

**ANNUAL FINANCIAL REPORT**  
**ALGIERS DEVELOPMENT DISTRICT**  
**OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2025**



**ERICKSEN KRENTEL** LLP  
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Commissioners of  
Algiers Development District of the City of New Orleans  
(A Component Unit of the City of New Orleans)  
New Orleans, Louisiana

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and the major fund of the Algiers Development District of the City of New Orleans (the District), a component unit of the City of New Orleans, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Algiers Development District of the City of New Orleans'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 and the major fund of the Algiers Development District of the City of New Orleans as of December 31, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, 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.



Algiers Development District of the City of New Orleans  
(A Component Unit of the City of New Orleans)  
June 18, 2026  
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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District'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.

***Auditors' 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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



Algiers Development District of the City of New Orleans  
(A Component Unit of the City of New Orleans)  
June 18, 2026  
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We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 through 7 and 27 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of governing board compensation and the schedule of compensation, benefits and other payments to agency head are presented to comply with the requirements issued by the State of Louisiana and are not required parts of the basic financial statements. The schedule of governing board compensation and schedule of compensation, benefits, and other payments to agency head are 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



**ERICKSEN KRENTEL** LLP

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Algiers Development District of the City of New Orleans  
(A Component Unit of the City of New Orleans)

June 18, 2026

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2026 on our consideration of the District'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 the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

June 18, 2026

New Orleans, Louisiana

*Erickson Krentel, LLP*  
Certified Public Accountants

**REQUIRED SUPPLEMENTARY INFORMATION (PART I)**

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

The Management's Discussion and Analysis (MD&A) of Algiers Development District of the City of New Orleans's (the District) financial performance presents a narrative overview and analysis of the District's financial activities for the year ended December 31, 2025. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the basic financial statements. The MD&A is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* issued June 1999. Certain comparative information between the current year and prior year has been presented in the MD&A.

**FINANCIAL HIGHLIGHTS**

At December 31, 2025, the District's assets exceeded its liabilities by \$36,749,983 (net position). Of this amount, \$4,292,542 (unrestricted net position) may be used to meet the District's ongoing obligations to its citizens and creditors. The District's total net position decreased by \$1,363,253 for the year ended December 31, 2025.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The minimum requirements for financial reporting on the District that was established by GASB No. 34 are divided into the following sections:

- (a) Management's Discussion and Analysis
- (b) Basic Financial Statements
- (c) Required Supplementary Information (other than MD&A)

**BASIC FINANCIAL STATEMENTS**

The basic financial statements present information for the District as a whole, in a format designed to make the statements easier for the reader to understand. The financial statements in this section are divided into the two following types:

- (1) Government-Wide Financial Statements, which include a Statement of Net Position and a Statement of Activities. These statements present financial information for all activities of the District from an economic resources measurement focus using the accrual basis of accounting and providing both short-term and long-term information of revenues, expenses, and net position.
- (2) Fund Financial Statements present information on the individual fund of the District's office allowing for more detail. The current financial resources measurement focus and the modified accrual basis of accounting used to prepare these statements are dependent on the fund type. The District's only governmental fund is the General Fund. The statements in this section represent the short-term financing of general government.

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

**SUMMARY OF NET POSITION**  
**AS OF DECEMBER 31, 2025 AND 2024**

|                                     | <u>2025</u>          | <u>2024</u>          |
|-------------------------------------|----------------------|----------------------|
| Current and other assets            | \$ 5,675,035         | \$ 5,863,865         |
| Capital assets, net                 | <u>32,457,441</u>    | <u>34,352,139</u>    |
| Total assets                        | <u>38,132,476</u>    | <u>40,216,004</u>    |
| Current liabilities                 | 354,541              | 464,953              |
| Non-current liabilities             | <u>575,000</u>       | <u>690,000</u>       |
| Total liabilities                   | <u>929,541</u>       | <u>1,154,953</u>     |
| Total deferred inflows of resources | 452,952              | 947,818              |
| Net investment in capital assets    | 32,457,441           | 34,352,139           |
| Unrestricted                        | <u>4,292,542</u>     | <u>3,761,094</u>     |
| Total net position                  | <u>\$ 36,749,983</u> | <u>\$ 38,113,233</u> |

The total net position of the District decreased \$1,363,250, or 3.6%, from the prior year. This is primarily due to the regular depreciation and amortization and a decrease in cash.

**SUMMARY OF REVENUES, EXPENDITURES/EXPENSES**  
**AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

|                                 | <u>2025</u>          | <u>2024</u>          |
|---------------------------------|----------------------|----------------------|
| <b>Revenues</b>                 |                      |                      |
| Charges for services            | \$ 892,189           | \$ 821,896           |
| General revenues                | <u>1,686,352</u>     | <u>2,440,669</u>     |
| Total revenues                  | <u>2,578,541</u>     | <u>3,262,565</u>     |
| <b>Expenses</b>                 |                      |                      |
| Economic development            | 2,372,810            | 2,619,735            |
| General government              | 1,548,628            | 1,378,654            |
| Interest expense                | <u>20,353</u>        | <u>30,646</u>        |
| Total expenses                  | <u>3,941,791</u>     | <u>4,029,035</u>     |
| Net change in fund balance      | (1,363,250)          | (766,470)            |
| Net position, beginning of year | <u>38,113,233</u>    | <u>38,879,703</u>    |
| Net position, end of year       | <u>\$ 36,749,983</u> | <u>\$ 38,113,233</u> |

The change in net position decreased \$596,780, or 77.86%. This is primarily due to the sale of capital assets.

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025**

**CAPITAL ASSETS ADMINISTRATION**

The District had \$32,457,441 invested in a broad range of capital assets, including buildings and other related improvements, and ramps and piers as of December 31, 2025. This amount represents the original purchase price of capital assets on hand at year-end. The table below lists the capital assets by type, net of accumulated depreciation:

|                                                 | <u>2025</u>          | <u>2024</u>          |
|-------------------------------------------------|----------------------|----------------------|
| Land                                            | \$ 11,621,346        | \$ 11,895,262        |
| Construction in progress                        | 125,119              | -                    |
| Buildings and improvements                      | 27,389,825           | 28,591,357           |
| Ramps and piers                                 | <u>1,051,225</u>     | <u>1,051,225</u>     |
|                                                 | 40,187,515           | 41,537,844           |
| Less: accumulated depreciation                  | <u>(7,730,074)</u>   | <u>(7,185,705)</u>   |
| Capital assets, net of accumulated depreciation | <u>\$ 32,457,441</u> | <u>\$ 34,352,139</u> |

**DEBT ADMINISTRATION**

The District's total long-term debt decreased by \$86,250 during the year ended December 31, 2025 as a result of regularly scheduled debt service payments.

|                                   | <u>2025</u>       | <u>2024</u>       |
|-----------------------------------|-------------------|-------------------|
| Bond payable, current portion     | \$ 115,083        | \$ 86,333         |
| Bond payable, non-current portion | <u>575,000</u>    | <u>690,000</u>    |
| Total                             | <u>\$ 690,083</u> | <u>\$ 776,333</u> |

**BUDGET ANALYSIS**

A comparison of budget to actual operations is required information and is presented in the accompanying financial statements.

**ECONOMIC FACTORS AND A LOOK AT NEXT YEAR**

The District evaluated current year's operations and many other factors when establishing the budget for its general fund for the year ending December 31, 2026. Anticipated revenues and expenditures are approximately \$3,125,000. This is primarily due to the anticipated increase in state appropriations and repairs and maintenance costs.

**CONTACTING THE DISTRICT**

This financial report is designed to provide management, the City of New Orleans and the State of Louisiana, and other interested parties with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact Ms. Kathy Lynn Honaker of the Algiers Development District at (504) 367-3331.

## **BASIC FINANCIAL STATEMENTS**

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2025**

**ASSETS:**

## Current assets:

|                                    |                  |
|------------------------------------|------------------|
| Cash and cash equivalents          | \$ 3,716,689     |
| Funds held in trust - Property One | 366,109          |
| Sales tax revenue receivable       | 704,261          |
| Rental receivables                 | 71,701           |
| Lease receivable                   | 252,137          |
| Due from other governments         | 151,769          |
| Prepaid items                      | <u>172,953</u>   |
| Total current assets               | <u>5,435,619</u> |

## Non-current assets:

|                                           |                   |
|-------------------------------------------|-------------------|
| Deposits                                  | 12,921            |
| Lease receivable - net of current portion | 226,495           |
| Capital assets, net of depreciation       | <u>32,457,441</u> |
| Total non-current assets                  | <u>32,696,857</u> |
| Total assets                              | <u>38,132,476</u> |

**LIABILITIES:**

## Current liabilities:

|                               |                |
|-------------------------------|----------------|
| Accounts payable              | 33,963         |
| Rental liabilities            | 26,180         |
| Unearned revenue              | 50,000         |
| Note payable, current portion | 129,315        |
| Bond payable, current portion | <u>115,083</u> |
| Total current liabilities     | <u>354,541</u> |

## Non-current liabilities:

|                                      |                |
|--------------------------------------|----------------|
| Bond payable, net of current portion | <u>575,000</u> |
| Total non-current liabilities        | <u>575,000</u> |
| Total liabilities                    | <u>929,541</u> |

**DEFERRED INFLOWS OF RESOURCES:**

|                                     |                |
|-------------------------------------|----------------|
| Leases                              | <u>452,952</u> |
| Total deferred inflows of resources | <u>452,952</u> |

**NET POSITION:**

|                                  |                      |
|----------------------------------|----------------------|
| Net investment in capital assets | 32,457,441           |
| Unrestricted                     | <u>4,292,542</u>     |
| Total net position               | <u>\$ 36,749,983</u> |

**The accompanying notes are an integral part of this statement**

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

| Functions/Programs                 | Expenses            | Program Revenues        | Net (Expense)                         |
|------------------------------------|---------------------|-------------------------|---------------------------------------|
|                                    |                     |                         | Revenue and Change<br>in Net Position |
|                                    |                     | Charges for<br>Services | <i>Primary Government</i>             |
|                                    |                     |                         | Total                                 |
| <b>PRIMARY GOVERNMENT:</b>         |                     |                         |                                       |
| <b>Governmental Activities:</b>    |                     |                         |                                       |
| Economic development               | \$ 2,372,810        | \$ -                    | \$ (2,372,810)                        |
| General government                 | 1,548,628           | 892,189                 | (656,439)                             |
| Interest expense                   | <u>20,353</u>       | <u>-</u>                | <u>(20,353)</u>                       |
| Total governmental activities      | <u>3,941,791</u>    | <u>892,189</u>          | <u>(3,049,602)</u>                    |
| Total primary government           | <u>\$ 3,941,791</u> | <u>\$ 892,189</u>       | <u>(3,049,602)</u>                    |
| General Revenues:                  |                     |                         |                                       |
|                                    |                     |                         | 1,427,009                             |
| Sales tax for economic development |                     |                         | 205,000                               |
| State appropriations               |                     |                         | 129,369                               |
| Miscellaneous                      |                     |                         | 158,089                               |
| Interest income                    |                     |                         | <u>(233,115)</u>                      |
| (Loss) on sale of capital assets   |                     |                         |                                       |
| Total general revenues             |                     |                         | <u>1,686,352</u>                      |
| Change in net position             |                     |                         | (1,363,250)                           |
| Net position, beginning of year    |                     |                         | <u>38,113,233</u>                     |
| Net position, end of year          |                     |                         | <u>\$ 36,749,983</u>                  |

**The accompanying notes are an integral part of this statement**

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**BALANCE SHEET - GOVERNMENTAL FUND**  
**DECEMBER 31, 2025**

**ASSETS**

|                                    |                                |
|------------------------------------|--------------------------------|
| Cash and cash equivalents          | \$ 3,716,689                   |
| Funds held in trust - Property One | 366,109                        |
| Sales tax revenue receivable       | 704,261                        |
| Rental receivables                 | 71,701                         |
| Lease receivable                   | 478,632                        |
| Due from other governments         | 151,769                        |
| Prepaid items                      | 172,953                        |
| Deposits                           | <u>12,921</u>                  |
| <br>Total assets                   | <br><u><u>\$ 5,675,035</u></u> |

**LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE**

**LIABILITIES:**

|                       |                    |
|-----------------------|--------------------|
| Accounts payable      | \$ 33,963          |
| Rental liabilities    | 26,180             |
| Note payable          | 129,315            |
| Unearned revenue      | <u>50,000</u>      |
| <br>Total liabilities | <br><u>239,458</u> |

**DEFERRED INFLOWS OF RESOURCES:**

|                                         |                    |
|-----------------------------------------|--------------------|
| Leases                                  | <u>452,952</u>     |
| <br>Total deferred inflows of resources | <br><u>452,952</u> |

**FUND BALANCE:**

|                                                           |                                |
|-----------------------------------------------------------|--------------------------------|
| Nonspendable:                                             |                                |
| Prepaid items                                             | 172,953                        |
| Committed                                                 | 1,000,000                      |
| Unassigned                                                | <u>3,809,672</u>               |
| <br>Total fund balance                                    | <br><u>4,982,625</u>           |
| <br>Total liabilities, deferred inflows, and fund balance | <br><u><u>\$ 5,675,035</u></u> |

**The accompanying notes are an integral part of this statement**

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2025**

|                                                                                                                                                             |                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Total fund balance - governmental fund                                                                                                                      | \$ 4,982,625         |
| Amounts reported for governmental activities in the Statement of Net Position are different because:                                                        |                      |
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Fund Balance Sheet. | 32,457,441           |
| Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.     | <u>(690,083)</u>     |
| Total net position - governmental activities                                                                                                                | <u>\$ 36,749,983</u> |

**The accompanying notes are an integral part of this statement**

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
 STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2025

**REVENUES:**

|                                    |                      |
|------------------------------------|----------------------|
| Sales tax for economic development | \$ 1,427,009         |
| Rental revenue                     | 892,189              |
| State appropriations               | 205,000              |
| Miscellaneous                      | 129,369              |
| Interest income                    | <u>158,089</u>       |
| <br>Total revenues                 | <br><u>2,811,656</u> |

**EXPENDITURES:**

|                                          |                      |
|------------------------------------------|----------------------|
| Current:                                 |                      |
| Economic development projects            | 1,486,108            |
| General government                       | 1,548,628            |
| Debt service:                            |                      |
| Bond principal payments                  | 86,250               |
| Bond interest and fiscal charges         | 20,353               |
| Capital outlay                           | <u>125,119</u>       |
| <br>Total expenditures                   | <br><u>3,266,458</u> |
| <br>Excess of revenues over expenditures | <br><u>(454,802)</u> |

**OTHER FINANCING SOURCES (USES):**

|                                      |                         |
|--------------------------------------|-------------------------|
| Proceeds from sale of capital assets | <u>900,000</u>          |
| <br>Total other financing sources    | <br><u>900,000</u>      |
| <br>Net change in fund balance       | <br>445,198             |
| <br>Fund balance - beginning         | <br><u>4,537,427</u>    |
| <br>Fund balance - ending            | <br><u>\$ 4,982,625</u> |

**The accompanying notes are an integral part of this statement**

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

|                                                      |    |         |
|------------------------------------------------------|----|---------|
| Net change in fund balance - total governmental fund | \$ | 500,198 |
|------------------------------------------------------|----|---------|

Amounts adjusted for governmental activities in the Statement of  
Activities are different because:

|                                                                                                                                                                                                                                                                                                                        |  |           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------|
| The governmental fund adjusted capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and adjusted as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period. |  | (761,583) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------|

The effect of miscellaneous transactions involving capital assets:

|                                      |  |           |
|--------------------------------------|--|-----------|
| (Loss) on disposal of capital assets |  | (233,115) |
| Proceeds from sale of capital assets |  | (900,000) |

|                                                                                                                                                           |  |               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------|
| Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position |  | <u>86,250</u> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------|

|                                                   |    |                           |
|---------------------------------------------------|----|---------------------------|
| Change in net position of governmental activities | \$ | <u><u>(1,308,250)</u></u> |
|---------------------------------------------------|----|---------------------------|

**The accompanying notes are an integral part of this statement**

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2025**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Algiers Development District of the City of New Orleans (the District), a component unit of the City of New Orleans, is a special taxing district created by legislation embodied in Louisiana Revised Statute (R.S.) 33:2740.27, as amended, and effective June 1, 2009. The special taxing district is comprised of all territories within the fifteenth ward of Orleans Parish, State of Louisiana. The District is capable of levying ad valorem taxes on real estate in the District in conjunction with planning, developing, constructing or acquiring services, improvements, or facilities within the District's territories. The District has been designated as a local redevelopment authority for the federal military base realignment purposes and has been authorized to incur debt, including revenue bonds, from revenue sources for its enumerated purposes. Annually, the budget is presented to the Council of the City of New Orleans for approval.

**Reporting Entity**

Governmental accounting standards established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. A component unit is a government that is financially accountable to another government or one for which another government can exert influence over its budget and operations. The District is considered to be a component unit of the City of New Orleans. The District does not have any component units.

**Basis of Presentation**

The District's financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the District are discussed below.

The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999, as amended by GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District's activities and related general administrative services are classified as governmental activities. The District does not have any business-type activities.

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2025**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. There were no activities of the District categorized as business-type activities.

The 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 purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are 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.

All governmental funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2025**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

Sales taxes, rental revenue, certain miscellaneous income (movie income), and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

**Government-Wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated.

**Fund Financial Statements**

The fund financial statements provide information about the District's fund. The emphasis of fund financial statements is on major governmental funds.

The District reports the following major governmental fund:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government.

**Budgets**

A proposed budget is required to be prepared by the District and submitted to the City of New Orleans for approval prior to the beginning of each fiscal year. A budget summary and notice of a public hearing is required to be published with the public hearing being conducted prior to the commencement of the budget year.

The annual operating budget, prepared on the modified accrual basis, covers the general fund. At the end of the fiscal year, unexpended appropriations automatically lapse. Budget amendments are approved by the City of New Orleans.

In connection with budget preparation, a portion of the unassigned fund balance of an individual fund may be designated for expenditures of the subsequent year. Such designation represents the extent to which the fund balance is used to balance the subsequent year's operating budget of that fund, as reflected in the legally adopted budget.

Appropriations in the budgeted fund lapse at the end of the fiscal year.

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2025**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash and Cash Equivalents**

Cash includes amounts in demand deposit accounts and in interest-bearing money market accounts. Under state law, the District may deposit funds in demand deposit accounts, interest bearing demand deposits, money market accounts and time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The District may also invest in the Louisiana Asset Management Pool, Inc. (LAMP) fund, or United States bonds, treasury notes, or certificates.

Investments are stated at fair value in accordance with the Governmental Accounting Standards Board Statement (GASB) No. 31 *“Accounting and Financial Reporting for Certain Investments and for External Investment Pools.”*

**Sales Tax Revenue Receivable and Rental Receivables**

All receivables are recorded at actual amounts. The District believes that all receivables are collectible at December 31, 2025, thus, no allowance for doubtful receivables is reported in the financial statements. Management believes sales tax revenue receivable and rental receivables are reported at fair value.

**Leases**

The District is a lessor for noncancellable leases of District property. The District recognizes a lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. Under certain of the lease agreements, the District may receive variable lease payments that are dependent upon the lessee’s revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

The District uses the stated rate in the lease or its estimated incremental borrowing rate as the discount rate for the leases. The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2025**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Prepaid Items**

Certain payments to vendors reflect costs that will benefit a period of time after December 31, 2025 and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Prepaid expenditures at year end are equally offset by fund balance reserves which indicates that although a component of current assets, they do not constitute available spendable resources.

**Capital Assets**

Capital assets are recorded at either historical cost or estimated historical cost and are depreciated over their estimated useful lives (excluding salvage value). Any donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how to meet service demands. Land is not depreciated.

Straight-line depreciation is used based on the following estimated useful lives:

|                            |               |
|----------------------------|---------------|
| Buildings and improvements | 15 - 40 Years |
| Ramps and piers            | 25 Years      |

It is the District's policy to depreciate capital assets that have a purchase price of \$1,000 and more. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized.

**Encumbrances**

Encumbrance accounting is not utilized by the District due to the nature of operations and the ability of management to monitor budgeted expenditures on a timely basis.

**Long-Term Obligations**

In the government-wide financial statements, long-term debt is reported as a liability in the Statement of Net Position.

In the fund financial statements, the face amount of the debt issued is reported as other financing sources.

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2025**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Outflows and Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District does not have any deferred outflows of resources.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. Currently, the District has one item that qualifies for reporting in this category, leases.

**Unearned Revenue**

Unearned revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental fund balance sheet. The governmental fund reports unavailable revenues from one source: state funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Equity Classification**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - consists of net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2025

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity Classification (continued)**

In the governmental fund financial statements, fund balances are classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of state, local or federal awards or externally imposed conditions by grantors or creditors.
- c. Committed – amounts that can be used for specific purposes determined by formal action by an ordinance or resolution.
- d. Assigned – amounts that are designated by the formal action of the government's highest level of decision making authority.
- e. Unassigned – amounts not included in other classifications.

**Use of 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. Those estimates affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**Date of Management's Review**

Management has evaluated subsequent events through June 18, 2026, which is the date the financial statements were available to be issued.

**(2) CASH AND CASH EQUIVALENTS**

At December 31, 2025, the carrying amounts and amounts deposited in banks and investment accounts were as follows:

|                    | <u>Balance per Books</u> | <u>Deposits in Banks<br/>and Investments<br/>Accounts</u> |
|--------------------|--------------------------|-----------------------------------------------------------|
| Cash               | \$ 756,464               | \$ 756,464                                                |
| Cash held in trust | 366,109                  | 375,674                                                   |
| LAMP               | <u>2,960,225</u>         | <u>2,960,225</u>                                          |
| Total              | <u>\$ 4,082,798</u>      | <u>\$ 4,092,363</u>                                       |

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2025**

**(2) CASH AND CASH EQUIVALENTS (CONTINUED)**

These deposits are stated at market value. The District does not have a policy for custodial credit risk. However, under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must equal the amount on deposit with the fiscal agent at all times. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2025, the District had \$1,132,138 in cash deposits (collected bank balances). These deposits were secured from risk by \$250,000 of federal depository insurance and \$882,138 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

**Louisiana Asset Management Pool (LAMP)**

LAMP is administered by Louisiana Asset Management Pool, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, the concentration of credit risk, interest rate risk and foreign currency risk for all public entity investments. LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

Credit risk - LAMP is rated AAA by Standard & Poor's.

Custodial credit risk - LAMP participants' investments in the pool are evidenced by shares in the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk - Pooled investments are excluded from the 5% disclosure requirement.

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2025

**(2) CASH AND CASH EQUIVALENTS (CONTINUED)**

Interest rate risk - LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days.

Foreign currency risk - not applicable to 2a7-like pools.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the Securities and Exchange Commission as an investment company.

**(3) CAPITAL ASSETS**

A summary of changes in capital assets and accumulated depreciation during the year is listed as follows:

|                                       | <u>12/31/2024</u>    | <u>Additions</u>    | <u>Retirements/<br/>Reclasses</u> | <u>12/31/2025</u>    |
|---------------------------------------|----------------------|---------------------|-----------------------------------|----------------------|
| <u>Non-depreciable assets:</u>        |                      |                     |                                   |                      |
| Land                                  | \$ 11,895,262        | \$ -                | \$ (273,916)                      | \$ 11,621,346        |
| Construction in progress              | <u>-</u>             | <u>125,119</u>      | <u>-</u>                          | <u>125,119</u>       |
| Total non-depreciable assets          | <u>11,895,262</u>    | <u>125,119</u>      | <u>(273,916)</u>                  | <u>11,746,465</u>    |
| <u>Depreciable assets:</u>            |                      |                     |                                   |                      |
| Buildings and improvements            | 28,591,357           | -                   | (1,201,532)                       | 27,389,825           |
| Ramps and piers                       | <u>1,051,225</u>     | <u>-</u>            | <u>-</u>                          | <u>1,051,225</u>     |
| Total depreciable assets              | <u>29,642,582</u>    | <u>-</u>            | <u>(1,201,532)</u>                | <u>28,441,050</u>    |
| <u>Less: accumulated depreciation</u> | <u>(7,185,705)</u>   | <u>(886,702)</u>    | <u>342,333</u>                    | <u>(7,730,074)</u>   |
| Total depreciable assets, net         | <u>22,456,877</u>    | <u>(886,702)</u>    | <u>(859,199)</u>                  | <u>20,710,976</u>    |
| Total capital assets, net             | <u>\$ 34,352,139</u> | <u>\$ (761,583)</u> | <u>\$ (1,133,115)</u>             | <u>\$ 32,457,441</u> |

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2025

**(4) BOND PAYABLE**

On August 1, 2012, the District entered into an agreement for a private placement bond offering totaling \$3,000,000 with a local bank. The agreement calls for quarterly payments of \$50,000 plus interest from October 2012 through July 2022 and a final payment of \$1,000,000 plus interest in August 2022. The bond carried an interest rate of 4.35%. In December 2021, when the outstanding balance was \$1,150,000, the term maturity was extended to October 2031. Required quarterly payments and the interest rate decreased to \$28,750 and 3.65%, respectively. There were no other alterations.

This debt relates to the development and construction of a walking and bicycle path located on the levee of the Mississippi River in the Algiers area of Orleans Parish. As the land that will contain the walking and bicycle path is not owned by the District, the resulting capital assets of this project are not recorded in the financial statements of the District. The agreement states that the District will make required bond principal and interest payments using sales taxes received for economic development.

The District's outstanding notes from direct placements related to governmental activities of \$1,300,000 contain a provision that in an event of default, any one of the following steps may be taken:

- The Louisiana Local Government Environmental Facilities and Community Development Authority (the Authority) or Trustee may declare all installments of payments under Section 4.2 of the bond agreement to be immediately due and payable;
- The Authority or Trustee may take whatever action at law or in equity may appear necessary or desirable to collect the payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the District;
- The Authority or Trustee may have access to and inspect, examine and make copies of any and all books, accounts, and records of the District; and/or
- The Authority or Trustee (or the owners of the bonds in the circumstances permitted by the Indenture) may exercise any option and pursue any remedy provided by the Indenture.

Changes in long-term obligations for the year ended December 31, 2025 are as follows:

|                                            |                   |
|--------------------------------------------|-------------------|
| Balance, December 31, 2024                 | \$ 776,333        |
| Additions                                  | -                 |
| Principal payments                         | <u>(86,250)</u>   |
| Balance, December 31, 2025                 | 690,083           |
| Less: current portion, due within one year | <u>(115,083)</u>  |
| Non-current portion                        | <u>\$ 575,000</u> |

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2025

**(4) BOND PAYABLE (CONTINUED)**

Annual service requirements of long-term debt are as follows:

|       | <u>Principal</u>  | <u>Interest</u>  |
|-------|-------------------|------------------|
| 2026  | \$ 115,083        | \$ 23,611        |
| 2027  | 115,000           | 19,413           |
| 2028  | 115,000           | 15,216           |
| 2029  | 115,000           | 11,018           |
| 2030  | 115,000           | 6,821            |
| 2031  | <u>115,000</u>    | <u>2,623</u>     |
| Total | <u>\$ 690,083</u> | <u>\$ 78,702</u> |

**(5) NOTE PAYABLE**

On May 23, 2025, the District entered into an agreement to finance its insurance renewal with a total cost of \$351,154, of which \$82,230 was paid through a cash down payment and the remaining \$268,924 was financed. The agreement requires 10 monthly payments of \$27,958 beginning June 2025 through March 2026 with an interest rate of 8.55%. At December 31, 2025, the balance of the note payable was \$129,315.

**(6) UNEARNED REVENUE**

In 2021, the District entered into two agreements to potentially sell two buildings. These agreements required down payments of a total of \$250,000 that would be credited towards the purchase price when the closing agreement is executed. In September 2023, the District executed one agreement, and \$75,000 of the required down payments was used toward the purchase price. In June 2025, the District executed the second agreement, and \$175,000 of the required down payment was used towards the purchase price.

**(7) COOPERATIVE ENDEAVOR AGREEMENT**

The District receives funds from a Cooperative Endeavor Agreement (CEA) entered into with the City of New Orleans and the District, created by the New Orleans City Council authorized by R.S. 33:9038.1 et seq. receiving incremental state and city sales taxes from the Tax Increment Financing District (TIF), created pursuant to City of New Orleans Ordinance No. 24.920 M.C.S. According to the terms of the CEA, on an accrual basis, the District shall receive the lesser of the incremental funds from the TIF or \$1,000,000 annually. The receipt of these funds is conditioned on the District receiving matching funds from the State of Louisiana pursuant to an agreement between the District and the State of Louisiana. TIF consists of sales tax generated from the Wal-Mart store and other parcel businesses located on Behrman Highway in Algiers. The District receives 1¼ cents of each of the city and state sales tax revenue from the CEA and the state match.

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2025

**(7) COOPERATIVE ENDEAVOR AGREEMENT (CONTINUED)**

The use of the TIF is limited to a period of 42 years as amended by the City Council and approved by the mayor on June 1, 2009 in accordance with City Ordinance No. 24.920. The District recognized \$717,089 from the City of New Orleans and \$709,920 from the State of Louisiana for the year ended December 31, 2025, of which \$530,479 and \$173,872 were due from the City of New Orleans and the State of Louisiana, respectively, as of December 31, 2025.

**(8) FUND BALANCE COMMITMENTS**

The committed fund balance of \$1,000,000 on the balance sheet – governmental funds represents an amount committed by a formal action of the Board to be used for emergencies. The amount requires a vote of the full Board for the funds to be expended.

**(9) LEASES**

The District has lease arrangements with several corporate and individual tenants occupying various spaces located in the District's Federal City and Federal City Retail Complex beginning October 2011 through September 30, 2032. Terms range from 18 to 105 months. Monthly payments range from \$1,500 to \$6,946.

The District recognized \$1,351,106 in lease revenue and \$23,144 in interest income during the year ended December 31, 2025. As of December 31, 2025, the District's receivable for lease payments was \$478,632. Also, the District has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease terms. As of December 31, 2025, the balance of the deferred inflow of resources was \$868,915.

Future payments included in the measurement of the lease receivable as of December 31, 2025, are as follows:

|             | <u>Principal</u>  | <u>Interest</u>  | <u>Total</u>      |
|-------------|-------------------|------------------|-------------------|
| 2026        | \$ 252,137        | \$ 11,570        | \$ 263,707        |
| 2027        | 87,414            | 4,863            | 92,277            |
| 2028        | 64,177            | 1,423            | 65,600            |
| 2029        | 10,104            | 96               | 10,200            |
| 2030        | 1,200             | -                | 1,200             |
| 2031 - 2084 | <u>63,600</u>     | <u>-</u>         | <u>63,600</u>     |
| Total       | <u>\$ 478,632</u> | <u>\$ 17,952</u> | <u>\$ 496,584</u> |

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2025

**(10) EXCESS EXPENDITURES OVER APPROPRIATIONS**

Excess expenditures over appropriations by function within the General Fund are as follows:

|                            | <u>Final<br/>Budget</u> | <u>Actual</u>      | <u>Variance</u>     |
|----------------------------|-------------------------|--------------------|---------------------|
| General Fund:              |                         |                    |                     |
| General and administrative | \$ 1,069,740            | \$1,548,628        | \$ (478,888)        |
| Capital outlay             | <u>-</u>                | <u>125,119</u>     | <u>(125,119)</u>    |
| Total                      | <u>\$ 1,069,740</u>     | <u>\$1,673,747</u> | <u>\$ (604,007)</u> |

The excess expenditures were covered by available fund balance in the General Fund.

## **REQUIRED SUPPLEMENTARY INFORMATION (PART II)**

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

|                                        | General Fund                    |                              |                     |                                        |
|----------------------------------------|---------------------------------|------------------------------|---------------------|----------------------------------------|
|                                        | Original<br>Budgeted<br>Amounts | Final<br>Budgeted<br>Amounts | Actual<br>Amounts   | Variance<br>Favorable<br>(Unfavorable) |
| <b><u>REVENUES:</u></b>                |                                 |                              |                     |                                        |
| Sales tax for economic development     | \$ 1,395,000                    | \$ 1,415,000                 | \$ 1,427,009        | \$ 12,009                              |
| Rental revenue                         | 750,000                         | 920,000                      | 892,189             | (27,811)                               |
| State appropriations                   | 210,000                         | 185,000                      | 260,000             | 75,000                                 |
| Miscellaneous                          | 25,000                          | 130,000                      | 129,369             | (631)                                  |
| Interest income                        | 100,000                         | 135,000                      | 158,089             | 23,089                                 |
| Insurance proceeds                     | -                               | -                            | -                   | -                                      |
| Total receipts                         | <u>2,480,000</u>                | <u>2,785,000</u>             | <u>2,866,656</u>    | <u>81,656</u>                          |
| <b><u>EXPENDITURES:</u></b>            |                                 |                              |                     |                                        |
| Current:                               |                                 |                              |                     |                                        |
| Economic development projects          | 1,480,000                       | 1,995,000                    | 1,486,108           | 508,892                                |
| General and administrative             | 825,240                         | 1,069,740                    | 1,548,628           | (478,888)                              |
| Capital outlay                         | -                               | -                            | 125,119             | (125,119)                              |
| Debt service:                          |                                 |                              |                     |                                        |
| Bond principal payments                | 115,000                         | 115,000                      | 86,250              | 28,750                                 |
| Bond interest and fiscal charges       | <u>35,000</u>                   | <u>20,000</u>                | <u>20,353</u>       | <u>(353)</u>                           |
| Total disbursements                    | <u>2,455,240</u>                | <u>3,199,740</u>             | <u>3,266,458</u>    | <u>(66,718)</u>                        |
| Excess of disbursements over receipts  | <u>24,760</u>                   | <u>(414,740)</u>             | <u>(399,802)</u>    | <u>14,938</u>                          |
| <b><u>OTHER FINANCING SOURCES:</u></b> |                                 |                              |                     |                                        |
| Proceeds from sale of capital assets   | <u>600,000</u>                  | <u>(230,000)</u>             | <u>900,000</u>      | <u>1,130,000</u>                       |
| Total other financing sources          | <u>600,000</u>                  | <u>(230,000)</u>             | <u>900,000</u>      | <u>1,130,000</u>                       |
| Fund balance - beginning               | <u>4,537,427</u>                | <u>4,537,427</u>             | <u>4,537,427</u>    | <u>-</u>                               |
| Fund balance - ending                  | <u>\$ 5,162,187</u>             | <u>\$ 3,892,687</u>          | <u>\$ 5,037,625</u> | <u>\$ 1,144,938</u>                    |

**See Independent Auditors' Report**

## **OTHER SUPPLEMENTARY INFORMATION**

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**SCHEDULE OF GOVERNING BOARD COMPENSATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

|                                                                                        | <u>Amount</u> |
|----------------------------------------------------------------------------------------|---------------|
| Mark Major (Chairman)<br>80 Pinehurst Dr.<br>New Orleans, LA 70131                     | \$ -          |
| Dr. Stanton McNeely (Treasurer)<br>4123 Woodland Dr<br>New Orleans, LA 70131           | -             |
| Representative Jacob Braud<br>8114 Hwy 23<br>Belle Chasse, LA 70037                    | -             |
| Representative Delisha Boyd<br>P.O. Box 741952<br>New Orleans, LA 70122                | -             |
| Senator Gary Carter, Jr.<br>2401 Westbend Parkway, Suite 3071<br>New Orleans, LA 70114 | -             |
| Councilmember Freddie King III<br>329 Olivier St.<br>New Orleans, LA 70114             | -             |
| Julius Feltus<br>2nd Floor, 1300 Perdido St.<br>New Orleans, LA 70119                  | -             |

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**SCHEDULE OF COMPENSATION, BENEFITS, AND**  
**OTHER PAYMENTS TO AGENCY HEAD**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

|                                                  | Mark Major,<br>Chairman |
|--------------------------------------------------|-------------------------|
|                                                  | <hr/>                   |
| Gross salary                                     | \$ -                    |
| Benefits - insurance                             | -                       |
| Benefits - retirement                            | -                       |
| Cell phone allowance                             | -                       |
| Car allowance                                    | -                       |
| Meals - board meetings                           | -                       |
| Uniform                                          | -                       |
| Per diem                                         | -                       |
| Travel                                           | -                       |
|                                                  | <hr/>                   |
| Total compensation, benefits, and other payments | \$ <u><u>-</u></u>      |

**OTHER REPORT REQUIRED BY  
*GOVERNMENT AUDITING STANDARDS***



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

To the Board of Commissioners  
Algiers Development District of the City of New Orleans  
(A Component Unit of the City of New Orleans)  
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Algiers Development District (the District) of the City of New Orleans, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 18, 2026.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 District'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.



To the Board of Commissioners  
Algiers Development District of the City of New Orleans  
(A Component Unit of the City of New Orleans)  
June 18, 2026

## **Report on Compliance and Other Matters**

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

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

June 18, 2026  
New Orleans, Louisiana

*Erickson Krentel, LLP*  
Certified Public Accountants

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

**A. SUMMARY OF AUDIT RESULTS**

1. The independent auditors' report expresses an unmodified opinion on the financial statements of Algiers Development District of the City of New Orleans.
2. No significant deficiencies or material weaknesses in internal control relating to the audit of the financial statements were reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instance of noncompliance were reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
4. No management letter was issued for the year ended December 31, 2025.

**B. FINDINGS – FINANCIAL STATEMENT AUDIT**

There were no findings related to the financial statement audit for the year ended December 31, 2025.

**ALGIERS DEVELOPMENT DISTRICT OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

**I. FINDINGS – FINANCIAL STATEMENT AUDIT**

There were no findings related to the financial statements for the year ended December 31, 2024.

**II. MANAGEMENT LETTER**

There was no management letter issued for the year ended December 31, 2024.

**ALGIERS DEVELOPMENT DISTRICT**  
**OF THE CITY OF NEW ORLEANS**  
**(A COMPONENT UNIT OF THE CITY OF NEW ORLEANS)**  
**LOUISIANA LEGISLATIVE AUDITOR**  
**STATEWIDE AGREED-UPON PROCEDURES**  
**FOR THE YEAR ENDED**  
**DECEMBER 31, 2025**



**ERICKSEN KRENTEL** LLP  
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS



**INDEPENDENT ACCOUNTANTS' REPORT**  
**ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Commissioners of  
Algiers Development District of the City of New Orleans  
(A Component Unit of the City of New Orleans)  
New Orleans, Louisiana

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 year ended December 31, 2025. The Algiers Development District of the City of New Orleans's management is responsible for those C/C areas identified in the AUPs.

The Algiers Development District of the City of New Orleans (the District), a component unit of the City of New Orleans, 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 year ended December 31, 2025. 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 attached in Schedule "1."

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

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

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUP's, 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.

June 18, 2026  
New Orleans, Louisiana

  
Certified Public Accountants

**ALGIERS DEVELOPMENT DISTRICT**  
**AGREED-UPON PROCEDURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

**WRITTEN POLICIES AND PROCEDURES**

1. **Procedures:** Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
  - b) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - c) ***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.
  - d) ***Disbursements***, including processing, reviewing, and approving.
  - e) ***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).
  - f) ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
  - g) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
  - h) ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
  - i) ***Credit Cards (and debit cards, fuel cards, purchase 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).
  - j) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
  - k) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

**ALGIERS DEVELOPMENT DISTRICT  
AGREED-UPON PROCEDURES (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**WRITTEN POLICIES AND PROCEDURES (CONTINUED)**

- l) ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- m) ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

**Results:** No exceptions were found as a result of applying the procedures.

**BOARD OR FINANCE COMMITTEE**

- 2. **Procedures:** 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.
  - b) For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget- to-actual comparisons, at a minimum, on all special revenue funds. Alternatively, for those entities reporting on the not-for-profit 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.
  - 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.
  - 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.

**ALGIERS DEVELOPMENT DISTRICT  
AGREED-UPON PROCEDURES (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**BOARD OR FINANCE COMMITTEE (CONTINUED)**

**Results:** No exceptions were found as a result of applying the procedures.

**BANK RECONCILIATIONS**

3. **Procedures:** Obtain a listing of entity 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 four additional accounts (or all accounts if less than five). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- a) Bank reconciliations include evidence that they were prepared within two months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - b) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within one month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
  - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

**Results:** No exceptions were found as a result of applying the procedures.

**COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS)**

4. **Procedure:** 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 five deposit sites (or all deposit sites if less than five).
5. **Procedures:** 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. five collection locations for five deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
- a) Employees responsible for cash collections do not share cash drawers/registers;
  - b) Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;

**ALGIERS DEVELOPMENT DISTRICT  
AGREED-UPON PROCEDURES (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS) (CONTINUED)**

- c) Each employee responsible for collecting cash is not also 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; and
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. **Procedure:** Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
7. **Procedures:** Randomly select two deposit dates for each of the five bank accounts selected for Bank Reconciliations procedure #3 (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). Obtain supporting documentation for each of the ten 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 that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than ten 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:** No exceptions were found as a result of applying the procedures.

**NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS,  
TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)**

8. **Procedure:** 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 five).

**ALGIERS DEVELOPMENT DISTRICT**  
**AGREED-UPON PROCEDURES (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

**NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS,  
TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)(CONTINUED)**

9. **Procedures:** For each location selected under procedure #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or 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; and
  - 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. **Procedures:** For each location selected under procedure #8 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 five disbursements for each location, obtain supporting documentation for each transaction, and:
  - a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice, and supporting documentation indicates that deliverables included on the invoice were received by the entity; and
  - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #9 above, as applicable.
11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, 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,

**ALGIERS DEVELOPMENT DISTRICT  
AGREED-UPON PROCEDURES (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS,  
TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)(CONTINUED)**

- 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:** No exceptions were found as a result of applying the procedures.

**CREDIT CARDS/DEBIT CARDS/FUEL CARDS/PURCHASE CARDS (CARDS)**

- 12. **Procedures:** Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase 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.
- 13. **Procedures:** Using the listing prepared by management, randomly select five cards (or all cards if less than five) 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., itemized 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; and
  - b) Observe that finance charges and late fees were not assessed on the selected statements.
- 14. **Procedures:** Using the monthly statements or combined statements selected under procedure #13 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 (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that 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 observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.
- 15. **Procedures:** Using the list of terminated employees obtained in Payroll and Personnel procedure #20 identify those individuals who had access to cards and randomly select 5 terminated employees (or all terminated employees with card access if less than 5) from this population. Observe evidence that the cards have been deactivated for these terminated employees. In cases where a card is shared by multiple users, obtain evidence that the terminated employees' authorization has been removed.

**ALGIERS DEVELOPMENT DISTRICT  
AGREED-UPON PROCEDURES (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**CREDIT CARDS/DEBIT CARDS/FUEL CARDS/PURCHASE CARDS (CARDS)  
(CONTINUED)**

**Results:** Not applicable as the District does not have credit cards, debit cards, fuel cards, or purchase cards.

**TRAVEL AND TRAVEL-RELATED EXPENSE REIMBURSEMENTS (EXCLUDING  
CARD TRANSACTIONS)**

16. **Procedures:** 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 five reimbursements, and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected
- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana ([doa.la.gov/doa/ost/ppm-49-travel-guide/](http://doa.la.gov/doa/ost/ppm-49-travel-guide/)) or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov));
  - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
  - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1g; and
  - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**Results:** Not applicable as the District did not have any travel or travel-related reimbursements during the fiscal period.

**CONTRACTS**

17. **Procedures:** 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. Obtain management's representation that the listing is complete. Randomly select five contracts (or all contracts if less than five) 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;
  - 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);

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**FOR THE YEAR ENDED DECEMBER 31, 2025**

**CONTRACTS (CONTINUED)**

- c) If the contract was amended (e.g., change order), observe that 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, the documented approval); and
- d) Randomly select one payment from the fiscal period for each of the five contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

**Results:** No exceptions were found as a result of applying the procedure.

**PAYROLL AND PERSONNEL**

- 18. **Procedure:** Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select five employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- 19. **Procedures:** Randomly select one pay period during the fiscal period. For the five employees or officials selected under procedure #18 above, obtain attendance records and leave documentation for the pay period, and
  - a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave);
  - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials;
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
  - d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- 20. **Procedures:** 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 and 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's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

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**AGREED-UPON PROCEDURES (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

**PAYROLL AND PERSONNEL (CONTINUED)**

21. **Procedure:** 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) have been paid, and any associated forms have been filed, by required deadlines.

**Results:** Not applicable as the District has no employees.

**ETHICS**

22. **Procedures:** Using the five randomly selected employees/officials from Payroll and Personnel procedure #18 obtain ethics documentation from management, and
- a) Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - b) Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
  - c) Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

**Results:** No exceptions were found as a result of applying the procedures.

**DEBT SERVICE**

23. **Procedure:** Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
24. **Procedure:** Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

**Results:** Not applicable as the District did not have any debt instruments issued during the fiscal period.

**ALGIERS DEVELOPMENT DISTRICT  
AGREED-UPON PROCEDURES (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**FRAUD NOTICE**

25. **Procedure:** 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 as required by R.S. 24:523.
26. **Procedure:** 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:** No exceptions were found as a result of applying the procedures.

**INFORMATION TECHNOLOGY DISASTER RECOVERY/BUSINESS CONTINUITY**

27. **Procedures:** 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 there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
  - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
  - c) Obtain a listing of the 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.
  - d) Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #20. Observe evidence that the selected terminated employees have been removed or disabled from the network.

**ALGIERS DEVELOPMENT DISTRICT**  
**AGREED-UPON PROCEDURES (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

**INFORMATION TECHNOLOGY DISASTER RECOVERY/BUSINESS CONTINUITY**  
**(CONTINUED)**

e) Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #18 obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 – completed the training; and
- Hired on or after June 9, 2020 – completed the training within 30 days of initial service or employment.

**Results:** We performed the procedures and discussed the results with management.

**SEXUAL HARASSMENT**

28. **Procedures:** Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #18, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

29. **Procedure:** Observe that 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).

30. **Procedure:** 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 that the report includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

**Results:** No exceptions were found as a result of applying the procedures.