



Luther Speight & Company, LLC
Certified Public Accountants and Consultants

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
(A COMPONENT UNIT OF NEW ORLEANS REDEVELOPMENT AUTHORITY)

NEW ORLEANS, LOUISIANA

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S
REPORT THEREON

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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Luther Speight & Company, LLC
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
New Orleans Redevelopment Unlimited, Inc.
New Orleans, Louisiana

Report on the Audit of the Combined Financial Statements

Opinion

We have audited the accompanying combined financial statements of New Orleans Redevelopment Unlimited, Inc. (a nonprofit organization) ("NORU"), which comprise the combined statements of financial position as of December 31, 2024 and 2023, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements present fairly, in all material respects, the financial position of NORU as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about NORU's ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Combined Financial Statements

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to Executive Director and the Combining Financial Statements are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025 on our consideration of NORU'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 NORU'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 NORU's internal control over financial reporting and compliance.

A handwritten signature in blue ink, appearing to read "Luther Speight & Co".

Luther Speight & Company CPAs
New Orleans, Louisiana
June 30, 2025

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
COMBINED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
Current Assets		
Cash (NOTE 3)	\$ 989,729	\$ 800,982
Investments	2,857,722	2,633,986
Amounts Receivable, Net (NOTES 6 and 9)	1,172	61,642
Current Portion of Loans Receivable, Net (NOTES 5, 11 and 13)	950,000	1,665,000
Prepaid Items & Other Assets	2,965	7,315
Grants Receivable (NOTE 14)	31,514	11,411
Total Current Assets	<u>4,833,102</u>	<u>5,180,336</u>
Non-Current Assets		
Loans Receivable, Net (NOTES 5, 11 and 13)	1,101,839	1,129,708
Fixed Assets, Net	2,340,127	2,390,931
Total Non-Current Assets	<u>3,441,966</u>	<u>3,520,639</u>
Total Assets	<u><u>\$ 8,275,068</u></u>	<u><u>\$ 8,700,975</u></u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Accounts Payable - Vendors	\$ 103,278	\$ 4,485
Salaries and Related-Payroll Liabilities	1,855	71
Current Portion of Unearned Charges	165,188	1,129,826
Current Portion of Revolving Loan, Net (NOTE 11)	822,613	-
Current Portion of Mortgage Note Payable (NOTE 19)	32,966	30,974
Deposits Held for Buyers	5,833	5,802
Total Current Liabilities	<u>1,131,733</u>	<u>1,171,158</u>
Non-Current Liabilities		
Revolving Loan, Less Current Portion (NOTE 11)	4,580,689	6,126,721
Mortgage Note Payable, Less Current Portion (NOTE 19)	1,011,286	1,043,052
Unearned Charges	936,651	5,160
Total Non-Current Liabilities	<u>6,528,626</u>	<u>7,174,933</u>
Total Liabilities	<u>7,660,359</u>	<u>8,346,091</u>
Net Assets		
Without Donor Restriction	614,709	354,884
Total Net Assets	<u>614,709</u>	<u>354,884</u>
Total Liabilities and Net Assets	<u><u>\$ 8,275,068</u></u>	<u><u>\$ 8,700,975</u></u>

The accompanying notes are an integral part of these financial statements.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
 COMBINED STATEMENTS OF ACTIVITIES
 FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Operating Activities						
Grants (NOTE 14)	\$ -	\$ -	\$ -	\$ 1,978,813	\$ -	\$ 1,978,813
Program Income	31,514	-	31,514	-	-	-
Other	312,803	-	312,803	-	-	-
Total Operating Income	<u>344,317</u>	<u>-</u>	<u>344,317</u>	<u>1,978,813</u>	<u>-</u>	<u>1,978,813</u>
Expenses						
Program Services	307,285	-	307,285	1,980,629	-	1,980,629
Supporting Services	287,519	-	287,519	283,284	-	283,284
Total Expenses	<u>594,804</u>	<u>-</u>	<u>594,804</u>	<u>2,263,913</u>	<u>-</u>	<u>2,263,913</u>
Change in Net Assets From Operating Activities	(250,487)	-	(250,487)	(285,100)	-	(285,100)
Non-Operating Activities						
Interest Income	170,022	-	170,022	151,982	-	151,982
Lease Income and Royalties	324,635	-	324,635	325,516	-	325,516
Forefitures and Other	15,655	-	15,655	12,525	-	12,525
Total Non-Operating Income	<u>510,312</u>	<u>-</u>	<u>510,312</u>	<u>490,023</u>	<u>-</u>	<u>490,023</u>
Change in Net Assets From Operating & Non-Operating Activities	259,825	-	259,825	204,923	-	204,923
Net Assets, Beginning of the Year	<u>354,884</u>	<u>-</u>	<u>354,884</u>	<u>149,961</u>	<u>-</u>	<u>149,961</u>
Net Assets, End of the Year	<u>\$ 614,709</u>	<u>\$ -</u>	<u>\$ 614,709</u>	<u>\$ 354,884</u>	<u>\$ -</u>	<u>\$ 354,884</u>

The accompanying notes are an integral part of these financial statements.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
COMBINED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024			2023		
	Program Services	Supporting Services	Total	Program Services	Supporting Services	Total
Expenditures						
Operations:						
Personnel Salaries and Wages	\$ 65,431	\$ 56,101	\$ 121,532	\$ 79,382	\$ 45,624	\$ 125,006
Personnel Services Employee Benefits	14,785	12,393	27,178	18,318	10,390	28,708
Purchased Professional & Technical Services	18,089	16,520	34,609	24,800	15,500	40,300
Purchased Property Services	37,517	22,740	60,257	32,808	35,988	68,796
Insurance	1,952	7,602	9,554	3,393	7,124	10,517
Other Purchased Services	2,026	-	2,026	4,766	-	4,766
Supplies	-	675	675	100	313	413
Property	152	50,664	50,816	142	49,468	49,610
Programs	99,807	-	99,807	1,808,060	-	1,808,060
Other Uses	-	120,824	120,824	-	118,877	118,877
Cost of Sales	67,526	-	67,526	8,860	-	8,860
Total Expenditures	\$ 307,285	\$ 287,519	\$ 594,804	\$ 1,980,629	\$ 283,284	\$ 2,263,913

The accompanying notes are an integral part of these financial statements.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Cash Flows From Operating Activities:		
Change in Net Assets	\$ 259,825	\$ 204,923
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by/(Used by) Operating Activities:		
Depreciation Expense	50,804	49,467
(Increase)/Decrease in the following assets:		
Grants Receivable	(20,103)	900,544
Prepaid Items & Other Assets	4,350	(6,606)
Loans Receivable	742,869	(1,036,368)
Amounts Receivable	60,470	(60,063)
Increase/(Decrease) in the following assets:		
Accounts Payable Vendors	98,793	(339,223)
Salaries and Related Payroll Liabilities	1,784	(4,449)
Unearned Charges	(33,147)	269,267
Deposits Held for Others	31	2,082
Total Adjustments	<u>905,851</u>	<u>(225,349)</u>
Net Cash Provided by/(Used by) Operating Activities	<u>1,165,676</u>	<u>(20,426)</u>
Cash Flows From Investing Activities:		
Purchase of Investments, Net	(223,736)	(427,138)
Purchases of Fixed Assets	<u>-</u>	<u>(2,440,398)</u>
Net Cash Used by Investing Activities	<u>(223,736)</u>	<u>(2,867,536)</u>
Cash Flows From Financing Activities:		
Borrowings/(Repayments) of Mortgage Note Payable, Net	(29,774)	1,074,026
Borrowings/(Repayments) of Revolving Loans, Net	<u>(723,419)</u>	<u>1,255,094</u>
Net Cash Provided by/(Used by) Financing Activities	<u>(753,193)</u>	<u>2,329,120</u>
Net Change in Cash	188,747	(558,842)
Cash, Beginning of Year	<u>800,982</u>	<u>1,359,824</u>
Cash, End of Year	<u><u>\$ 989,729</u></u>	<u><u>\$ 800,982</u></u>

The accompanying notes are an integral part of these financial statements.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 – ORGANIZATION

Background

New Orleans Redevelopment Unlimited, Inc. (NORU) was formed in 2004 as a nonprofit corporation. The purposes of NORU include:

- Eliminate and prevent the development or spread of slums.
- Promote neighborhood revitalization, blight removal, community development and construction of affordable housing that is decent, safe, and sanitary for low- and moderate-income families, including support of efforts of entities so engaged through loans with repayment.
- Allow the rehabilitation, clearance and redevelopment of slums and blighted areas in the City of New Orleans to include but not limited to community improvement plans or projects approved by the governing body of the City of New Orleans.
- Acquire property by negotiation or gift.
- Dispose of property by sale, lease, or gift.
- Own real estate, to buy or sell, develop, or lease, and generally handle, moveable and immovable property of every nature and kind.
- Do all things necessary with full authority to perform all acts necessary or proper to accomplish the purposes expressed or implied in these Articles, or that may be incidental thereto.

General

NORU is primarily engaged in the implementation of a Loan Fund pursuant to Section 105(a)(15) of the Housing and Community Development Act of 1974 for revolving construction loans to facilitate the construction of residential housing in a memorandum agreement with New Orleans Redevelopment Authority (NORA). NORU is also classified as a component unit of NORA.

AHPP

The grant provided by New Orleans Redevelopment Authority, Inc. is for the development of four (4) single or two-family homes in areas of the City of New Orleans which may not otherwise receive adequate financing resources.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 – ORGANIZATION (CONTINUED)

Neighborhood Stabilization Program

The Neighborhood Stabilization Program (NSP) is a federal program designed to address the impact of housing foreclosures and abandonment on neighborhoods. Funds were provided to NORU to purchase and redevelop abandoned and foreclosed properties, aiming to stabilize housing markets and revitalize communities.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

NORU's basic combined financial statements consist of the combined statement of financial position, combined statement of activities, combined statement of functional expenses, and combined cash flows. The combined statements are prepared in accordance with accounting principles generally accepted in the United States of America. Interfund balances are eliminated.

Estimates

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

Financial Statement Presentation

As required by Financial Accounting Standards Board's Accounting Standards Codification (FASB ASC) sections ASC Sections 958-205 and 605 (Not-for-Profit Entities Presentation of Financial Statements and Revenue Recognition), NORU recognizes contributions received as revenue, including unconditional promises to give, in the period received at their fair value. At the same time, contributions made, including unconditional promises to give, are recognized as expenses in the period made at their fair value.

FASB ASC 958, dated August 2016, and the provisions of the American Institute of Certified Public Accountants Audit and Accounting Guide for Not-for-Profit Organizations (the Guide) Update 2016-14 was effective January 1, 2018. Under the provisions of the Guide, net assets, and gains and losses are classified based on the existence or absences of donor-imposed restrictions. Accordingly, the net assets of NORU and changes therein are classified as follows:

- Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of NORU. NORU's board may designate assets without restrictions for specific operational purposes from time to time.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of NORU or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

At December 31, 2024 and 2023, NORU's net assets without donor restrictions reports the results of revenues generated by providing services, receiving unrestricted contributions, grants, interest from investments, disposition of real property, less expenses incurred in providing program and supporting related services. In addition, NORU presents a statement of cash flows in the accompanying combined financial statements.

Further, update No. 2016-14 affecting ASC 958, *Not-for-Profit Entities*, established standards for external financial reporting by not-for-profit organizations. The standard's main provisions require presentation on the face of the statement of activities the amount of the change in each of the two classes of net assets; continued to present on the face of the statement of cash flows the net amount for operating cash flows using either the direct or indirect method of reporting; and included enhanced disclosures of board designations, etc. affecting resources used without donor restrictions and the composition of donor restrictions and its effect on use of resources.

Statement of Cash Flows

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

Loans Receivable

Loans receivable are recorded at the face value of the note at point of execution. The revolving construction loan program is used to support economic and rehabilitation development activities. NORU uses the allowance method (based on prior years' experience and analysis) to determine collectability of loans receivable.

Investments

Investments consist of participation in Louisiana Asset Management Pool (LAMP). The portfolio includes only securities and other obligations in which Local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measure of Operations

The statements of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to NORU's ongoing activities. Non-operating activities are limited to resources that generate return from investments, financing costs, and other activities considered to be of a more unusual or non-recurring nature.

Revolving Loan

A revolving loan is recorded at face value at the point of disbursement. The loan is used to further the construction loan program aimed at economic and rehabilitation development activities.

Fixed Assets

Fixed Assets include land and buildings and are recorded at cost when the individual cost exceeds \$5,000 and have a useful life of greater than one year. When no historical records are available, land and buildings are valued at estimated historical cost. When assets are retired or otherwise disposed of, any resulting gain or loss is reflected in income for the period. Buildings are depreciated the using the straight -line method over a forty (40) year estimated useful life. Land is not a depreciable asset.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between program and supporting services benefitted. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expenses</u>	<u>Method of Allocation</u>
Salaries and related benefits	Time and Effort
Occupancy	Square Footage
Other	Time and Effort

Recently Issued Accounting Standards

There were no recently issued accounting standards that had a significant impact on the combined financial statements.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 3 – CASH

At December 31, 2024, the carrying amount of NORU's deposits were \$989,729 and the collected bank balance was \$1,005,097. At December 31, 2023, the carrying amount of NORU's deposits were \$800,982 and the collected bank balance was \$640,527. The cumulative collected bank balances at December 31, 2024 and 2023 are covered by federal deposit insurance and through the pledge of securities in NORA's (parent entity) name. Custodial credit risk is the risk that in the event of a failure by the financial institution, NORU's deposits may not be returned to it. NORU has a deposit policy for custodial credit risk.

NOTE 4 – LIQUIDITY AND AVAILABILITY OF RESOURCES

NORU's financial assets available within one year of the balance sheet date for general expenses are as follows:

	2024	2023
Cash	\$ 989,729	\$ 800,982
Investments	2,857,722	2,633,986
Amounts Receivable	1,172	61,642
Current Portion of Loans Receivable	950,000	1,665,000
Grants Receivable	31,514	11,411
	<u>4,830,137</u>	<u>5,173,021</u>
Less Net Assets With Donor Restrictions	<u>-</u>	<u>-</u>
Total Financial Assets Available Within One Year	<u><u>\$ 4,830,137</u></u>	<u><u>\$ 5,173,021</u></u>

NORU's financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the balance sheet date.

As part of its liquidity management, NORU has a policy to structure its financial assets to be available as its general expenses, liabilities, and other obligations come due. In addition, NORU invests cash in excess of projected requirements in short-term investments.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 5 – NET LOANS RECEIVABLE

At December 31, 2024 and 2023, net loans receivable consisted of the following:

NON-FORGIVABLE LOANS	<u>2024</u>	<u>2023</u>
<i>Armstrong Construction</i>		
Loan, secured by residential property, to a corporation at a rate of 2.50% per annum; payment of principal plus interest due in 36 equal monthly installments to begin 6 months after COA.	\$ 30,000	\$ 30,000
<i>Home by Hand, Inc.</i>		
Loan, secured by residential property, to a corporation at a rate of 2.50% per annum; payment of interest only due to begin immediately upon disbursement.	-	190,000
<i>Lucas Construction</i>		
Loan, secured by residential property, to a corporation at a rate of 2.50% per annum; payment of interest only due to begin immediately upon disbursement.	150,000	150,000
<i>NewCorp</i>		
Loan, secured by residential property, to a corporation at a rate of 2.50% per annum; payment of principal plus interest due in 36 equal monthly installments to begin 6 months after COA.	90,000	90,000
<i>SBP</i>		
Loan, secured by residential property, to a corporation at a rate of 2.50% per annum; payment of interest only is due to begin immediately upon disbursement.	60,000	190,000
TOTAL NON-FORGIVABLE LOANS	<u><u>\$ 330,000</u></u>	<u><u>\$ 650,000</u></u>

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 5 – NET LOANS RECEIVABLE (CONTINUED)

FORGIVABLE LOANS	<u>2024</u>	<u>2023</u>
<i>Armstrong Construction</i>		
Loan, secured by residential property, to a corporation at a rate of 2.50% per annum; loan shall be forgiven at NORU's sole discretion, provided no event of default has occurred.	\$ 50,000	\$ 50,000
<i>Home by Hand, Inc.</i>		
Loan, secured by residential property, to a corporation at a rate of 2.50% per annum; loan shall be forgiven at NORU's sole discretion, provided no event of default has occurred.	-	185,000
<i>Lucas Construction</i>		
Loan, secured by residential property, to a corporation at a rate of 2.50% per annum; loan shall be forgiven at NORU's sole discretion, provided no event of default has occurred.	255,000	255,000
<i>SBP</i>		
Loan, secured by residential property, to a corporation at a rate of 2.50% per annum; loan shall be forgiven at NORU's sole discretion, provided no event of default has occurred.	120,000	330,000
<i>NewCorp</i>		
Loan, secured by residential property, to a corporation at a rate of 2.50% per annum; loan shall be forgiven at NORU's sole discretion, provided no event of default has occurred.	195,000	195,000
Residential construction loan (home buyer assistance) mortgage with varying amounts executed in 2016 and expiring on various dates through November 3, 2030.	1,101,839	1,129,708
TOTAL FORGIVABLE LOANS	<u>1,721,839</u>	<u>2,144,708</u>
SUBTOTAL LOANS	2,051,839	2,794,708
LESS: CURRENT PORTION	<u>(950,000)</u>	<u>(1,665,000)</u>
TOTAL NONCURRENT LOANS RECEIVABLE	<u>\$ 1,101,839</u>	<u>\$ 1,129,708</u>

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 6 – AMOUNTS RECEIVABLE

At December 31, 2024 and 2023 amounts receivable, net is as follows:

	<u>2024</u>	<u>2023</u>
Funds due from sale of land, unimproved land and structures from NORA's inventory	\$ 1,037	\$ 55,504
Rent Receivable	135	6,138
Loan to corporation which is currently in default	<u>328,928</u>	<u>328,928</u>
Subtotal	330,100	390,570
Less: Allowance for doubtful accounts	<u>(328,928)</u>	<u>(328,928)</u>
Total	<u>\$ 1,172</u>	<u>\$ 61,642</u>

NOTE 7 – RISK MANAGEMENT

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

NOTE 8 – CONCENTRATION OF CREDIT RISK

NORU receives primarily all revenues from NORA as a pass-through the State of Louisiana, and through donations. If the amount of revenues received from NORA and others fall below contract levels, NORU's operating results could be adversely affected.

NOTE 9 - CONTINGENCIES

NORU is subject to possible examinations by regulatory agencies who determine compliance with laws and regulations governing grants provided to NORU. These examinations may result in required refunds by NORU to agencies and/or program beneficiaries. NORU in the exercise of due diligence obtained through the Court, a filed judgment in connection with a loan agreement with a developer for the balance of loan funds. NORU has also obtained legal representation regarding an appeal with the Assessor's judgement that NORU will receive no tax exemption for 2024 and a partial exemption for 2025. It is Counsel's opinion at December 31, 2024 and 2023, and June 30, 2025, that there are no other matters that will have a material effect on the financial condition of NORU. Accordingly, no additional provision has been made in the combined financial statements for that contingency other than as described in NOTE 6.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 10 – PER DIEM FOR DIRECTORS

During the year ended December 31, 2024 and 2023, no board member received per diem in his/her capacity as a Director.

NOTE 11 – REVOLVING LOAN

The outstanding revolving loan balance at December 31, 2024 and 2023 of \$5,403,302 and \$6,126,721, respectively, represents the balance of funds provided to NORU through a memorandum of understanding with NORA. The funds are to be used to implement a loan fund pursuant to section 105(a)(15) of the Housing and Community Development Act of 1974 for revolving construction loans to facilitate the construction of residential housing in accordance with policies and procedures and as otherwise approved by NORU. See NOTE 5, for additional discussion.

NOTE 12 – RELATED PARTY TRANSACTIONS

NORA paid fees and made various reimbursements for costs incurred on NORU's behalf totaling \$351,113 and \$351,113 for the years ended December 31, 2024 and 2023, respectively, of which management fees paid were \$17,556 and \$17,556. NORU, during the year ended December 31, 2024, continued to administer the Construction Lending Program with contract awards totaling \$480,000 for construction projects on behalf of NORA. At December 31, 2024, the total cumulative amount disbursed, net of repayments results to a total revolving loan balance of \$4,580,689.

In January 2023, NORU purchased the office building in which it was previously a tenant (see NOTE 17). NORU negotiated a lower sales price on the building as a result of a loan between the seller and NORA being forgiven. NORA is one of the tenants in the building and pays NORU a monthly rate of \$16,215. Total rent revenue from NORA during the year ended December 31, 2024 was \$194,580. NORA also pays a share of the utilities in the building and they paid NORU a total of \$34,337 during the year ended December 31, 2024.

NOTE 13 – PROVISION FOR FORGIVEABLE LOANS

NORU continues to participate with NORA (related party) in several real estate loan transactions. From inception to date, the provision by NORA to the benefit of the respective home buyers for forgivable mortgage loans totals \$1,721,839 and \$2,144,708 at December 31, 2024 and 2023, respectively. See NOTE 5 for additional discussion.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 14 – GRANTS AND GRANTS RECEIVABLE

NORU did not recognize any grant revenue during the year ended December 31, 2024 and recognized grant revenues totaling \$1,978,813 through the Orleans Housing Investment Program and the Construction Lending Expanded Target Area Program during the year ended December 31, 2023. NORU had outstanding grants receivable balance from the AHPP program totaling \$31,514 at December 31, 2024 and an outstanding grants receivable balance from the Orleans Housing Investment program and the Construction Lending Expanded Target Area program totaling \$11,411 at December 31, 2023.

NOTE 15 – INVESTMENTS

At December 31, 2024 and 2023, investments of \$2,857,722 and \$2,633,986 consisted of shares in Louisiana Asset Management Pool, Inc.'s (LAMP) investment pool. LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for the investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Custodial credit risk: LAMP participants' investment in the pool are evidenced by shares of 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. NORU'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 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to the 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 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is (NUMBER - days) (from LAMP's monthly Portfolio Holdings) as of (DATE-Month-end).

NOTE 16 – FAIR VALUE

FASB ASC Topic 820, Fair Value Measurements and Disclosures emphasizes market-based measurement and, in doing so, stipulates a fair value hierarchy. The hierarchy is based on the type of inputs, or data used, to measure fair value.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 16 – FAIR VALUE (CONTINUED)

The fair value hierarchy is summarized below:

- Level 1 lies at the top of the hierarchy; inputs are quoted prices in active markets
- Level 2 inputs are in the middle of the hierarchy, where data is adjusted from similar items traded in markets that are active markets or from identical or similar items in markets that are not active. Level 2 inputs do not stem directly from quoted prices.
- Level 3 inputs are unobservable and require an entity to develop its own assumptions.

The investment in LAMP (see NOTE 15) at December 31, 2024 and 2023 is stated at fair value. 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 net asset value of the pool shares.

The following table sets forth by level, within the fair value hierarchy, NORU's investments at fair value as of December 31, 2024 and 2023, respectively:

December 31, 2024:

<u>Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total Fair Value</u>
LAMP	\$ -	\$ 2,857,722	\$ -	\$ 2,857,722
Total	<u>\$ -</u>	<u>\$ 2,857,722</u>	<u>\$ -</u>	<u>\$ 2,857,722</u>

December 31, 2023:

<u>Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total Fair Value</u>
LAMP	\$ -	\$ 2,633,986	\$ -	\$ 2,633,986
Total	<u>\$ -</u>	<u>\$ 2,633,986</u>	<u>\$ -</u>	<u>\$ 2,633,986</u>

NOTE 17 – LEASES

In 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which is intended to improve financial reporting on leasing transactions. ASU No. 2016-02 will require lessees to recognize right of use assets and lease obligations for operating and finance leases under terms greater than 12 months. ASU No. 2016-02 was originally effective for fiscal years beginning after December 15, 2020, with early adoption permitted.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 17 – LEASES (CONTINUED)

On June 3, 2020, FASB issued ASU No. 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842)* that extended the effective date for certain entities, including NORU, to annual periods beginning after December 15, 2021.

On January 13, 2023, NORU purchased the building located at 1409 Oretha Castle Haley Blvd, which had NORA headquarters as its anchor tenant. Upon purchase of the building, NORU negotiated a long-term lease with NORA. NORU also has several other tenants that rent out space in the building. On March 27, 2023, and subsequent to the building purchase, NORU purchased the parking lot located at 1303-05 & 1309-11 South Rampart Street, to provide parking spaces for tenants and staff. NORU recorded \$324,635 and \$277,000 in lease income for the years ended December 31, 2024 and 2023, respectively, due to being the Lessor of the building. The following shows the future minimum lease payments NORU expects to receive for the subsequent five years and thereafter:

December 31,	Amount
2025	\$ 279,278
2026	262,853
2027	266,175
2028	266,477
2029	226,305
Thereafter	599,955
Total	<u>\$ 1,901,043</u>

NOTE 18 – FIXED ASSETS, NET

As of December 31, 2024 and 2023, fixed assets, net consisted of the following:

	2024	2023
Land	\$ 461,710	\$ 461,710
Buildings	1,978,689	1,978,689
Sub-Total	2,440,399	2,440,399
Less: Accumulated Depreciation	(100,272)	(49,468)
Total Fixed Assets, Net	<u>\$ 2,340,127</u>	<u>\$ 2,390,931</u>

Depreciation expense totaled \$50,804 and \$49,467 for the years ended December 31, 2024 and 2023, respectively.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 19 – MORTGAGE NOTE PAYABLE

During January 2023, NORU obtained a \$1,100,000 loan with a financial institution to purchase the building at 1409 Oretha Castle Haley Blvd, New Orleans, Louisiana (See NOTE 17). The note is payable in 83 regular payments of \$8,098, including principal and interest, and one irregular payment estimated at \$867,206. The note carries a fixed interest rate of 6.250%.

Future maturities of the mortgage note payable are as follows:

Fiscal Year	Principal Payments
2025	\$ 32,966
2026	35,087
2027	37,344
2028	39,746
2029	42,302
Thereafter	856,807
Total	<u>\$ 1,044,252</u>

NOTE 20 – SUBSEQUENT EVENTS

NORU is required to evaluate events or transactions that may have occurred after the statement of financial position date for potential recognition or disclosure in the combined financial statements. NORU performed such an evaluation through June 30, 2025, the date of these combined financial statements. No subsequent events have been evaluated for inclusion in the combined financial statements past this date. Management has noted that there are no additional disclosures or adjustments required to these combined financial statements.



Luther Speight & Company, LLC
Certified Public Accountants and Consultants

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

To the Board of Directors of
New Orleans Redevelopment Unlimited, Inc.
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 combined financial statements of New Orleans Redevelopment Unlimited, Incorporated ("NORU"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated June 30, 2025.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's combined 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether NORU's combined 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 combined 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 are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink, appearing to read "Luther Speight", is written over the printed name.

Luther Speight & Company CPAs

New Orleans, Louisiana

June 30, 2025

**NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Section I – Summary of Auditor’s Results

Combined Financial Statements

An unmodified opinion was issued on the combined financial statements of the auditee.

Internal Control Over Financial Reporting:

Material weaknesses identified? _____ yes X no

Significant deficiencies identified

not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Not applicable, as New Orleans Redevelopment Unlimited, Inc. did not expend \$750,000 or more in federal funding during the year ended December 31, 2024.

**NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Section II – Financial Statement Findings and Questioned Costs

There were no financial statement findings or questioned costs for the year ended December 31, 2024.

Section III – Summary of Prior Year's Findings and Questioned Costs

There were no findings in the prior year's audit.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
COMBINING STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024

	General Fund Unrestricted	AHPP	Revolving Loan	Revolving Loan NSP2 Project	Eliminations	Totals
Current Assets						
Cash	\$ 66,789	\$ -	\$ 724,299	\$ 198,641	\$ -	\$ 989,729
Investments	2,857,722	-	-	-	-	2,857,722
Amounts Receivable, Net	1,172	-	-	-	-	1,172
Current Portion of Loans Receivable, Net	950,000	-	-	-	-	950,000
Prepaid items and Other assets	2,965	-	-	-	-	2,965
Grants Receivable	-	31,514	-	-	-	31,514
Due from other funds	30,586	-	-	-	(30,586)	-
Total Current Assets	<u>3,909,234</u>	<u>31,514</u>	<u>724,299</u>	<u>198,641</u>	<u>(30,586)</u>	<u>4,833,102</u>
Non-Current Assets						
Loans Receivable, Net	1,101,839	-	-	-	-	1,101,839
Fixed Assets, Net	2,340,127	-	-	-	-	2,340,127
Total Non-Current Assets	<u>3,441,966</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,441,966</u>
Total Assets	<u>\$ 7,351,200</u>	<u>\$ 31,514</u>	<u>\$ 724,299</u>	<u>\$ 198,641</u>	<u>\$ (30,586)</u>	<u>\$ 8,275,068</u>
Current Liabilities						
Accounts Payable - Vendors	\$ 3,471	\$ -	\$ -	\$ 99,807	\$ -	\$ 103,278
Salaries and Related Payroll Liabilities	407	928	520	-	-	1,855
Due to Other Funds	-	30,586	-	-	(30,586)	-
Current Portion of Unearned Charges	165,188	-	-	-	-	165,188
Current Portion of Revolving Loan, Net	822,613	-	-	-	-	822,613
Current Portion of Mortgage Note Payable	32,966	-	-	-	-	32,966
Deposits Held For Buyers	5,833	-	-	-	-	5,833
Total Current Liabilities	<u>1,030,478</u>	<u>31,514</u>	<u>520</u>	<u>99,807</u>	<u>(30,586)</u>	<u>1,131,733</u>
Non-Current Liabilities						
Revolving Loan, Less Current Portion	3,758,076	-	723,779	98,834	-	4,580,689
Mortgage Note Payable, Less Current Portion	1,011,286	-	-	-	-	1,011,286
Unearned Charges	936,651	-	-	-	-	936,651
Total Non-Current Liabilities	<u>5,706,013</u>	<u>-</u>	<u>723,779</u>	<u>98,834</u>	<u>-</u>	<u>6,528,626</u>
Total Liabilities	<u>6,736,491</u>	<u>31,514</u>	<u>724,299</u>	<u>198,641</u>	<u>(30,586)</u>	<u>7,660,359</u>
Net Assets						
Without Donor Restriction	614,709	-	-	-	-	614,709
Total Net Assets	<u>614,709</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>614,709</u>
Total Liabilities and Net Assets	<u>\$ 7,351,200</u>	<u>\$ 31,514</u>	<u>\$ 724,299</u>	<u>\$ 198,641</u>	<u>\$ (30,586)</u>	<u>\$ 8,275,068</u>

The accompanying notes are an integral part of these financial statements.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	General Fund Unrestricted	AHPP	Revolving Loan	Revolving Loan NSP2 Project	Totals
Operating Activities					
Program Income	\$ -	\$ 31,514	\$ -	\$ -	\$ 31,514
Other	135,416	-	76,221	101,166	312,803
Total Operating Income	<u>135,416</u>	<u>31,514</u>	<u>76,221</u>	<u>101,166</u>	<u>344,317</u>
Expenses					
Program Services	132,595	18,437	55,087	101,166	307,285
Supporting Services	253,308	13,077	21,134	-	287,519
Total Expenses	<u>385,903</u>	<u>31,514</u>	<u>76,221</u>	<u>101,166</u>	<u>594,804</u>
Change in Net Assets from Operating Activities	(250,487)	-	-	-	(250,487)
Non-Operating Activities					
Interest Income	170,022	-	-	-	170,022
Lease Income and Royalties	324,635	-	-	-	324,635
Forefutures and Other	15,655	-	-	-	15,655
Total Non-Operating Income	<u>510,312</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>510,312</u>
Change in Net Assets From Operating & Non-Operating Activities	259,825	-	-	-	259,825
Net Assets, Beginning of the Year	<u>354,884</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>354,884</u>
Net Assets, End of the Year	<u>\$ 614,709</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 614,709</u>

The accompanying notes are an integral part of these financial statements.

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
COMBINING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	General Fund Unrestricted		AHPP		Revolving Loan		Revolving Loan NSP2 Project		Totals	
	Program Services	Supporting Services	Program Services	Supporting Services	Program Services	Supporting Services	Program Services	Supporting Services	Program Services	Supporting Services
Expenditures										
Operations:										
Personnel Salaries and Wages	\$ 6,244	\$ 28,496	\$ 15,054	\$ 9,940	\$ 43,057	\$ 17,665	\$ 1,076	\$ -	\$ 65,431	\$ 56,101
Personnel Services Employee Benefits	1,793	5,999	2,868	3,052	9,851	3,342	273	-	14,785	12,393
Purchased Professional & Technical Services	18,089	16,520	-	-	-	-	-	-	18,089	16,520
Purchased Property Services	37,080	22,528	49	85	378	127	10	-	37,517	22,740
Insurance	412	7,602	429	-	1,111	-	-	-	1,952	7,602
Other Purchased Services	1,412	-	-	-	614	-	-	-	2,026	-
Supplies	-	675	-	-	-	-	-	-	-	675
Property	39	50,664	37	-	76	-	-	-	152	50,664
Programs	-	-	-	-	-	-	99,807	-	99,807	-
Other Uses	-	120,824	-	-	-	-	-	-	-	120,824
Cost of Sales	67,526	-	-	-	-	-	-	-	67,526	-
Total Expenditures	<u>\$ 132,595</u>	<u>\$ 253,308</u>	<u>\$ 18,437</u>	<u>\$ 13,077</u>	<u>\$ 55,087</u>	<u>\$ 21,134</u>	<u>\$ 101,166</u>	<u>\$ -</u>	<u>\$ 307,285</u>	<u>\$ 287,519</u>

The accompanying notes are an integral part of these financial statements.

**NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO EXECUTIVE DIRECTOR
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

Agency Head: Mrs. Brenda M. Breaux, Executive Director

Purpose	2024 Amount	2023 Amount
Salary	\$ -	\$ -
Benefits-FICA	-	-
Benefits-State	-	-
Benefits-SUTA	-	-
Benefits-executive parking	-	-
Car allowance	-	-
vehicle provided by government	-	-
Per diem	-	-
Reimbursements	-	-
Travel	-	-
Registration fees	-	-
Conference travel	-	-
Continuing professional education fees	-	-
Housing	-	-
Unvouchered expenses	-	-
Special meals	-	-

NOTE: New Orleans Redevelopment Unlimited, (NORU) does not have any paid employees. NORU is managed by the Executive Director of New Orleans Redevelopment Authority. NORU is assessed a management fee by New Orleans Redevelopment Authority for services provided. A schedule of New Orleans Redevelopment Authority's Executive Director's "Compensation, Benefits, and Other Payments" is included in New Orleans Redevelopment Authority's annual audit for fiscal years ended December 31, 2024 and



Luther Speight & Company, LLC
Certified Public Accountants and Consultants

NEW ORLEANS REDEVELOPMENT UNLIMITED, INC.
(A COMPONENT UNIT OF NEW ORLEANS REDEVELOPMENT AUTHORITY)

AGREED UPON PROCEDURES REPORT

FOR THE YEAR ENDED DECEMBER 31, 2024



Luther Speight & Company, LLC
Certified Public Accountants and Consultants

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

To the Board of Directors of
New Orleans Redevelopment Unlimited, Inc.
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2024, through December 31, 2024. New Orleans Redevelopment Unlimited Inc.'s management is responsible for those C/C areas identified in the SAUPs.

New Orleans Redevelopment Unlimited, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2024, through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

- 1. Results:** *There were no findings in this section in the 2023 AUP report. As a result, this section is not applicable for 2024. However, these procedures will be required to be performed for 2025.*

Board or Finance Committee

- 2. Results:** *There were no findings in this section in the 2023 AUP report. As a result, this section is not applicable for 2024. However, these procedures will be required to be performed for 2025.*

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Memphis Office: 1661 International Drive, Suite 441 / Memphis, TN 38120 / (901)202-4688
Atlanta Office: 1201 Peachtree St. NE, Suite 200 / Atlanta, GA 30328 / (678)971-3700

Bank Reconciliations

3. **Results:** *There were no findings in this section in the 2023 AUP report. As a result, this section is not applicable for 2024. However, these procedures will be required to be performed for 2025.*

Collections

4. **Results:** *There were no findings in this section in the 2023 AUP report. As a result, this section is not applicable for 2024. However, these procedures will be required to be performed for 2025.*

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

5. **Results:** *There were no findings in this section in the 2023 AUP report. As a result, this section is not applicable for 2024. However, these procedures will be required to be performed for 2025.*

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

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

Results: *We noted that New Orleans Redevelopment Unlimited, Inc. did not have credit cards, bank debit cards, fuel cards, or P-cards during the year under audit.*

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

Results: *Not applicable, as New Orleans Redevelopment Unlimited, Inc. did not have credit cards, bank debit cards, fuel cards, or P-cards during the year under audit.*

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

Results: *Not applicable, as New Orleans Redevelopment Unlimited, Inc. did not have credit cards, bank debit cards, fuel cards, or P-cards during the year under audit.*

8. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Results: *Not applicable, as New Orleans Redevelopment Unlimited, Inc. did not have credit cards, bank debit cards, fuel cards, or P-cards during the year under audit.*

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

9. **Results:** *There were no findings in this section in the 2023 AUP report. As a result, this section is not applicable for 2024. However, these procedures will be required to be performed for 2025.*

Contracts

10. **Results:** *There were no findings in this section in the 2023 AUP report. As a result, this section is not applicable for 2024. However, these procedures will be required to be performed for 2025.*

Payroll and Personnel

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

Results: *The Entity does not have paid employees. It is managed by the Executive Director of the New Orleans Redevelopment Authority (NORA).*

12. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Results: *The Entity does not have paid employees. It is managed by the Executive Director of the New Orleans Redevelopment Authority (NORA). Thus, the procedures above were not performed for the Entity.*

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

Results: *The Entity does not have paid employees. It is managed by the Executive Director of the New Orleans Redevelopment Authority (NORA). Thus, the procedures above were not performed for the Entity.*

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

Results: *Not applicable, as the Entity does not have employees. It is managed by the Executive Director of the New Orleans Redevelopment Authority (NORA).*

Ethics

15. Results: *Not applicable, as the Entity is a nonprofit.*

Debt Service

16. Results: *Not applicable, as the Entity is a nonprofit.*

Fraud Notice

17. Results: *There were no findings in this section in the 2023 AUP report. As a result, this section is not applicable for 2024. However, these procedures will be required to be performed for 2025.*

Information Technology Disaster Recovery/Business Continuity

18. Results: *There were no findings in this section in the 2023 AUP report. As a result, this section is not applicable for 2024. However, these procedures will be required to be performed for 2025.*

Sexual Harassment

19. Results: *Not applicable, as the Entity is a non-profit.*

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

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

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

A handwritten signature in blue ink, appearing to read "Luther Speight & Co".

Luther Speight & Company CPAs
New Orleans, Louisiana
June 30, 2025