



**Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.**

**FINANCIAL STATEMENTS**

**December 31, 2020 and 2019**

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# REPORT





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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
New Orleans, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Industrial Development Board of the City of New Orleans, Louisiana, Inc. (IDB), which comprise the Statements of Financial Position as of December 31, 2020 and 2019, and the related Statements of Activities, Functional Expenses, and Cash Flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

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

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

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of IDB as of December 31, 2020 and 2019, 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.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to Agency Head (as required by Louisiana Revised Statute 24:513(A)(3)) on page 14 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2021, on our consideration of IDB'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 IDB'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 IDB's internal control over financial reporting and compliance.

*Carly Riggs & Ingram, L.L.C.*

Metairie, Louisiana

June 9, 2021



# FINANCIAL STATEMENTS



**The Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Statements of Financial Position**

<i>December 31,</i>	<i>2020</i>	<i>2019</i>
<b>Assets</b>		
Current assets		
Cash	\$ 1,478,096	\$ 406,035
Certificates of deposit	1,138,358	2,367,847
LAMP - cash equivalent	711,547	302,061
Accrued interest receivable	817	8,346
Prepaid expenses	8,418	7,843
Total current assets	3,337,236	3,092,132
Total assets	\$ 3,337,236	\$ 3,092,132
<b>Liabilities and Net Assets</b>		
Current liabilities		
Deferred revenue	\$ 19,250	\$ 3,750
Accounts payable and accrued expenses	122,067	336
Total current liabilities	141,317	4,086
Net assets without donor restrictions	3,195,919	3,088,046
Total liabilities and net assets	\$ 3,337,236	\$ 3,092,132

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

**The Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Statements of Activities**

<i>For the years ended December 31,</i>	<b>2020</b>	<b>2019</b>
	<b><i>Without Donor Restrictions</i></b>	<b><i>Without Donor Restrictions</i></b>
<b>Revenues</b>		
Annual administrative fees	\$ 441,114	\$ 443,970
Six Flags income	46,200	195,700
Closing costs	32,890	35,265
Interest income	34,411	56,977
Application fees	3,000	6,000
Other income	-	2,000
<b>Total revenues</b>	<b>557,615</b>	<b>739,912</b>
<b>Expenses</b>		
Six Flags program services	179,426	161,554
Other program services	35,108	36,096
Management and general	235,208	208,090
<b>Total expenses</b>	<b>449,742</b>	<b>405,740</b>
Change in net assets	107,873	334,172
Net assets at beginning of year	3,088,046	2,753,874
<b>Net assets at end of year</b>	<b>\$ 3,195,919</b>	<b>\$ 3,088,046</b>

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

**The Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Statements of Functional Expenses**

	2020				2019			
	Six Flags Program	Other Program	Management and General	Total	Six Flags Program	Other Program	Management and General	Total
Six Flags - Insurance	\$ 6,350	\$ -	\$ -	\$ 6,350	\$ 6,033	\$ -	\$ -	\$ 6,033
Six Flags - Legal	3,545	-	-	3,545	3,240	-	-	3,240
Six Flags - Maintenance	6,891	-	-	6,891	2,065	-	-	2,065
Six Flags - Miscellaneous	-	-	-	-	1,300	-	-	1,300
Six Flags - Security	144,740	-	-	144,740	130,285	-	-	130,285
Payroll and related expenses	16,495	32,988	63,369	112,852	16,218	32,437	64,443	113,098
Professional fees	-	-	38,887	38,887	-	-	47,997	47,997
Rental expense	405	810	1,557	2,772	1,106	2,212	4,394	7,712
Office expense and supplies	-	-	1,867	1,867	-	-	1,942	1,942
Insurance	-	-	2,233	2,233	-	-	1,682	1,682
Website expense	351	701	1,348	2,400	344	688	1,368	2,400
Parking and mileage	345	-	2,414	2,759	584	-	1,769	2,353
Travel and meetings	-	-	193	193	-	-	839	839
Telephone and internet	304	609	1,169	2,082	379	759	1,507	2,645
Postage and delivery	-	-	386	386	-	-	367	367
Miscellaneous	-	-	110	110	-	-	32	32
Incentive for local initiative	-	-	121,675	121,675	-	-	81,750	81,750
<b>Total</b>	<b>\$ 179,426</b>	<b>\$ 35,108</b>	<b>\$ 235,208</b>	<b>\$ 449,742</b>	<b>\$ 161,554</b>	<b>\$ 36,096</b>	<b>\$ 208,090</b>	<b>\$ 405,740</b>

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

**The Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Statements of Cash Flows**

<i>For the years ended December 31,</i>	<b>2020</b>	<b>2019</b>
<b>Operating Activities</b>		
Increase (decrease) in net assets	\$ 107,873	\$ 334,172
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Unrealized and realized (gains) losses on certificates of deposit and cash equivalents	(18,905)	192
Changes in operating assets and liabilities		
Accrued interest receivable	7,529	(5,183)
Prepaid expenses	(575)	(112)
Accounts payable and accrued expenses	121,731	(96)
Deferred revenue	15,500	(2,750)
Net cash provided by (used in) operating activities	<b>233,153</b>	326,223
<b>Investing Activities</b>		
Purchase of LAMP - cash equivalent	(401,277)	(300,000)
Purchases of certificates of deposit	(500,005)	-
Maturities of certificates of deposit	1,740,190	-
Net cash provided by (used in) investing activities	<b>838,908</b>	(300,000)
Net change in cash and cash equivalents	<b>1,072,061</b>	26,223
Cash and cash equivalents at beginning of year	<b>406,035</b>	379,812
Cash and cash equivalents at end of year	<b>\$ 1,478,096</b>	\$ 406,035

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

**Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Notes to Financial Statements**

**NOTE 1: DESCRIPTION OF THE ORGANIZATION**

Industrial Development Board of the City of New Orleans, Louisiana, Inc. (IDB) is a Louisiana non-profit corporation organized pursuant to the provisions of Title 51, Chapter 7 of the Louisiana Revised Statutes. IDB was created by the New Orleans City Council in 1972 to promote the retention, expansion, and attraction of business and commercial enterprises in Orleans Parish and to expand employment opportunities. IDB has the ability to issue taxable and tax-exempt revenue bonds and other obligations to acquire land, construct, purchase, or renovate buildings to acquire and install machinery and equipment, and to finance any other economic development efforts. IDB can issue bonds without the necessity of calling a public bond election or having a public sale of bonds. The bonds (either taxable or tax exempt) are financed by the developer. Tax-exempt bonds provide the incentive of a below market interest rate. IDB may also offer a Payment in Lieu of Taxes (PILOT). A PILOT, if granted, may assist the developer with their financing of the project.

IDB is also responsible for administering the upkeep and security of the former Six Flags amusement park (Six Flags) that was abandoned after Hurricane Katrina in 2005. Additionally, IDB continues to promote alternative uses for Six Flags to generate revenue.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting***

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

***Use of Estimates***

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

***Certificates of Deposit***

Certificates of deposit are stated at cost, which approximates fair value. Certificate terms typically range from one to two years.

**Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Notes to Financial Statements**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***LAMP - Cash Equivalent***

Lamp - cash equivalent consists of IDB's interest in a local government pooled investment program managed by the Louisiana Asset Management Pool (LAMP) held by a custodial bank. The investments in LAMP are stated at fair value based on quoted market rates.

***Accrued Interest Receivable***

Accrued interest receivable is recorded for interest earned on certificates of deposit. The accrued interest is adjusted to actual interest earned based on the renewal dates.

***Deferred Revenue***

Deferred revenue consists of prepaid funds received by IDB from clients related to the future use of the Six Flags property and for costs of certain reports required by the IDB and/or pursuant to lease agreements for PILOT-related projects. There was deferred revenue of \$19,250 and \$3,750 at December 31, 2020 and 2019, respectively.

***Net Assets***

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the IDB, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The entire net asset balance of IDB, \$3,195,919 in 2020 and \$3,088,046 in 2019, is classified as Net Assets without Donor Restrictions.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

**Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Notes to Financial Statements**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Revenue Recognition***

The main sources of revenue for the IDB are from annual administrative fees, which are fees collected on projects (with or without bond issuance) that involve a PILOT, income from short-term rentals of the Six Flags property, and closing costs earned from the issuance of bonds for projects in the New Orleans area at 1/20 of 1% of bond issuance. For the year ended December 31, 2020, IDB adopted ASC Topic 606, Revenue from Contracts with Customers (ASC 606), which requires the recognition of revenue when performance obligations under the terms of the contracts with customers are satisfied (see Recent Accounting Pronouncements section). Prior to the adoption of ASC 606, for the fiscal year ended December 31, 2019, the Company recognized revenue when persuasive evidence of an arrangement existed, delivery of products had occurred, the sales price was fixed or determinable and collectability was reasonably assured. Income from fees and closing costs received in advance are deferred and recognized in the period to which they relate. These amounts are included in deferred revenue within the statements of financial position.

***Functional Allocation of Expenses***

The costs of providing the various programs and activities have been summarized on a functional basis in the Statements of Activities. Certain categories of expenses are attributable to one or more program or supporting functions of IDB. Those expenses include payroll and related expenses, rental expense, parking and mileage, and telephone and internet. Payroll and related expenses and telephone and internet are allocated based on estimates of time and effort. Rental expense is allocated based on both estimates of time and effort and on a square footage basis. Parking and mileage is allocated based on actual expense.

***Income Taxes***

Under section 501(c)(6) of the Internal Revenue Code, the IDB is exempt from taxes on income other than unrelated business income. Unrelated business income results from rent, administration of self-insurance activities, and commissions. IDB had no unrelated business income for the years ended December 31, 2020 and 2019.

IDB utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of December 31, 2020 and 2019, IDB has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements. IDB believes it is no longer subject to income tax examinations for years prior to 2018.

**Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Notes to Financial Statements**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 9, 2021, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

***Recent Accounting Pronouncements***

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606). This guidance specifies that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU and its amendments supersede the revenue recognition requirements in Topic 605, *Revenue Recognition*, and most industry specific guidance.

Effective January 1, 2020, the Organization adopted ASC 606, using the modified retrospective method. This method allows the standard to be adopted retrospectively through a cumulative adjustment to retained earnings recognized upon adoption. The difference between revenue and cost recognition related balances at December 31, 2019 under the new guidance compared to the superseded revenue recognition guidance was determined to be immaterial. Accordingly, no adjustment to beginning net assets without donor restrictions was necessary.

***Accounting Guidance Not Yet Adopted***

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled *Leases*. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the Statements of Financial Position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the Statement of Activities. For IDB, the standard is effective for fiscal years ending December 31, 2021. Early adoption is permitted. IDB has elected not to early adopt ASU 2016-02 and is assessing the effect the standard will have on the financial statements.

**Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Notes to Financial Statements**

**NOTE 3: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

IDB has \$3,328,818 of financial assets available within one year of the statement of financial position date consisting of cash of \$1,478,096, certificates of deposit of \$1,138,358, LAMP balance of \$711,547, and accrued interest receivable of \$817. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The accrued interest receivable will be collected within one year. IDB has a goal to maintain financial assets, which consist of cash and certificates of deposit, on hand to meet the annual budgeted normal operating expenses (excluding Six Flags), which are, on average considering the last three years, approximately \$180,000. As part of its liquidity management, IDB invests cash in excess of daily requirements in various certificates of deposit and in LAMP.

**NOTE 4: LAMP**

IDB holds cash equivalents in LAMP, a local government investment pool. This pool is administered by a non-profit corporation, Louisiana Asset Management Pool, Inc., which was organized under the laws of the State of Louisiana and is not required to be a registered investment company under the Investment Company act of 1940; however, its policies are similar to those established by Rule 2a7, which governs registered money market funds. Only local government entities having contracted to participate in LAMP have an interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments and cash equivalent options.

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-RS 33:2955. LAMP is rated AAAM by Standard & Poor's. The dollar weighted average portfolio maturity 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. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP's balances are stated at fair value based on quoted market values. The fair values of the assets are determined on a weekly basis to monitor any variances between amortized costs and fair values. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

At December 31, 2020 and 2019, IDB had cash equivalents in LAMP totaling \$711,547 and \$302,061, respectively.

**Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Notes to Financial Statements**

**NOTE 5: CONCENTRATIONS OF CREDIT RISK**

IDB maintains demand and time deposit accounts and certificates of deposit with financial institutions. At December 31, 2020 and 2019, IDB's cash deposits and certificates of deposit were in excess of federally insured limits by \$478,892 and \$519,326, respectively.

**NOTE 6: COMMITMENTS**

As the title to the Six Flags property is in IDB's name, the entity has a commitment to pay for upkeep of the property. In 2008, a servitude was granted on the property, and, as the property owner of record, IDB received a check for \$112,584. This money was maintained in an account for several years, but IDB has since used it to cover the costs to maintain the property. Expenses to maintain the property, which consist of security, professional fees (related to appraisal and environmental study), maintenance, insurance, legal, and marketing amounted to \$179,426 and \$161,554 for the years ended December 31, 2020 and 2019 respectively. Any expenses exceeding the lease income from the Six Flags property (see Note 8 below) must be paid from the operations of IDB.

**NOTE 7: ECONOMIC ENVIRONMENT**

Income is dependent primarily upon IDB receiving a sufficient number of applications wherein the applicant/developer is seeking bond financing through IDB and, additionally in some instances, a PILOT. In the long-term, these applications and the subsequent successful bond issuance generate closing costs income and potentially annual administrative fees if a PILOT is involved. All such projects occur in Orleans Parish. A decline in local and general economic conditions could affect the generation of revenue.

**NOTE 8: SIX FLAGS AGREEMENTS**

IDB has signed multiple short-term lease agreements with film companies. The agreements give the companies the right to use the Six Flags property for movie filming. IDB received income related to Six Flags of \$46,200 and \$195,700, for the years ended December 31, 2020 and 2019, respectively. IDB hired security to maintain 24-hour security at the Six Flags site in April 2016. With the constant 24-hour security service, the security personnel on an 8-hour shift will make no less than four trips through the amusement park, along with maintaining vigilance at the two main gates. The cost of this service is approximately \$500 per day. Security costs for the years ended December 31, 2020 and 2019 were \$144,740 and \$130,285, respectively.

**Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Notes to Financial Statements**

**NOTE 9: UNCERTAINTIES**

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have significant negative impact on the operating activities and the results of IDB, which as discussed in Note 7, depend primarily upon IDB receiving a sufficient number of applications wherein the applicant is seeking bond financing through IDB. The occurrence and extent of such impact will depend on future developments including (i) the duration and the spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the overall economy, all of which are uncertain.



## SUPPLEMENTARY INFORMATION



**The Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Schedule of Compensation, Benefits and Other Payments to Agency Head**

Mr. Alan Philipson, Board President, did not receive any compensation, benefits, or other payments for the year ended December 31, 2020.

*See independent auditors' report.*



# GOVERNMENT AUDITING STANDARDS REPORT



**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***

Board of Directors  
Industrial Development Board of the  
City of New Orleans, Louisiana, 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 financial statements of Industrial Development Board of the City of New Orleans, Louisiana, Inc. (IDB), which comprise the Statement of Financial Position as of December 31, 2020, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 9, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered IDB's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of IDB's internal control. Accordingly, we do not express an opinion on the effectiveness of IDB'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 IDB'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control.

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

*Carr, Riggs & Ingram, L.L.C.*

Metairie, Louisiana  
June 9, 2021

**Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Schedule of Findings and Responses**

**A. SUMMARY OF AUDITORS' RESULTS**

*Financial Statements*

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(es) identified?	None noted
Noncompliance material to financial statements noted?	No

**Industrial Development Board of the  
City of New Orleans, Louisiana, Inc.  
Summary Schedule of Prior Audit Findings**

**A. FINDINGS RELATED TO FINANCIAL STATEMENTS**

None noted.

**B. FINDINGS RELATED TO COMPLIANCE AND OTHER MATTERS**

None noted.

**C. MANAGEMENT LETTER**

None issued.