 ffordable Rental Gap	Resi	ilient Homes	all Business	P	age Total	al Nonmajor overnmental Funds
Cash - Unrestricted	\$ -	\$	-	\$ -	\$	-	\$ _
Cash - Restricted	1,310,512		1,250,742	1,193,984		3,755,238	6,335,707
Amounts Receivable, net	-		-	-		-	197,796
Accrued Interest Receivable	-		-	-		-	-
Prepaid Items and Other Assets	-		-	-		-	9,763
Grants Receivable	-		-	-		-	1,071,202
Loans Receivable, net	-		-	-		-	2,059,585
Due from Other Funds	-		-	-		-	-
Investments - Unrestricted	-		-	-		-	-
Investments - Restricted	-		-	-		-	599,131
Land, Unimproved Land and Structures	-		-	-		_	3,756,415
Total Assets	\$ 1,310,512	\$	1,250,742	\$ 1,193,984	\$	3,755,238	\$ 14,029,599

LIABILITIES DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES /DEFICITS

	CDBG - Annual (Entitlement)					Sta	ghborhood bilization ogram 2		able Housing Program		Abandoned ty Program	Pa	age Total
Liabilities:		27.226	Φ.		Ф	2.624	Φ.	500	ф		Ф	20.270	
Accounts Payable - Vendors	\$	25,236	\$	-	2	2,634	\$	508	\$	-	\$	28,378	
Amounts Payable - State of Louisiana		603		88,300		-		102,824		71,000		262,727	
Due To Other Funds		904,619		-		-		-		-		904,619	
Salaries and Related Payroll Taxes Payable		10,562		-		291		498		-		11,351	
Revolving Loans		-		-		1,700,000		-		-		1,700,000	
Deposits Held for Buyers		-		_		-		556		-		556	
Total Liabilities		941,020		88,300		1,702,925		104,386	H-107-11-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-	71,000	***************************************	2,907,631	
Deferred Inflows of Resources: Deferred Grant Funds and Cost of Assets Total Deferred Inflows of Resources:		<u>-</u>		167,810 167,810		1,005,286 1,005,286		881,865 881,865	-	122,824 122,824		2,177,785 2,177,785	
Fund Balances: Nonspendable Unassigned Total Fund Balances:		- - -		- - -	-	- - -		- - -		- - -		- - -	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$	941,020	\$	256,110	\$	2,708,211	\$	986,251	\$	193,824	\$	5,085,416	

LIABILITIES DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES /DEFICITS

		g Mitigation It Program		NI Grant	Faça	de Renew 2.0		ade Algiers ate Fund		Strategic uisition Fund	F	age Total
Liabilities:												
Accounts Payable - Vendors	\$	18,276	\$	-	\$	40,450	\$	80,093	\$	1,484	\$	140,303
Amounts Payable - State of Louisiana		-		171,000		-		<u>-</u>		3,322,688		3,493,688
Due To Other Funds		14,330		1,756		-		21,713		-		37,799
Salaries and Related Payroll Taxes Payable		-		-		2,017		78		708		2,803
Revolving Loans		-		-		-		-		-		-
Deposits Held for Buyers	-	_		_		_		-		-		-
Total Liabilities		32,606		172,756		42,467	******	101,884		3,324,880		3,674,593
Deferred Inflows of Resources:												
Deferred Grant Funds and Cost of Assets		-		1,782		986,085		-		526,485		1,514,352
Total Deferred Inflows of Resources:		-		1,782	Pro-	986,085		_		526,485		1,514,352
Fund Balances: Nonspendable		_		_		_		_		_		_
Unassigned		_		_		_		_		_		_
Total Fund Balances:									-	-		
I can I and Datanees.		· · · · · · · · · · · · · · · · · · ·	**************		****		•					· · · · · · · · · · · · · · · · · · ·
Total Liabilities, Deferred Inflows of												
Resources, and Fund Balances	\$	32,606	\$	174,538	\$	1,028,552	\$	101,884	\$	3,851,365	\$	5,188,945

LIABILITIES DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES /DEFICITS

	Affor	dable Rental Gap	Resi	ilient Homes		nall Business	<u>F</u>	Page Total	nl Non-Major overnmental Funds
Liabilities:									
Accounts Payable - Vendors	\$	1,710	\$	315	\$	245,098	\$	247,123	\$ 415,804
Amounts Payable - State of Louisiana		-		-		-		-	3,756,415
Due To Other Funds		-		-		-		-	942,418
Salaries and Related Payroll Taxes Payable		1,454		2,039		1,368		4,861	19,015
Revolving Loans		-		-		-		-	1,700,000
Deposits Held for Buyers		-		-		-		-	556
Total Liabilities		3,164		2,354		246,466		251,984	6,834,208
Deferred Inflows of Resources:									
Deferred Grant Funds and Cost of Assets		1,307,348		1,248,388		947,518		3,503,254	7,195,391
Total Deferred Inflows of Resources:		1,307,348		1,248,388	-	947,518	-	3,503,254	 7,195,391
Fund Balances:									
Nonspendable		-		-		_		-	_
Unassigned		-		-		_		-	_
Total Fund Balances:		-		-				_	 -
Total Liabilities, Deferred Inflows of									
Resources, and Fund Balances	\$	1,310,512	\$	1,250,742	\$	1,193,984	\$	3,755,238	\$ 14,029,599

NEW ORLEANS REDEVELOPMENT AUTHORITY RECONCILIATION OF THE BLANACE SHEET OF THE GOVENREMENTAL FUNDS TO THE STATMEENT OF NET POSITION OF GOVERNMENTAL ACTIVITIES DECEMBER 31, 2022

Total Governmental Fund Balance	\$	463,273
Deferred Outflows - OPEB Related		239,803
Long-Term Liabilities are Not Due and Payable in the Current Period and therefore are not reported in Governmental Fund Balance Sheet	t	
OPEB Liability Compensated Absences Payable		(1,757,483) (220,920)
Deferred Inflows - OPEB Related		(307,480)
Net position of governmental activities	\$	(1,582,807)

Governmental Funds

	_	General Fund	Ore	G - Disaster tha Castle Haley Fund]	oad Home Property isposition Fund	I R	latjonal Disaster esilience mpetition	Iı	Orleans Housing ivestment Program	Ionmajor vernmental Funds	Go	Total vernmental Funds
Revenues:													
Grants - State of Louisiana	\$	-	\$	-	\$	7,000	\$	-	\$	-	\$ _	\$	7,000
Grants - City of New Orleans		-		-		-		870,850		-	1,112,347		1,983,197
Grants - Non-Governmental		245		-		-		-		-	-		245
Interest Income		9,243		179,998		34,594		₩.		-	7,522		231,357
Program Income		-		-		2,422,064		-		2,024,745	1,481,142		5,927,951
Other		16,098				167,084				-	 27,280		210,462
Total Revenues	\$	25,586	\$	179,998	\$	2,630,742	\$	870,850	\$	2,024,745	\$ 2,628,291	\$	8,360,212

NEW ORLEANS REDEVELOPMENT AUTHORITY STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

	 DBG - Annual Entitlement)	CDBC	G - Target Zone	Neighborhood iliation Program 2	A	ffordable Housing Pilot Program	O Abandoned perty Program	 Page Total
Revenues:								
Grants - State of Louisiana	\$ -	\$	-	\$ -	\$	-	\$ -	\$ -
Grants - City of New Orleans	1,046,038		-	-		-	40,782	1,086,820
Grants - Non-Governmental	-		-	-		-	-	-
Interest Income	-		-	-		7,522	-	7,522
Program Income	-		3,405	69,317		56,141	-	128,863
Other	-		-	3,099		24,181	-	27,280
Total Revenues	\$ 1,046,038	\$	3,405	\$ 72,416	\$	87,844	\$ 40,782	\$ 1,250,485

	g Mitigation at Program	 NI Grant	Faç	ade Renew 2.0	Faca	de Algiers State Fund	Strategic uisition Fund	 Page Total
Revenues:								
Grants - State of Louisiana	\$ -	\$ -	\$	-	\$	-	\$ _	\$ -
Grants - City of New Orleans	25,527	-		-		-	-	25,527
Grants - Non-Governmental	-	-		-		-	-	_
Interest Income	-	-		-		-	-	-
Program Income	-	-		171,037		128,115	147,340	446,492
Other	-	-		-		-	- -	-
Total Revenues	\$ 25,527	\$ -	\$	171,037	\$	128,115	\$ 147,340	\$ 472,019

	fordable Rental Gap	Resi	lient Homes	all Business prolending	Pa	age Total	al Nonmajor vernmental Funds
Revenues:							
Grants - State of Louisiana	\$ -	\$	-	\$ -	\$	-	\$ -
Grants - City of New Orleans	-		-	-		-	1,112,347
Grants - Non-Governmental	_		-	_		-	-
Interest Income	_		_	-		-	7,522
Program Income	142,564		210,741	552,482		905,787	1,481,142
Other	-		-	-		-	27,280
Total Revenues	\$ 142,564	\$	210,741	\$ 552,482	\$	905,787	\$ 2,628,291

			 			Govern	mental Fur	ıds					
	_	General Fund	 G - Disaster etha Castle Haley Fund	I	oad Home Property isposition Fund	D Re	atjonal isaster silience npetition	H Inv	Orleans Iousing vestment rogram	Gov	onmajor ernmental Funds	Gove	Total ernmental Funds
Expenditures													
Operations:													
Personnel Salaries & Wages	\$	404,510	\$ 69,482	\$	840,779	\$	37,579	\$	14,300	\$	781,260	\$ 2	2,147,910
Personnel Services Employee Benefits		96,801	15,625		192,044		7,744		2,307		179,142		493,663
Purchased Professional & Technical Services		87,598	3,945		253,643		18,585		14,990		347,247		726,008
Purchased Property Services		165,503	4,045		702,398		2,953		910		246,683		1,122,492
Insurance		70,371	130		82,437		1,568		37		32,345		186,888
Other Purchased Services		72,985	-		435		-		-		1,998		75,418
Supplies		36,795	-		-		-		-		111		36,906
Property		1,454	9		2,538		87		4		66,441		70,533
Programs		-	50,000		-		781,306		1,984,630		530,338	3	3,346,274
Other Uses		4,912	36,762		444,858		21,028		7,567		417,015		932,142
Cost of Sales		-	· _		111,610		-		_		25,711		137,321
Total Expenditures:		940,929	 179,998	-	2,630,742	-	870,850		2,024,745		2,628,291	-	9,275,555
Excess (Deficiency) of Revenues Over (Under) Expenditures:	\equiv	(915,343)	-						-				(915,343)
Other financial sources (uses)													
Operating Transfers in		919,408	-		-		-		-		-		919,408
Operating Transfers (out)		_	_				-		-		-		-
Total other financial sources (uses)		919,408	 -				-		-		-		919,408
Change in Fund Balances		4,065	-		-		-		-		-		4,065
Fund Balances (Deficit), as Previously Reported, Beginning of Year		459,207	-		-		-		-		-		459,207
Prior Period Adjustment		-	-		-		-		-		-		-
Fund balances (deficit), as Restated, Beginning of Year		459,207	-		-		-		-		-		459,207
Fund Balances (Deficit), End of Year	\$	463,272	\$ _	\$		\$		\$	-	\$	-	\$	463,272

	CDBG - Annua (Entitlement)	ıl	CD:	BG - Target Zone	Sta	ghborhood abilization rogram 2	able Housing Program	 Abandoned ty Program	 Page Total
Expenditures									
Operations:									
Personnel Salaries & Wages	\$ 399,9	95	\$	-	\$	20,627	\$ 22,238	\$ 17,742	\$ 460,602
Personnel Services Employee Benefits	93,5	90		-		4,728	5,675	3,701	107,694
Purchased Professional & Technical Services	118,5	74		_		32,550	2,346	1,708	155,178
Purchased Property Services	203,3	41		_		2,123	10,498	1,578	217,540
Insurance	17,9	55		-		735	6,047	-	24,737
Other Purchased Services	6	24		-		687	-	-	1,311
Supplies				-		-	111	-	111
Property	3	22		-		52	176	6,667	7,217
Programs				-		-	-	-	-
Other Uses	211,6	37		-		10,914	18,447	9,386	250,384
Cost of Sales				3,405		-	22,306	-	25,711
Total Expenditures:	1,046,0	38		3,405		72,416	87,844	40,782	1,250,485
Excess (Deficiency) of Revenues Over (Under) Expenditures:	-			-		-	 	 -	
Other financial sources (uses)									
Operating Transfers in				-		-	-	-	-
Operating Transfers (out)				-		<u> </u>	 	 	 _
Total other financial sources (uses)	•			-	-	-	 	 	
Change in Fund Balances				-		-	-	-	-
Fund Balances (Deficit), as Previously Reported, Beginning of Y				-		-	-	-	-
Prior Period Adjustment				-		-	-	-	-
Fund balances (deficit), as Restated, Beginning of Year				-		-	-	-	-
Fund Balances (Deficit), End of Year	\$.		\$	-	\$	-	\$ 	\$ _	\$ _

NEW ORLEANS REDEVELOPMENT AUTHORITY STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2022

NON - MAJOR GOVERNMENTAL FUNDS

	_	Mitigation Program	 NI Grant	Faca	ade Renew 2.0	de Algiers ite Fund	Strategic nisition Fund	Page Total
Expenditures								
Operations:								
Personnel Salaries & Wages	\$	5,716	\$ -	\$	43,656	\$ 8,098	\$ 24,890	\$ 82,360
Personnel Services Employee Benefits		1,535	-		8,071	2,180	4,902	16,688
Purchased Professional & Technical Services		18,276	-		46,698	16,191	40,786	121,951
Purchased Property Services		-	-		3,605	751	4,356	8,712
Insurance		-	-		798	129	614	1,541
Other Purchased Services		-	-		-	-	-	-
Supplies		-	-		-	-	•	-
Property		-	-		67	7	58,624	58,698
Programs		-	-		45,046	96,476	_	141,522
Other Uses		_	-		23,096	4,283	13,168	40,547
Cost of Sales			-		-	 	-	 <u> </u>
Total Expenditures:		25,527	-		171,037	128,115	147,340	472,019
Excess (Deficiency) of Revenues Over (Under) Expenditures:	\$		\$ -	\$	-	\$ -	\$ 	\$ -
Other financial sources (uses)								
Operating Transfers in		-	-		-	-	-	-
Operating Transfers (out)		-	-		-	-	-	-
Total other financial sources (uses)		-	 -		-	 -		 -
Change in Fund Balances		-	-		-	-	-	-
Fund Balances (Deficit), as Previously Reported, Beginning of Year		-	-		-	-	-	-
Prior Period Adjustment		-	-		-	-	-	-
Fund balances (deficit), as Restated, Beginning of Year		-	-		-	-	-	-
Fund Balances (Deficit), End of Year	\$	-	\$ -	\$	-	\$ 	\$ -	\$ **

NEW ORLEANS REDEVELOPMENT AUTHORITY STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2022

NON - MAJOR GOVERNMENTAL FUNDS

	Afford	dable Rental Gap	Resil	lient Homes		all Business crolending	P	age Total		ll Nonmajor imental Funds
Expenditures										
Operations:		0.4.6	•			00.00		222.222		201.0 60
Personnel Salaries & Wages	\$	74,816	\$	74,557	\$	88,925	\$	238,298	\$	781,260
Personnel Services Employee Benefits		17,234		18,476		19,050		54,760		179,142
Purchased Professional & Technical Services		1,400		68,718		-		70,118		347,247
Purchased Property Services		6,780		6,318		7,333		20,431		246,683
Insurance		2,528		2,345		1,194		6,067		32,345
Other Purchased Services		-		687		-		687		1,998
Supplies		-		-		-		-		111
Property		221		192		113		526		66,441
Programs		-		-		388,816		388,816		530,338
Other Uses		39,585		39,448		47,051		126,084		417,015
Cost of Sales		-		-						25,711
Total Expenditures:		142,564		210,741	B111,0111111111111111111111111111111111	552,482	***************************************	905,787	Washington to the same the same to the	2,628,291
Excess (Deficiency) of Revenues Over (Under) Expenditures:		IN				-		-		
Other financial sources (uses)										
Operating Transfers in		-		-		-		-		-
Operating Transfers (out)		-		_		-		-		-
Total other financial sources (uses)		-		-			***************************************			-
Change in Fund Balances		-		-		-		-		-
Fund Balances (Deficit), as Previously Reported, Beginning of Year		-		-		-		-		-
Prior Period Adjustment		-		-		-		-		-
Fund balances (deficit), as Restated, Beginning of Year		-		-		-		-		-
Fund Balances (Deficit), End of Year	\$	_	\$	-	\$	<u> </u>	\$	-	\$	_

NEW ORLEANS REDEVELOPMENT AUTHORITY RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2022

Change in Fund Balance	\$ 4,065
OPEB Expense	 (55,030)
Change in Net Position for the Governmental Activities	\$ (50,965)

NEW ORLEANS REDEVELOPMENT AUTHORITY STATEMENT OF NET POSITION - PROPRIETARY FUND DECEMBER 31, 2022

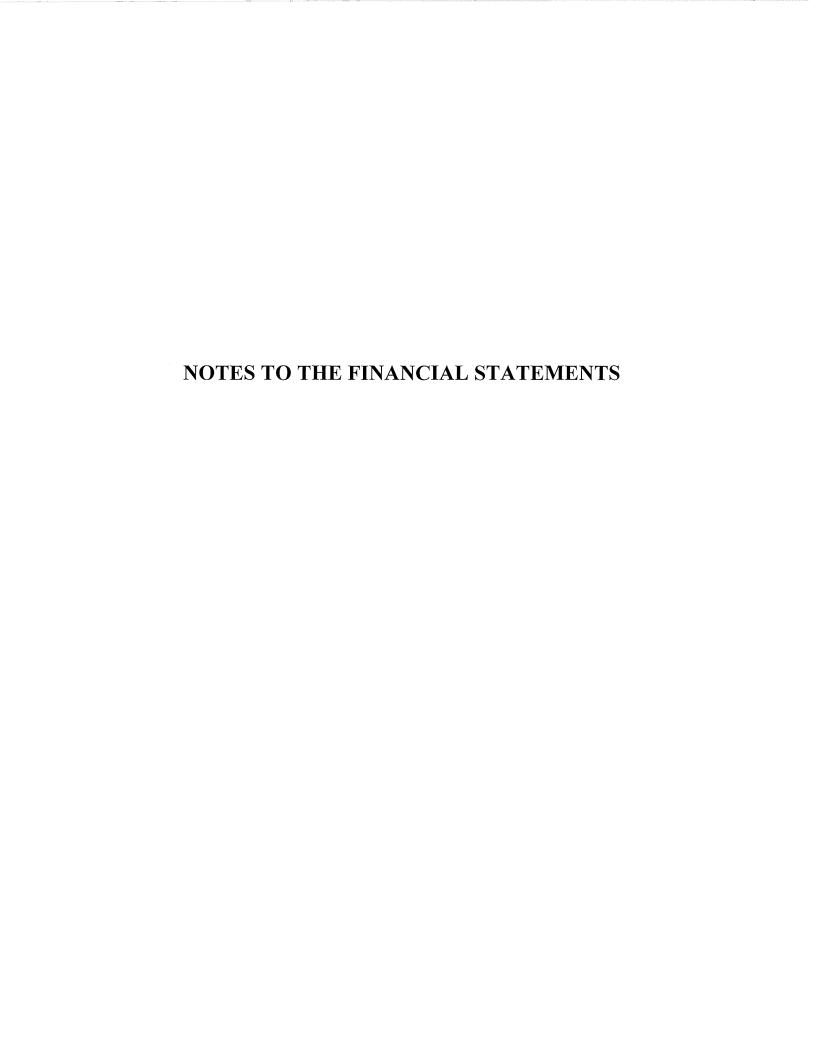
	Acq Lai	eal Estate uisition and nd Banking lechanism
Assets		
Cash	\$	753,040
Amounts Receivable Other		242
Prepaid and Other Assets		456
Loan Receivable		500,195
Investments		1,842,203
Capital Assets		211,798
Land, Unimproved and Structures		2,449,573
Total Assets		5,757,507
Liabilities		
Amounts Payables - Vendors		6,084
Accrued Salaries, Taxes and With-Holdings		1,335
Security Deposits		16,788
Total Liabilities		24,207
Deferred Inflows of Resources		
Deferred Grant Funds and Cost of Assets		500,195
Total Deferred Inflows of Resources		500,195
Net Position		
Unresricted Net Position		5,233,105
Total Net Position	\$	5,233,105

NEW ORLEANS REDEVELOPMENT AUTHORITY STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET POSITION - PROPRIETARY FUND FOR THE YEAR ENDED DECEMBER 31, 2022

	Acquis	eal Estate ition and Land ng Mechanism
Operating Revenues		
Proceeds from Sale of Property Inventory	\$	20,194
Cost of Sales		-
Net Gain From Sales		20,194
Contributions and Donations		27,700
Rental Income		28,620
Forfeits		23,360
Other Income		35,345
Total Operating Revenues		135,219
Non-Operating Revenues		
Property Reversions		174,000
Total Non-Operating Revenues		174,000
Total Revenues		309,219
Operating Expenses		
Personnel Salaries & Wages		12,787
Personnel Services Employee Benefits		2,579
Purchased Professional & Technical Services		8,425
Purchased Property Services		14,219
Insurance		855
Depreciation		18,767
Property		14,496
Other Uses		6,834
Cost of Sales		5,509
Total Operating Expenses:		84,471
Operating and Non-Operating Income (Loss)		224,748
Net Position, Beginning of Year		5,008,357
Net Position, End of Year	\$	5,233,105

NEW ORLEANS REDEVELOPMENT AUTHORITY STATEMENT OF CASH FLOWS -- PROPRIETARY FUND FOR THE YEAR ENDED DECEMBER 31, 2022

Cash Flows Provided by Operating Activities:	
Cash Received from Customers	\$ 104,990
Payments to Vendors	(52,011)
Interest Income Received	31,862
Net Cash Provided by Operating Activities	84,841
Cash Flows Used in Investing Activities:	
Purchases of Investments	(530,781)
Cash Used in Investing Activities	 (530,781)
Change in Cash	(445,940)
Cash, Beginning of Year	 1,207,163
Cash, End of Year	\$ 761,223
Operating Income	\$ 224,748
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	18,767
Change in Assets and Current Liabilities:	
Decrease in Amounts Receivable	30,742
Increase in Prepaid Items and Other Assets	(57)
Increase in Unimproved Land and Structures, Unrestricted	(190,940)
Increase in Amounts and Other Payable	2,465
Decrease in Security Deposit and Deposits Held for Buyers	 (884)
Net Cash Provided by Operating Activities	\$ 84,841



NOTE 1 – BACKGROUND INFORMATION

The New Orleans Redevelopment Authority (NORA) exists under the authority contained in Act No. 170, as amended, as passed by the Louisiana Legislature in 1968. NORA was formulated as a program by the City of New Orleans for the utilization of appropriate private and public resources to eliminate and prevent the development or spread of slums; to provide decent, safe and sanitary dwellings for families of low income; to allow the creation and organization of a community improvement agency; to allow the rehabilitation, clearance and redevelopment of slums and blighted areas in the City of New Orleans in accordance with community improvement plans or projects approved by the governing body of the City of New Orleans; to define the duties, liabilities, exemptions, authority and functions of such community improvement agency, including the acquisition of property by negotiation, gift or expropriation, the disposition of property by sale or lease, the issuance of bonds, borrowing of money and giving of security therefore and to allow bonds issued to be legal investments for banks and fiduciaries; to provide for notice and hearing; to authorize entering into agreements to secure Federal aid; to authorize public bodies to furnish funds, services, facilities and property in aid of community improvement projects and related activities hereunder; and to provide that securities issued and properties, while held by the New Orleans Redevelopment Authority, shall be exempt from taxation.

On July 7, 1994, the Louisiana Legislature passed Act No. 65 which amended Act No. 170 that created the New Orleans Redevelopment Authority. Act No. 65 effectively changed the name of the Community Improvement Agency to New Orleans Redevelopment Authority. In addition, the Board of Commissioners also adopted a resolution approving the name change.

As of December 31, 2021, NORA was primarily engaged in the following programs:

- Blighted Properties Removal Program (Entitlement, Target Zone, Disaster Consolidated CotTidors, Affordable Housing Pilot Program Katrina Cottages, Hazard Mitigation Grant Program, Facade Renew, and Facade Renew 2.0, National Disaster Resilience Competition Adoption Program);
- Real Estate Acquisition and Land Banking Mechanism (REALM);
- Louisiana Recovery Authority (Housing Opportunity Zone/Construction Lending Extended/Expanded);
- Road Home Property Disposition (Strategic Acquisition, Orleans Housing Investment Program, Facade Renew 2.0);
- Neighborhood Stabilization Program (NSP2);

NOTE 1 – BACKGROUND INFORMATION (CONTINUED)

- General Fund to include Ford Foundation and Enterprise Community Partners Abandoned Property Program;
- Small Business Microlending Grant Program;
- Affordable Rental Gap Financing Program;
- Resilient Homes

NORA, under a contract with the City of New Orleans, is a key partner in the revitalization of New Orleans neighborhoods implementing housing development, commercial revitalization and land stewardship projects. NORA provides technical assistance in connection with other redevelopment, renewal, rehabilitation, urban beautification and/or other improvements where physical conditions render them detrimental to the safety and welfare of the public at large.

Further, through various grants and cooperative agreements, from Federal, State and private sources, NORA manages rehabilitation, demolition and removal activities.

A brief description of each of the programs follows:

Blighted Properties Removal Program

The Blighted Properties Removal Program under the Entitlement, Target Zone, Disaster, Consolidated Corridors are designed to provide for the rehabilitation and/or demolition and removal of buildings and other improvements whose physical conditions render them detrimental to the safety and welfare of the public at large, and whose existence directly threatens the physical, social and economic stability of the surrounding neighborhood facilities and jeopardizes the well-being of the entire community.

These programs provide for technical assistance and/or financial assistance for rehabilitation, acquisition and redevelopment for blight reduction and alternative land use. The program is administered by NORA under contract with the City of New Orleans.

Affordable Housing Pilot Program (Katrina Cottages) (AI-IPP)

The Louisiana Katrina Cottage Program resulted in the construction of forty (40) housing units on NORA controlled properties intended for home ownership units. Funding for the program is made available under Federal Emergency Management Agency (FEMA).

NOTE 1 – BACKGROUND INFORMATION (CONTINUED)

Hazard Mitigation Grant Program (HMGP)

The HMGP provides grants to assist in the implementation of long-term hazard mitigation measures after a major disaster declaration.

Facade Renew and Facade Renew 2.0

Launched in January 2014, Facade Renew is a CDBG-DR funded program to support strategic investments in targeted commercial corridors. The program includes grants to property and small business owners to revitalize storefronts and building facades, as well as placemaking grants to main street organizations. Starting during 2018, Facade Renew 2.0 began accepting and approving applications for facade improvements grants on six new corridors including two in Algiers. Facade Renew 2.0 is funded by locally held program income derived from the sale of former Road Home properties.

Real Estate Acquisition and Land Banking Mechanism (REALM)

The REALM program is designed to provide a mechanism for the rehabilitation and/or demolition and removal of buildings and other improvements through acquisition and disposition of property to allow for a greater impact on blight and community redevelopment.

Under the REALM program, NORA works with other City agencies to acquire blighted properties in a strategic fashion and then bundles those properties for sale and/or donation.

Louisiana Recovery Authority

The Louisiana Recovery Authority (LRA) program managed by NORA focuses on redevelopment through economic development efforts within the New Orleans area. Further, NORA has established a housing construction loan fund to assist developers in accelerating redevelopment.

Road Home Property Disposition

The Road Home Property Disposition program's mission is to finance. own, lease as lessee or lessor, sell. exchange, donate otherwise hold or transfer a property interest in housing stock damaged by Hurricane Katrina or Rita.

NOTE 1 – BACKGROUND INFORMATION (CONTINUED)

Neighborhood Stabilization Program (NSP2)

The NSP2 program is managed by NORA and focuses on a comprehensive neighborhood development strategy to address the challenges of blight and vacancy throughout the City.

Strategic Acquisition Fund

This project assists in citywide reduction and neighborhood stabilization through strategic, targeted redevelopment initiatives, including acquisition of blighted, vacant and/or abandoned properties for the purpose of redevelopment into housing, retail/commercial, mixed-use and/or green space projects. This Fund will allow NORA to work with the City of New Orleans for the purpose of reducing blight and supporting new developments around those investments.

Abandoned Property Program

NORA, in cooperation with the City of New Orleans, Offices of Community Development, and Community Assets and Investment, initiated the APP Program to facilitate the disposition and development of tax adjudicated and code lien foreclosure sales through Sheriff sales. NORA began implementation of the program within the Lower Ninth Ward Opportunity Zone as a pilot in 2021. As of December 31, 2022, NORA acquired four additional properties and one acquisition is pending.

Small Business Microlending Grant Program (SBMGP)

Under the SBMGP Grant, NORA will fund recoverable grants up to \$25,000 and up to 50 new business enterprises that occupy vacant storefronts on target corridors in Low to Moderate Income areas. The program will prevent vacancies along corridors affected by Hu1Ticanes Katrina or Rita that have also been negatively impacted by business interruptions associated with COVID-19 and /or Hurricane IDA. The program is designed to layer with NORA's existing Facade RENEW and Commercial Corridor Technical Assistance Programs.

Affordable Rental Gap Financing Program (ARGFP)

Under this program, NORA will make a rental loan product available as permanent secondary long-term financing for affordable rental projects, especially those being developed on scattered sites NORA properties or located within designated NORA Commercial Corridor Gap Financing geographies. The program is designed to leverage Low Income Housing Tax Credits, HOME,

NOTE 1 – BACKGROUND INFORMATION (CONTINUED)

Affordable Rental Gap Financing Program (ARGFP), Continued

and/or Community Development Block Grant funds from the City of New Orleans and the Louisiana Housing Corporation, as well as Project-Based Vouchers (PBV) from the Housing Authority of New Orleans (HANO). The program is also designed to leverage 4% Low Income Housing Tax Credits from Finance New Orleans.

Resilient Homes

Under this program, NORA will develop three model resilient homes on NORA-owned property near educational and stormwater management sites. The homes will primarily feature traditional architectural styles but also exhibit best practices in hazard resilience, energy efficiency, and stormwater management. The homes will be built in the Gentilly Resilience District and modeled on the LaHouse project on the Louisiana State University campus in Baton Rouge.

Orleans Housing Investment Program (OHIP)

OHIP, the newest phase of NORA's Residential Construction Lending program, is funded program income derived from sale of former Road Home properties. NORA has awarded properties and financing to New Orleans Redevelopment Unlimited (NORU) for the development of single-family affordable home ownership opportunities in Central City, Seventh Ward, Gentilly, and New Orleans East neighborhoods.

Housing Opportunity Zone

This program uses State CDBG funds to finance the development of affordable housing on NORA-owned property located in the nine City designated Housing Opportunity Zones.

National Disaster Resilience Competition/Community Adaptation Program

Funded through a portion of the \$143 million National Disaster Resilience Competition award to the City of New Orleans, NORA has established the Community Adaption Program to fund improvements to manage stormwater and prevent flooding on previously developed properties owned by low to moderate income homeowners within the Gentilly Resilience District.

Construction Lending Extended/Expanded

Funds are used for housing construction loans to provide financial assistance to developers.

<u>NOTE 1 – BACKGROUND INFORMATION (CONTINUED)</u>

General Fund

The general fund is used by NORA's as its primary operating fund which includes the following:

Ford Foundation

This private grant will be used to support the acquisition and predevelopment costs of key commercial and multifamily properties to catalyze redevelopment and reinvestment. These funds may also serve as a complementary financing source for projects seeking funding from NORA's Commercial Corridor Gap Financing Program.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Fund

The general fund is used by NORA to account for all financial activities or resources, except those required to be accounted for in other funds.

Pursuant to the requirements of GASB Statement No. 54 (Fund Balance Reporting, and Government Fund Type Definitions), fund balance is reported as non-spendable and unassigned. The non-spendable classification is associated with amounts considered non-spendable such as capital assets, prepaid assets, etc. The unassigned classification represents amounts not restricted or committed.

Financial Reporting Entity

NORA exists under the Authority contained in Act No. 170, as amended, as passed by the Louisiana Legislature in 1968 and subsequently amended by Act No. 65, passed in 1994. NORA has the power to sue and be sued and make rules and regulations for its own government consistent with the laws of the State of Louisiana and the City of New Orleans.

Government Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" established standards for defining and reporting on the financial entity.

GASB 14 and its related amendment GASB 39 indicate that the focal point for identifying the financial reporting entity is the primary government, which is considered to be any state government or general-purpose local government or a special-purpose government that meets all of the following criteria: a) has a separately elected governing body; b) is legally separate; and c) is fiscally independent of other state and local governments.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Reporting Entity, Continued

GASB 14 and its related amendment GASB 39 indicate that the focal point for identifying the financial reporting entity is the primary government, which is considered to be any state government or general purpose local government or a special-purpose government that meets all of the following criteria: a) has a separately elected governing body; b) is legally separate; and c) is fiscally independent of other state and local governments.

NORA was established as a separate legal entity with a governing board which is separate and independent of any other governmental "reporting entity" as defined by GASB 14. Accordingly, management has concluded that NORA is a financial reporting entity within the meaning of the provisions of GASB 14.

Based on the requirements of GASB's 14 and 39, NORA has included the following component unit in the financial reporting entity:

NORA formed in 2004 a 50l(c)(3) organization, New Orleans Redevelopment Unlimited, Inc., to utilize appropriate private and public resources to eliminate and prevent the development or spread of slums; to provide decent, safe and sanitary dwellings for families of low income; to allow the rehabilitation, clearance and redevelopment of slums and blighted areas in the City of New Orleans to include, but not limited to community improvement plans or projects approved by the governing body of the City of New Orleans; and to acquire property by negotiation, or gift, and the disposition of property by sale, lease, or gift; and to own real estate, to buy or sell, develop or lease, and generally handle, movable and immovable property of every nature and kind.

The component unit's financial statements have been included in NORA's financial statements in a discrete presentation.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimated.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Reporting Entity, Continued

Basis of Presentation

NORA's basic financial statements consist of the government-wide statements of the primary government and its component unit and the fund financial statements (individual major funds and combined nonmajor funds). The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the activities of NORA. The effect of interfund activity has been removed from these statements.

NORA's statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who use or directly benefit from services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items are properly included among program revenues or reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements, Continued

NORA reports the following major governmental funds:

CBDG-Disaster Oretha Castle Haley Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Blighted Properties Program Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes regarding the rehabilitation and/or demolition and removal and gap financing of blight in the City of New Orleans.

The Road Home Property Disposition is used to account for transfers activities and disposition of Road Home property. Specifically, the objective of the project is to facilitate the rehabilitation of blight in various neighborhoods in the City of New Orleans.

National Disaster Resilience Competition is funded through a portion of the \$143 million National Disaster Resilience Competition award to the City of New Orleans. NORA has established the Community Adaption Program to fund improvements to manage stormwater and prevent flooding on previously developed properties owned by low to moderate income homeowners within the Gentilly Resilience District.

The remaining programs, Entitlement, Target Zone, PRC Operation Comeback, Construction Lending, Housing Opportunity Zone, Orleans Housing Investment Program, NSP2, Affordable Housing Pilot Program, Housing Mitigation Grant Program, Facade, and Strategic Acquisition Fund, Abandoned Property Program, Affordable Rental GAP, and Resilient Homes etc. are accounted for under the non-major program.

NORA reports the following major proprietary fund:

The REALM Program accounts for activities related to the rehabilitation and/or demolition and removal of buildings and other improvements through acquisition and disposition of property.

As a general rule, the effect of interfund activity has been eliminated at the government-wide financial statements level.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements, Continued

Amounts reported as program revenues include 1) charges to customers or applicants for services or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions.

The proprietary fund distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a propriety fund's principal ongoing operations. The principal operating revenues of NORA's enterprise fund are charges to customers for services and sales of inventory of land. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Under the provisions of GASB 33 Standards (Accounting and Financial Reporting for Non-Exchange Transactions), NORA recognizes assets, liabilities, revenues and expenditures under its government-mandated and voluntary nonexchange transactions as follows:

- NORA recognizes assets and liabilities when all applicable eligibility requirements are met or resources received, whichever is first;
- Revenue and expenditures are recognized when all applicable eligibility requirements are met; and
- Transactions with time requirements, resources received prior to the satisfaction of the time requirement(s), are recorded by NORA as deferred revenue upon award.

Statement of Cash Flows

For purposes of the statement of cash flows, the proprietary fund type considers all highly liquid investments with an original maturity of ninety (90) days or less when purchased to be cash equivalents.

Loans Receivable

Loans receivables are recorded at the face value of the note at point of execution. The revolving loan program is used primarily to support economic and rehabilitation development activities funded with CDBG, LRA and NSP2 grants. The interest rates on the loans range from zero to four (4) percent. Repayment range of the loans are required within established timelines.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Loans Receivable, Continued

Also, included in loans receivable are non-interest-bearing forgivable mortgage loans secured by real estate. No payments are required unless the borrower fails to maintain ownership of the property as his/her principal residency.

In the event the borrower ceases to occupy the property, the entire amount of the loan, less any portion earned by the borrower, will be due and payable.

The borrower will earn a portion of the loan for each month that he/she owns and resides in the property as his/her principal place of residency. The borrower will earn the loan on a pro-rata basis for each month of ownership and occupancy as measured against the period of affordability.

NORA records the earned portion on a straight-line basis as amortization in the statement of activities. Management has recorded an allowance for doubtful accounts at December 31, 2022 totaling \$727,262.

Further, NORA uses the allowance method (based on prior years' experience and analysis payment status of the loan, the financial condition of the project and other factors) to determine collectability of loans receivable.

Capital Assets

Capital assets include land and equipment and are recorded at cost when the individual cost exceeds \$5,000 and have a useful life of greater than one year. When no historical records are available, land and equipment are valued at estimated historical cost. When assets are retired or otherwise disposed of, any resulting gain or loss is reflected in income for the period. In addition, costs associated with certain property acquired with CDBG funds received from the City of New Orleans and other sources are reflected as program costs to the respective programs. A property inventory is accounted for by the City of New Orleans for acquisition of non-expandable property that vests with the City of New Orleans.

The cost of normal maintenance and repairs that do not add to the value of an asset or materially extend the asset's life are not included in or capitalized in the proprietary fund. Equipment in the proprietary fund of NORA is recorded at cost.

Capital assets are depreciated in the proprietary fund of NORA using the straight -line method over a five (5) year estimated useful life.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Land, Unimproved Land, and Structures

Land, unimproved land, and structures are recorded at cost and represent cost incurred in the acquisition of blighted properties. Donated properties are also included at the estimated fair value at point of donation. Gain or loss resulting from the sale of the related properties is reflected in income in the period of sale.

Compensated Absences

NORA has adopted its own policies based on the Louisiana Civil Service regulations for accumulated annual and sick leave. Under those regulations, employees may accumulate up to three hundred (300) hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

The cost of current leave privileges computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the governmental funds when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements.

Financial Instruments

NORA's policy generally is to use financial derivatives to manage exposure to fluctuations in interest rates. NORA does not hold or issue derivative financial instruments for trading purposes.

Gains and losses realized, and premiums paid on interest rate hedges, are deferred and amortized to interest expense over the life of the underlying instrument.

Long-term Obligations

NORA reports its long-term obligations as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement 'of net assets. All applicable premium and discount costs, as well as origination costs are deferred and amortized over the life of the obligations.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Data

NORA does not formally adopt or utilize a budget for its General Fund. Budgetary data for its Blighted Properties Removal program is submitted to and approved annually by the applicable funding sources of NORA.

Prepaid Items and Other Assets

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Net Position

NORA has implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. This standard provides guidance for reporting the financial statement elements of deferred outflows of resources and deferred inflows of resources. Deferred outflows represent the consumption of NORA's net position that is applicable to a future reporting period. A deferred inflow represents the acquisition of net position that is applicable to a future reporting period.

Because deferred outflows and deferred inflows are, by definition, neither assets nor liabilities, the statement of net assets title is now referred to as the statement of net position. The statement of net position reports net position as the difference between all other elements in a statement of net position and should be displayed in three components: net investment in capital assets, restricted net position (distinguishing between major categories of restrictions), and unrestricted net position.

Revenue from Contracts with Customers

NORA has adopted the requirements of the Financial Accounting Standards Board's Accounting Standards Update No. 2014-09 (Topic 606): *Revenue from Contracts with Customers*, which affects contracts with customers to transfer goods or services and contracts for the transfer of non-financial assets (unless those contracts are within the scope of other standards). The core of principle of this update is that NORA should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which NORA expects to be entitled in exchange for the goods or services.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements

In June 2017, GASB issued Statement No. 87 (Leases). It establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. The requirements of this Statement was deferred for implementation by GASB No. 95 for reporting periods beginning after June 15, 2021. GASB 87 is applicable starting with the year ended December 31, 2022. Management has reviewed the leases as of December 31, 2022 and has determined they do not qualify for recognition under GASB 87. See NOTE 9 for additional information on leases.

Restricted and Unrestricted Resources

It is NORA's practice to first apply restricted resources when expenses are incurred for the restricted purpose.

Reversions or Quit Claims of Properties

All properties previously sold at auction and subsequently reverted or quitclaimed, are added back to NORA's property inventory, and recorded in its REALM fund.

NOTE 3 - OTHER POST-RETIREMENT BENEFITS

In 2018, NORA implemented the requirements of GASB 75, (Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB), which replaces Statement No. 45, Accounting and Financial Reporting by Employees for Postemployment Benefits Other than Pensions. As a result of its implementation, NORA is reporting a net OPEB liability.

For the purpose of measuring the OPEB, the State of Louisiana completed an actuarial valuation report which provides information for the State of Louisiana Postretirement Benefits Plan ("Plan") for the fiscal year ended June 30, 2022. Small variations in the approximations and estimates in the State's report may lead to significant changes in actuarial measurements. An analysis of the potential range of such future differences other than the required disclosures related to the sensitivity to discount rate and healthcare cost trend rate assumptions is beyond the scope of this report.

NOTE 3 - OTHER POST-RETIREMENT BENEFITS (CONTINUED)

For the purpose of measuring the OPEB, the State of Louisiana completed an actuarial valuation report which provides information for the State of Louisiana Postretirement Benefits Plan ("Plan") for the fiscal year ended June 30, 2022. Small variations in the approximations and estimates in the State's report may lead to significant changes in actuarial measurements. An analysis of the potential range of such future differences other than the required disclosures related to the sensitivity to discount rate and healthcare cost trend rate assumptions is beyond the scope of this report.

NORA is a member of the cost-sharing employees of the plan sponsored by the State of Louisiana. In the financial statements, a cost-sharing employer is required to recognize a liability for its proportionate share of the net OPEB liability.

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, and additions/deletions to net position have been determined on the same basis as they are reported by the State of Louisiana.

Also, in 2022, NORA provided benefit premiums to the State of Louisiana, Office of Group Benefits totaling \$21,836 for the retired employees. NORA will continue to provide health care and life insurance benefits for the retired employees.

A schedule of changes in total OPEB liability follows:

FY 2021 OPEB Liability	\$ 1,641,901
Service Cost	98,726
Interest	46,012
Changes in Assumptions	(2,024)
Benefit Payments	 (21,836)
Net Change	120,878
FY 2022 OPEB Liability	\$ 1,762,779

NOTE 3 - OTHER POST-RETIREMENT BENEFITS (CONTINUED)

Plan Description

NORA, in February of 2008, terminated its participation in the defined benefit plan operated by Louisiana State Employees' Retirement System (LASERS) for all current employees except for the one retired employee who is grandfathered into the LASERS plan. The termination included the refunding of all prior contributions made to the plan by current employees. NORA's contributions made to the plan during its years of participation do not carryover with its termination.

Currently NORA provides other postemployment benefits for two (2) retired employees. This postemployment benefits plan, an agent multiple employer defined benefit plan, provides the retiree with a choice of participating in one of four medical insurance plans, each with varying benefits: preferred provider organization (PPO), exclusive provider organization (EPO), managed care option (MCO), or health maintenance organization (HMO). LSA-R.S. 42:801 - 859 assigns the authority to establish benefit plans and premium rates and negotiate contracts to the Office of Group Benefits under the direction of the Commissioner of Administration. The Office of Group Benefits issues a separate financial report which may be obtained by contacting them at:

Office of Group Benefits State of Louisiana 7389 Florida Blvd. - Suite 400 Baton Rouge, Louisiana 70806 Phone: (800) 272-8451 Website: www.groupbenefits.org

Funding Policy

During 2022, NORA recognized the cost of providing these benefits (NORA's portion of premiums) as an expense when the benefit premiums were due and thus financed the cost of postemployment benefits on a pay-as-you-go basis. It implemented Governmental Accounting Standards Board (GASB) Statement Number 75, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions. Further, in 2021 NORA's portion of health care, and life insurance benefit premiums for its retired employee totaled \$21,836. NORA began the planning process of establishing a trust whose assets will be dedicated to providing other postemployment benefits to the retired employee and her beneficiary and which is legally protected from creditors. It is the intent of NORA, once the trust is established, to contribute its portion of postemployment benefits to the trust on a regular basis.

NOTE 3 - OTHER POST-RETIREMENT BENEFITS, CONTINUED

Required Contribution Rates

As determined by the Office of Group Benefits and approved by the Louisiana Legislature in 2007, the employer paid 75% of the premium cost for postemployment benefits for retired employees and their families, and the retirees paid 25% of the premium cost; monthly premium cost for retired employees ranged from \$268 for a single retiree in the HMO plan to \$2,116 for a family in the PPO plan.

NORA's annual medical and life postemployment benefits cost (expense) is calculated based on the annual required contribution of the employer, an amount actuarially determined. NORA's annual required contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize the unfunded actuarial liability (or funding excess) over a period of thirty (30) years for health and life insurance. The total OPEB for 2022 was \$55,031, none of which was funded because the trust had not been established.

At December 31, 2022, for the OPEB liability, OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB, the State reported a liability of \$1,762,779 for NORA's proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2022. The total OPEB liability as of June 30, 2022 was determined using the roll back technique. For the year ended December 31, 2022, NORA is obligated to OPEB expense of \$55,031.

At December 31, 2022, NORA's reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources follow:

		red Outflows Resources	Deferred Inflow of Resources		
Changes in Assumptions	\$	138,676	\$	(101,910)	
Net Difference Between					
expected and actual experience	•	101,127	-	(205,570)	
	\$	239,803	\$	(307,480)	

NOTE 3 - OTHER POST-RETIREMENT BENEFITS, CONTINUED

Required Contribution Rates, Continued

NORA's contributions subsequent to the measurement date of \$5,296 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Total	Ψ	07,070
Total	\$	67,676
2026		337
2025		(25,849)
2024		23,149
2023	\$	70,039

The following presents the sensitivity of NORA's proportionate share of net OPEB liability to changes in the discount rate. NORA's proportionate share of the net OPEB liability calculated using the discount rate that is 1-percent-point lower (3.09%) or 1 percent-point higher (5.09%) than the current discount rate:

	Current				
	19	% Decrease	Discount Ra	te	1% Increase
		3.09%	4.09%		5.09%
Sensitivity of the total OPEB liability to changes					
in the discount rate	\$	2,199,718	\$ 1,762,77	9	\$ 1,431,734

NOTE 3 - OTHER POST-RETIREMENT BENEFITS, CONTINUED

Required Contribution Rates, Continued

The sensitivity of NORA's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates follows.

NORA's proportionate share of the net OPEB liability, as well as what NORA's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend that are 1-percentage-point lower or 1-percent-point higher than the current healthcare cost trend rates follow:

	Current					
	1%	% Decrease	\mathbf{D}^{i}	iscount Rate	1	% Increase
		3.09%		4.09%		5.09%
Sensitivity of the total						
OPEB liability to changes						
in the healthcare cost						
trend rate	\$	1,398,417	_\$	1,762,779	\$	2,256,399

Actuarial Methods and Assumptions

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

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan at the time of the valuation and on the pattern of sharing costs between NORA and its plan member to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between NORA and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

NOTE 3 - OTHER POST-RETIREMENT BENEFITS (CONTINUED)

Actuarial Methods and Assumptions, Continued

The amount of the current employer portion of the healthcare premiums for the retiree coverage has been used as the basis for calculating the actuarial present value of benefits to be paid.

Actuarial Cost Method

The annual required contribution is determined using the Unit Credit Cost method, a method under which the benefits of each individual in an actuarial valuation are allocated by a consistent formula to valuation years, and actuarial gains or losses reduce or increase the unfunded actuarial accrued liability as they occur. The employer portion of the premiums for retiree medical care in each future year is determined by projecting the current premium levels using the health care cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover rates.

Actuarial Value of Plan Assets

Since this is the first actuarial valuation, there are not any assets to be actuarially valued; however, it is anticipated that future valuations of actuarial assets will be based on Actuarial Standards Board Actuarial Standard of Practice Number 6, Measuring Retiree Group Benefit Obligations, which is applicable to postemployment benefits plans and generally requires valuing dedicated plan assets using a method that takes into account market value.

Healthcare Cost Trend Rates

Assumed Trend

The combined effect of price inflation and utilization on gross eligible medical and prescription drug charges is according to the table below. The initial trend rate was developed using our National Health Care Trend Survey. The survey gathers information of trend expectations for the coming year from various insurers and pharmacy benefit managers. These trends are broken out by drug and medical, as well as type of coverage (e.g., PPO, HO, POS). We selected plans that most closely match The State of Louisiana's benefits to set the initial trend. The ultimate trend is developed based on a building block approach which considers CPI, CDP, and Technology growth. The healthcare cost trend rates are shown below:

NOTE 3 - OTHER POST-RETIREMENT BENEFITS (CONTINUED)

Assumed Trend, Continued

Year	Medical and Drug Pre-65	Medical and Drug Post-65
2022-2023	7.00%	5.50%
2023-2024	6.75%	5.40%
2024-2025	6.50%	5.30%
2025-2026	6.25%	5.20%
2026-2027	6.00%	5.10%
2027-2028	5.75%	5.00%
2028-2029	5.50%	4.90%
2029-2030	5.25%	4.80%
2030-2031	5.00%	4.70%
2031-2032	4.75%	4.60%
Thereafter	4.50%	4.50%

NOTE 4 – CASH

At December 31, 2022 the carrying amount of NORA's total deposits restricted and unrestricted was \$26,517,726 and the cumulative bank balance was \$26,099,636. The cumulative collected bank balance is covered by federal depository insurance and the pledge of securities. Custodial credit risk is the risk that in the event of a failure by the financial institution, NORA's deposits may not be returned to it. NORA has no deposit policy for custodial credit risk; however, at December 31, 2022, none of NORA's bank balances were exposed to custodial risk. Under state laws, these deposits must be secured by federal deposit insurance, or the pledge of securities owned by the fiscal agent. These securities are held by the fiscal agent bank in the name of NORA.

Unrestricted cash at December 31, 2022 was \$1,348,803.

NOTE 5 – RESTRICTED CASH

Restricted cash at December 31, 2022 of \$25,168,923 represents the cash portion of program income funds held for the benefit of operational cost in connection with the land assembly program through the State of Louisiana and the cooperative agreement between the City of New Orleans, NORA, and the State of Louisiana.

NOTE 6 - CAPITAL ASSETS, NET

As of December 31, 2022, capital assets, net consisted of the following:

		Balance anuary 1,				Balance cember 31,
		2022	A	Additions	Other	2022
Land	\$	34,360		-	(34,360)	\$ _
Equipment		283,790		42,543	(8,260)	318,073
Leasehold Improvements		67,474		-	-	67,474
Parking Improvements		242,703		-	-	242,703
Vehicles		163,757		_	-	 163,757
Sub total		792,084		42,543	(42,620)	792,007
Less: Accumulated Depreciation	,	(550,688)		30,181	 (660)	 (580,209)
Total	\$	241,396	\$	72,724	\$ (43,280)	\$ 211,798

NOTE 7 – LAND, UNIMPROVED LAND, AND STRUCTURES

At December 31, 2022, NORA's land, unimproved land and structures purpose restricted and unrestricted consisted of costs associated with the acquisition of property by expropriation and held for resale and/or donation in accordance with NORA's goal to rehabilitate, clear, and redevelop slum and blighted areas.

Restrictions are dictated through executed Cooperative Endeavor Agreements and/or contracts for the Road Home Property Disposition, Strategic Acquisition, Target Zone, Affordable Housing Pilot and Neighborhood Housing Improvement Programs.

For the REALM program, the unrestricted inventory of properties are held pursuant to NORA's goal to rehabilitate, clear and redevelop slum and blighted areas.

NOTE 7 – LAND, UNIMPROVED LAND, AND STRUCTURES (CONTINUED)

At December 31, 2022, land, unimproved land and structures by activity follows:

	Governmental Activities			inesss- Type Activities	
	-	(Restricted)	_(U	nrestricted)	Total
Beginning	\$	18,011,199	\$	2,258,633	\$20,269,832
Additions		338,137		226,700	564,837
Retirements		(2,234,871)		(35,760)	(2,270,631)
Ending	_\$_	16,114,465	_\$_	2,449,573	\$ 18,564,038

NOTE 8 – GRANTS RECEIVABLE

At December 31, 2022, grants receivable consisted of the following:

Program	Amount		
Disaster Oretha Castle Haley Fund	\$ 178,705		
National Disaster Resilience Competition	331,818		
Nonmajor Governmental Programs	1,071,202		
	\$ 1,581,725		

NOTE 9 – LEASES

NORA leases equipment, and commercial office space under operating leases. On December 31, 2009, NORA executed a ten (10) year lease agreement for commercial office space effective July 1, 2012. The lease provides for a purchase option in the seventh year at the appraised value of the building. The lease expired on July 1, 2022. Total cost of such leases was \$150,106 for the year ended December 31, 2022. According to the latest lease agreement, the lease was extended through August 2032; however, there is a stipulation that if the building was purchased by the lessee, the lease agreement would end. Since NORA had intentions of purchasing the building, the lease agreement did not fall under GASB 87 and no changes to the financial statements are necessary for the year ended December 31, 2022.

NOTE 10 – RETIREMENT SYSTEM

Plan Description

Currently, NORA participates in a defined contribution plan administered by a third-party administrator (Fox-Everett). The qualified, IRS 457(6), salary deferral plan was established May I, 2008, and was amended in 2009, for eligible employees of NORA. Plan provisions and contribution requirements are established or amended by NORA's Board of Commissioners. This plan provides that the employee may voluntarily contribute to the NORA plan, and NORA will match employee contributions up to 5% of the employees' annual salary. The NORA plan includes twenty-six (26) participants. For the year ended 2022, actual contributions by plan participants were \$164,203 with a \$88,163 match from NORA. Participants of the plan vest after two years of service. The 457(6) plan replaced the multi-employer defined benefit pension retirement plan operated by the State of Louisiana.

Information on the plan can be obtained at the following address and contact number:

John Hancock P. 0. Box 600 Buffalo, NY 14201-0600 Telephone: (800) 395-1113

NOTE 11 – RISK MANAGEMENT

NORA is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets for which NORA carries commercial insurance. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

NOTE 12 – CONCENTRATION OF CREDIT RISK

NORA receives primarily all of its revenues from the City of New Orleans, the State of Louisiana as a pass-through grant from the U.S. Department of Housing and Urban Development and directly from the U.S. Department of Housing and Urban Development (HUD). If the amount of revenues received from the City of New Orleans, the State and HUD falls below contract levels, NORA's operating results could be adversely affected.

NOTE 13 – CONTINGENCIES

NORA is subject to possible examinations by regulatory agencies who determine compliance with laws and regulations governing grants provided to NORA. These examinations may result in required refunds by NORA to agencies and/or program beneficiaries.

On September 20, 2022, the Louisiana Supreme Court denied NORA's appeal of a May 28, 2021 judgment against it in connection with default in a development agreement by a developer. As a result, 39 properties that were previously reverted back to NORA's ownership in 2018 will be subject to seizure and sale by the Orleans Parish Sheriff's Office to enforce a superior mortgage held by the developer's creditor's successor-in-interest. NORA may be entitled to recoup expenses related to maintaining these properties.

Furthermore, NORA is named in various pending suits to pursue default in a development agreement by a developer. It is legal counsel's opinion at December 31, 2022, and June 23, 2023, that outcomes of these outstanding matters will not have an adverse effect on the financial condition of NORA.

NOTE 14 - COMPENSATED ABSENCES PAYABLE

An analysis of compensated absences payable follows:

	Current	Non-Current	Total		
Beginning	\$ 80,458	\$ 193,696	\$ 274,154		
Addition	137,377	16,811	154,188		
Deletion	(148,039)	(59,383)	(207,422)		
Ending	\$ 69,796	\$ 151,124	\$ 220,920		

NOTE 15 – DEPOSITS HELD FOR OTHERS

At December 31, 2022, NORA held deposits for others totaling \$187,128 which consisted of deposits held on behalf of potential buyers participating in its REALM and Road Home Disposition Program (Lot Next Door) for \$185,128 and security deposits of \$2,100 held for tenants participating on its REALM and AHPP programs respectively.

NOTE 16 - PER DIEM FOR BOARD OF COMMISSIONERS

During the year ended December 31, 2022, no board member received per diem in his/her capacity as a Commissioner.

NOTE 17 - AMOUNTS RECEIVABLE

At December 31, 2021, amounts receivable consisted of the following:

	No Dis	nd Home onmajor sposition rogram	Neighborhood Stabilization Program 2		Affordable Housing Pilot Program		Strategic Acquisition Fund		Total	
Other	\$	7,951	\$	27,867	\$	169,715	\$	214		205,747
Total	\$	7,951	\$	27,867	\$	169,715	\$	214	\$	205,747

NOTE 18 – FORD FOUNDATION GRANT

NORA previously received a recoverable grant from the Ford Foundation in the amount of \$500,000. The original purpose of the grant was to provide collateral for a revolving line-of-credit that was to supply capital for acquisition and resale of vacant and abandoned properties for effective reuse.

During 2020, the grant was modified to dedicate the balance of \$473,892 in support of long term affordable residential development of NORA's recent acquisition of properties located at the intersection of St. Bernard and North Claiborne Avenues. See NOTE 26, for additional discussion.

NOTE 19 - PREPAID ITEMS AND OTHER ASSETS

At December 31, 2022, prepaid items and other assets totaling \$124,677, which consisted of prepaid insurance of \$103,239 and \$21,438 of deposits on unimproved land and structures.

NOTE 20 – INVESTMENTS UNRESTRICTED

At December 31, 2022, unrestricted investments consisted of the following:

Description	Interest Rate	Carrying Value	Estimated Fair Value
LAMP Investment Pool	0.09%	2,081,919	2,081,919

NOTE 21 – INVESTMENTS RESTRICTED

At December 31, 2022, restricted investments consisted of the following:

	Interest	Carrying	Estimated
Description	Rate	Value	Fair Value
LAMP Investment Pool	0.09%	599,131	599,131

NOTE 22 - LOANS RECEIVABLE, NET

At December 31, 2021, forgivable and unforgivable loans receivable were as follows:

NON-FORGIVEABLE LOANS

GCHP-MLK Leverage Lender, LLC

0.5% Interest due March 2011 until the option date. Beginning on the option date, interest will accrue at the prime reate plus 1% adjusted monthly

\$ 2,000,000

GCHP-MLK Leverage Lender, LLC

0% Principal and Interest payments due from March 31, 2011 through March 31, 2047

1,700,000

NOTE 22 - LOANS RECEIVABLE, NET (CONTINUED)

St.	Claude/St.	Roch	Revitalization	LLC;
(Не	aling Center	r)		

1% interest due and payable beginning December 10, 2010 with principal due on May 1, 2030 1,279,369

BTC Leverage Lender, LLC

Interest accrues at 2.5% per annum, payable in monthly installments on the 15th day of each month following receipt. Principal payments beginning on June 25, 2024.

750,000

Tulane Land Holdings (Crescent Club)

5% interest due in full on November 18, 2036 750,000

1626 OCH, LLC

Interest accrues at 2.5% per annum, payable in monthly installments on the 15th day of each month following receipt. Principal payments beginning after completion date.

477,499

2700 Bohn Motor, LLC

Interest accrues at 2.5% per annum, payable in quarterly installments of principal and interest on the 1st day of January, April, July, and October following disbursement.

479,047

1800 Onzaga, LLC

Interest accrues at 2.0% per annum, payable in monthly installments on the 1st day of the calendar month immediately following date of receipt of final certificate of occupancy.

499,310

NOTE 22 - LOANS RECEIVABLE, NET (CONTINUED)

Refresh Commercial (Broad Refresh) 2.5% interest per annum from April 4, 2013 until April 9, 2038.	405,755
Reconcile New Orleans Interest accrues at 2.5% per annum; interest payments commence one year following receipt of temporary or final certificate of occupancy entire principal is payable on maturity.	185,352
New Orleans Mission Interest accrues at 1.5% per annum, payable in	
monthly installments on the 1st of each month following receipt. Principal payments beginning after occupancy date.	96,356
Providence Community Housing 0% interest; principal due upon sale of each property	27,720
1436 Oretha Castle Haley, LLC Interest accrues 2.5% per annum; interest payment commences one year following receipt of temporary or final certificate of occupancy; entire	
principal is payable on maturity	 727,262
Total	9,377,670
Less: Allowance for Doubtful Accounts	 (727,262)
TOTAL NON-FORGIVABLE LOANS	\$ 8,650,408

NOTE 22 - LOANS RECEIVABLE, NET (CONTINUED)

FORGIVABLE LOANS

New Orleans Mission Interest accrues at 1.5% per annum; entire amount of note is forgiven provided project is completed and no defaults.	375,000
Reconcile New Orleans Interest accrues at 2.5% per annum; entire amount of note is forgiven provided project is completed and no defaults.	44,538
Alternative Housing and Neighborhood Stabilization Programs (home buyer assistance) mortgage with varying amounts executed starting in 2016 and expiring on varying dates through July 29, 2031	301,781
TOTAL FORGIVABLE LOANS	721,319
TOTAL NON-FORGIVABLE AND FORGIVABLE LOANS	9,371,727
CREDIT SALES	1,819,332
TOTAL LOANS RECEIVABLE	\$ 11,191,059

NOTE 23 – REVOLVING LOANS

Revolving loans at December 31, 2022, totaling \$9,346,614 represent funds provided to NORA for revolving loans to entities aimed at the rehabilitation and redevelopment within the City of New Orleans.

NOTE 24 – RELATED PARTY TRANSACTIONS

NORU paid fees and made various reimbursements for cost incurred on NORU's behalf totaling \$249,978 to NORA for the year ended December 31, 2022 of which management fees paid was \$12,499.

NORU, during the year ended December 31, 2022, continued to administer Orleans Housing Investment Program and Construction Lending Expanded with contract awards totaling \$2,013,975 for construction projects on behalf of NORA. At December 31, 2022, the total cumulative amount disbursed, net of repayments results to a total revolving loan balance of \$4,871,627.

NOTE 25 - DEFERRED INFLOW OF RESOURCES

At December 31, 2022 deferred inflow of resources represent grant funds and acquisitions that NORA must satisfy grant conditions prior to the recognition of revenue:

Program/Funded By:

General Fund	\$ 2,161,545
CDBG - Disaster Oretha Castle Haley	2,269,826
Road Home Program	12,568,221
Nonmajor and Other	7,195,391
Orleans Housing Investment Program	4,024,653
Real Estate Acquisition and Land Banking	500,195
	\$ 28,719,831

NOTE 26 – RESTRICTED NET ASSETS

Real property held by NORA is subject to specific future use and/or disposition pursuant to the requirements of CDBG funded activities.

NOTE 27 – PROMISSORY NOTES

At December 31, 2022, NORA executed various promissory notes and Acts of Credit sale totaling \$798,259 at varying interest rates. These loans are subject to a waiver at the point of sale under the following conditions:

- a) Purchaser sells the property to a purchaser with a family income which is less than or equal to 120% for the Area Median Income (AMI), calculated in accordance with 24 CFR Part 92.
- b) The family income of the third-party purchaser of the specific propeliy is less than or equal to 120% for the Area Median Income (AMI), the Improvements on the property meet or exceed Builder's Challenge Standard, Enterprise Green Communities and NORA's Hazard Resilience Standards and have a HERS Index score of no greater than 70 or 50, as applicable. Improvements may also qualify if they are to meet comparable standards such as LEED or the National Home Builders.
- c) Purchaser has provided sufficient information to seller to determine that the requirements above have been satisfied, and that purchaser has met its obligations under this Act of Credit Sale, including without limitation, completion of the work.
- d) Seller determines that the benefits to the third-party purchaser are commensurate with the amount waived.

NOTE 28 – GAP FINANCING

In pursuant of its mission, NORA issues below market interest rate loans to developers and other organizations. These loans have varying repayment te1ms to include compliance with lending and regulatory agreements. See NOTE 23, for additional discussion.

NOTE 29 – PRIOR PERIOD ADJUSTMENT

At December 31, 2022, NORA recorded a correction of \$426,859 in the Governmental Activities related to prior year audit entries to correct beginning net position.

NOTE 30 – SUBSEQUENT EVENTS

Management has evaluated subsequent events as of June 23, 2023, which is the date these financial statements were available to be issued. Management did not evaluate any events after that date for inclusion in the financial statements. On January 13, 2023, NORU purchased the building located at 1409 Oretha Castle Haley Blvd, which had NORA headquarters as its anchor tenant. Upon purchase of the building, NORU negotiated a long-term lease with NORA. On March 27, 2023, and subsequent to the building purchase, NORU purchased the parking lot located at 1303-05 &1309-11 South Rampart Street, to provide parking spaces for tenants and staff.



NEW ORLEANS REDEVELOPMENT AUTHORITY GENERAL FUND/UNRESTRICTED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - BUDGETED AND ACTUAL (NON-GAAP BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts				
	Original Final		Final	Actual Amounts	Variance Favorable (Unfavorable)
Revenues					
Interest income		000 \$		\$ 9,243	\$ 4,065
Other	24,	000	16,098	16,343	245
Total Revenues:	25,	000	21,276	25,586	4,310
Expenditures					
Operations:					
Personnel Salaries & Wages	687,	624	404,510	404,510	-
Personnel Services Employee Benefits	151,	010	96,801	96,801	-
Purchased Professional & Technical Services	72,	539	87,598	87,598	-
Purchased Property Services	177,	300	165,503	165,503	-
Insurance	55,	395	70,371	70,371	-
Other Purchased Services	42,	693	72,985	72,985	-
Supplies	36,	751	36,795	36,795	-
Property	10,	375	1,454	1,454	-
Other Uses	4,	134	4,667	4,912	245
Total Expenditures:	1,237,	821	940,684	940,929	245
Excess (Deficiency) of Revenues Over (Under)					
Expenditures:	(1,212,	821) _	(919,408)	(915,343)	4,065
Transfers in	1,212,	821	919,408	919,408	-
Total Transfers in:	1,212,	821	919,408	919,408	-
Total:	1,212,	821	919,408	919,408	-
Net Change in Fund Balances:		-	-	4,065	4,065
Fund Balances - Beginning	459,	207	459,207	459,207	-
Total:	459,	207	459,207	459,207	-
E IDI E I				460.000	4065

4,065

Fund Balances - Ending:

NEW ORLEANS REDEVELOPMENT AUTHORITY CDBG ANNUAL (ENTITLEMENT)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETED AND ACTUAL

(NON-GAAP BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts							
	Original		Final		Actual Amounts		Variance Favoral (Unfavorable)	
Revenues								
Grants - City of New Orleans	\$	1,000,000	\$	1,046,038_	\$	1,046,038	\$	
Total Revenues:		1,000,000		1,046,038	*	1,046,038		-
Expenditures								
Operations:								
Personnel Salaries & Wages		390,000		399,995		399,995		-
Personnel Services Employee Benefits		85,797		93,590		93,590		_
Purchased Professional & Technical Services		75,018		118,574		118,574		_
Purchased Property Services		222,066		203,341		203,341		-
Insurance		18,604		17,955		17,955		_
Other Purchased Services		1,729		624		624		_
Property		432		322		322		-
Other Uses		206,354		211,637		211,637		-
Total Expenditures:		1,000,000		1,046,038	•	1,046,038		-
Excess (Deficiency) of Revenues Over (Under)								
Expenditures:		-		_		_		_
Net Change in Fund Balances:		-		-		_		-
Total:		_						
Fund Balances - Ending:	\$	-	\$	_	\$	-	\$	-

NEW ORLEANS REDEVELOPMENT AUTHORITY CDBG - DISASTER COMMERCIAL CORRIDOR STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2022

Bu	dget	ed	Am	ou	nt	S

	 Original	Final	Actua	al Amounts	Favorable orable)
Revenues					
Grants - City of New Orleans	\$ 1,913,948	\$ -	\$	-	\$ -
Interest income	60,000	179,998		179,998	-
Total Revenues:	 1,973,948	179,998		179,998	_
Expenditures					
Operations:					
Personnel Salaries & Wages	120,600	69,481		69,481	-
Personnel Services Employee Benefits	29,325	15,625		15,625	-
Purchased Professional & Technical Services	11,447	3,945		3,945	-
Purchased Property Services	8,287	4,045		4,045	-
Insurance	2,099	130		130	-
Property	80	9		9	-
Programs	1,738,301	50,000		50,000	-
Other Uses	63,809	36,763		36,763	-
Total Expenditures:	 1,973,948	179,998		179,998	_
Excess (Deficiency) of Revenues Over (Under)					
Expenditures:	-	-		-	-
Net Change in Fund Balances:	 _	-		_	 -
Total:	-	-		_	-
Fund Balances - Ending:	\$ -	\$ -	\$	_	\$ -

NEW ORLEANS REDEVELOPMENT AUTHORITY ROAD HOME PROPERTY DISPOSITION STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETED AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2022

		Budgeted	Amoun	ts				
	Original Final		Actual Amounts		Variance Favorab (Unfavorable)			
Revenues								
Grants - State of Louisiana	\$	-	\$	7,000	\$	7,000	\$	-
Interest income		2,829		34,594		34,594		-
Program income		3,015,929		2,422,064		2,422,064		-
Other		157,528		167,084		167,084		-
Total Revenues:		3,176,286		2,630,742	-	2,630,742		-
Expenditures								
Operations:								
Personnel Salaries & Wages		820,073		840,781		840,781		-
Personnel Services Employee Benefits		258,970		192,044		192,044		-
Purchased Professional & Technical Services		287,893		253,643		253,643		-
Purchased Property Services		903,390		702,398		702,398		-
Insurance		175,000		82,437		82,437		-
Other Purchased Services		6,000		435		435		-
Property		10,000		2,538		2,538		-
Other Uses		433,900		444,856		444,856		-
Cost of Sales		281,060		111,610		111,610		-
Total Expenditures:		3,176,286		2,630,742		2,630,742		-
Excess (Deficiency) of Revenues Over (Under)								
Expenditures:		-		-		-		-
Net Change in Fund Balances:		-	-	-				-
Total:		-		-		-		-
Fund Balances - Ending:	\$	-	\$	-	\$	-	\$	-

NEW ORLEANS REDEVELOPMENT AUTHORITY ORLEANS HOUSING INVESTMENT PROGRAM STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETED AND ACTUAL (NON-GAAP BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted	Amounts		
	Original	Final	Actual Amounts	Variance Favorable (Unfavorable)
Revenues				
Program income	\$ 5,860,064	\$ 2,024,745	\$ 2,024,745	
Total Revenues:	5,860,064	2,024,745	2,024,745	
Expenditures				
Operations:				
Personnel Salaries & Wages	478,463	14,301	14,301	-
Personnel Services Employee Benefits	107,567	2,307	2,307	-
Purchased Professional & Technical				
Services	159,445	14,990	14,990	-
Purchased Property Services	13,715	910	910	-
Insurance	7,282	37	37	-
Other Purchased Services	630	-	-	-
Property	791	4	4	-
Programs	5,024,380	1,984,630	1,984,630	-
Other Uses	67,791	7,566	7,566	-
Total Expenditures:	5,860,064	2,024,745	2,024,745	_
Excess (Deficiency) of Revenues Over				
(Under) Expenditures:	-	-	-	-
Net Change in Fund Balances:	-	_	_	-
Total:	-	-	_	-
Fund Balances - Ending:	\$ -	\$ -	\$ -	\$ -

NEW ORLEANS REDEVELOPMENT AUTHORITY NATIONAL DISASTER RESILIENCE GRANT STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETED AND ACTUAL (NON-GAAP BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts					
		Original		Final	Actual amounts	Variance Favorable (Unfavorable)
Revenues						
Grants - City of New Orleans	\$	1,343,750	\$	870,850	 870,850	_ \$
Total Revenues:		1,343,750		870,850	 870,850	
Expenditures						
Operations:						
Personnel Salaries & Wages		63,314		37,579	37,579	-
Personnel Services Employee Benefits		16,053		7,744	7,744	-
Purchased Professional & Technical						
Services		41,146		18,585	18,585	-
Purchased Property Services		6,569		2,953	2,953	-
Insurance		669		1,568	1,568	-
Other Purchased Services		25,684		_	-	-
Property		759		87	87	-
Programs		1,156,057		781,306	781,306	-
Other Uses		33,499		21,028	21,028	_
Total Expenditures:		1,343,750		870,850	870,850	_
Excess (Deficiency) of Revenues Over						
(Under) Expenditures:		-		-	-	-
Net Change in Fund Balances:		-		-	_	
Total:		_		_		<u> </u>
Fund Balances - Ending:	\$	_	\$	-	\$ 	\$ -

NEW ORLEANS REDEVELOPMENT AUTHORITY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2022

Program Grantor/Title	Assistance Listing #	<u>Federal</u> <u>Expenditures</u>
PROGRAMS FUNDED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Direct: Neighborhood Stabilization Program 2 - Program Income	14.256	\$ 72,417
Sub-Total		72,417
Pass-Through CDBG Funds as Subgrantee of the City of New Orleans		
Blighted Properties Programs- Entitlement	14.218	1,046,038
Blighted Properties Programs- Disaster	14.218	179,998
Facade Renew 2.0	14.228	171,037
Land Assembly	14.228	2,630,742
National Disaster Resilience Competition	14.272	870,850
Orlean Housing Investment Program	14.228	2,024,745
Target Zone	14.218	3,405
Small Business Microlending Program	14.228	552,482
Resilient Homes	14.228	210,741
Affordable Rental Gap	14.228	142,564
Strategic Acquisition Funds	14.228	147,340
Façade State Algiers Program	14.228	128,115
Sub-total Pass Through Funds		8,108,057

NEW ORLEANS REDEVELOPMENT AUTHORITY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2022

PROGRAMS FUNDED BY FEDERAL EMERGENCY MANAGEMENT ASSOCIATION			
Pass-Through CDBG Funds as Subgrantee of the State of Louisiana			
Alternative Housing Pilot Program Hazard Mitigation Program	97.087 97.039		87,845 25,527
Subtotal Pass-Through Funds		<u> </u>	113,372
	Total Federal Expenditures	\$	8,293,846

NEW ORLEANS REDEVELOPMENT AUTHORITY NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE A – BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards includes federal grant activity of NORA, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the *Uniform Guidance*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

NOTE B – PRESENTATION

The accompanying schedule of expenditures of federal awards covers the fiscal year ended December 31, 2022.

NOTE C – DE MINIMUS COST RATE

During the year ended December 31, 2022, NORA did not elect to use the 10% de minimis cost rate.

NOTE D – LOAN AND LOAN GURANTEES

NORA did not expend federal awards related to loans or loan guarantees during the year ended December 31, 2022. NORA had no loans outstanding at the year ended December 31, 2022.

NOTE E – FEDERAL FUNDED INSURANCE

NORA has no federally funded insurance.

NOTE F - NONCASH ASSISTANCE

NORA did not receive any federal noncash assistance for the year ended December 31, 2022.

NEW ORLEANS REDEVELOPMENT AUTHORITY SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO EXECUTIVE DIRECTOR FOR THE YEAR ENDED DECEMBER 31,2022

Executive Director's Name: Brenda M. Breaux

<u>Purpose</u>		<u>Amount</u>		
Salary	\$	192,714		
Benefits - insurance		12,064		
Benefits - retirement		9,636		
Cell Phone		558		
Membership		180		
Registration Fee and conference travel		1,070		
Total	\$	216,222		

NEW ORLEANS REDEVELOPMENT AUTHORITY SCHEDULE OF OTHER POST EMPLOYMENT BENEFIT PLAN (OPEB) FROM IMPLEMENTATION THROUGH THE YEAR ENDED DECEMBER 31, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net OPEB Liability (%)	0.0193%	0.0219%	0.0177%	0.0184%	0.0169%
Net OPEB Liability	1,762,779	1,641,901	1,366,186	1,521,369	1,472,569
OPEB Liability as a percentage of covered payroll	82.07%	70.06%	58.49%	64.57%	57.77%

NOTE: This schedule reflects information from implementation of OPEB in 2018.

NOTE: The Plan is financed on an as you go pay basis under which the contributions to the plan and payments from the plan are generally made at about the same time as benefit payments become due.

NEW ORLEANS REDEVELOPMENT AUTHORITY SCHEDULE OF CONTRIBUTIONS (OPEB) FOR THE YEAR ENDED DECEMBER 31, 2022

		<u>2022</u>	
Contractually Required Contribution		21,836	
Contribution in Relation to the Contractually Required Contribution		21,836	
Excess/(Deficiency)		43,672	
OPEB Contribution as a percentage of covered payroll		1.02%	



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

To the Board of Commissioners New Orleans Redevelopment Authority New Orleans, 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 of America, the financial statements of the governmental activities, the business type activities, each major fund, the discretely presented component time information, and the aggregate remaining funds of New Orleans Redevelopment Authority (NORA) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise NORA's basic financial statements, and have issued our report thereon dated June 23, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered NORA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of NORA's internal control. Accordingly, we do not express an opinion on the effectiveness of NORA'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 or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether NORA'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 over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of NORA's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering NORA's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Luther Speight & Company CPAs

New Orleans, Louisiana

June 23, 2023



Luther Speight & Company, LLC Certified Public Accountants and Consultants

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

To the Board of Commissioners New Orleans Redevelopment Authority New Orleans, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited New Orleans Redevelopment Authority's (NORA) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of NORA's major federal programs for the year ended December 31, 2022. NORA's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Summary Schedule of Findings and Questioned Costs.

In our opinion, NORA 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 December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are farther described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements previously referred to and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to NORA federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding NORA compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of NORA internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of NORA internal control over compliance. Accordingly, no such opinion is expressed.

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

Continued,

Report on Internal Control Over Compliance

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

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

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

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

Luther Speight & Company CPAs

New Orleans, Louisiana

June 23, 2023

NEW ORLEANS REDEVELOPMENT AUTHORITY SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2022

Section I – Summary Of Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statem	nents of t	he aud	itee.		
Internal Control Over Financial Reporting:					
Material weaknesses identified? Significant deficiencies identified		_yes _	_X	_no	
not considered to be material weaknesses?	-	_yes _	X	_none reporte	b
Noncompliance material to financial statements noted?		_yes _	X	no	
Federal Awards					
Internal control over major programs:					
Material weakness (es) identified? Significant deficiency(s) identified	•	_yes _	<u>X</u>	_no	
not considered to be material weaknesses?		_yes _	X	_no	
An unmodified opinion was issued on compliance.					
Any audit findings disclosed that are required to be					
reported in accordance with the Uniform Guidance?		_yes _	X	_no	
The major programs for the year ended December	31, 2022	2 were	as foll	lows:	
 Community Development Block Grant: Entitlement National Disaster Resilience Competition – AL# 1 Community Development Block Grant – AL# 14.2 	4.272	14.21	8		
Dollar threshold used to distinguish between Type A and Type B programs:	\$75	0,000			
Auditee qualified as a low-risk auditee.					

NEW ORLEANS REDEVELOPMENT AUTHORITY SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED FOR THE YEAR ENDED DECEMBER 31, 2022

Section II - Financial Statement Findings and Questioned Costs

No financial statement findings and questioned costs were reported for the year ended December 31, 2022.

Section III- Federal Award Findings and Questioned Costs

No federal award findings and questioned costs were reported for the year ended December 31, 2022.

Section IV - Status of Prior Year's Findings and Ouestioned Costs

No findings or questioned costs were reported for the year ended December 31, 2021.



Luther Speight & Company, LLC Certified Public Accountants and Consultants

NEW ORLEANS REDEVELOPMENT AUTHORITY AGREED UPON PROCEDURES REPORT FOR THE YEAR ENDED DECEMBER 31, 2022



Luther Speight & Company, LLC Certified Public Accountants and Consultants

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of New Orleans Redevelopment Authority and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2022 through December 31, 2022. New Orleans Redevelopment Authority's management is responsible for those C/C areas identified in the SAUPs.

New Orleans Redevelopment Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2022 through December 31, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

- 1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) Budgeting, including preparing, adopting, monitoring, and amending the budget.

Results: The written policies and procedures appropriately address the required elements above.

b) *Purchasing*, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

Results: The written policies and procedures appropriately address the required elements above.

c) Disbursements, including processing, reviewing, and approving.

Results: The written policies and procedures appropriately address the required elements above.

d) *Receipts/Collections*, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Results: The written policies and procedures appropriately address the required elements above.

e) *Payroll/Personnel*, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

Results: The written policies and procedures appropriately address the required elements above.

f) *Contracting*, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

Results: The written policies and procedures appropriately address the required elements above.

g) Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Results: The written policies and procedures appropriately address the required elements above.

h) Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Results: The written policies and procedures appropriately address the required elements above.

i) *Ethics*, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

Results: The written policies and procedures appropriately address the required elements above.

j) Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: Not applicable to the Entity.

k) Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Results: The policies and procedures appropriately address the required elements above. We noted the Entity contracts with the City of New Orleans to provide Information Technology services, including operational and disaster recovery support. All City data sources are preserved on-site as well as at a Tier 3 offsite data center, VENYU, located near Baton Rouge, Louisiana.

I) Sexual Harassment, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: The written policies and procedures appropriately address the required elements above.

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Results: The board committee meets monthly. No exceptions were noted.

b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds. Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

Results: The board committee appropriately met the required elements above. No exceptions were noted.

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

Results: Not applicable, as the unassigned fund balance in the general fund did not have a negative balance in the prior year's audit report.

d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: The board committee received written updates of resolving all audit findings. No exceptions were noted.

Bank Reconciliations

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

Results: We obtained a listing of bank accounts and management's representation that the listing was complete. We selected the month of December 2022 for testing and noted the Entity has over 10 bank accounts. LSC chose 5 accounts (NSP2 Program Income, Land Assembly PI, General Fund, Restricted AHA, and Disaster) and performed the procedures below.

a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

Results: Per review of the 5 bank statements and bank reconciliations, we noted that all 5 had evidence of being reconciled. All reconciliations were prepared within 2 months of the statement's closing date. No exceptions were noted.

b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Results: All reconciliations observed had evidence of management approval. No exceptions were noted.

c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement's closing date, if applicable.

Results: We noted no reconciling items were outstanding for more than 12 months from year-end.

Collections

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Results: Per management, the deposit site of New Orleans Redevelopment Authority is located at 1409 Oretha Haley Blvd., New Orleans, LA, 70113.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Results: 1409 Oretha Haley Blvd. is the only location, and the employees have properly segregated responsibilities related to job duties listed below. Per management, the Junior Accountant retrieves mail and collects checks/money orders then stamps and dates them. Those items are then handed to the Staff Accountant to record in the revenue collection module. At the end of the week, if there are any collections, the Junior Accountant makes the deposit no later than 5 business days of receipt. The Senior Accountant, who doesn't collect cash, performs the reconciliation.

- a) Employees responsible for cash collections do not share cash drawers/registers.
- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Results: The Entity provided a copy of an insurance policy through Travelers Insurance for Liability and Crime coverages that was enforced during the fiscal year. No exceptions noted.

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

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

Results: We noted that the Entity's collections were supported by proper documentation. No exceptions were noted.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Results: All payments are processed at the office located at 1409 Oretha Castle Haley Blvd, New Orleans, LA 70113.

9. For each location selected under #3 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

Results: We obtained a listing of the employees involved and reviewed the written policies and

procedures relating to employee job duties. We noted that the job duties are properly segregated among the User Department, Junior Accountant, Controller, CFO, and Grants Manager. No exceptions were noted.

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
- b) At least two employees are involved in processing and approving payments to vendors.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
- e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- 10. For each location selected under #3 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
 - a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

Results: The disbursements matched the original invoices and supporting documentation indicated deliverables included on the invoice were received by the Entity. No exceptions were noted.

b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: Disbursement documentation includes evidence of segregation of duties. No exceptions were noted.

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3(a), randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Results: We performed the procedures detailed above and noted no exceptions.

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

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Results: We obtained a listing of all active cards from management, including the card numbers and the names of employees to whom the cards are assigned, and management's representation that the listing is complete. The listing consists of four credit cards.

- 13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

Results: There is evidence showing the statements were reviewed and approved by someone other than the authorized card holder. We noted no exceptions.

b) Observe that finance charges and late fees were not assessed on the selected statements.

Results: There were no finance charges or fees assessed on the selected statements. We noted no exceptions.

14. Using the monthly statements or combined statements selected under #9 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased

Results: We randomly selected transactions from each statement and obtained supporting documentation for each to perform the procedures detailed above. We noted no exceptions.

- 15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Results: We reviewed documentation of the travel expenses in the written policies and procedures manual and noticed meals are reimbursed using a per diem rate that is no more than those rates established by the State of Louisiana. However, we noted none of the selected samples were reimbursed using a per diem.

b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Results: Reimbursements using actual costs were supported by the original itemized receipts. No exceptions were noted.

c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Results: Each reimbursement was supported by documentation detailing the business purpose for the charge. No exceptions were noted.

d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: Each reimbursement was reviewed and approved, in writing, by someone other than the person receiving the reimbursement. No exceptions were noted.

Contracts

16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Results: We obtained a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period, and obtained management's representation that the listing is complete. We observed that each contract was bid in accordance with the Louisiana Public Bid Law as noted in the Entity's Procurement Policies and Procedures and noted no exceptions.

b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

Results: Per the Entity's Procurement Policies and Procedures, the Executive Director is required to authorize and approve all contract awards. We observed this approval on each of the contracts provided by the Entity for testing and noted no exceptions.

c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

Results: We reviewed the Entity's amended contracts and observed that the original contract terms provided for such amendments, and the amendments were made in compliance with the contract terms. We noted no exceptions.

d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Results: We randomly selected five payments, one from each contract, and obtained the supporting invoices, agreed them to the contract terms, and observed that the invoices and related payments agreed to the terms and conditions of the contract. We noted no exceptions.

Payroll and Personnel

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

Results: We requested and obtained paid salaries and personnel files for a selection of five (5)

employees. The paid salaries agreed to the authorized salaries in each employee's personnel. file. We noted no exception.

- **18.** Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

Results: We observed that all selected employees documented their daily attendance and leave and noted no exceptions.

b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Results: We observed that supervisors approved the attendance and leave of all employees and noted no exceptions.

c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Results: We noted the Entity keeps track of both leave accrued and taken for all employees in the Entity's cumulative leave records.

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

Results: The rate paid to employees or officials agree to the authorized salaries/pay rates.

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

Results: We obtained a listing of employees that received termination payments, and management's representation that the listing was complete. We randomly selected two employees and performed the procedures above. No exceptions were noted, as the termination payments coincided with the related records and documentation for the two terminated employees.

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

Results: We obtained management's representation that employer and employee portions of third-party payroll related amounts were paid, and forms filed, by required deadlines. No exceptions were noted.

Ethics

- **21.** Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
 - a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Results: We obtained ethics documentation from management and observed that the documentation demonstrates that each employee completed one hour of ethics training during the fiscal period. No exceptions were noted.

b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Results: We noted no changes to the Entity's ethics policy during the fiscal period.

22. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Results: The Entity has appointed its Director of Human Resources as the Ethics Designee. No exceptions were noted.

Debt Service

Results: Not applicable to the Entity.

Fraud Notice

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

Results: There were no misappropriations of public funds and assets during the fiscal period.

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

Results: We noted the Entity has the required notice regarding the reporting of misappropriation, fraud, waste, or abuse of public funds posted on its website.

Information Technology Disaster Recovery/Business Continuity

- 25. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
 - a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

Results: After reviewing the support provided by the Entity, we noted that the most recent data backup was performed on March 7, 2023. Screenshot evidence with date and time stamps were reviewed as support. No exceptions noted.

b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Results: After reviewing the support provided by the Entity, we noted that the most recent backup recovery testing was performed on March 7, 2023. Screenshot evidence with date and time stamps were reviewed as support. No exceptions noted.

c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Results: We obtained a listing of the client's computers currently in use along with their locations. All 5 selected computers have current and active antivirus software. The operating system and accounting system software in use are currently supported. No exceptions noted.

26. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Results: We observed that all five of the randomly selected terminated employees were removed and disabled from the Entity's network upon termination. No exceptions noted.

Sexual Harassment

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

Results: We obtained sexual harassment training certificates that demonstrates the 5 selected personnel completed one hour of sexual harassment training during the calendar year. No exceptions noted.

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

Results: The entity has its sexual harassment policy and complaint procedure posted on its website. No exceptions noted.

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

Results: We have obtained the Entity's annual sexual harassment report for the current fiscal period. No exceptions noted.

1. Number and percentage of public servants in the agency who have completed the training requirements;

Results: NORA employed 33 staff members in 2022 and 100% of employees completed the sexual harassment training requirements.

2. Number of sexual harassment complaints received by the agency;

Results: NORA did not receive any complaints of sexual harassment during the audit period.

3. Number of complaints which resulted in a finding that sexual harassment occurred;

Results: Not Applicable

4. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

Results: Not Applicable

5. Amount of time it took to resolve each complaint.

Results: Not Applicable

We were engaged by New Orleans Redevelopment Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of New Orleans Redevelopment Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

Luther Speight & Company CPAs

New Orleans, Louisiana

June 23, 2023