CORTANA CORRIDOR ECONOMIC DEVELOPMENT DISTRICT

(A COMPONENT UNIT OF THE CITY OF BATON ROUGE – PARISH OF EAST BATON ROUGE)

BATON ROUGE, LOUISIANA

FOR THE FISCAL YEAR ENDED

DECEMBER 31, 2025

ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners and Management
Cortana Corridor Economic Development District
Baton Rouge, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Cortana Corridor Economic Development District, State of Louisiana ("the District") (a component unit of the City of Baton Rouge – Parish of East Baton Rouge), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District 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 each major fund of the District, 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, the *Louisiana Governmental Audit Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

ERICKSEN KRENTEL LLP
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To the Board of Commissioners and Management
Cortana Corridor Economic Development District
Baton Rouge, Louisiana

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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.

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.

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To the Board of Commissioners and Management
Cortana Corridor Economic Development District
Baton Rouge, Louisiana

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 14 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

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 schedule of compensation, benefits, and other payments to the agency head on page 16 is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits, and other payments to the agency head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

ERICKSEN KRENTEL LLP
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To the Board of Commissioners and Management
Cortana Corridor Economic Development District
Baton Rouge, Louisiana

Other Reporting Required by *Government Audit Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 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 District's internal control over financial reporting and compliance.

May 28, 2026
Baton Rouge, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

BASIC FINANCIAL STATEMENTS

CORTANA CORRIDOR ECONOMIC DEVELOPMENT DISTRICT
STATEMENT OF NET POSITION AND
GENERAL FUND BALANCE SHEET
DECEMBER 31, 2025

ASSETS:		
Current assets:		
Cash and cash equivalents	$	940,284
Sales and use taxes receivables		36,009
Total assets	$	976,293
LIABILITIES:		
Current liabilities:		
Accounts payable	$	4,028
Due to other governments		7,655
Unearned revenue		175,000
Total liabilities		186,683
NET POSITION/FUND BALANCE:		
Unrestricted net assets/unassigned fund balance		789,610
Total liabilities and net position/fund balance	$	976,293

See accompanying NOTES TO FINANCIAL STATEMENTS

CORTANA CORRIDOR ECONOMIC DEVELOPMENT DISTRICT
STATEMENT OF ACTIVITIES AND GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2025

GENERAL REVENUES:		
Sales and use tax	$	227,978
State grants		150,095
Other revenues		82
Total general revenues		378,155
EXPENSES/EXPENDITURES:		
General government:		
Professional services		214,249
Management and administrative fees		129,943
Printing		107
Miscellaneous		3,713
Total expenses/expenditures		348,012
Net change in net position/fund balance		30,143
Fund balance, beginning of year		759,467
Fund balance, end of year	$	789,610

See accompanying NOTES TO FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Cortana Corridor Economic Development District, State of Louisiana (the District), a component unit of the City of Baton Rouge - Parish of East Baton Rouge, State of Louisiana (the City-Parish), is an economic development district created in July 2021 by legislation pursuant to Louisiana Revised Statute 33:9038.1. The District is comprised of territories surrounding the previous Cortana Mall in East Baton Rouge Parish, State of Louisiana. The District collects sales and use taxes on transactions within the District in conjunction with planning, developing, construction or acquiring services, improvements or facilities within the District's boundaries. The taxes collected will serve as a funding source for the Cortana Corridor Master Plan which supports economic development within the District and enhances community development in the City-Parish.

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 who is financially accountable to another government or one for which another government can exert influence over its budget and operations.

The City-Parish is the financial reporting entity of the District. The City-Parish appoints three of the five board members, which the council member presiding over District 6 of the City-Parish (the City-Parish district covers the geographical region of the District) appoints the other two members. Additionally, the annual operating budget of the District is required to be approved by the City-Parish in conjunction with the City-Parish's legally adopted budget. As a result, the City-Parish can impose its will on the District. Accordingly, the District is deemed to be a component unit of the City-Parish.

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). 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 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*.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basic Financial Statements - Government-Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities which report information on all of the non-fiduciary activities of the primary government and its component unit. 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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 within 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 government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the 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, expenditures related to compensated absences and claims and judgments are only recorded when payment is due.

The fund financial statements are very similar to the traditional government fund statements as prepared by governments prior to the issuance of GASB No. 34. Emphasis is now on the major funds in either the governmental or business-type categories. The District consists of one governmental fund, the General Fund. Sales and use tax revenue associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenue of the current fiscal period. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The government reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is always a major fund.

Cash and Cash Equivalents

Cash and cash equivalents of the District includes demand deposits held at financial institutions. The District has no cash equivalents at December 31, 2025.

Receivables

All sales and use tax receivables are recorded at actual amounts and are reported at fair value. The District closely monitors outstanding accounts receivable balances and writes off to expense any balances that are determined to be uncollectible. At December 31, 2025, the District considered all remaining accounts receivable balances to be fully collectible. Accordingly, there was no allowance for credit losses reported in the financial statements.

Revenue and Expenditures/Expenses

General revenues consisted primarily of sales and use tax revenue and state grants (see Note 3).

Under the accrual basis of accounting, expenditures are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources/expenditures rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable.

Equity Classifications

Government-wide net position is divided into three components:

- Net investment in capital assets - consist of the historical cost of capital assets less accumulated depreciation and any debt that remains outstanding that was used to finance those assets. The District has no net investment in capital assets at year end.

- Restricted net position - consist of net position that is restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors. The District has no restricted net position at year end.

- Unrestricted - all other net position is reported in this category.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Classifications (Continued)

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

- 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. The District has no nonspendable fund balance at year end.

- Restricted - Amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors. The District has no restricted fund balance at year end.

- Committed - Amounts that can be used only for specific purposes determined by a formal action by ordinance. This includes the budget reserves. The District has no committed fund balance at year end.

- Assigned - Amounts that are designated by the District for a particular purpose but are not spendable until a budget ordinance is passed. The District has no assigned fund balance at year end.

- Unassigned - All amounts not included in other spendable classifications.

Use of Restricted Resources

When an expense is incurred in governmental funds that can be paid using either restricted or unrestricted resources (fund balance), the District's policy is to apply the expenditure in the following priority: (1) Restricted fund balance, (2) Committed fund balance, (3) Assigned fund balance, and (4) Unassigned fund balance.

When an expense is incurred in government activities that can be paid using either restricted or unrestricted resources (net position), the District's policy is to first apply the expense to the restricted net position before unrestricted net position is utilized.

Use of Estimates

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

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budget Policy and Budgetary Accounting

A proposed budget is required to be prepared by the District and submitted to the City-Parish 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-Parish.

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.

Date of Management's Review

Subsequent events have been evaluated through May 28, 2026, which is the date the financial statements were available to be issued.

(2) CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be recovered. Under state law, deposits must be secured by Federal Deposit Insurance Corporation (FDIC) or the pledge of securities owned by the fiscal agent bank. As of December 31, 2025, the District had a bank balance of $945,284. The District had no deposits exposed to custodial risk at December 31, 2025.

(3) INTERGOVERNMENTAL AGREEMENTS

Sales and Use Tax

On October 1, 2021, the District entered into the Cooperative Endeavor Agreement (CEA) with the City-Parish. The District was created by the East Baton Rouge Redevelopment Authority D/B/A Build Baton Rouge's (BBR) governing authority as authorized by R.S. 33:4720.151. The District receives incremental city sales and use taxes in excess of the monthly local base within the District. According to the terms of the CEA, on an accrual basis, the District shall receive the sales and use taxes collected in excess of the monthly local base of $414,088 or $4,969,056 annually. The City-Parish imposes a five percent administrative fee on the revenue received by the District for administering and collecting the taxes.

(3) INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

Coronavirus State and Local Fiscal Recovery Fund (SLFRF) Agreement

On November 1, 2024, the District entered into a Sub-recipient Agreement (the Agreement) with the City-Parish. The City-Parish is the recipient of funds from the United States Government, under the Coronavirus State and Local Fiscal Recovery Fund (SLFRF), as appropriated and defined in the American Rescue Plan (ARP) Act (Pub. L. 117-2). The City-Parish engaged the District through the Agreement to utilize the SLFRF funds for design and pre-construction activities for a Community Center in District 6 of East Baton Rouge Parish.

As of December 31, 2025, the District has not received any funding under this Agreement, as construction activities had not commenced and no qualifying expenditures had been incurred. In accordance with the terms of the Agreement, reimbursement is contingent upon the District incurring eligible costs. The District anticipates beginning construction in 2026 and expects to receive reimbursement of allowable expenditures at that time.

Predevelopment Activities/Construction for District 6 Community Center

The District has entered into multiple Cooperative Endeavor Agreements (CEAs) with the Louisiana Department of the Treasury to fund the development and construction of the Cortana Community Center located in District 6 of East Baton Rouge Parish. These arrangements are structured as cost-reimbursement and advance-funded grants, whereby revenue is recognized as eligible expenditures are incurred.

Grant No. 24-945-519

On April 15, 2024, the District executed a CEA for total funding of $250,000 to support predevelopment activities, including preparation of a shovel-ready real estate development plan and project site. The agreement provided for an initial advance of 50% of the award in 2024, with the remaining 50% received in 2025.

For the year ended December 31, 2025, the District received $62,500 in additional funding and recognized $150,095 in grant revenue based on eligible expenditures incurred. As of December 31, 2025, the District recorded a receivable of $37,500 for expenditures incurred in excess of cash received.

Grant No. 24-945-587

In June 2025, the District entered into a CEA for total funding of $250,000 to support construction activities. The agreement provided for an initial advance of 50% received in 2025, with the remaining balance to be reimbursed in 2026 upon incurrence of eligible expenditures. As of December 31, 2025, no eligible expenditures had been incurred under this agreement. Accordingly, the $125,000 received is reported as unearned revenue.

(3) INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

Predevelopment Activities/Construction for District 6 Community Center (Continued)

Grant No. RS-25-486

On November 24, 2025, the District entered into a CEA for total funding of $100,000 to support construction activities. The agreement provided for an initial advance of 50% received in 2025, with the remaining balance to be reimbursed in 2026 based on eligible expenditures incurred.

As of December 31, 2025, no eligible expenditures had been incurred under this agreement. Accordingly, the $50,000 received is reported as unearned revenue.

(4) CONCENTRATION

The District receives the entirety of its funding from sales and use taxes and proceeds from development projects generated in a specified geographic region in East Baton Rouge Parish. Any economic downturn or natural disaster impacting this geographic region could pose an adverse effect to the revenues of the District, and in turn, the District's operations.

(5) RELATED PARTY

The District was created by BBR (see Note 3) as authorized by R.S. 33:4720.151. On May 19, 2022, the District entered into an Administrative Service Agreement with BBR to perform activities that are necessary in order for the District to fulfill its duties and mission. According to the terms of the agreement, the District compensates BBR $2,000 per month plus third-party costs, fees, and expenses.

On May 18, 2023, the governing authority authorized the District to contract with BBR for managing the Master Plan for the Florida Corridor. The estimated total of this project is $108,000, which has a duration of eighteen months. According to the terms of the agreement, the District compensated BBR $18,000 per quarter, beginning June 2023. On October 14, 2024, this agreement was amended to extend through December 31, 2025 for a monthly fee of $7,350 following the completion of the original term. A project management fee was introduced and approved in April, 2025 for the District 6 Community Center at a rate of $1,971 per month.

For the year ended December 31, 2025, the District compensated BBR $129,943 related to management and administrative fees. At December 31, 2025, the District owes BBR $7,655 and is presented on the statement of net position and General Fund balance sheet under due to other governments.

(6) COMPENSATION OF GOVERNING BOARD

The five members of the District's Board of Commissioners serve without compensation.

REQUIRED SUPPLEMENTARY INFORMATION

CORTANA CORRIDOR ECONOMIC DEVELOPMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgetary Amounts Original Budget	Budgetary Amounts Final Budget	Actual on Budgetary Basis	Variance Positive (Negative)
REVENUES:				
Sales and use tax	$ 326,597	$ 229,480	$ 227,978	$ (1,502)
State grants	175,000	137,590	150,095	12,505
Interest Income	-	230	82	(148)
Total revenues	501,597	367,300	378,155	10,855
EXPENDITURES:				
General government:				
Professional services	260,000	234,470	214,249	20,221
Management and administrative fees	112,003	129,940	129,943	(3)
Printing	5,000	2,370	3,820	(1,450)
Total expenditures	377,003	366,780	348,012	18,768
Net change in fund balance	124,594	520	30,143	29,623
Fund balance, beginning of year	759,467	759,467	759,467	-
Fund balance, end of year	$ 884,061	$ 759,987	$ 789,610	$ 29,623

CORTANA CORRIDOR ECONOMIC DEVELOPMENT DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025

(1) BUDGETS

Budget Policy and Budgetary Accounting

A proposed budget is required to be prepared by the District and submitted to the City-Parish 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.

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.

Basis of Accounting

The District's budget is prepared on the modified accrual basis of accounting, which is described in Note 1 to the District's financial statements for the year ended December 31, 2025. The District's basis of budgetary accounting follows generally accepted accounting principles.

(2) EXPENDITURES EXCEEDING APPROPRIATIONS

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

	Final Budget	Actual	Variance
General Fund:			
Current function:			
Printing	$ 2,370	$ 3,820	$ (1,450)
Management and administrative fees	129,940	129,943	(3)
	$ 132,310	$ 133,763	$ (1,453)

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

OTHER SUPPLEMENTARY INFORMATION

CORTANA CORRIDOR ECONOMIC DEVELOPMENT DISTRICT
SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2025

Agency Head: Rodney Braxton, Board Chairman

Agency head receives no compensation.

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

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

To the Board of Commissioners and Management
Cortana Corridor Economic Development District
Baton Rouge, LA

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 the Cortana Corridor Economic Development District ("the District") (a component unit of the City of Baton Rouge – Parish of East Baton Rouge), 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 May 28, 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 opinions 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Board of Commissioners and Management
Cortana Corridor Economic Development District
May 28, 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 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 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the District's Board of Commissioners and management, the Louisiana Legislative Auditor, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Baton Rouge, Louisiana
May 28, 2026

Ericksen Krentel, LLP
Certified Public Accountants

CORTANA CORRIDOR ECONOMIC DEVELOPMENT DISTRICT
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 the Cortana Corridor Economic Development District.

2. No significant deficiencies or material weaknesses in internal control relating to the audit of the financial statements are 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 instances of noncompliance material to the financial statements of the Cortana Corridor Economic Development District were reported in the 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*

4. A management letter was issued for the year ended December 31, 2025.

B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

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

CORTANA CORRIDOR ECONOMIC DEVELOPMENT DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025

FINDINGS RELATED TO THE FINANCIAL STATEMENTS

2024-001 Local Government Budget Act Fiscal Year Finding

Condition: A budget message, as required by Louisiana Revised Statute 39:1305, was not prepared for the year ended December 31, 2024.

Current Status: The finding was partially resolved as of December 31, 2025 and is repeated as management letter item 2025-001.

ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS
8550 United Plaza Boulevard, Suite 600
Baton Rouge, LA 70809
ericksenkrentel.com

MANAGEMENT LETTER

May 28, 2026

To the Board of Commissioners and Management
Cortana Corridor Economic Development District
Baton Rouge, Louisiana

In planning and performing our audit of the financial statements of Cortana Corridor Economic Development District (the District) as of and for the year ended December 31, 2025, in accordance with accounting principles generally accepted in the United States of America., we considered the District's system of internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated 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.

However, during our audit we became aware of a matter other than significant deficiencies and material weaknesses which is an opportunity for strengthening internal controls and operating efficiency.. This letter summarizes our comments and suggestions concerning this matter. This letter does not affect our report dated May 28, 2026, on the financial statements of the District.

We will review the status of this comment during our next audit engagement. We have already discussed this comment and suggestion with the personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comment is summarized as follows:

2025-001 Immaterial Noncompliance with State Budget Law

In accordance with Louisiana Revised Statute 39:1305, the Local Governmental Budget Act (LGBA) requires political subdivisions to prepare and legally adopt a budget document. This document must include a budget message signed by the budget preparer, providing a summary description of the proposed financial plan, policies, and objectives, as well as the underlying assumptions, budgetary basis, and a discussion of the most significant features. While the budget for the year ended December 31, 2025 was properly advertised and adopted before year-end, we noted that a budget message, was not prepared for the year ended December 31, 2025. We recommend that the District review and strengthen its policies and procedures related to budget adoption to ensure compliance with all the requirements of the LGBA, including the timely preparation and inclusion of a budget message. We also noted that the District prepared a budget message for the fiscal year 2026, which indicates that management has taken steps to address this matter for subsequent periods.

This communication is intended solely for the information and use of management, the Board of Trustees, and others within the Foundation. It is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Ericksen Krentel, LLP

Certified Public Accountants

CORTANA CORRIDOR
ECONOMIC DEVELOPMENT DISTRICT

CORTANA CORRIDOR ECONOMIC DEVELOPMENT DISTRICT
CORRECTIVE ACTION PLAN – MANAGEMENT LETTER ITEM
FOR THE YEAR ENDED DECEMBER 31, 2025

May 28, 2026

Louisiana Legislative Auditor

Cortana Corridor Economic Development District respectfully submits the following corrective action plan for the year ended December 31, 2025.

Name and address of independent public accounting firm:

Ericksen Krentel, L.L.P.
8550 United Plaza Boulevard, Suite 600
Baton Rouge, Louisiana 70809

Engagement Period: January 1, 2025- December 31, 2025.

The matter from the December 31, 2025 management letter is discussed below. The matter is numbered consistently with the number assigned in the schedule.

MANAGEMENT LETTER ITEM

2025-001 Immaterial Noncompliance of State Budget Law

Recommendation: We recommend that the District review and strengthen its policies and procedures related to budget adoption to ensure compliance with all the requirements of the *LGBA*, including the timely preparation and inclusion of a budget message.

Views of Responsible Officials: The District will establish and adhere to a formal budget preparation and adoption process to ensure a budget message is presented with the annual budget adoption and that the budget is published in a timely manner prior to the date of the public hearing.

If there are any questions regarding this plan, please contact Deidre Robert, President/CEO at (225) 425-6115.

Sincerely,

Signature

President and CEO
Title

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