



City of New Orleans

ANNUAL COMPREHENSIVE FINANCIAL REPORT

DECEMBER 31, 2021

CITY OF NEW ORLEANS, LOUISIANA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
DECEMBER 31, 2021
(WITH INDEPENDENT AUDITORS' REPORT THEREON)



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INTRODUCTORY SECTION

DEPARTMENT OF FINANCE
CITY OF NEW ORLEANS

LATOYA CANTRELL
MAYOR

NORMAN L. WHITE
CHIEF FINANCIAL OFFICER

The Honorable Mayor and City Council
City of New Orleans, LA

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the City of New Orleans, Louisiana for the fiscal year ended December 31, 2021. The ACFR is provided to give detailed information about the financial position and activities of the City to citizens, City Council, City staff and other readers. City management is responsible for both the accuracy of the presented data and the completeness and fairness of the presentations, including all disclosures. We believe the data, as presented, is accurate in all material respects and is presented in a manner which fairly sets forth the financial position and results of operations of the City. These financial statements have been prepared by the City's Department of Finance, in accordance with generally accepted accounting principles (GAAP) for local governments.

The City's financial statements and related notes have been audited by the independent firm of Carr, Riggs, and Ingram, LLC. This audit satisfies Section 6-108 of the City Charter, which requires an audit of all accounts of the City by an independent Certified Public Accountant. The City is required to undergo an annual single audit in conformance with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget's 2 CFR Part 200 (Uniform Guidance). Information related to this single audit, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and the auditors' reports on the internal control structure and compliance with applicable laws and regulations is issued in a separate report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report. It provides a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

THE REPORTING ENTITY AND ITS SERVICES

New Orleans, the largest city in Louisiana, was founded in 1718 and incorporated in 1805. The City's system of government is established by its Home Rule Charter which became effective in 1954. The Louisiana Constitution prohibits the state legislature from enacting any law affecting the structure, organization, or distribution of the powers and functions of any local subdivision which operates under a Home Rule Charter. The City's Home Rule Charter may be amended only by a vote of a majority of qualified voters in the City, voting at an election called by the City Council on its own initiative, or upon receipt of a petition of not less than ten thousand registered voters.

The City has a Mayor-Council form of government. The Mayor is elected for a four-year term and is limited to two consecutive terms. The Mayor appoints the Chief Administrative Officer, who is the principal assistant and budget officer for the City. The City has executive departments and numerous affiliated boards and commissions and provides a full range of services including police and fire protection, sanitation services, the construction and maintenance of streets and infrastructure, and recreational activities and cultural events. The Council is the legislative body of the City government and is comprised of five Council members elected from five geographic districts and two members elected at large. All Council members are limited to four-year terms. Laws are enacted through Council ordinance. The Council adopts the City's annual capital and operating budgets. Ordinances of the Council may be vetoed by the Mayor. Vetoes may be overridden by a two-thirds vote of the Council.

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The financial statements of the reporting entity include those of the City (the primary government) and its component units in conformity with GAAP. Component units are legally separate organizations for which the elected officials of the City are financially accountable, or the relationship to the City is such that exclusion would cause the City's financial statements to be misleading or incomplete. The component units discussed in this letter are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

An explanation of the accounting policies of the City is contained in the Notes to Financial Statements. The basis of accounting, fund structure, and other significant information on financial policies is explained in detail in the Notes to Financial Statements.

Current Louisiana law provides for the creation of several districts, offices and independently elected public officials for the provision of certain services at the parish level. Examples would include the Orleans Parish School Board, the New Orleans Assessor, the Orleans Parish Sheriff's Office and the Clerk of Court. These officials prepare their own budgets and operate independently of the City. The results of operations of those offices are not included in this report because the City's elected officials are not financially accountable for those offices.

YEAR IN REVIEW AND MAJOR INITIATIVES

In 2021, the City of New Orleans was faced with multiple challenges that include the continued response related to the COVID-19 pandemic and the impact of Hurricane Ida. However, the Cantrell Administration remained vigilant in providing much needed assistance for residents and business owners, reaching very critical milestones in City government and in launching innovative initiatives to enhance City services.

"Although we were faced with significant challenges this year, the City of New Orleans maintained continual operations and online services for our residents. We continued to make critical investments in our infrastructure, even as we weathered a major hurricane, and in restoring City funds to right the financial ship as we move toward full recovery," said Mayor LaToya Cantrell. "As we welcome a new year and a second term, it is critical that we accomplish what we set out to do from the beginning. The COVID-19 pandemic had an adverse impact on our economy and our people. Now is our time to rebuild with innovative approaches that will provide better opportunities for people to thrive in our great city."

The Cantrell Administration implemented significant programs to continue to support residents by standing up mass testing and vaccination sites, increasing funds available to assist with outstanding rental payments and utility bill assistance, providing New Orleans Tourism and Cultural Fund (NOTCF) grants to cultural bearers and launching the Crescent City Card program.

Residents also experienced severe damages to homes and businesses and the entire city lost power due to the impact of Hurricane Ida. As the post-storm and pandemic recovery continues, public health and safety, the quality of life for residents, infrastructure projects, the expansion of affordable housing, incentives for youth and families, embracing New Orleans' cultural economy and increasing economic development opportunities in all areas of the city remain among a critical list of priorities.

In 2021, the City received over \$35 million from the U.S. Department of Treasury to provide critical funding for emergency rental, utility and legal assistance. These programs served over 8,000 tenants and

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landlords in Orleans Parish and led to the City's recognition as a top performer in the country in terms of dispensing the available federal dollars to residents affected by the pandemic. In addition, the Board of Liquidation and City Debt authorized the sale of more than \$300 million in General Obligation Bonds following the 2019 voter-approved amendment to fund long-term capital projects. This is the largest, one-time new money tax-exempt bond sale in the City's history.

Public health and safety departments continued their focus of managing the COVID-19 pandemic response as they coordinated with local, state and federal medical agencies to keep residents safe by implementing protocols and coordinating testing and vaccination activities.

PUBLIC HEALTH: COVID-19 RESPONSE

The City of New Orleans implemented systems to slow the spread of Coronavirus that included stay-at-home orders, business closures, mask mandates and critical protocols and safety mitigations that remain in place. More pandemic response strategies were implemented in 2021:

Key accomplishments include:

- The New Orleans Health Department partnered with the Louisiana Department of Health, LCMC System and other medical agencies to stand up the mass vaccination site at Ernest N. Morial Convention Center. The Department also coordinated additional sites for testing and vaccine distribution with the Louisiana National Guard.
- The City of New Orleans was one of the first government agencies to require vaccines for all City employees and has achieved one of the highest municipal vaccination rates in Louisiana and nationally.
- A Youth Vaccination Initiative was launched through \$90K in investments from philanthropic partners in collaboration with CrescentCare and NOLA Public Schools. These strong mitigation measures and robust testing requirements from NOLA-PS have kept schools open in 2021, lessening possible academic and social losses for school-aged children.
- These programs were critical in keeping residents safe and instrumental in achieving a 63.8 percentile of completed vaccinations for the City's total population; 80 percent of adults have been fully vaccinated.
- More than 11,000 volunteer hours were spent on COVID-19 vaccine outreach, distribution and patient support.
- More than 31,000 doors were knocked on by volunteers and community partners to combat vaccine hesitancy and misinformation.

PUBLIC SAFETY

The New Orleans Police Department (NOPD) completed three (3) academy recruit classes, hiring 43 new police officers. The Department also promoted 44 officers and expects to initiate a total of 160 promotions by the end of the year. As a part of Mayor Cantrell's \$77 million mid-year budget adjustment, funding from the American Rescue Plan Act (ARPA) was allocated to address critical operating needs focused on enhancing public safety services to address crime and implement new public

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safety initiatives. They also focus on restoring government operations impacted by revenue shortfalls and launching initiatives that improve the quality of life for residents:

Key accomplishments include:

- This year, \$34 million has been invested in programs by the City to help reduce violent crime.
- The City created more than 19 programs and offices to help reduce crime through holistic methods, including the Mayor's Office of Youth and Families and Office of Gun Violence Prevention.
- The recently launched Violent Crime Abatement Investigation Team (V-CAIT) and District Community Action Teams (D-CATs) helped achieve a homicide solve rate of 50 percent as of December 2021.
- The Office of Criminal Justice Coordination continues to work with reentry partners and service providers to ensure access to necessary resources. Over \$6 million in grants for justice agencies and community stakeholders was secured, in addition to \$3.5 million from City bonds that will fund the construction of the firing range.
- The City also broke ground on the NOPD 4th District Station.
- Approximately 1,950 illegal guns were apprehended and 16 cold case homicides were solved.
- NOPD promoted 16 Captains for the first time since Hurricane Katrina.

AFFORDABLE HOUSING

This year, the Mayor's Office of Housing Policy and Community Development allocated approximately \$33 million for emergency rental assistance to help residents navigate the pandemic. The City also received an additional \$9.5 million from the U. S. Department of Treasury allocated to the City after being recognized as a high performer:

Key accomplishments include:

- The City hosted nationally recognized Community-Based Rental Assistance Events to assist tenants and landlords that provided in-person assistance to obtain this funding.
- Over 900 affordable housing units were produced in 2021 as a result of funding provided through the City of New Orleans; 600 units are currently under construction.
- The City was awarded \$10 million in federal dollars to fund housing development that will produce an additional 504 affordable housing units with a combined total development cost of \$118 million.
- A Notice of Funding Availability was issued for \$7 million in affordable housing development.
- The City has allocated \$7.6 million for down payment assistance for homeownership programming; 71 homeowners received down payment assistance in 2021.
- Approximately \$9.2 million has been expended by the City to expand and rehabilitate homeless shelters; 350 new beds were made available along with expanded support services.
- The Office of Housing Policy and Community Development created a \$2 million Hurricane Ida Insurance Deductible Program that served 200-300 households.

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- The City of New Orleans and First Circuit Court received a 2021 Innovation Award for the City's Eviction Diversion Program.

CITY SERVICES

During the pandemic, the City waste management contractors experienced a decline in the number of employees. This led to a backlog in collecting trash from households in both service areas. Mayor Cantrell spearheaded the combining of several City departments into one major solid waste collection operation to immediately solve this problem. The solid waste industry labor shortage is a national crisis that continues to impact cities across the country:

Key accomplishments include:

- After Hurricane Ida, the City initiated Operation Mardi Gras, mobilizing laborers and heavy equipment from multiple departments and partner agencies to pick up municipal solid waste.
- The Office of Business and External Services created satellite office hours at central locations, making public-facing services more efficient, transparent and effective.
- The Office of Performance and Accountability conducted a comprehensive, data-driven audit of Department of Safety & Permits inspectors and inspections and developed a Grass Cutting Dashboard to track Chapter 66 cases to increase transparency about the City's grass cutting program.
- The Office of Historic Preservation opened 242 violation cases in the French Quarter alone, which resulted in fines of over \$330K.
- The Office of Economic Development led the redevelopment of major projects on behalf of the City, including future development of the Six Flags site, NSA, West End and NASA/Michoud.
- The Office of Workforce Development provided over 900 new job seekers with employment and training services and placed over 800 job seekers in employment.
- The Office of Workforce Development secured a \$2.9 million federal CAREER grant for workers and job seekers affected by COVID.

INFRASTRUCTURE

This year, the City's Department of Public Works continued the Joint Infrastructure Recovery Response (JIRR) program, in partnership with the Sewerage and Water Board of New Orleans (SWBNO), to fix surface and subsurface roads throughout New Orleans. The City plans to begin more than \$1 billion in additional projects within the next year with funding allocated from a \$300 million bond sale and dollars expected as a part of the \$1.2 trillion Infrastructure Investment and Jobs Act (IIJA). These projects will include sustainable storm water management and broadband access projects. In addition to the federal Act, President Biden visited the SWBNO facility to highlight it as a prime example of a facility that is in dire need of infrastructure upgrades:

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Key accomplishments include:

- SWBNO received a Water Infrastructure Finance and Innovation Act (WIFIA) loan for \$275 million.
- SWBNO used \$700K in Fair Share one-time funds to winterize and maximize capacity of turbine 6, which brings power to the sewerage and water system.
- Mayor Cantrell signed a Responsible Contracting Law that establishes policy to implement more stringent responsibility standards for prospective City contractors.
- Capital Projects completed 12 projects at a value of \$52.6 million that include the NOFD Multi-Station Phase I and Administration Headquarters Phase I, Municipal Yacht Harbor Marina and Administration Building, Citywide Emergency Generator Transfer Switch Installations and Temporary Municipal and Traffic Court (at the Old VA Hospital Building).
- Project Delivery Unit (PDU) Sustainable Infrastructure managed \$208 million in hazard mitigation and disaster resilience projects.
- The Office of Transportation relaunched the Blue Bikes share system ahead of schedule with a 500-bike fleet.

YOUTH AND FAMILIES

Mayor Cantrell created the Office of Youth and Families (OYF) to support systems-level change for vulnerable families:

Key accomplishments include:

- The department was organized to connect schools and community organizations to spearhead out-of-school-time enrichment.
- This department led child tax credit and emergency broadband informational campaigns to increase enrollment.
- The department raised over \$100K to vaccinate 1,110 total youth during NORD summer camp sessions and in partnership with NOLA Public Schools.
- OYF authored a citywide youth master plan which contains a comprehensive set of recommendations for free transit for youth, increased investments in early childhood education and afterschool programming and expanded access to career and technical education opportunities.
- The administration created alternative-to-detention and workforce development programs for over 200 system-involved youth. These include the Summer Success and Pathways program, Evening Reporting Center and the Intensive In-Home and Community Supervision Program.
- The City maintained its investment in the City Seats Program at \$3 million to fund 200 early learning seats for 0–3-year-olds.
- The City received a \$433K grant to fund a citywide parks and recreation master plan beginning in 2022 and received a \$500K grant from Mayors for Guaranteed Income to provide direct cash payments for ten months to 125 opportunity youth.

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ECONOMIC DEVELOPMENT

One of the primary focuses of the Cantrell administration has been to restructure the way we invest and grow our local economy. This year, the City continues to nurture emerging industries that assist culture bearers in building wealth, such as the food and music industries:

Key accomplishments include:

- Big Easy Bucha recently announced their acquisition by Beliv, which includes an expansion in their facility and more available jobs.
- The City's AmeriCorps VISTA project provided more than 20 full-time jobs supported by a federal grant.
- The Office of Economic Development spearheaded the Parklet Pilot program that converted street space into outdoor dining for restaurants in response to the COVID-19 pandemic.
- The City put out an RFP for the redevelopment of the Six Flags site and selected Bayou Phoenix to develop the area that has been blighted since Hurricane Katrina. This proposal includes plans for a sports complex, hotel, logistics center and much more.

CULTURAL ECONOMY

The Mayor's Office of Cultural Economy has created opportunities for artists to elevate their work virtually and established the New Orleans Tourism and Cultural Fund (NOTCF) to support their work. Cultural Economy has also created opportunities and systems that enable true economic activity and growth for cultural stakeholders:

Key accomplishments include:

- The City partnered with NOTCF to provide \$1.1 million in grants for culture bearers.
- The City hosted \$753 million in production in the first three quarters.
- Along with partners, the Office of Cultural Economy created virtual concerts and programming called "Embrace the Culture" during the COVID-19 pandemic shutdowns to help artists maintain income sources.
- The Office of Business and External Services, along with the Office of Cultural Economy, is creating the Office of Nighttime Economy, which will give a voice to and elevate industries such as music clubs, bars, restaurants and other venues that drive our tourism industry and its revenues.
- In 2021, the Office of Cultural Economy has given out \$130K in grants to 40 organizations/initiatives.

FINANCIAL INFRASTRUCTURE

On June 28, 2019, the City of New Orleans, under the leadership of Chief Financial Officer Norman White, completed a two year long financial infrastructure project of updating the City's Financial Systems from four (Great Plains, Buyspeed, ECMS, and FrX) to one INFOR CloudSuite Financials, which is affectionately nicknamed BRASS (Budgeting, Requisition & Accounting Services System) internally. BRASS encompasses asset, budget control, cash, close, contract, general ledger, payables, project/grant, reporting, and supply (requisition/purchase order) management modules, with onboarding of billing & receivables modules by early 2023. This migration into one inclusive ERP (Enterprise Resource Planning)

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system has proven to be very beneficial, especially in the wake of the December 2019 Cyber-Security incident that the City of New Orleans experienced.

LOUIS ARMSTRONG INTERNATIONAL AIRPORT

The Airport is the primary commercial airport in the state of Louisiana serving over 80% of all passengers flying into the state. Armstrong International Airport is owned by the City of New Orleans. The New Orleans Aviation Board, an unattached board of the City of New Orleans, oversees administration, operation and maintenance of Armstrong International. The Airport had 15 airlines providing service to 57 nonstop destinations, including 4 international destinations in 2021.

All 15 commercial airlines at the Airport operate from the North Terminal located at 1 Terminal Drive, Kenner, LA. The terminal is approximately 972,000 square-foot featuring three concourses, 35 gates, two parking garages, a surface parking lot next to the terminal and a remote economy garage with shuttle service. It was built with the passenger experience in mind, and contains state-of-the-art elements such as an efficient inline baggage screening system and a consolidated checkpoint through which all passengers will have access to more than 40 different food and retail concessions once beyond security.

Passenger totals for 2021 increased to 8,066,869 (52.8%), from 5,278,577 passengers in 2020, due to increases in air travel. Passenger aircraft operations increased from 61,541 operations in 2020 to 78,276 in 2021 (27.2%). Aircraft landed weights increased from 4,479,434 in 2020 to 5,365,624 in 2021 (19.8%).

The Airport budgeted for an increase in 2022 non-airline revenue compared to 2021, going from \$43.1 million to \$50.3 million, tallying to a \$7.2 million (approx. 16.6%) increase over the previous year's budget. This is attributed to the expectation that passenger traffic will return to pre-pandemic levels soon.

Compared to the 2021 budget, the Airport proposed an increase in the 2022 operating expenses of \$5.4 million (approx. 8.3%). This is driven primarily by an increase in utility costs; an increase in property insurance, general liability, and cyber policies based on the current insurance market; and the employee shuttle being reinstated. Employee shuttle costs decreased during the pandemic because employee parking was temporarily moved to the north side as a cost saving measure when passenger traffic decreased. Now that passenger traffic has increased and expected to return to pre-pandemic levels soon, employee parking has resumed on the south side, thus an increase in employee shuttle costs.

The Airport continues to budget and maintain a competitive total cost per enplanement (CPE) rate. The Airport is projecting that the CPE for the 2022 will be \$8.31. This CPE is well under the Airport's goal of maintaining a CPE of less than \$10.

THE PORT OF NEW ORLEANS

The Port of New Orleans is a diverse deep-water port uniquely located on the Mississippi River near the Gulf of Mexico. This naturally strategic location allows unparalleled access to 30-plus major inland hubs such as Memphis, Chicago and Canada via 14,500 miles of waterways, six Class I railroads and interstate roadways. The alignment with New Orleans Public Belt Railroad strengthens our position as an integrated hub and supports our vision for regional freight-based economic development.

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Port NOLA generates approximately \$100 million in revenue annually through our **four lines of business** — **cargo, rail, industrial real estate and cruises**. As a self-sustaining political subdivision of the State of Louisiana, we receive zero tax dollars.

Port NOLA's mission is to drive economic prosperity throughout our tri-parish jurisdiction: Jefferson, Orleans and St. Bernard. We collaborate with state and local partners to ensure that we can continue to be a vital link to the world for businesses and consumers — throughout Louisiana and beyond.

Port NOLA offers a **diverse cargo profile** to serve our global supply chain partners, including container, breakbulk, heavy lift, temperature-sensitive cargo and bulk transload.

Cruising from New Orleans continues to grow in popularity with year-round ocean and inland river cruise itineraries. Cruise line commitment, proximity to New Orleans amenities and attractions, a thriving international airport and large drive-in market position Port NOLA for more cruise industry growth.

Port NOLA handled more than **1 million cruise passenger movements** five years in a row — that's equal to the population of six parishes in the metro New Orleans area, including Jefferson, Orleans, Plaquemines, St. Bernard, St. James and St. John.

LOOKING FORWARD

As our city moved forward into 2022, the Cantrell Administration continued to be upfront and honest about the challenges that we face. Amid dealing with the Cyber Security Attack in December 2019, then rolling into a very unprecedented Mardi Gras season of 2020 that eventually led into the COVID-19 pandemic declared in March 2020, this made the City of New Orleans, one of the tourism mecca cities in the United States, more aware of our reduced revenue streams as a result of COVID-19. We are, however, very grateful for the CARES Act funding received in 2020, and the initial American Rescue Plan Act of 2021 funding received in May 2021. The Cantrell Administration will still ensure that the City of New Orleans receives her fair share of all funding.

The Cantrell Administration's 2022 goals are public safety as a matter of public health, programming for youth and families, expanding affordable housing options, combating homelessness, identifying economic development opportunities, improving critical infrastructure, upgrading City services, and increasing resilience and sustainability in all communities. In addition, moving forward, the Cantrell administration will continue to work what it ended in the third year, keeping the momentum going, while putting an even sharper focus on the following challenges:

- Public Safety
- Public Health
- Youth in Families
- Housing and Homelessness
- Economic and Workforce Development
- Infrastructure
- Resiliency and Sustainability
- City Services

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FINANCIAL CONTROLS

The City's administration is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

BUDGETARY PROCEDURES

The City's Charter requires the annual preparation of a balanced operating budget. It prohibits the Department of Finance from approving any expenditure under any portion of the annual operating budget unless sufficient revenues have been appropriated by the City Council to finance the proposed expenditure. The City Council is required to appropriate the necessary tax and other revenue measures to produce a balanced budget. In addition, no budgeted expenditures may be made unless authorized by the Mayor or the Chief Administrative Officer through an allotment system.

The City monitors revenues and expenditures closely during the year. Transfers within the budget are adopted by the City Council when necessary to increase or curtail budgeted expenditures to ensure a balanced budget.

The City maintains budgetary controls at the departmental level by cost object classification and allocates appropriations on a quarterly basis. The City's Home Rule Charter specifies three cost object classifications: personal services, other operating expenses, and debt service. Although all expenditures are recorded at the individual line-item level, they are summarized for reporting purposes in these three expenditure classifications.

Encumbrances are recorded via an online processing system. If sufficient funds are not available to cover a purchase, the requisition is rejected and returned to the originating department for appropriation or allotment changes, transfer of funds or cancellations. Appropriations may be amended through Council action during the year and all unencumbered appropriations lapse at year end. Neither the City Charter nor state law, allow deficit spending. The Department of Finance can control all the above through a computerized financial management system, BRASS, and the use of a departmental budget.

The Mayor's 2021 Budget was prepared using a process called Budgeting for Outcomes (BFO). BFO is designed to improve services and get a better return on investment of public dollars. BFO starts with a set of results that matter to citizens and encourage creative ways of achieving them within the resources available. In line with the Mayor's budgeting principles, BFO emphasizes accountability, innovation and teamwork. Like performance budgeting, BFO focuses on what the public receives, how much it costs and how outcomes will be measured. BFO starts with the results citizens want from their City government and works to align those priorities with the budget decision-making process.

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CAPITAL BUDGET

The Mayor, on an annual basis, recommends to the City Council a capital improvement program for the next five years and a capital budget, by project, for the first year of the program. The City Council is obligated to approve a capital budget program and adopt a capital budget before it adopts the annual operating budget. The capital program and budget must show the amounts and sources of money for each project. The amounts budgeted constitute appropriations from the funds indicated when they become available. Expenditures for capital projects are made through the capital projects fund, and any matching funding sources.

BUDGETARY AND FINANCIAL REPORTING

The fund structure by which the financial transactions of the City of New Orleans are recorded is defined on Article VI Chapter 1 and 2 of the Home Rule Charter. All general governmental functions other than debt service and capital improvements are accounted for in the general fund. Encumbrances of the current year are recorded as obligations against budgetary appropriations. Appropriations neither encumbered nor expended lapse at the end of the fiscal year.

RISK MANAGEMENT

The City is self-insured for its hospitalization benefit program, workers compensation, motor vehicle fleet, general liability, and police department excessive force losses. Premiums are charged to the City's various funds for the unemployment and worker's compensation programs and to employees and the City's various funds for the hospitalization program. In addition, the City's Risk Management Division works toward reducing the number of claims and lawsuits, shorten length of time in which a claim is processed or resolved, and provides investigations and support services and employs various risk control techniques.

ACKNOWLEDGMENTS

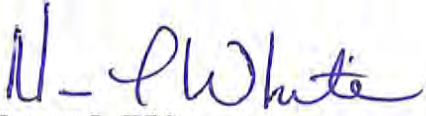
The preparation of this report could not have been accomplished without the patience and dedication of the entire staff of the Finance Department; however, a special word of appreciation is due to the Bureau of Accounting staff and support staff, who prepared this financial report while coping with the hectic day-to-day work which must be done. I would also like to express my appreciation to the staff of other departments, boards, and agencies of the City who assisted and contributed to the preparation of this report. Finally, I would like to acknowledge the helpful suggestions and support received from the Mayor, CAO, and staff members of the City Council and Council Audit Committee, as their support is greatly appreciated.

DEPARTMENT OF FINANCE
CITY OF NEW ORLEANS

LATOYA CANTRELL
MAYOR

NORMAN L. WHITE
CHIEF FINANCIAL OFFICER

Respectfully submitted,



Norman L. White
Chief Financial Officer



Freda G. Richardson
Comptroller

CITY OF NEW ORLEANS, LOUISIANA

Government Officials – Elected

December 31, 2021

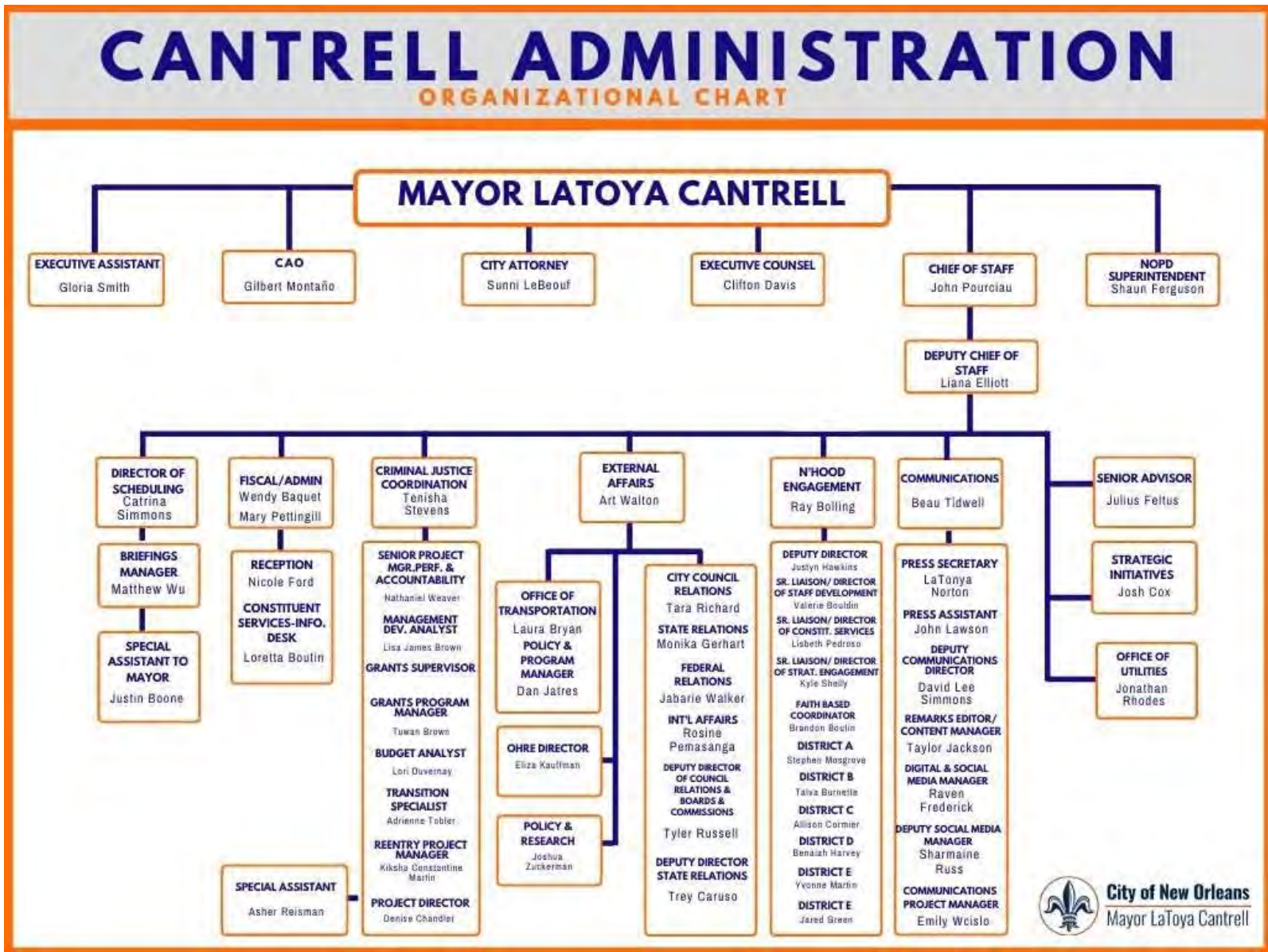
Mayor

Honorable Latoya Cantrell

City Council

Councilmember-at-Large	Ms. Helena Moreno
Councilmember-at-Large	Ms. Donna Glapion
Councilmember – District A	Mr. Joseph I. Giarrusso
Councilmember – District B	Mr. Jay Banks
Councilmember – District C	Ms. Kristin Gisleson Palmer
Councilmember – District D	Mr. Jared Brossett
Councilmember – District E	Ms. Cyndi Nguyen

CITY OF NEW ORLEANS, LOUISIANA
New Orleans City Government Organizational Chart



FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members
City Council of the City of New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Orleans, Louisiana (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, 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.

We did not audit the financial statements of Audubon Commission, Sewerage and Water Board, Downtown Development District, New Orleans Tourism and Cultural Fund, Orleans Parish Communication District, New Orleans Municipal Yacht Harbor Management Corporation, French Market Corporation, New Orleans Building Corporation, Parking Facilities Corporation, and Orleans Parish Hospital Service District A, which represent 71% and 80% respectively, of the assets and revenues of the aggregate discretely presented component units; the Firefighters' Old and New Systems, the Police Pension Fund, and the Employees' Retirement System of the City of New Orleans, which represent 79% of the assets and 16% of the additions and revenues of the aggregate remaining fund information; and the Board of Liquidation, City Debt, which represents 23% and 100% of assets and revenues of the debt service fund, respectively. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions insofar as it relates to the amounts included for Audubon Commission, Sewerage and Water Board, Downtown Development District, New Orleans Tourism and Cultural Fund, Orleans Parish Communication District, New Orleans Municipal Yacht Harbor Management Corporation, French Market Corporation, New Orleans Building Corporation, Parking Facilities Corporation, Orleans Parish Hospital Service District A, the Firefighters' Old and New Systems, the Police Pension Fund, the Employees' Retirement System of the City of New Orleans, and the Board of Liquidation, City Debt, are based solely on the report of the other auditors.

Basis for Opinions

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

Emphasis of Matters

Funding of the Firefighters Pension and Relief Fund of the City of New Orleans

As discussed in Note 8 to the basic financial statements, actual contributions made by the City to the Firefighters Pension and Relief Fund – Old System (Old System) are made based on amounts necessary to pay current expenses, and, in effect, is being funded on a “pay-as-you-go” basis. City contributions were used to fund benefit payments of the current period. Without adequate contributions, the Old System will not be able to pay benefit and other payments due in fiscal year 2022. The total pension liability of the Old System, based on the actuarial valuation as of December 31, 2022 used to determine the City's 2021 net pension liability, exceeded the fund's fiduciary net position by \$118,091,465, resulting in a funded ratio of 6.17%.

Additionally, as discussed in Note 8 to the basic financial statements, the total pension liability of the Firefighters Pension and Relief Fund – New System (New System), based on the actuarial valuation as of December 31, 2020 used to determine the City's 2021 net pension liability, exceeded the New System's fiduciary net position by \$394,606,405, resulting in a funded ratio of 11.25%. A significant portion of the New System's investments are long-term positions and are not liquid. This may have a negative impact on future cash flows. Additional employer contributions may be required to fund benefit payments and other plan deductions in upcoming years.

Our opinions are not modified with respect to these matters.

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 City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 City'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 City'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5–15, the budgetary comparison information on page 75-76, and the required supplementary pension and OPEB information on pages 77-82 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the

limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

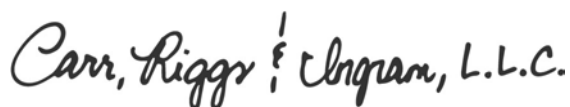
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors’ report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2023, on our consideration of the City’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 City’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 City’s internal control over financial reporting and compliance.



New Orleans, Louisiana
January 31, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF NEW ORLEANS

Management's Discussion and Analysis

December 31, 2021

Management's Discussion and Analysis

The following Management's Discussion and Analysis (MD&A) of the City of New Orleans, Louisiana's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the City's basic financial statements and the notes to the basic financial statements.

Financial Highlights

- The City's net position on the government-wide basis was approximately \$517.52 million at December 31, 2021.
- The government-wide statement of activities reported an increase in net position of approximately \$323.8 million.
- 2021 general fund tax revenues increased by approximately \$43.7 million or 10.99% compared to 2020.
- The general fund reported an increase in fund balance of \$95.9 million for a total ending fund balance at December 31, 2021 of \$235.5 million. The general fund's unassigned fund balance at December 31, 2021 is \$93.0 million.
- Total governmental funds reported an increase in fund balance of \$566.1 million during the year ended December 31, 2021 a 279.6% increase over the prior year.
- Total cash and investments of governmental funds amounted to \$1.05 billion at December 31, 2021, an increase of \$738.6 million compared to December 31, 2020.
- Total bonded debt amounted to approximately \$1.004 billion, an increase of approximately \$405.5 million from the beginning of the year total.

Overview of the Financial Statements

The discussion and analysis provided here is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information to provide greater detail of data presented in the basic financial statements.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business.

The statement of net position presents financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

CITY OF NEW ORLEANS

Management's Discussion and Analysis

December 31, 2021

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, health and human services, culture and recreation, urban development and housing, and economic development. All of the business-type activities of the City are undertaken through component units, which are presented separately.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund activities focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balance provide a reconciliation between governmental funds and governmental activities.

The City maintains 118 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for its five major funds: General Fund, Federal Emergency Management Agency (FEMA) Fund, Debt Service Fund, Capital Projects Fund, and Federal Department of Treasury. Data from the other governmental funds are combined under the heading "Non-major Governmental Funds."

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

CITY OF NEW ORLEANS

Management's Discussion and Analysis

December 31, 2021

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information to demonstrate legal budgetary compliance for each major fund for which an annual budget is adopted and to provide information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

Government-wide Financial Analysis

As noted previously, net position over time, may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately \$517.51 million at December 31, 2021.

Net Position
December 31, 2021 and 2020
(Amounts in thousands)

	Governmental Activities	
	2021	2020 Restated
Current and other assets	1,218,178	486,086
Capital assets	2,098,531	1,970,895
Total assets	3,316,709	2,456,981
Deferred amounts related to net pension liability	180,369	241,246
Deferred amounts related to OPEB	41,488	45,859
Deferred loss on bond refunding	3,229	3,832
Total deferred outflows	225,086	290,937
Long-term liabilities	2,616,875	2,264,323
Other liabilities	228,153	181,362
Total liabilities	2,845,028	2,445,685
Deferred amounts related to net pension liability	163,028	96,103
Deferred amounts related to OPEB	14,505	11,872
Deferred gain on bond refunding	478	589
Unavailable revenue	1,248	-
Total deferred inflows	179,259	108,564
Net position:		
Net investment in capital assets	1,409,432	1,516,756
Restricted	671,265	153,996
Unrestricted (deficit)	(1,563,189)	(1,477,083)
Total net position (deficit)	517,508	193,669

CITY OF NEW ORLEANS

Management's Discussion and Analysis

December 31, 2021

The City's statement of net position reflects its net investment in capital assets of approximately \$1.41 billion at December 31, 2021. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided for by other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Debt service funds have accumulated \$237.67 million at December 31, 2021 to provide for the servicing of annual interest and principal payments on bonds and are classified in restricted net position. The unrestricted deficit net position in the amount of \$1.56 billion is due to the City's recording of long-term obligations including claims and judgments, liabilities, and accrued annual and sick leave. The unrestricted deficit increased by \$86.1 million, which is primarily due to the change in overall net position described below.

Governmental Activities

Total revenue increased by \$207.46 million or 18.7% from \$1.11 billion in 2020 to \$1.32 billion in 2021. This increase is primarily attributable to \$131 million of American Rescue Plan Act funding; \$58.6 million of increased sales taxes remitted in the categories of general, motor vehicle, hotel/motel, and consumer, which are a direct result of the City of New Orleans tourism industry resurgence post COVID-19; and \$17.4 million of grant reimbursement activity post COVID-19.

Total expenses were \$1.007 billion in 2021, an increase of \$11.45 million, or 1.1%, compared to \$996.1 million in 2020. General government expense decreased \$15.4 million, or 14.7%, from \$363.9 million in 2021 to \$379.3 million in 2020. Urban development and housing expense increased \$39.9 million, or 128.6%, from \$30.9 million in 2020 to \$70.8 million in 2021. This increase is primarily due to an increase of grants received post COVID-19 and ARPA, which entitled the City of New Orleans to incur more expenses in 2021 than in 2020.

CITY OF NEW ORLEANS
Management's Discussion and Analysis
December 31, 2021

A comparison of 2021 to 2020 is as follows (amounts are reported in thousands):

Statement of Activities Comparison
Years Ended December 31, 2021 and 2020
(Amounts in thousands)

	<u>2021</u>	<u>2020 Restated</u>
Revenues:		
Program revenues:		
Charges for services	242,053	225,566
Operating grants and contributions	312,844	202,739
Capital grants and contributions	208,986	137,903
General revenues:		
Property taxes	274,802	295,809
Sales taxes	218,860	194,329
Other taxes	52,447	43,618
Interest Revenue	7,871	
Unrestricted investment income	5,764	5,064
Forgiveness of debt	-	-
Legal settlement	-	-
Property donation (note 6)	-	-
Miscellaneous	-	6,034
Loss on disposal of assets	-	-
Total revenues	<u>1,323,627</u>	<u>1,111,062</u>
Expenses:		
General government	363,892	379,341
Public safety	310,708	326,375
Public works	138,974	144,634
Health and human services	40,285	40,890
Culture and recreation	29,528	32,726
Urban development and housing	71,399	30,986
Economic development	12,198	10,205
Interest and fiscal changes	32,871	30,906
Total expenses	<u>999,855</u>	<u>996,063</u>
Change in net position	<u>323,772</u>	<u>114,999</u>
Net position beginning of year	<u>193,736</u>	<u>78,670</u>
Net position, ending	<u>517,508</u>	<u>193,669</u>

CITY OF NEW ORLEANS

Management's Discussion and Analysis

December 31, 2021

Financial Analysis of the Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of the fund balance which has not yet been limited in use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council.

At December 31, 2021, the City's governmental funds reported combined fund balances of \$768.5 million, an increase of \$566.1 million in comparison with the prior year. Included in this amount is an unassigned fund balance deficit of \$37.7 million. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form (\$41.7 million), 2) restricted for particular purposes (\$671.3 million), 3) committed for particular purposes (\$66.3 million), or 4) assigned for particular purposes (\$27.0 million).

General Fund

The general fund is the chief operating fund of the City. At December 31, 2021, the general fund's fund balance increased by \$95.9 million from \$139.6 million in 2020, to 235.53 million in 2021. Key factors relative to this change are as follows:

- Expenditures decreased in 2021 to \$583.38 million compared to \$635.45 million in 2020, a decrease of \$52.07 million, which represents a 8.2% decrease in expenditures. Public safety expenditures accounted for 61.0% of that decrease due to public safety expenses related to the Covid-19 pandemic being charged to the CARES Act grant in 2020 which is reported in a non-major special revenue fund.
- Taxes revenues increased by \$43.73 million or 11% as compared to 2020. The increase is due primarily to increased sales taxes remitted in the categories of general, motor vehicle, hotel/motel, and consumer, which are a direct result of the City of New Orleans tourism industry resurgence post COVID-19.
- Charges for service revenues in the general fund decreased by \$47.66 million in 2021 compared to 2020 primarily due to one-time payments from an agreement with Harrah's Casino.
- Fines and fees revenues in the general fund decreased by \$1.52 million in 2021 compared to 2020 primarily due to the decrease in traffic due to the COVID-19 pandemic which resulted in business and school closures and reduced enforcement of traffic laws.
- Miscellaneous revenues increased from \$19.55 million in 2020 to \$33.1 million in 2021, an increase of \$13.55 million or 69.3% compared to 2020 due to several factors including sundry, building and rents, insurance proceeds, and reimbursement for special activity.

CITY OF NEW ORLEANS

Management's Discussion and Analysis

December 31, 2021

The accompanying table shows the amount (in thousands) of general fund revenues by source for 2021 and 2020.

Revenues and Other Financing Sources	2021 Actual	% of Total	Increase (Decrease) Over 2020	2020 Actual	% of Total
Taxes	\$ 441,499	64.99%	\$ 43,731	\$ 397,768	58.67%
Licenses and permits	57,012	8.39	(12,648)	69,660	10.27
Intergovernmental	42,655	6.28	(1,766)	44,421	6.55
Charges for services	85,323	12.56	(47,664)	132,987	19.61
Fines and forfeits	21,572	3.18	(1,516)	23,088	3.41
Interest income	1,099	0.16	(115)	1,214	0.18
Contributions, gifts, and donations	-	—	(5)	5	0.00
Miscellaneous and other	33,096	4.87	13,549	19,547	2.88
Other financing sources (uses), net	(2,947)	(0.42)	7,726	(10,673)	(1.57)
	<u>\$ 679,309</u>	<u>100.0%</u>	<u>\$ 1,292</u>	<u>\$ 678,017</u>	<u>100.0%</u>

The accompanying table shows the amount (in thousands) of general fund expenditures by function for 2021 and 2020.

Expenditures	2021 Actual	% of Total	Increase (Decrease) Over 2020	2020 Actual	% of Total
General government	\$ 261,573	44.84%	\$ 11,013	\$ 250,560	39.43%
Public safety	196,541	33.69	(51,111)	247,652	38.97
Public works	67,674	11.60	(5,904)	73,578	11.58
Health and human services	23,119	3.96	(965)	24,084	3.79
Culture and recreation	26,000	4.46	(2,715)	28,715	4.52
Urban development and housing	-	—	(572)	572	—
Capital Outlays	515	0.09	(105)	620	0.10
Debt service	7,958	1.36	(1,712)	9,670	4.36
	<u>\$ 583,380</u>	<u>100.0%</u>	<u>\$ (52,071)</u>	<u>\$ 635,451</u>	<u>102.7%</u>

FEMA Fund

The FEMA Fund primarily accounts for grants received from the federal government as a result of Hurricanes Katrina, Rita, and Gustav. FEMA, as authorized by the Stafford Act, assists individuals as well as state and local governments with response to and recovery from disasters. The FEMA grants are reimbursement basis grants where expenditures and related revenues have been accrued. The deficit in the FEMA fund at December 31, 2021 is primarily due to revenue that has not been recognized and will be collected by the City in the future as payments are approved by FEMA in addition to funds borrowed from the general fund to cover expenditures of the FEMA Fund. Revenue amounted to \$30.0 million in 2021 compared to \$38.34 million in 2020 while expenditures totaled \$35.0 million in 2021 compared to \$30.5 million in 2020. The decrease in revenue is primarily due to decreased reimbursements for Hurricane Katrina projects; and increases in expenditures is primarily due to an increase in reimbursable project work. Many of the City's projects are currently in the construction phase for the Joint Infrastructure Recovery Request (JIRR) Program.

CITY OF NEW ORLEANS

Management's Discussion and Analysis

December 31, 2021

Federal Treasury Fund

The FTD Fund primarily accounts for grants received from the federal government as a result of CARES (Coronavirus Aid, Relief, and Economic Security) 2020, Emergency Rental Assistance 2021, and ARPA (American Rescue Plan) 2021. FTD, as authorized by the H.R.748 Act, assists individuals as well as state and local governments with response to and recovery from COVID-19. The FTD grants are mainly disbursement basis grants where expenditures and related revenues have been authorized per the grant use guidance of CARES, ERA, and ARPA Acts. The zero balance in the FTD fund at December 31, 2021 is primarily due to utilizing the grant dollars of ARPA to reclass expenditures from General Fund to the FTD Fund, thus creating a balanced fund balance in 2021. Revenue and expenditures amounted to \$131.4 million in 2021 compared to \$65.9 million in 2020. The increase in revenues and expenditures is primarily due to an increased disbursement of funding in 2021 to the City of New Orleans from FTD from the Emergency Rental Assistance and American Rescue Plan 2021 (ARPA).

Debt Service Fund

The Debt Service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. Total fund balance for the Debt Service Fund was \$237.66 million at December 31, 2021, which was a \$158.67 million increase compared to the prior year balance of \$79 million. The increase is attributable to new bond issues in 2021 over 2020 through the Board of Liquidation and City of New Orleans Revenue Note.

Capital Projects Fund

The Capital Project fund is used to account for all resources and expenditures in connection with the acquisition of capital facilities and repair and maintenance projects other than those accounted for in the component units. Expenditures for capital projects in 2021 totaled \$225.4 million, an increase of \$11.5 million compared to 2020. Revenues were \$189.8 million in 2021 compared to \$106.7 million in 2020. The increase in revenues and expenditures is primarily due to an increase in reimbursable project work. Many of the City's projects are currently in the construction phase for the Joint Infrastructure Recovery Request (JIRR) Program.

CITY OF NEW ORLEANS
Management's Discussion and Analysis
December 31, 2021

General Fund Budgetary Highlights

Variances between the general fund amended budget and actual expenditures are delineated in the schedule below. The 2021 budgeted revenues and expenditures were slightly increased through amendments.

	2021		
	Budget	Actual on budgetary basis	Variance Positive (Negative)
Revenues			
Taxes	\$ 384,176	\$ 441,499	\$ 57,323
Licenses and permits	70,969	59,753	(11,216)
Intergovernmental	30,181	42,653	12,472
Charges for services	94,299	85,973	(8,326)
Fines and forfeits	28,035	21,550	(6,485)
Interest income	121	283	162
Contributions, gifts, and donations	60	-	(60)
Miscellaneous	30,183	24,770	(5,413)
Total Revenues	638,024	676,481	38,457
Expenditures	708,753	583,985	(124,768)
Other financing sources (uses), net	(59,927)	89,549	149,476
Change in fund balance	<u>\$ (130,656)</u>	<u>\$ 182,045</u>	<u>\$ 312,701</u>

Capital Assets

Capital assets at December 31, 2021 and 2020 are as follows (net of depreciation):

	2021	2020
Land	\$ 94,474	\$ 94,474
Construction in progress	559,340	409,306
Buildings, improvements, and equipment	579,884	617,842
Other	2,044	2,767
Infrastructure assets	862,789	846,506
	<u>\$ 2,098,531</u>	<u>\$ 1,970,895</u>

The City has continued rebuilding efforts after prior year hurricanes that include the replacement and repair costs for various assets. See Note 6 for detailed capital asset activity during 2021.

CITY OF NEW ORLEANS
Management's Discussion and Analysis
December 31, 2021

Debt Administration

Outstanding general obligation bonds at December 31, 2021 totaled \$667.16 million, all of which are considered to be net, direct-tax supported debt.

Outstanding Debt

	2021	2020
General obligation bonds	\$ 667,160	\$ 433,695
Taxable limited tax bonds	256,070	149,566
Limited tax bonds		2,680
Revenue bonds and notes	81,475	13,225
Total bonds	1,004,705	599,166
Notes Payable (vehicle and equipment loans)	3,198	4,715
Go Zone Notes	21,488	25,231
Total outstanding debt	\$ 1,029,391	\$ 629,112

The following is a summary of debt transactions:

Balance at January 1, 2021	\$ 629,112
New issues	489,777
Payments	(89,498)
Balance at December 31, 2021	\$ 1,029,391

The Louisiana Legislature, in Act 1 of 1994, increased the City's general obligation bond debt limit to an amount equal to the greater of (i) \$500,000,000 or (ii) 35% of total assessed valuation of the City. Under Act 1, based on the most recent assessed valuations, the City's debt limit is \$1.70 billion as of December 31, 2021. At December 31, 2021, the City's legal debt margin adjusted for outstanding principal of \$667.2 million, plus fund balance available in the Debt Service Fund of \$236.66 million to service this general obligation debt was \$1.29 billion. As of December 31, 2021, Moody's general obligation bond rating for the City was "A2", Fitch general obligation bond rating was "A", and Standard & Poor's general obligation bond rating was "AA-", which all remained unchanged from 2020. See Note 7 for detailed long-term debt activity for 2021.

Economic Factors and Next Year's Budgets and Rates

The General Fund's amended 2021 budgeted revenues and expenditures and other financing sources exceeded the adopted budgeted revenues and expenditures and other financing sources by approximately \$28.3 million, which was a very minimal change of 4%. The General Fund's final budgeted revenues and other financing sources were less than the actual revenues and other financing sources by approximately \$38.5 million, or 6%, and actual expenditures and other financing uses came in under final budgeted expenditures and financing uses by approximately \$124.8 million, or 17.6%.

CITY OF NEW ORLEANS

Management’s Discussion and Analysis

December 31, 2021

The City’s monumental decrease in 2021 expenditures are due to the receipt of ARPA Funding in May 2021, Mayor LaToya Cantrell & CAO Gilbert Montano issued Circular Memorandum No. 21-02 discontinuing Furlough Days/Salary Adjustments effective March 21, 2021. In June 2021, the City of New Orleans was able to repay all furlough pay to each employee, which amounted to approximately \$7 million to Administration, Weekly, Police, and Fire Employees. The City of New Orleans was able to relieve the General Fund of expenses due to the ARP Funding, and reclassified those said expenses for Fire (\$95.3 million) and Police (\$22.3 million) for personnel/pension expenses to the FTD Fund.

The City’s General Fund recurring revenues were forecasted for fiscal year 2022 at \$652.8 million, and the audited fiscal year 2021 actual revenues are \$676.5 million. The City’s General Fund expenditures were forecasted for fiscal year 2022 at \$652.8 million, and the audited fiscal year 2021 actual expenditures are \$583.99 million. General fund revenues are forecast to grow modestly between 2019 and 2022.

The City’s General Fund recurring revenues were forecasted for fiscal year 2022 at \$652.1 million, and City’s General Fund expenditures were forecasted for fiscal year 2022 at \$652.1 million.

The following table presents an adopted budget comparison for 2022, 2021, 2020, and 2019 (amounts in thousands):

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenues and other financing sources	\$ 652,079	\$ 725,880	\$ 773,650	\$ 701,991
Expenditures	\$ 652,079	\$ 725,880	\$ 773,650	\$ 701,991

As our city moved forward into 2021, the Cantrell Administration continued to be upfront and honest about the challenges that we face. Amid dealing with the Cyber Security Attack in December 2019, then rolling into a very unprecedented Mardi Gras season of 2020 that eventually led into the COVID-19 pandemic declared in March 2020, this made the City of New Orleans, one of the tourism mecca cities in the United States, more aware of our reduced revenue streams as a result of COVID-19. We are, however, very grateful for the CARES Act funding received in 2020, and the initial American Rescue Plan Act of 2021 funding received in May 2021, and the second tranche of American Rescue Plan Act of 2021 funding received in June 2022. The Cantrell Administration will still ensure that the City of New Orleans receives her fair share of all funding.

The Cantrell Administration's 2022 goals are recovery-post pandemic, expanding affordable housing, and messaging on Violence Reduction Strategy through intergovernmental relations coordination and strategy, proactive communication, and substantive community engagement.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information may be addressed to the Office of the Director of Finance, City of New Orleans, 1300 Perdido Street, Room 3E06, New Orleans, Louisiana 70112.

BASIC FINANCIAL STATEMENTS

CITY OF NEW ORLEANS, LOUISIANA
Statement of Net Position
December 31, 2021
(Amounts in Thousands)

	Primary Governmental Activities	Component Units
Assets		
Cash and cash equivalents	\$ 260,542	\$ 180,876
Investments	782,971	40,185
Receivables (net of allowance for uncollectibles):		
Taxes	41,551	3,105
Accounts	18,502	75,781
Interest	-	62
Grantee loans	557	79,275
Other	-	29,889
Due from component units	38,046	-
Due from other governments	69,924	1,128
Other assets	6,085	266,450
Restricted cash and investments	-	285,540
Capital assets (net of accumulated depreciation)	2,098,531	5,535,971
Total assets	<u>3,316,709</u>	<u>6,498,262</u>
Deferred Outflows of Resources		
Deferred amounts related to net pension liability	180,369	23,802
Deferred amounts related to other post-employment benefits	41,488	35,578
Deferred loss on bond refunding	3,229	38,542
Total deferred outflows of resources	<u>225,086</u>	<u>97,922</u>
Liabilities		
Accounts payable	156,063	173,142
Retainages payable	15,181	9,529
Accrued expenses	44,340	67,029
Taxes payable	7,620	-
Accrued interest payable	3,331	27,708
Unearned revenue	1,248	
Due to component units	36	-
Due to other governments	1,582	18,004
Long-term liabilities due within one year	120,863	119,669
Long-term liabilities due in more than one year	2,496,011	2,610,899
Total liabilities	<u>2,846,275</u>	<u>3,025,981</u>
Deferred Inflows of Resources		
Deferred amounts related to net pension liability	163,027	36,451
Deferred amounts related to other post-employment benefits	14,505	10,722
Deferred gain on bond refunding	478	-
Service concession arrangement	-	36,559
Total deferred inflows of resources	<u>178,010</u>	<u>83,732</u>
Net Position		
Net investment in capital assets	1,409,432	3,420,506
Restricted for debt service	237,662	160,877
Restricted for capital improvement	383,766	157,866
Restricted for external legal constraints	49,837	-
Restricted for operating reserve	-	25,909
Unrestricted (deficit)	(1,563,188)	(278,688)
Total net position	<u>\$ 517,509</u>	<u>\$ 3,486,471</u>

See accompanying notes to basic financial statements.

CITY OF NEW ORLEANS, LOUISIANA

Statement of Activities
Year ended December 31, 2021
(Amounts in thousands)

Functions/Programs	Expenses	Program revenues			Net (expense) revenue and changes in net position	
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary governmental activities	Component units
Primary government:						
Governmental activities:						
General government	\$ 363,892	\$ 155,401	\$ 162,828	\$ -	\$ (45,663)	\$ -
Public safety	310,708	35,063	3,139	-	(272,506)	-
Public works	138,974	34,312	-	-	(104,662)	-
Health and human services	40,285	14,174	19,811	-	(6,300)	-
Culture and recreation	29,528	1,160	-	-	(28,367)	-
Urban development and housing	71,399	1,261	90,680	25	20,567	-
Economic development	12,198	75	9,384	-	(2,740)	-
Interest and fiscal charges	32,871	-	-	-	(32,871)	-
Capital outlay	-	607	27,071	208,961	236,639	-
Total primary government	<u>\$ 999,856</u>	<u>\$ 242,053</u>	<u>\$ 312,912</u>	<u>\$ 208,986</u>	<u>\$ (235,905)</u>	<u>\$ -</u>
Component units:						
Audubon Commission	\$ 47,421	\$ 29,115	\$ -	\$ 4,773	\$ -	\$ (13,533)
Louis Armstrong New Orleans International Airport	123,000	65,236	-	70,774	-	13,010
Sewerage and Water Board	304,733	275,342	6,233	112,944	-	89,786
Nonmajor component units	147,287	129,010	401	-	-	(17,876)
Total component units	<u>\$ 622,441</u>	<u>\$ 498,703</u>	<u>\$ 6,634</u>	<u>\$ 188,491</u>	<u>\$ -</u>	<u>\$ 71,387</u>
General revenues:						
Taxes:						
Property taxes					274,802	82,286
Sales taxes					218,860	-
Utility taxes					11,208	-
Culture and recreation taxes					31,357	-
Parking taxes					3,661	-
Franchise fees					5,896	-
Beverage taxes					328	-
Interest revenue					7,871	(63,195)
Non-employer contributions					5,764	-
Miscellaneous					-	36,459
Total general revenues					<u>559,745</u>	<u>55,550</u>
Change in net position					323,840	126,937
Net position (deficit) – beginning of year					193,669	3,375,008
Restatement (note 17)					-	(15,474)
Net position (deficit) – beginning of year, restated					<u>193,669</u>	<u>3,359,534</u>
Net position – end of year					<u>\$ 517,509</u>	<u>\$ 3,486,471</u>

See accompanying notes to basic financial statements.

CITY OF NEW ORLEANS, LOUISIANA
 Balance Sheet — Governmental Funds
 December 31, 2021
 (Amounts in thousands)

	Special Revenue						Total Governmental Funds
	General	FEMA	Federal Department of Treasury	Debt Service	Capital Projects	Nonmajor Governmental	
Assets							
Cash and cash equivalents	\$ 191,226	\$ -	\$ -	\$ 27,533	\$ 521	\$ 41,262	\$ 260,542
Investments	1,380	-	116,762	210,131	444,500	10,199	782,971
Receivables (net of allowance)							
Sales taxes	18,044	-	-	-	-	270	18,314
Property taxes	11,478	-	-	4,826	-	364	16,669
Franchise taxes	6,568	-	-	-	-	-	6,568
Accounts	16,254	26	-	-	-	2,222	18,502
Accrued interest	-	-	-	-	-	-	-
Grantee loans	-	-	-	-	-	557	557
Due from other funds	39,068	-	-	-	-	10	39,078
Due from other governments	493	9,367	-	-	36,449	23,615	69,924
Due from component units	9,952	-	-	-	28,094	-	38,046
Advances to other funds	41,687	-	-	-	-	-	41,687
Other assets	6,073	-	-	-	-	12	6,085
Total Assets	\$ 342,223	\$ 9,393	\$ 116,762	\$ 242,491	\$ 509,564	\$ 78,511	\$ 1,298,943
Liabilities							
Accounts payable	77,041	2,326	6,722	3	52,829	17,143	156,064
Retainages payable	-	-	-	-	15,181	-	15,181
Accrued expenses	9,414	4	8	85	28,432	6,397	44,339
Unearned revenue	1,248	-	-	-	-	-	1,248
Due to other funds	-	-	7,398	-	28,797	2,883	39,078
Due to other governments	1,515	-	-	-	-	67	1,582
Due to component units	-	-	-	-	36	-	36
Advances from other funds	-	20,828	-	-	-	20,859	41,687
Total liabilities	89,217	23,158	14,127	88	125,276	47,349	299,215
Deferred Inflows of Resources							
Unavailable revenue	17,480	6,959	102,635	4,740	78,843	20,526	231,183
Total deferred inflows of resources	17,480	6,959	102,635	4,740	78,843	20,526	231,183
Fund Balances							
Fund balances:							
Nonspendable	41,687	-	-	-	-	-	41,687
Restricted	31,646	-	-	237,662	383,766	18,191	671,265
Committed	42,185	-	-	-	-	24,126	66,311
Assigned	27,000	-	-	-	-	-	27,000
Unassigned	93,008	(20,724)	-	-	(78,321)	(31,681)	(37,718)
Total fund balances	235,525	(20,724)	-	237,662	305,445	10,636	768,544
Total fund balances, inflows of resources, and fund balances	\$ 342,223	\$ 9,393	\$ 116,762	\$ 242,491	\$ 509,564	\$ 78,510	\$ 1,298,942

CITY OF NEW ORLEANS, LOUISIANA
 Reconciliation of Balance Sheet - Governmental Funds to the
 Statement of Net Position
 December 31, 2021
 (Amounts in thousands)

Total fund balances – governmental funds	\$	768,544
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		2,098,531
Certain revenues are not available to pay for the current period's expenditures and, therefore, are deferred in the funds		231,184
The deferred gain and loss on bond refundings is not an available resource and, therefore, is not reported in the funds		2,751
Interest expense is accrued at year-end in the government-wide financial statements, but is recorded only if due and payable on the governmental fund financial statements		(3,331)
Net pension liability balances in accordance with GASB Statement No. 68:		
Deferred outflows of resources		180,369
Deferred inflows of resources		(163,027)
Net pension liability		(862,741)
Total OPEB liability balances in accordance with GASB Statement No. 75:		
Deferred outflows of resources		41,488
Deferred inflows of resources		(14,505)
Total OPEB liability		(172,847)
Taxes payable		(7,620)
Other long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		
Long-term liabilities consist of:		
Bonds payable		(1,086,586)
Loans payable		(24,686)
Annual and sick leave		(56,039)
Claims payable		(410,291)
Landfill closing costs		(3,684)
		(1,981,986)
Total net position – governmental activities	\$	517,509

See accompanying notes to basic financial statements.

CITY OF NEW ORLEANS, LOUISIANA
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year ended December 31, 2021
(Amounts in thousands)

	General	FEMA	Federal Department of Treasury	Debt Service	Capital Projects	Nonmajor Governmental	Total Governmental Funds
Revenues:							
Taxes	\$ 441,499	\$ -	\$ -	\$ 79,592	\$ -	\$ 20,447	\$ 541,537
Licenses and permits	57,012	-	-	-	-	382	57,395
Intergovernmental	42,655	30,004	131,400	-	187,250	53,642	444,951
Charges for services	85,323	-	-	-	886	241	86,450
Program income	-	-	-	-	-	11	11
Fines and forfeits	21,572	-	-	-	-	2,155	23,726
Interest income	1,099	-	-	(39)	-	2	1,062
Contributions, gifts,, and donations	-	-	-	-	-	3,969	3,969
Miscellaneous	33,096	1	-	-	1,628	389	35,114
Total Revenues	682,255	30,005	131,400	79,552	189,764	81,237	1,194,213
Expenditures:							
Current:							
General government	261,573	32,382	-	596	-	19,023	313,574
Public safety	196,541	2,559	92,758	-	-	1,907	293,764
Public works	67,674	2	-	-	-	10,606	78,282
Health and human services	23,119	31	1,991	-	-	13,476	38,618
Culture and recreation	26,000	-	-	-	-	1,053	27,053
Urban development and housing	-	-	36,650	-	-	34,196	70,847
Economic development and assistance	-	-	-	-	-	12,104	12,104
Capital outlays	515	46	-	-	225,360	8,601	234,522
Debt Service:							
Principal	7,958	-	-	81,541	-	-	89,499
Interest and fiscal charges	-	-	-	29,033	-	-	29,033
Bond issuance costs	-	-	-	4,046	-	-	4,046
Cash defeasance of bonds	-	-	-	-	-	-	-
Total expenditures	583,379	35,020	131,400	115,216	225,360	100,966	1,191,341
Excess (deficiency) of revenue over expenditures	98,876	(5,015)	-	(35,663)	(35,596)	(19,729)	2,872
Other financing sources (uses):							
Transfers in	-	-	-	2,947	371,856	(5)	374,799
Transfers out	(2,947)	-	-	(371,853)	-	-	(374,799)
Proceeds from issuance of bonds	-	-	-	563,237	-	-	563,237
Total other financing sources (uses)	(2,947)	-	-	194,330	371,856	(5)	563,237
Net change in fund balance	95,929	(5,015)	-	158,667	336,260	(19,734)	566,109
Fund balances - beginning of year	139,596	(15,709)	-	78,995	(30,815)	30,370	202,437
Fund balances - end of year	\$ 235,525	\$ (20,724)	\$ -	\$ 237,662	\$ 305,445	\$ 10,636	\$ 768,544

CITY OF NEW ORLEANS, LOUISIANA
 Reconciliation of the Statement of Revenues, Expenditures, and
 Changes in Fund Balances of Governmental Funds to the
 Statement of Activities
 Year ended December 31, 2021
 (Amounts in thousands)

Net change in fund balances – total governmental funds	\$	566,109
Amounts reported for governmental activities in the statement of activities are different because:		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets are allocated over their estimated useful lives and are reported as depreciation expense. This represents the amount that capital outlays exceeded depreciation and loss on disposals in the current period.</p>		
Capital outlays		226,784
Depreciation expense		(99,148)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. This represents the change in unearned revenue.</p>		
		117,001
<p>The increase in taxes payable related to current year refunds due to taxpayers does not consume current resources in the governmental funds, but decreases tax revenue in the statement of activities.</p>		
		(90)
<p>The issuance of long-term debt (e.g., bonds and certificates of indebtedness) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:</p>		
Change in interest payable		1,031
Amortization of deferred loss on bond refunding		(491)
Bond and note principal payments		89,499
Issuance of bonds payable		(563,237)
Amortization of bond discount and premium		6,731
<p>Compensated absences are recorded in the governmental funds when paid, but are recorded in the statement of activities when earned. This represents the amount compensated absences earned exceeded amounts paid in the current period.</p>		
		(770)
<p>Legal claims and judgments are recorded in the governmental funds when paid, but are recorded in the statement of activities when incurred. This represents the amount claims paid and changes in estimates to claims exceed new claims incurred in the current period.</p>		
		8,704
<p>Changes in estimates related to municipal landfill closure costs do not consume current financial resources in the governmental funds, but are expensed in the statement of activities.</p>		
		112
<p>Change in total OPEB liability and deferred inflows in accordance with GASB 75</p>		
		(6,605)
<p>Change in net pension liability and deferred inflows and outflows in accordance with GASB 68</p>		
		(21,790)
Change in net position of governmental activities	\$	<u>323,840</u>

See accompanying notes to basic financial statements.

CITY OF NEW ORLEANS, LOUISIANA

Statement of Fiduciary Net Position

December 31, 2021

(Amounts in thousands)

Assets	Pension Trust Funds	Custodial Funds
Cash	\$ 5,187	\$ 55,512
Investments:		
Cash equivalents	40,538	-
Fixed income securities	82,872	-
Equities	294,899	-
Mutual funds	38,352	-
Investment in corporations, partnerships, and limited liability corporations	7,326	-
Investment in hedge funds and private equity funds	67,415	-
Investment in real estate	25,161	-
Other	15,360	18,626
Receivables:		
Accounts	-	43,807
Accrued interest	64	-
Contribution	1,222	-
Due (to)/from Old/New System	1,152	-
Other	225	-
Other assets	630	-
Total assets	<u>580,404</u>	<u>74,182</u>
Deferred Outflows of Resources		
Deferred amounts related to net pension liability	119	-
Total deferred outflows of resources	<u>119</u>	<u>-</u>
Liabilities		
Accounts payable	35	51,262
Other payables and accruals	2,977	6
Net pension liability	451	-
Total liabilities	<u>3,463</u>	<u>51,267</u>
Deferred Inflows of Resources		
Unearned revenue	3,978	-
Deferred amounts related to net pension liability	145	-
Total deferred inflows of resources	<u>4,123</u>	<u>-</u>
Net Position		
Restricted for:		
Pension benefits	572,937	-
Individuals, organizations, component units, and other governments	-	22,914
Total net position	<u>\$ 572,937</u>	<u>\$ 22,914</u>

CITY OF NEW ORLEANS, LOUISIANA
Statement of Changes in Fiduciary Net Position
Year ended December 31, 2021
(Amounts in thousands)

	Pension Trust Funds	Custodial Funds
Additions:		
Contributions:		
Employer	\$ 55,953	\$ -
Members	11,763	-
Fire insurance rebate	1,522	-
Other	15,482	-
Total contributions	84,720	-
Investment income (loss):		
Net depreciation in fair value of investments	69,318	-
Interest and dividends	6,516	7
Less: investment expense	(1,821)	-
Net investment income	74,012	7
Tax collections for other governments and component units		
	-	751,834
Collection of taxes paid in protest	-	11,611
Collection of unadjudicated funds	-	-
Other collections	-	3,144
Total additions	158,732	766,595
Deductions:		
Pension benefits	85,438	-
Refunds of member contributions	3,447	-
Death benefits	388	-
Depreciation expense	27	-
Administrative expenses	2,168	-
DROP withdrawal	9,168	-
PLOP withdrawal	3,745	-
Transfers to other plans	819	-
Disbursement of taxes to other governments and component units		
	-	752,130
Disbursement of taxes paid in protest	-	24,379
Disbursement of unadjudicated funds	-	-
Other disbursements	-	4,341
Total deductions	105,199	780,850
Change in net position	53,533	(14,255)
Net position - beginning of year, as restated	519,404	37,169
Net position - end of year	\$ 572,937	\$ 22,914

See accompanying notes to basic financial statements.

CITY OF NEW ORLEANS, LOUISIANA

Combining Statements of Net Position

Component Units

December 31, 2021

(Amounts in thousands)

	Audubon Commission	Louis Armstrong New Orleans Airport	Sewerage and Water Board	Nonmajor Component Units	Total
Assets					
Current assets:					
Cash and cash equivalents	\$ 1,573	\$ 12,534	\$ 97,437	\$ 69,332	\$ 180,876
Investments	-	39,684	286	215	40,185
Receivables (net of allowances for uncollectibles)					
Property Taxes	-	-	3,105	-	3,105
Accounts	145	19,347	49,970	6,320	75,781
Accrued interest	-	62	-	-	62
Grants	-	26,126	53,150	-	79,275
Other	-	-	-	29,889	29,889
Due from other governments	-	-	-	1,128	1,128
Inventory of supplies	643	-	5,966	-	6,609
Prepaid expenses and deposits	410	723	715	1,831	3,679
Other assets	-	-	2,481	1,346	3,828
Total current assets	2,771	98,475	213,110	110,061	424,416
Restricted cash and investments:					
Cash and Cash equivalents	-	7,343	109,842	-	117,184
Investments	-	46,802	2,642	-	49,444
Future debt service	-	-	25,800	8,735	34,535
Capital improvements	62,216	-	-	-	62,216
Health insurance reserve	-	-	2,400	-	2,400
Receivables	-	4,169	-	-	4,169
Other	-	-	-	15,592	15,592
Total restricted assets	62,216	58,314	140,683	24,327	285,540
Capital assets (net of accumulated depreciation)	130,146	1,529,507	3,596,395	279,924	5,535,971
Other assets	7,526	229,476	13,940	1,392	252,335
Total assets	202,659	1,915,772	3,964,128	415,704	6,498,262
Deferred Outflows of Resources					
Deferred amounts related to net pension liability	-	4,033	7,793	11,977	23,802
Deferred amounts related to total OPEB liability	-	1,896	33,681	-	35,578
Unamortized loss on advance refunding	-	4,416	34,126	-	38,542
Total deferred outflows of resources	-	10,345	75,600	11,977	97,922
Total assets and deferred outflows of resources	\$ 202,659	\$ 1,926,117	\$ 4,039,729	\$ 427,680	\$ 6,596,184

CITY OF NEW ORLEANS, LOUISIANA

Combining Statements of Net Position

Component Units

December 31, 2021

(Amounts in thousands)

	Audubon Commission	Louis Armstrong New Orleans Airport	Sewerage and Water Board	Nonmajor Component Units	Total
Liabilities					
Current liabilities (payable from current assets):					
Accounts payable	\$ 5,846	\$ 39,692	\$ 108,128	\$ 7,560	\$ 161,226
Retainages payable	-	-	9,529	-	9,529
Other payables and accruals	-	3,123	8,359	55,547	67,029
Due to other governments	-	700	7,617	9,687	18,004
Capital lease payable	249	3,378	1,900	-	5,527
Loans payable	-	-	10,358	-	10,358
Total current liabilities (payable from current assets)	6,095	46,893	145,891	72,794	271,674
Current liabilities (payable from restricted assets):					
Capital projects payable	2,169	9,602	-	-	11,771
Accrued interest	280	25,837	1,592	-	27,708
Limited tax bonds	1,205	-	-	-	1,205
Loans payable, current portion	550	60,551	-	-	61,101
Bonds payable, current portion	-	18,335	23,143	-	41,478
Deposits and other	-	145	-	-	145
Total current liabilities (payable from restricted assets)	4,204	114,470	24,735	-	143,408
Total current liabilities	10,299	161,362	170,626	72,794	415,082
Long-term liabilities:					
Claims payable	-	-	42,773	-	42,773
Customer deposits	-	-	13,889	-	13,889
Loans payable	16,098	-	239,153	-	255,250
Limited tax bonds (net of current portion)	50,558	-	-	-	50,558
Revenue bonds (net of current portion and unamortized discounts)	-	-	511,552	120,955	632,507
Refunding bonds (net of current portion and unamortized loss on advance refunding)	-	1,116,108	-	-	1,116,108
Net pension liability	-	18,568	76,004	19,227	113,799
Other Post-employment benefits liability	-	7,270	231,405	-	238,675
Other	14,420	597	10,622	121,700	147,340
Total long-term liabilities	81,076	1,142,544	1,125,398	261,882	2,610,899
Total liabilities	91,375	1,303,906	1,296,023	334,676	3,025,981
Deferred Inflows of Resources					
Deferred amounts related to net pension liability	-	5,376	26,332	4,743	36,451
Deferred amounts related to total OPEB liability	-	646	10,075	-	10,722
Service concession arrangement	-	36,559	-	-	36,559
Total deferred inflows of resources	-	42,582	36,407	4,743	83,732
Net position					
Net investment in capital assets	50,361	301,627	2,967,493	101,026	3,420,506
Restricted for bond debt service	-	127,289	25,800	7,789	160,877
Restricted for capital improvements	61,936	95,930	-	-	157,866
Restricted for operating reserve	-	25,909	-	-	25,909
Unrestricted (deficit)	(1,013)	28,873	(285,994)	(20,554)	(278,688)
Total net position	111,283	579,629	2,707,298	88,261	3,486,471
Total liabilities, deferred inflows of resources, and net position	\$ 202,659	\$ 1,926,117	\$ 4,039,729	\$ 427,680	\$ 6,596,184

CITY OF NEW ORLEANS, LOUISIANA
 Combining Statement of Activities
 Component Units
 December 31, 2021
 (Amounts in thousands)

	Program revenues				Net (expense) revenue and changes in net position				
	Expenses	Charges for Services	Operating grants and contributions	Capital Grants and Contributions	Audubon Commission	Louis Armstrong New Orleans International Airport	Sewerage and Water Board	Nonmajor component units	Total
Component Units:									
Audubon Commission	\$ 47,421	\$ 29,115	\$ -	\$ 4,773	\$ (13,533)	\$ -	\$ -	\$ -	\$ (13,533)
Louis Armstrong New Orleans International Airport	123,000	65,236	-	70,774	-	13,010	-	-	13,010
Sewerage and Water Board	304,733	275,342	6,233	112,944	-	-	89,786	-	89,786
Other nonmajor component units	147,287	129,010	401	-	-	-	-	(17,876)	(17,876)
Total component units	<u>\$ 622,441</u>	<u>\$ 498,703</u>	<u>\$ 6,634</u>	<u>\$ 188,491</u>	<u>(13,533)</u>	<u>13,010</u>	<u>89,786</u>	<u>(17,876)</u>	<u>71,387</u>
General Revenues:									
Interest revenue					(465)	(47,149)	(12,469)	(3,112)	(63,195)
Property taxes					10,603	-	63,405	8,278	82,286
Miscellaneous					2,641	23,548	(6,031)	16,301	36,459
Total general revenues					<u>12,778</u>	<u>(23,601)</u>	<u>44,905</u>	<u>21,468</u>	<u>55,550</u>
Changes in net position					<u>(755)</u>	<u>(10,591)</u>	<u>134,691</u>	<u>3,592</u>	<u>126,937</u>
Net position - beginning of year					112,039	590,220	2,572,607	100,142	3,375,008
Prior period adjustments					-	-	-	(15,474)	(15,474)
Net position- beginning of year, restate					<u>112,039</u>	<u>590,220</u>	<u>2,572,607</u>	<u>84,668</u>	<u>3,359,534</u>
Net position- end of year	<u>\$ 111,283</u>	<u>\$ 579,629</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,707,298</u>	<u>\$ -</u>	<u>\$ 88,261</u>	<u>\$ -</u>	<u>\$ 3,486,471</u>

NOTES TO BASIC FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies

The basic financial statements of the City of New Orleans, Louisiana (the City) have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) for local governmental units as prescribed by the Governmental Accounting Standards Board (GASB). The most significant accounting and reporting policies of the City are described in the following notes to the basic financial statements.

Reporting Entity

The City was incorporated in 1805. The City's system of government was established by its Home Rule Charter, which became effective in 1954 and was amended effective January 1, 1996. The City operates under a Mayor-Council form of government and provides the following types of services as authorized by its charter: public safety, health and human services, public works, water and sewerage, urban development and housing, economic development, culture and recreation, airport, and general government services. Education and welfare are administered by other governmental entities.

The accompanying financial statements include financial statements for the City and certain legally separate organizations in accordance with section 2100: *Defining the Financial Reporting Entity* of the Governmental Accounting Standards Board (GASB) Codification.

Component Units

In conformity with GAAP, the financial statements of component units have been included in the financial reporting entity either as blended component units or discretely presented component units. Each blended and discretely presented component unit has a December 31 year-end.

Complete financial statements of the following individual discretely presented component units can be obtained from their administrative offices:

Audubon Commission
6500 Magazine Street
New Orleans, Louisiana 70118
<https://audubonnatureinstitute.org>

Downtown Development District
201 St. Charles Avenue, Suite 3912
New Orleans, Louisiana 70170
<http://downtownnola.com>

Louis Armstrong New Orleans International Airport
New Orleans Aviation Board
P.O. Box 20007
New Orleans, Louisiana 70141
<https://flymsy.com>

New Orleans Building Corporation
1340 Poydras Street, Suite 1000
New Orleans, Louisiana 70112
<https://nola.gov/boards/new-orleans-building-corporation>

Parking Facilities Corporation
400 Poydras Tower
New Orleans, Louisiana 70130
<https://nola.gov/boards/parking-facilities-corporation>

French Market Corporation
1008 N. Peters Street, 3rd Floor
New Orleans, Louisiana 70116
<https://www.frenchmarket.org>

New Orleans Municipal Yacht Harbor
Management Corporation
401 North Roadway
New Orleans, Louisiana 70124
<https://nomyh.com>

New Orleans Tourism and Cultural Fund
2020 St. Charles Avenue
New Orleans, Louisiana 70130
<https://notcf.com>

City of New Orleans Notes to Financial Statements

Orleans Parish Communication District
118 City Park Avenue
New Orleans, Louisiana 70119
<http://www.911nola.org>

Sewerage and Water Board
625 St. Joseph Street
New Orleans, Louisiana 70165
<https://www.swbno.org>

Orleans Parish Hospital Service District A
5620 Read Boulevard
New Orleans, Louisiana 70127
<http://www.hsdeast.com>

Blended Component Units

Blended component units, although legally separate entities, are, in substance, part of the City's operations, as they provide services exclusively or almost exclusively for the City. Blended means the data from these units are combined with data of the primary government.

Board of Liquidation, City Debt (The Board) – The Board is a separate legal entity and is included (blended) in the operations of the debt service fund and governmental activities of the City because it handles all matters relating to the bonded debt of the City.

In addition, the following component units are reported as pension or other employee benefit trust funds:

Employees' Retirement System of the City of New Orleans (NOMERS) – NOMERS is a separate legal entity established by City ordinance to provide pension benefits for substantially all City employees, except police officers and firefighters. NOMERS is presented as a pension trust fund because NOMERS serves the employees of the City. The net position of NOMERS is held for the sole benefit of the participants and is not available for appropriation.

Firefighters' Pension and Relief Fund (FPRF) – FPRF is a separate legal entity established by State law to provide pension benefits for City firefighters. The net position of FPRF is held for the sole benefit of the participants and is not available for appropriation.

Police Pension Fund – The Police Pension Fund (old plan) is a separate legal entity established by State law for the police department of the City of New Orleans for pensioning all officers, members, and employees of the police department, their widows, children, and widowed mothers. The board of trustees administers, manages, operates, and controls the police pension fund of the City of New Orleans. Effective March 6, 1983, all members of the Police Plan, active and retired, except for approximately 250 participants who did not meet the eligibility requirements, became members of the Municipal Police Employees' Retirement System (State of Louisiana) (MPERS).

City of New Orleans
Notes to Financial Statements

Discretely Presented Component Units

Discretely presented component units are reported in a separate column in the government-wide financial statements. The following are the City’s discretely presented component units, for which the City has financial accountability because it appoints a voting majority of the Board, and the City can impose its will:

Discretely Presented Component Units	Description of Activities, Relationship to City, and Key Inclusion Criteria
<i>Louis Armstrong New Orleans International Airport (the Airport)</i>	Local government corporation established in 1943 by the City to provide for the operation and maintenance of the Airport. The Board consists of nine members appointed by the Mayor of the City with approval of the City Council. The City of Kenner, Louisiana and the Parish of St. Charles, Louisiana each have input as to the selection of one board member.
<i>Downtown Development District</i>	Local government corporation created by Act 498 of 1974 and amended and reenacted by Act 124 of 1977 of the State of Louisiana Legislature, effective January 1, 1975. The District is a special taxing district designated “the Core Area Development District of the City of New Orleans,” later renamed the Downtown Development District of the City of New Orleans, comprising all the territory within prescribed boundaries. The Board of Directors is composed of 11 members for governance of the District.
<i>Sewerage and Water Board</i>	A local government corporation created by the City through Act 6 of the Louisiana Legislature of 1899 as a special board independent of the City’s government to construct, maintain, and operate a water treatment and distribution system and a public sanitary sewerage system for the City. In accordance with Louisiana Revised Statutes (LRS) 33:4096 and 4121, the Board has the authority to establish the water and sewerage rates to charge to its customers. The board is composed of 11 members, including the Mayor of the City as the President of the Board, two members of the Board of Liquidation, City Debt, and eight citizens, as designated by the State statutes. The terms of office are staggered from one year to four years, as designated by State statutes.

City of New Orleans
Notes to Financial Statements

Discretely Presented Component Units

Description of Activities, Relationship to City, and Key Inclusion Criteria

Audubon Commission (the Commission)

The Commission was created by the Louisiana Legislature to manage and operate its facilities consisting of nine museums and parks dedicated to celebrating the wonders of nature, with goals of fostering education, research, wildlife conservation, family entertainment, and positive economic impact. The Commission has a 24-member board appointed by the Mayor. Each member serves a six-year term, with four members' terms expiring each year.

New Orleans Municipal Yacht Harbor Management Corporation

Local corporation formed by the City to operate the Municipal Yacht Harbor in the manner comparable to that of a private business enterprise; to provide a safe and secure environment for recreational boating; to ensure that the cost associated with providing services to the general public are financed or recovered through user fee and charge; and to place an emphasis on generating a sufficient amount of net operating revenues to be used for maintenance and capital improvement projects. The Municipal Yacht Harbor is administered by a Board of Directors consisting of 11 members, 9 of which are appointed by the Mayor, subject to City Council approval, and are voting members.

New Orleans Tourism and Cultural Fund

A local government corporation created by the City on January 1, 1990. Its objectives and purposes are to continuously stimulate the hospitality and tourism industry of the City of New Orleans through regional, national, and international advertising and marketing of the City of New Orleans as a tourist and convention site and a vacation destination; to stimulate economic development in the City of New Orleans through the marketing and solicitation of conventions and trade shows throughout the U.S. and the World; to advance, promote, and maintain tourism and trade in the City of New Orleans through marketing activities directed at the discretionary tourist or traveler through advertising, direct mailing, or other means; and to support the cultural economy of the City. A 15-member Board of Directors is appointed in various ways.

City of New Orleans
Notes to Financial Statements

Discretely Presented Component Units

Description of Activities, Relationship to City, and Key Inclusion Criteria

French Market Corporation

Local government corporation formed January 1, 1972 by the City to provide for the operation and maintenance of the French Market Properties owned by the City of New Orleans. These properties include five buildings and the Farmers Market. The French Market is a nonprofit corporation that is owned by the City and administered by a board of directors consisting of 12 members appointed by the Mayor. On March 17, 2014, the Upper Pontalba Building Corporation (the Upper Pontalba), a Louisiana Public Benefit Corporation, organized on July 14, 1988 merged into the French Market Corporation. Prior to the merger, the Upper Pontalba's operational purpose was to renovate and operate the Upper Pontalba Building, a four-story residential and commercial (64 unit space facility) located in the French Quarter. As a result of the approved and certified merger, the Market and the Upper Pontalba became one corporation, which the Market was the surviving corporation and the Upper Pontalba ceased to exist. As the surviving corporation, the Market possessed all the rights, privileges and franchises it previously possessed, as well as, those possessed by the Upper Pontalba. Additionally, all property and assets and debts of the Upper Pontalba transferred to and vested in the Market. The Market is responsible for all liabilities and obligations of the Upper Pontalba.

New Orleans Building Corporation

Nonprofit, public benefit corporation, incorporated in the State of Louisiana on May 4, 2000 for the purpose of owning, leasing, developing and operating properties owned by the City of New Orleans or by the Corporation. The organization's board of directors is comprised of the Mayor of the City, three Council members of the City of New Orleans, and three appointed positions.

City of New Orleans
Notes to Financial Statements

Discretely Presented Component Units

Description of Activities, Relationship to City, and Key Inclusion Criteria

Orleans Parish Communication District

The Orleans Parish Communication District was created effective July 13, 1982, pursuant to Act No. 155 of the 1982 Regular Session of the Louisiana Legislature. The District was created for the purpose of establishing a local emergency telephone service; to establish a primary emergency telephone number; to provide for the governing body of the District; and to authorize the governing authority of such district to levy an emergency telephone tax. This act was amended by Act No. 1029 in 1999 to provide for the creation of multi-parish communications districts; to provide information relative to the rate of the emergency telephone service charge on landline phones; and to authorize the levy of an emergency telephone service charge on certain wireless communications systems.

Parking Facilities Corporation

Parking Facilities Corporation was created effective September 2001. The purpose of the Parking Facilities Corporation is to construct, own, and operate the long-term parking garage at the Louis Armstrong International Airport. The Board consists of five members: one appointed the by the Mayor, one appointed by the President of the New Orleans Building Corporation, one appointed by the City Council, one appointed by the New Orleans Tourism and Cultural Fund, and one appointed by the President and CEO of the Operator of the Garage.

Orleans Parish Hospital Service District A

The hospital service district was created and made effective July 5, 2006, pursuant to Act No. 830 of the 2006 Regular Session of the Louisiana Legislature. The District was created for the purpose of studying the feasibility of building or acquiring and operating hospital facilities within the District. The District is divided into two areas: (a) Orleans Parish east of the Industrial Canal and (b) all of Orleans Parish except the geographical areas of the Industrial Canal and the area of Orleans Parish bounded by Earhart Boulevard, Carrollton Avenue, Loyola Avenue, and Iberville Street. The two areas of the district are governed by separate governing boards consisting of thirteen commissioners each. The Chief Executive Officer of Orleans Parish appoints seven members of each board.

Related and Jointly Governed Organizations

Related organizations and jointly governed organizations provide services within the City that are administered by separate boards or commissions, for which the City is not financially accountable, and such organizations are, therefore, not reported as component units of the City even though the Mayor and/or the City Council may appoint a voting majority of an organization's board.

Related Organizations

For the following organizations, the Mayor and/or the City Council appoints a voting majority of the members of the respective boards.

- Housing Authority of New Orleans
- Finance Authority of New Orleans
- New Orleans Redevelopment Authority
- Regional Transit Authority

Jointly Governed Organizations

The City is a participant in other jointly governed organizations. The Mayor and/or the City Council appoints members of the boards for the following organizations. Such appointments represent less than a voting majority of the respective boards. There is no ongoing financial interest or ongoing financial responsibility for these entities.

- New Orleans Regional Loan Corporation
- New Orleans City Park Improvement Association
- New Orleans Exhibition Hall Authority
- Regional Planning Commission

Basis of Presentation – Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City and its component units. Activity for the City and its discretely presented component units is reported separately in the government-wide financial statements. All fiduciary activities are reported only in the fund financial statements. The effect of interfund activity among the governmental funds has been eliminated in these statements.

Governmental activities are supported by property taxes, sales taxes, franchise taxes, charges for services, and grant revenues from the federal government and the State of Louisiana.

The statement of activities reports the change in the City's net position. This statement demonstrates the degree to which the direct expenses of a given function of government are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function of City government. 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 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 in the statement of activities.

City of New Orleans Notes to Financial Statements

The fund financial statements provide information about the government's funds, including its governmental and fiduciary funds, including blended component units. Separate statements for each fund category – governmental and fiduciary – are presented. For governmental funds, the emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Fiduciary funds are presented by type.

Governmental Funds

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources, and the related liabilities are accounted for through governmental funds. The following are the City's major governmental funds:

- (a) ***General Fund*** – The General Fund is the general operating fund of the City. It is used to account for all current financial resources except those required to be accounted for in other funds.
- (b) ***Federal Treasury Department Fund*** – This special revenue fund accounts for grants received from the Federal Treasury Department (FTD) for COVID-19 relief efforts.
- (c) ***FEMA Fund*** – This special revenue fund accounts for grants received from the Federal Emergency Management Agency (FEMA) for hurricane relief efforts.
- (d) ***Debt Service Fund*** – The debt service fund is used to account for the accumulation of current financial resources for, and the payment of, general obligation bonds, limited tax bonds, and revenue bonds, including debt principal, interest, and related costs.
- (e) ***Capital Projects Fund*** – The capital projects fund is used to account for current financial resources to be used for the acquisition or construction of major capital facilities.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as a custodian for individuals, private organizations, and other governmental units. These include the following:

- (a) ***Pension Trust Funds*** – account for the accumulation of resources for pension benefit payments to qualified employees.
- (b) ***Custodial Funds*** – are custodial in nature and are held in a temporary, purely custodial capacity for others.

Basis of Accounting-Measurement Focus

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities include all the financial activities of the City, except for the fiduciary funds, and its discretely presented component units.

The government-wide financial statements are reported using the economic resources 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. Property taxes are recognized as revenues in the year for which they are levied. Tax revenues other than property taxes are recognized when the underlying transaction occurs. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Fund Financial Statements

All governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. The governmental fund statement of revenues, expenditures, and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net position. Under the modified accrual basis of accounting, revenues are recorded when considered both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considers amounts collected within sixty days after year-end to be available and recognizes them as revenues of the current period. Tax revenues other than property taxes are recognized when the underlying transaction occurs. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to principal and interest on long-term debt, claims, judgments, landfill post-closing costs, and compensated absences are recognized when matured (i.e., due and payable).

The following types of revenues are susceptible to accrual under the modified accrual basis of accounting: delinquent property taxes (including penalty and interest); services billed to other funds; sales tax; franchise fees; investment earnings; and grants. Intergovernmental revenues from reimbursable grants and capital projects are recognized when all eligibility requirements have been met and amounts are considered available. Non-current portions of certain long-term receivables, primarily property taxes and special assessments, are reported on the balance sheet of governmental funds in spite of their spending measurement focus. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become available.

Licenses and permits, certain charges for services, fines, and forfeitures, and miscellaneous other revenues are recorded as revenues when received in cash because they are generally not measurable or available until actually received.

Pension Trust and Custodial Funds

Pension trust funds and custodial funds are accounted for on the economic resources measurement focus and use the accrual basis of accounting. Their additions are recognized when earned, and their deductions are recognized when incurred.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires 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, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The current economic environment has increased the degree of uncertainty inherent in those estimates and assumptions.

Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments are carried at fair value except for the following which are measured at amortized cost: Louisiana Asset Management Pool (LAMP) and money market investments. See Note 3 for more details. Unrealized gains and losses on investments are reflected in the Statement of Activities.

Prepaid Items

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

Accounts Receivable

Property tax receivables of \$31,806,000 are shown net of an allowance of uncollectible amounts of \$15,137,000. An allowance for estimated uncollectible accounts receivable is established at the time information becomes available, which would indicate the uncollectibility of the particular receivable.

Interfund Receivables and Payables

Short-term cash borrowing between funds bears interest at the prevailing consolidated cash rate of return and is considered temporary in nature. These amounts are reported as due from other funds and due to other funds. Long-term advances between funds are reported as advances to/from other funds.

Capital Assets

Capital assets (i.e., land, buildings, equipment, and improvements other than buildings), which include the City's infrastructure and construction in progress are stated at historical cost. Donated capital assets are recorded at their acquisition value on the date donated. An item is classified as an asset that is capitalized if the initial individual cost is \$5,000 or greater. Capital assets of the City are reported in the government-wide financial statements but not in the governmental fund financial statements. Assets subject to depreciation are depreciated using the straight-line method over estimated useful lives. Additions and improvements that significantly extend the useful life of an asset are capitalized. Repairs and maintenance costs are expensed as incurred.

The City reviews the carrying value of its capital assets to determine if circumstances exist indicating impairment in the carrying value of capital assets. If facts or circumstances support the possibility of impairment, management follows GAAP. If impairment is indicated, an adjustment will be made to the carrying value of the capital assets.

The estimated useful lives (in years) of all depreciable assets are as follows:

Buildings and improvements	20 - 40
Equipment and vehicles	5 - 10
Infrastructure	25 - 50
Other	5 - 15

Fully depreciated capital assets are included in the capital asset accounts until their disposal. The cost of assets sold or retired and the related amounts of accumulated depreciation are eliminated from the accounts in the year of sale or retirement, and any resulting gain or loss is recorded in the financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the government-wide statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents an outflow of resources that has occurred but will not be recognized as an expense/expenditure until a future period. The deferred loss on bond refunding reported in the government-wide statement of net position results from the reacquisition price of refunded debt being greater than its carrying value. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. See Note 8 and Note 9 for more information regarding deferred outflows of resources related to the net pension liability and total OPEB liability.

In addition to liabilities, the government-wide statement of net position and governmental fund balance sheet report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an inflow of resources that has occurred but will not be recognized as revenue until a future period. The deferred gain on bond refunding reported in the government-wide statement of net position results from the reacquisition price of refunded debt being less than its carrying value. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City received prepayments of property taxes levied for the subsequent year. These amounts are deferred and will be recognized as revenue in the subsequent year. In addition, the City has a type of deferred inflows which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from two sources: property taxes and grants. These amounts are deferred and recognized as revenue in the period that the amounts become available. See Note 8 and Note 9 for more information regarding deferred inflows of resources related to the net pension liability and total OPEB liability.

Annual and Sick Leave

All full-time classified employees of the City hired prior to January 1, 1979 are permitted to accrue a maximum of 90 days of vacation (annual leave) and an unlimited number of days of sick leave (accumulated at a maximum of 24 days per year). Employees hired after December 31, 1978 may accrue a maximum of 45 days of annual leave and an unlimited number of days of sick leave. Upon termination of employment, an employee is paid for accrued annual leave based upon his or her current hourly rate of pay and for accrued sick leave on a formula basis. If termination is the result of retirement, the employee has the option of converting accrued leave to additional days of service.

For governmental funds, annual and sick leave expenditures are recorded when due and payable. All vacation and sick leave is accrued when earned at the government-wide level.

Litigation

Claims and judgments are recognized in the governmental funds as expenditures when due and payable. Therefore, claims and judgments that are due and payable would be expected to be liquidated with expendable available financial resources. To the extent that claims and judgments mature prior to December 31, 2021, and are payable from current financial resources, they are accrued at December 31, 2021 in the governmental funds. Other liabilities not expected to mature as of December 31, 2021 are reported as liabilities in the government-wide financial statements. Estimates of claims and judgment liabilities (both incurred and reported and incurred but not reported) are made through a case-by-case review of all claims and the application of historical experience to the outstanding claims.

Net Position

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of borrowings for capital asset acquisition, construction, or improvement of those assets, increased by deferred outflows of resources attributable to capital asset acquisition, construction or improvement, and decreased by deferred inflows of resources attributable to either capital asset acquisition, construction, or improvement or to capital asset related debt. Capital-related debt or deferred inflows equal to unspent capital asset related debt proceeds or deferred inflows of resources is included in calculating either restricted or unrestricted net position, depending upon whether the unspent amounts are restricted.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position is the balance (deficit) of all other elements in a statement of net position remaining after net investment in capital assets and restricted net position.

Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). In the governmental fund financial statements, fund balances are classified as follows:

- (c) Non-Spendable Fund Balance - amounts that cannot be spent either because they are in a non-spendable form (such as prepaid expenses) or because they are legally or contractually required to be maintained intact.
- (d) Restricted Fund Balance - amounts constrained to specific purposes by their providers (such as grantor, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

City of New Orleans Notes to Financial Statements

- (e) Committed Fund Balance - amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority by a vote of the City Council; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint. Committed fund balance includes amounts set aside for budget stabilization in the City's annual adopted operating budget. The General Fund will have two fund balance goals: an unreserved fund balance account and an emergency reserve account. The target level for the unreserved fund balance is two percent of the expenditures in the adopted budget. The target level for the emergency reserve account is eight percent of the expenditures in the adopted budget. The emergency reserve will only be used for natural disasters, revenue shortfalls as recognized by the Revenue Estimating Conference, and other major emergencies that disrupt revenue sources or require substantial unanticipated expenses to address. Once the unreserved fund balance account is funded at its target level, any additional unanticipated General Fund revenue will be used to fund the emergency reserve account, at a rate of two percentage points per year until it reaches its target level. If drawn upon, the emergency reserve account will be replenished in subsequent years.
- (f) Assigned Fund Balance - amounts the City intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governmental body delegates the authority such as the City and its management. All encumbered contracts or outstanding obligations made by the City at year-end that are not part of restricted or committed fund balance will be shown as assigned fund balance.
- (g) Unassigned Fund Balance - all amounts not included in other spendable classifications.

Fund Balance Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Budget Policies and Budgetary Accounting

Not later than November 1, the Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After proper official public notification, public hearings are conducted to obtain taxpayer comments. Not later than December 1, the budget is legally enacted through passage of an ordinance.

The City's budget ordinance is structured such that revenues are budgeted by source, and expenditures are budgeted by department and by principal object classification within a department. The City's charter provides that expenditures may not legally exceed appropriations either at a departmental level or at the principal object classification within a department. The Mayor's office is allowed to authorize the transfer of budgeted amounts from one budget activity to another within a principal object classification within the same department. Budgetary transfers between principal object classifications of the same department or between departments must be approved by the City Council. Throughout the year, several amendments to the budget were made by the City Council.

City of New Orleans Notes to Financial Statements

The City utilizes formal budgetary integration as a management control device during the year for the general and capital projects funds. Formal budgetary integration is not employed for the debt service and special revenue funds because effective budgetary control is alternatively achieved through other provisions. Unencumbered appropriations lapse at year-end. Current year transactions, which are directly related to a prior year's budget, are not rebudgeted in the current year.

The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that, on the budgetary basis, encumbrances are considered expendable from current appropriations and are reported as expenditures in order to reserve appropriations.

Encumbrances

Encumbrances representing purchase orders, contracts or other commitments are recorded in governmental fund-type budgetary funds to reserve portions of applicable appropriations. Encumbrances are part of the budgetary process and are included in actual expenditures when a comparison with budget is necessary. Encumbrances at year-end are not considered expenditures in the financial statements presented on the GAAP basis. Encumbrances are reported in the governmental fund-type balance sheet in the restricted, committed, or assigned fund balance classifications.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, January 31, 2023. See Note 18 for relevant disclosures. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Future Accounting Pronouncements

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements address:

- Leases;
- Subscription based information technology arrangements; and
- Compensated absences.

The City is currently evaluating the effects that these statements will have on its financial statements.

(2) Deposits and Investments

Deposits. The City's deposits are subject to and maintained in accordance with the State of Louisiana's Constitutional Revised Statutes (Revised Statutes). Under the Revised Statutes, all deposits exceeding the amount insured by the Federal Deposit Insurance Corporation (FDIC) are to be fully collateralized with specific approved securities designated therein valued at 102% of the deposits. The eligible collateral pledged are held in custody by any Federal Reserve Bank, or branch thereof or an independent third party with whom the City has a current custodial agreement. All collateral held must be clearly marked, indicating evidence of ownership (safekeeping receipt). Deposits collateralized under the Revised Statutes are considered collateralized with securities held by the pledging financial institutions trust department or agent in the City's name.

City of New Orleans Notes to Financial Statements

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it under state law. At December 31, 2021, the City's bank balances totaled \$322,141,591. The City has not experienced any losses resulting from bank failure and does not believe it is exposed to any significant credit risk relating to its cash balances. These bank deposits were completely secured by federal depository insurance or the pledge of securities held by the pledging banks agent in the City's name at December 31, 2021.

Investments. The City's investment policy states its primary objectives, in priority order, of investment activities shall be:

Safety: Safety/security of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

Liquidity: The City investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

Return on Investments: The investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with investment risks constraints and the cash flow characteristics of the portfolio. Return on investments shall be secondary to the safety and liquidity objectives described above. The core of investments is limited to qualified, relatively low-risk securities in anticipation of earning a fair return relative to the risk being assumed.

The City's investment policy applies to all investment activities of the City under the control of the Director of Finance, including management of certain investments related to governmental and custodial funds. All deposits and investments shall be made with a qualified public depository or dealer. Broker/Dealers are selected by their credit worthiness and must be authorized to provide investment services in the state of Louisiana. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule).

The City's policy also requires, to the extent possible, diversification of its investments by security type and institution. With the exception of U.S. Treasury securities, bank certificates of deposit (as limited by R.S.39:1242d), and authorized pools, no more than 25% of the City's total investment portfolio will be invested in a single security type or with a single financial institution. This diversification is required in order that potential losses on individual securities do not exceed the income of the remainder of the portfolio. Deviation from expectations will be reported in a timely manner and appropriate action taken to control adverse risks.

The City invests monies with the Louisiana Asset Management Pool (LAMP). LAMP is considered to be an external investment pool administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local Louisiana government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33.2955.

City of New Orleans Notes to Financial Statements

The following facts are relevant for LAMP:

- Credit risk: LAMP is rated AAA by Standard & Poor's.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate 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.

LAMP values its investments at fair value based on quoted market values. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares which approximates net asset value (NAV).

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and board of directors. LAMP is not registered with the SEC as an investment company. An annual audit of LAMP is conducted by an independent certified public accountant. LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

Interest Rate Risk – The City manages interest rate risk for investments under the control of the City by limiting the maximum maturity of investments in accordance with their investment policy. As stated in its investment policy, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, cash will not be invested in securities maturing more than three years from the date of purchase. At December 31, 2021, the governmental and custodial funds, investment balances and maturities for those fixed income investments were as follows (amounts in thousands):

	Less than one year
LAMP	\$ 146,966
Money market	338,196
U.S. Agency Securities	46,993
U.S. Treasury Bills	269,317
Total investments - fixed income	\$ 801,472

Credit Quality Risk – The City does not have a policy statement concerning credit quality risk in its investment policy. LAMP has been rated AAA by Standard & Poor's Corporation.

The Firefighters' pension trust fund's investment policy allows for investment in publicly-traded debt securities rated at or above Baa by Moody's and BBB by Standard and Poor's at time of purchase.

At December 31, 2021, no debt securities were held by the City.

City of New Orleans Notes to Financial Statements

Concentration of Credit Risk – The Municipal Employees’ pension trust fund’s investment policy limits the concentration in any one issuer to 5% of fair value. As of December 31, 2021, the Municipal Employees’ pension trust fund investments were in compliance with this policy.

The Firefighter’s Pension and Relief Fund’s investment policy states that no more than 25% of the equity portfolio market value may be invested in any single industry at the time of purchase. In addition, no more than 5% of total fund assets at market may be invested in any one issuer’s securities. The Firefighter’s pension trust fund was in compliance with the concentration of risk investment policy at December 31, 2021.

(3) **Fair Value Measurements**

The City measures and records its investments using fair value measurement guidelines established by GAAP. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than those in Level 1; and
- Level 3: Unobservable inputs.

Debt and equity securities classified as Level 1 are valued using prices quoted in active markets for those securities. Debt securities classified as Level 2 are valued using a matrix pricing technique. Investments classified as Level 3 are valued using unobservable inputs and are not directly corroborated with market data. The Firefighters’ Pension Trust Fund’s Level 3 investments consist primarily of real estate, either directly held or through a limited liability corporation or partnership investment. They are valued using independent appraisals or other market data.

City of New Orleans Notes to Financial Statements

A summary of the City's investments along with the fair value hierarchy levels of each type of investment (amounts in thousands) is as follows as of December 31, 2021:

	Total	Fair Value Measurement Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
Fixed income securities:				
Core fixed income	\$ 55,485	\$ -	\$ 55,485	\$ -
Corporate bonds - domestic	7,754	-	-	7,754
Opportunitstic Fixed Income	27,387	-	27,387	-
Taxable Bonds	7,844	7,844	-	-
Foreign fixed income	7,395	7,395	-	-
U.S. agency securities	46,983	-	46,983	-
U.S. treasury bonds	269,317	-	269,317	-
Total fixed income securities	422,165	15,239	399,172	7,754
Equity Securities:				
Domestic equities	224,942	224,942	-	-
Large Cap Equity Fund	19,825	19,825	-	-
Daily Accrual Equity Fund	4,847	4,847	-	-
International equities	75,792	75,792	-	-
Total domestic equities	325,406	325,406	-	-
Total equity securities	325,406	325,406	-	-
Alternative Investments:				
Global Tactical Allocations	37,996	16,537	14,161	7,298
Limited liability corporations	17,130	-	17,102	28
Hedge funds	11,860	-	-	11,860
Middle market debt	7,965	-	-	7,965
Real estate	25,161	-	-	25,161
Total alternative investments	100,112	16,537	31,263	52,312
Total Investments at Fair Value Level	\$ 847,683	\$ 357,182	\$ 430,435	\$ 60,066
Investments measured at amortized cost:				
Money market funds	\$ 378,871			
LAMP	146,966			
Total Investments at amortized cost	525,837			
Total Investments	\$ 1,373,520			
Investment balances by fund type:				
Governmental funds	\$ 782,971			
Fiduciary funds	590,549			
Total	\$ 1,373,520			

City of New Orleans
Notes to Financial Statements

(4) Tax Revenues

At December 31, 2021, the total sales tax levied in the City is 9.45%, of which 4.45% is state sales tax, 1.5% is levied by the Orleans Parish School Board (the School Board), and 1% is dedicated for transportation and is levied by the Regional Transit Authority (RTA). The remaining 2.5% is used to fund the general operations of the City. The City administers and collects the entire 5% of local sales tax. The School Board's portion of the sales tax is accounted for in the Orleans Parish School Board sales tax clearing fund, and the RTA's portion of the sales tax is accounted for in the RTA sales tax clearing fund, both of which are custodial funds.

The City levies a tax on real and personal property. Portions of these property taxes are dedicated for fire and police protection services and the public library system. Taxes on real and personal property are levied on January 1 of the assessment year based upon the assessed value as of the prior August 15. However, before the tax can be levied, the tax rolls must be submitted to the State Tax Commission for approval. Taxes are due and payable on January 1, the date on which an enforceable lien attaches on the property, and are delinquent on February 1.

The assessed value of property in the City for each year is determined by an elected Board of Assessors. It is then certified by the Louisiana Tax Commission as complying with the Louisiana Constitution of 1974. The City is permitted by the Louisiana statutes to levy taxes up to \$43.94 per \$1,000 of assessed valuation for the general fund (including library). The Board of Liquidation is permitted to levy taxes in unlimited amounts for the payment of principal and interest on general obligation bonds of the City.

Property tax levies per \$1,000 of assessed valuation accounted for within the funds of the City (primary government only) for the year ended December 31, 2021 are as follows:

General:	
General governmental services	\$ 13.91
Dedicated for fire and police	6.40
Public library	4.91
Fire and police, without applying homestead exemption	12.97
Parkways and parks and recreation department	2.79
Street and traffic control device maintenance	1.77
Act 44	1.19
Special revenue:	
Neighborhood Housing/Economical Development	0.91
Capital improvement and infrastructure	0.56
Debt service	19.50
	<u>\$ 64.91</u>

City of New Orleans
Notes to Financial Statements

Property taxes levied on January 1, 2021, collected during 2021, or expected to be collected within the first 60 days of 2022, are recognized as revenues in the statement of revenues, expenditures, and changes in fund balances – governmental funds. The entire estimated collectible amount of the tax levy for the fiscal year is recorded as revenue in the government-wide financial statements. Property taxes paid under protest are held in escrow until resolution of the dispute.

(5) Grantee Loans

The City has received certain grant awards or loans from the Department of Housing and Urban Development (HUD) for the purposes of providing loans to the private sector for completion of projects that will stimulate economic development activity in the City. The loans outstanding at December 31, 2021 total \$6,975,161, which bear interest at rates ranging from 0.1% to 7.0%. These loans are receivable over a 10 to 30 year period. Once loan repayments are received and the project is accepted by HUD, the City may use the amounts received for other allowable economic development activities specified in the grant agreement. The City has recorded \$6,418,398 in allowance for bad debt on these loans.

(6) Capital Assets

A summary of changes in capital assets of governmental activities (amounts in thousands) is as follows:

	Balance January 1, 2021	Additions	Deletions	Transfers	Balance December 31, 2021
Nondepreciable capital assets:					
Land	\$ 94,474	\$ -	\$ -	\$ -	\$ 94,474
Construction in progress	409,306	223,688	-	(73,654)	559,340
Total nondepreciable capital assets	<u>503,780</u>	<u>223,688</u>	<u>-</u>	<u>(73,654)</u>	<u>653,814</u>
Depreciable capital assets:					
Infrastructure	3,034,896	71,934	-	-	3,106,830
Buildings and improvements	902,348	2,226	-	-	904,574
Equipment and vehicles	133,808	2,590	-	-	136,398
Other	40,734	-	-	-	40,734
Total depreciable capital assets	<u>4,111,786</u>	<u>76,750</u>	<u>-</u>	<u>-</u>	<u>4,188,536</u>
Less accumulated depreciation for:					
Infrastructure	2,188,390	55,651	-	-	2,244,041
Buildings and improvements	305,515	36,733	-	-	342,248
Equipment and vehicles	112,799	6,041	-	-	118,840
Other	37,967	723	-	-	38,690
Total accumulated depreciation	<u>2,644,671</u>	<u>99,148</u>	<u>-</u>	<u>-</u>	<u>2,743,819</u>
Total depreciable capital assets, net	<u>1,467,115</u>	<u>(22,398)</u>	<u>-</u>	<u>-</u>	<u>1,444,717</u>
Total	<u>\$ 1,970,895</u>	<u>\$ 201,290</u>	<u>\$ -</u>	<u>\$ (73,654)</u>	<u>\$ 2,098,531</u>

City of New Orleans
Notes to Financial Statements

Depreciation expense was charged to functions/programs of the primary government as follows (amounts in thousands):

General government	\$	39,754
Public safety		3,021
Public works		55,651
Culture and recreation		723
Total depreciation expense		\$ 99,148

(7) Long-Term Debt

Debt Service Fund

The City’s debt service fund includes the Board of Liquidation, City Debt (the Board of Liquidation), an autonomous, self-perpetuating board created under the State of Louisiana Constitution of 1974. All property taxes levied by the City and dedicated to the payment of outstanding general obligation bonds are collected by the City and, as required by law, paid to the Board of Liquidation as collected.

The Board of Liquidation annually determines the amount of property tax millage necessary to be levied and collected by the City in the next fiscal year for the payment during such year of principal and interest on all outstanding general obligation bonds of the City and all such bonds proposed to be issued by the City during such year. The annual determination of the necessary tax millage to service bonds of the City is adopted by resolution of the Board of Liquidation, which is submitted to the City Council. The millage recommended by the Board of Liquidation is then levied by the City Council. The millages for the various limited bonds of the City were established at the time the bonds were issued based upon approval of the voters and are subject to change based on property values. Administrative expenditures paid in connection with the operations of the Board of Liquidation are recorded in the City’s Debt Service fund.

Bonds and Revenue Notes Transactions

The City issues general obligation bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. Bonds payable, excluding unamortized premium of \$82,132,000 and unamortized discount of \$250,000, at December 31, 2021 comprise the following (all bonds are serial bonds) (amounts in thousands):

Description	Original issue	Range of average interest rates	Amount outstanding	Due in one year
General obligation bonds:				
2013-2021 Public Improvement				
Bonds, due in annual				
installments ranging from \$3,895				
to \$17,760 through December 2050				
	\$ 565,000	1.24 – 6.1%	\$ 504,240	\$ 32,535

City of New Orleans
Notes to Financial Statements

<u>Description</u>	<u>Original issue</u>	<u>Range of average interest rates</u>	<u>Amount outstanding</u>	<u>Due in one year</u>
2012 General Obligation Refunding Bonds, due in annual installments ranging from \$750 to \$20,700 through December 2033	167,840	2.0 – 5.0%	85,975	\$ 8,645
2015 General Obligation Refunding Bonds, due in annual installments ranging from \$750 to \$7,855 through December 2034	75,440	3.0 – 5.0%	33,045	3,480
2016 General Obligation Refunding Bonds, due in annual installments ranging from \$915 to \$3,735 through December 2036	55,125	2.0-3.5%	43,900	2,195
Limited Tax Bonds:				
2012 Taxable Limited Tax Bonds, due in annual installments of \$9,775 to \$16,275 commencing September 2015 through September 2030	195,885	1.4-5.0%	123,210	11,570
2016 Taxable Limited Tax Bonds, due in annual installments of \$820 to \$1,135 commencing September 2017 through September 2026	10,000	2.57%	5,345	1,010
2017 Taxable Limited Tax Bonds, due in annual installments of \$620 to \$1,300 commencing September 2018 through September 2027	10,000	3.26%	6,780	970
2021 Taxable Limited Tax Bonds, due in annual installments of \$5,430 to \$15,315 commencing December 2022 through December 2030	120,735	4.00%	120,735	5,430
Revenue Bonds and Notes:				
2004 Variable Rate Revenue Bonds, due in annual installments from \$355 to \$865 through august 2024	11,500	Variable	2,475	785
2020 Taxable Revenue Notes, due in annual installments of \$7,875 to \$8,805 commencing September 2022 through September 2027	50,000	2.25%	50,000	7,875
2021 Taxable Revenue Notes, due in annual installments of \$675 to \$2,225 commencing November 2022 through November 2046	29,000	4.00%	29,000	675
Total Bonds and Revenue Notes			1,004,705	75,170
Premium and discount on bond issuance, net			81,881	6,164
			<u>\$ 1,086,586</u>	<u>\$ 81,334</u>

City of New Orleans Notes to Financial Statements

The payment requirements for all bonds and revenue notes outstanding as of December 31, 2021, are as follows (amounts in thousands):

	Publicly Issued Debt					
	General Obligation Bonds		Limited Tax Bonds		Revenue Bonds and Notes	
	Principal	Interest	Principal	Interest	Principal	Interest
Year ending December 31:						
2022	\$ 46,855	\$ 30,662	\$ 18,980	\$ 7,470	\$ 1,460	\$ 1,162
2023	43,020	28,823	27,865	7,251	1,530	1,134
2024	35,145	27,095	28,510	6,639	1,600	1,105
2025	30,355	25,528	29,245	5,939	765	1,075
2026	29,445	24,211	30,085	5,130	795	1,045
2027-2031	124,935	102,514	121,385	10,981	4,495	4,720
2032-2036	107,200	75,448	-	-	5,485	3,745
2037-2041	93,335	52,015	-	-	6,700	2,554
2042-2046	94,460	28,979	-	-	8,645	1,100
2047-2050	62,410	7,991	-	-	-	-
	\$ 667,160	\$ 403,266	\$ 256,070	\$ 43,410	\$ 31,475	\$ 17,640

	Direct Placement			
	Revenue Bonds and Notes		Total	
	Principal	Interest	Principal	Interest
Year ending December 31:				
2022	\$ 7,875	\$ 1,125	\$ 75,170	\$ 47,169
2023	8,055	948	80,470	45,263
2024	8,235	767	73,490	43,074
2025	8,420	581	68,785	40,962
2026	8,610	392	68,935	38,996
2027-2031	8,805	198	259,620	127,020
2032-2036	-	-	112,685	79,193
2037-2041	-	-	100,035	54,569
2042-2046	-	-	103,105	30,079
2047-2050	-	-	62,410	7,991
	\$ 50,000	\$ 4,011	\$ 1,004,705	\$ 514,316

The City's legal debt limit for General Obligation Bonds is \$1,673,524,000. At December 31, 2021, the City's legal debt margin adjusted for outstanding principal of \$667,160,000 plus fund balance available in the Debt Service Fund of \$237,662,000 to service this debt was \$ 1,244,026,000.

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of money through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverages. At December 31, 2021, management believes it is in compliance with all financial related covenants.

The general obligation and public improvement bonds are collateralized by unlimited taxation on all real taxable property in the City and backed by the full faith credit of the City. The limited tax and revenue bonds are secured by and payable from an irrevocable pledge and dedication of the funds to be derived by the City from the levy and collection of ad valorem taxes. The revenue bonds are also additionally secured by any and all revenues received by the City in any fiscal year while the notes are outstanding.

City of New Orleans Notes to Financial Statements

The events of default with finance-related consequences and related termination events in the bond agreements are as follows:

- Revenue Bonds, Series 2004 – In the event of default (non-payment of debt), all Series 2004 bonds must be declared immediately due and payable in accordance with the default and acceleration provisions of the indenture, in which case, the Trustee is required to draw on a letter of credit to the pay the remaining principal and interest due.
- Limited Tax Bonds, Series 2012 – In the event of default, moneys in the Reserve Fund shall be transferred to the Sinking Fund but used only to make payments that are due or are to become due on the Bonds.

Taxable Revenue Note, Series 2020

In 2020, the City issued a \$50,000,000 Taxable Revenue Note for the purpose of funding the City's operations and paying off the cost of the issuance of debt. \$10,000,000 was received by the City in 2020. The remaining \$40,000,000 was received in 2021. Interest on the bonds is due semiannually at the rate of 2.25% commencing March 1, 2021. Principal payments are due annually, commencing September 1, 2022 and maturing on September 1, 2027.

Public Improvement Bonds, Series 2021

In 2021, the City issued a \$285,000,000 Public Improvement Bonds for the purpose of funding Capital Projects. Interest on the bonds is due annually at the rate of 3.025% commencing December 1, 2022. Principal payments are due annually, commencing December 1, 2022 and maturing on December 1, 2050.

Taxable Public Improvement Bonds, Series 2021

In 2021, the City issued a \$15,000,000 Taxable Improvement Bonds for the purpose of funding Capital Projects. Interest on the bonds is due annually at the rate of 0.080% commencing December 1, 2022. Principal payments were due annually, commencing December 1, 2022; however, the bonds were fully paid off as of the year ended December 31, 2021.

Limited Taxable Bonds, Series 2021

In 2021, the City issued a \$120,735,000 Limited Taxable Bonds for the purpose of defeasing and refunding those maturities of the City's outstanding Taxable Limited Tax Refunding Bonds, Series and paying the costs of issuance of the Bonds. Interest on the bonds is due annually at the rate of 4.00% commencing December 31, 2022. Principal payments are due annually, commencing December 31, 2022 and maturing on December 31, 2030.

Revenue Bonds, Series 2021

In 2021, the City issued a \$29,000,000 Revenue Bonds for the purpose of (i) financing additions, acquisitions, repairs and/or expansions needed for coastal restoration, protection and for other activities and endeavors permitted under the provisions of the Gulf of Mexico Energy Security Act of 2006 ("GOMESA"), (ii) funding a debt service reserve fund and other related costs, (iii) funding capitalized interest on the Bonds, and (iv) paying the costs of issuance of the Bonds. Interest on the bonds is due annually at the rate of 4.00% commencing November 1, 2021. Principal payments are due annually, commencing November 1, 2022 and maturing on November 1, 2046.

City of New Orleans
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Debt Service Assistance Program

The City entered into a cooperative endeavor agreement with the State of Louisiana to provide for the issuance of general obligation bonds of the State of Louisiana (GO Zone Series) to fund the debt service assistance loan program, which will make scheduled debt service payments on behalf of the City for certain issues of outstanding debt. At issuance, the loans were payable beginning in 5 years in equal installments over 15 years commencing in 2012. Interest was deferred during the initial 5-year period and then accrues at a rate of 4.64% during the repayment period. The loan balance at December 31, 2021 is \$21,487,900. This debt is a direct borrowing. There are no stated events of default with finance-related consequences in the agreement.

The requirements to amortize the debt service assistance loan are as follows (amounts in thousands):

	Principal	Interest
Year ending December 31:		
2022	\$ 3,917	\$ 997
2023	4,099	815
2024	4,289	625
2025	4,488	426
2026	4,696	218
	\$ 21,488	\$ 3,081

Vehicle Notes Payable

In 2017, the City entered into two loan agreements for \$5,000,000 and \$4,200,000 for the purchase of vehicles. The loans are payable over 10 years and 4 years, respectively, beginning in 2018 and accrue interest at a fixed rate of 2.66% and 1.93%, respectively. These loans are direct borrowings and are secured by the equipment purchased with the loan proceeds.

The requirements to amortize the vehicle loans are as follows (amounts in thousands):

	Principal	Interest
Year ending December 31:		
2022	\$ 491	\$ 85
2023	504	72
2024	517	59
2025	531	45
2026	545	31
2027-2031	609	16
	\$ 3,198	\$ 308

Compensated Absences

The City has recorded \$56,040,000 in accrued annual and sick leave in accordance with its pay-out policies. During the year active employees earned and used \$21,100,140 and \$20,329,981, respectively, in sick and vacation leave benefits. The entire annual and sick liability is recorded in the government wide statements, and no liability is recorded in the governmental funds.

City of New Orleans
Notes to Financial Statements

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2021 was as follows (amounts in thousands):

	<u>January 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2021</u>	<u>Due in one year</u>
Claims and judgments (note 14)	\$ 418,994	\$ 84,550	\$ (93,253)	410,291	\$ 33,104
Landfill closing costs (note 14)	3,797	-	(113)	3,684	129
Accrued annual and sick leave	55,269	21,100	(20,330)	56,039	5,000
Revenue bonds	13,225	69,000	(750)	81,475	1,460
General obligation bonds (a)	433,695	300,000	(66,535)	667,160	46,855
Limited tax bonds	152,246	120,735	(16,911)	256,070	13,550
Premium on bonds payable	15,480	73,460	(6,808)	82,132	6,236
Discount on bonds payable	(327)	-	77	(250)	(72)
Debt service assistance program	25,231	-	(3,743)	21,488	3,917
Note payable	4,716	42	(1,560)	3,198	491
Net pension liability (note 8)	968,753	-	(106,012)	862,741	-
Post-employment benefit (note 9)	173,245	-	(398)	172,847	10,193
	<u>\$ 2,264,324</u>	<u>\$ 668,887</u>	<u>\$ (316,336)</u>	<u>\$ 2,616,875</u>	<u>\$ 120,863</u>

The long-term liabilities will be repaid from the General Fund, except for the General Obligation, Limited Tax Bonds, Taxable Limited Tax Refunding Bonds and a portion of the Debt Service Assistance Loan Program, which will be repaid from the Debt Service Fund. The Board of Liquidation handles all the General Obligation bonded debt of the City and the Limited Tax Bonds and results of its operations are reported in the debt service fund. At December 31, 2021, the debt service fund had \$237,662,000 in fund balance restricted for debt service.

(8) Pension Plans and Postretirement Healthcare Benefits

Pension Plans

At December 31, 2021, the City sponsors and administers three separate single-employer, contributory defined benefit pension plans, namely: (1) Firefighters' Pension and Relief Fund – Old System (Old System); (2) Firefighters' Pension and Relief Fund – New System (New System); and (3) Police Pension Fund (Police Fund). In addition, the City participated in the Employees' Retirement System of the City of New Orleans (Employees' Plan) which is a single employer defined benefit plan. Employers in the Employee's Plan include the City, some of the City's component units, and other entities within the City of New Orleans for which the City processes payroll. The Old System covers firefighters who were employed prior to December 31, 1967; the New System covers firefighters hired since that date. Effective March 6, 1983, all members of the Police Plan, active and retired, except for approximately 250 participants who did not meet the eligibility requirements, became members of the Municipal Police Employees' Retirement System (State of Louisiana) (MPERS). The Police Fund of the City will remain responsible for the payment of certain benefits due to differences in length of service and age requirements for the participants who were not transferred to the MPERS plan. MPERS is the only cost-sharing, multiple-employer retirement plan in which employees of the City participate. The Employees' Plan covers all City employees other than firefighters and police.

All four plans use the accrual basis of accounting for changes in net position. Within this context, interest income is recognized when earned, employer and employee contributions when they are due to the plans, except in the case of the Police Plan, which recognizes employer contributions when due from the City. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The pension plans' fiduciary net positions have been determined on the same basis used by the pension plans. Each of the Systems issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing, calling or downloading the reports as follows:

City of New Orleans
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Employees' Retirement System of the City of New Orleans
1300 Perdido Street, Suite 1E12, New Orleans, Louisiana 70112
(504) 658-1850

Police Pension Fund of the City of New Orleans
715 S. Broad, Room B23, New Orleans, Louisiana 70119
(504) 826-2900

Firefighters' Pension and Relief Fund of the
City of New Orleans (Old and New Systems)
3520 General DeGaulle Drive, New Orleans, Louisiana 70114
(504) 366-8102

Municipal Police Employees' Retirement System
7722 Office Park Boulevard, Baton Rouge, Louisiana 70809
(800) 443-4248
lampers.org

Plan Descriptions:

Employees' Plan, Firefighters' Pension and Relief Fund – Old and New System

Each plan is a defined benefit pension plan established by the State of Louisiana statute, which provides retirement, disability, and death benefits, and annual cost-of-living adjustments to plan members and beneficiaries. Authority to establish and amend benefit provisions is provided under the laws of the State of Louisiana.

At December 31, 2021, the New System and Old System's membership consisted of:

	New System	Old System
Inactive members or beneficiaries receiving benefits	796	374
Inactive members entitled to but not yet receiving benefits	86	-
Active members	464	-
Total participants December 31, 2021	1,346	374

Municipal Police Employees' Retirement System (MPERS)

On March 6, 1983, an agreement was signed among the City, the Police Pension Funds of the City of New Orleans, and the MPERS, which provided for the merger of the Police Pension Plans with the MPERS. As of that date, all members of the Police Pension Plans, active and retired, became members of the MPERS. Those members covered by the system who did not meet the age and service requirements of the MPERS will be paid by the Police Pension Fund of the City until they reach age 50 or 55, depending on the length of active service.

The Municipal Police Employees' Retirement System is the administrator of a cost-sharing multiple-employer plan. Membership in MPERS is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing he or she does not have to pay social security and providing he or she meets the statutory criteria. MPERS provides retirement benefits for municipal police officers. The projections of benefit payments in the calculation of the total

City of New Orleans Notes to Financial Statements

pension liability includes all benefits to be provided to current active and inactive employees through MPERS in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211-11:2233.

Employees become eligible for retirement under the MPERS plan at age 50 and after 20 years of active continuous service. An employee who is age 55 becomes eligible for retirement benefits after 16 years of active continuous service. The Plan also provides death and disability benefits. Authority to establish and amend benefit provisions is provided under the laws of the State of Louisiana.

Funding Policy

The employer contributions for the Employees' Plan and the Firefighters' Pension and Relief Fund (New System) are based on actuarially determined amounts. The employer contribution for the Police Pension Fund is based on amounts necessary to cover administrative costs and payments of pensions and benefits, as certified by the board of trustees of the Fund. The employer contribution for the Firefighters' Pension and Relief Fund (Old System) is based on amounts necessary to pay current expenses, and, in effect, is being funded on a "pay-as-you-go" basis. As a result of the merger contract with the MPERS to transfer all active policemen who were participating in the City's Police Pension Fund to MPERS, there were no active participants in the plan and therefore the only contributions by employees to the plan related to retirees' contributions for the purchase of military service credit.

Contribution rates for each plan are as follows:

	City	Employee
Firefighters Pension and Relief Fund Old System	Actuarially determined contributions plus budget allocations determined by the City	N/A – No active employees
New System	Actuarially determined contributions plus budget allocations determined by the City	10.00% of pensionable compensation
Employees' Plan	Actuarially determined contributions less member contributions	6% of pensionable compensation
Municipal Police Employees' Retirement System	33.75 – 36.25%	7.50 - 10.00%

The contributions made by the City to the plans during 2021 were as follows:

Firefighters Pension and Relief Fund		
Old System	\$	13,872,000
New System		35,290,000
Employees' Plan		17,447,000
Municipal Police Employees' Retirement System		23,951,000

The Firefighters' pension fund receives fire insurance taxes of 2% of the fire insurance premiums written in the City of New Orleans. In 2021, the amount of \$1,522,000 received as a result of this tax was divided between the New System and Old System.

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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

The City’s net pension liability at December 31, 2021 is comprised of the entire net pension liability relating to the City’s single employer plans for the Firefighters Pension and Relief Fund and the Employees’ Plan and the City’s proportional share of the net pension liability relating to the cost sharing plan in which the City is a participating employer, Municipal Police Employees’ Retirement System. These were measured as of the following dates:

<u>Plan</u>	<u>Measurement Date</u>
Firefighters Pension and Relief Fund	
Old System	December 31, 2020
New System	December 31, 2020
Employees’ Plan	December 31, 2021
Municipal Police Employees’ Retirement System	June 30, 2021

The City’s proportion of the Net Pension Liability for its cost-sharing plan was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

	<u>MPERS</u>
Proportionate share of net pension liability	\$ 249,666,000
City Proportion (%) of net pension liability	25.2657%
Increase/(decrease) from prior measurement date	-2.2255%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts regarding the net pension liability are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. For Firefighters’ Pension and Relief Trust Old System and Firefighters’ Pension and Relief Trust New System, the actuarial assumptions used in the December 31, 2020 valuations were based on results of an experience study for the period from January 1, 2020 to December 31, 2020. For Employees Retirement System, the actuarial assumptions used in the December 31, 2021 valuation was based on results of an experience study for the period from January 1, 2021 to December 31, 2021.

The required Schedule of Net Pension Liability located in the required supplementary information following the Notes to Financial Statements presents multi-year trend information regarding whether the plan fiduciary net position is increasing or decreasing over time relative to the total pension liability. The total pension liability as of December 31, 2021 or December 31, 2020 is based on actuarial valuations for the same period, updated using generally accepted actuarial procedures.

For the year ended December 31, 2021, the City will recognize a pension expense of \$4,984,000, \$7,421,000, \$29,116,000, and \$16,501,000 for the Old System, New System, Employees’ Plan, and MPERS, respectively, in payroll related expense on the statements of revenues, expenses, and changes in net position. Non-employer contributions for MPERS are \$5,763,000 for 2021.

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At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pension plans for governmental activities from the following sources:

	Firefighters Old System	Firefighters New System	Employees' Plan	MPERS	Total
<u>Deferred outflows of resources:</u>					
Difference between expected and actual experience	\$ -	\$ 19,556,000	\$ 895,000	\$ -	\$ 20,451,000
Changes of assumptions	-	25,862,000	15,934,000	15,225,000	57,021,000
Net difference between projected and actual earnings on pension plan investments	243,000	3,131,000	29,148,000	-	32,522,000
Changes in proportion and difference between employer contributions and proportionate share of contributions	-	-	-	9,753,000	9,753,000
Employer contributions subsequent to the measurement date	13,872,000	35,290,000	-	11,460,000	60,622,000
Total deferred outflows	<u>\$ 14,115,000</u>	<u>\$ 83,839,000</u>	<u>\$ 45,977,000</u>	<u>\$ 36,438,000</u>	<u>\$ 180,369,000</u>
<u>Deferred inflows of resources:</u>					
Difference between expected and actual experience	\$ -	\$ 19,700,000	\$ 5,820,000	\$ 4,234,000	\$ 29,754,000
Changes of assumptions	-	-	16,232,000	3,922,000	20,154,000
Net difference between projected and actual earnings on pension plan investments	-	-	39,433,000	64,192,000	103,625,000
Changes in proportion and difference between employer contributions and proportionate share of contributions	-	-	-	9,494,000	9,494,000
Total deferred inflows	<u>\$ -</u>	<u>\$ 19,700,000</u>	<u>\$ 61,485,000</u>	<u>\$ 81,842,000</u>	<u>\$ 163,027,000</u>

The \$60,622,000 of deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the year ended December 31, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for governmental activities will be recognized in pension expense as follows:

	Firefighters Old System	Firefighters New System	Employee's Plan	MPERS	Total
2022	\$ 137,000	\$ 13,503,000	\$ 10,899,000	\$ (7,755,000)	\$ 16,784,000
2023	53,000	11,907,000	(9,891,000)	(15,847,000)	(13,778,000)
2024	31,000	2,294,000	(10,337,000)	(11,146,000)	(19,158,000)
2025	22,000	1,146,000	(6,178,000)	(22,115,000)	(27,125,000)
	<u>\$ 243,000</u>	<u>\$ 28,850,000</u>	<u>\$ (15,507,000)</u>	<u>\$ (56,863,000)</u>	<u>\$ (43,277,000)</u>

City of New Orleans
Notes to Financial Statements

Actuarial Assumptions:

The total pension liability was determined as of December 31, 2021, using the following actuarial assumptions:

	Old System	New System
Valuation date	December 31, 2020	December 31, 2020
Actuary cost method	Entry age normal	Entry age normal
Actuarial assumption:		
Investment rate of return	2.12%, net of investment expense (2.74%, net of investment expense in 2020)	7.5%, net of investment expense
Inflation rate	N/A	0.00%
Mortality	1994 Uninsured Pensioner Table for active and retired; 1994 Uninsured Pensioner Table set forward 5 years for disabled annuitants.	1994 Uninsured Pensioner Table for active and retired; 1994 Uninsured Pensioner Table set forward 5 years for disabled annuitants.
Salary increases	N/A	0.00%

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	Employees' System	MPERS
Valuation date	December 31, 2021	June 30, 2021
Actuary cost method	Entry age normal	Entry age normal cost
Actuarial assumption:		
Investment rate of return	7.25%, net of investment expense	6.750%, net of investment expense (6.950%, net of investment expense in 2020)
Inflation rate	2.5%	2.5%
Mortality	<i>Healthy Pre-Retirement:</i> PubG-2010 Employee Mortality Tables, amount-weighted, projected generationally with Scale MP-2020; <i>Healthy Post-Retirement:</i> PubG-2010 General Healthy Retiree Tables, amount-weighted, projected generationally with Scale MP-2020; <i>Disabled:</i> PubNS-2010 Non-Safety Disabled Retiree Tables, amount-weighted, projected generationally with Scale MP-2020	Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale for healthy annuitants and beneficiaries. Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale for disabled lives. Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale for active members.
Salary increases	Age-based annual rates ranging from 10% to 3.2%	4.70% to 12.30% based on years of service

The forecasted long-term expected rate of return on Pension Trust Fund investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are development for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by an asset allocation percentage which is based on the nature and mix of current and expected plan investments, and by adding expected inflation.

City of New Orleans Notes to Financial Statements

The estimated long-term real rates of return for each major asset class based on the trust funds' target asset allocation are as follows:

	Firefighters' Old System as of December 31, 2020	
Asset Class	Target Asset Allocation	Long-term expected portfolio real rate of return
Cash and cash equivalents	100.0%	5.00%

	Firefighters' New System as of December 31, 2020	
Asset Class	Target Asset Allocation	Long-term expected portfolio real rate of return
Equity securities	60.0%	4.66%
Fixed Income	20.0%	0.56%
Real Estate	10.0%	0.45%
Alternative investments	10.0%	0.63%

	Employees' Retirement System as of December 31, 2021	
Asset Class	Target Asset Allocation	Long-term expected portfolio real rate of return
Cash and cash equivalents	2.0%	1.50%
Domestic equity	42.5%	45.70%
International equity	14.0%	14.10%
Fixed income	22.0%	18.20%
Real estate	5.0%	5.30%
Hedge funds and GTAA	9.5%	8.60%
Private investments	5.0%	6.60%

	MPERS as of June 30, 2021	
Asset Class	Target Asset Allocation	Long-term expected portfolio real rate of return
Equity	55.50%	3.47%
Fixed income	30.50%	0.59%
Alternative	14.00%	1.01%
Totals	100%	5.08%
Inflation		2.22%
Expected nominal return		7.30%

City of New Orleans
Notes to Financial Statements

Discount Rate

The discount rate used to measure the total pension liability was 7.25% for the Employees' Retirement System, 7.50% for the Firefighters' New System, 2.12% for the Firefighters' Old System, and 6.75% for the Municipal Police Employees' Retirement System for 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that the plan's contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the Employees' Plan, MPERS, and New System pension trust funds' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The Firefighters' Old System's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members. Therefore, the discount rate for the Old System was determined using a municipal bond rate (2.12%) and applied to all projected future benefit payments of current plan members.

Changes in Net Pension Liabilities

The change in net pension liabilities for the year ended December 31, 2021 is as follows:

Firefighters' Old System

Change in Net Pension Liability	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Service cost	\$ -	\$ -	\$ -
Interest on the total pension liability	3,076,091	-	3,076,091
Difference between expected and actual experience	(31,205)	-	(31,205)
Changes of assumptions and other inputs	16,644,856	-	16,644,856
Contributions – employer	-	15,282,529	(15,282,529)
Net investment income	-	27,012	(27,012)
Benefit payments and net transfers	(13,154,058)	(13,154,058)	-
Administrative expense	-	(355,799)	(355,799)
Net Change	6,535,684	1,799,684	4,736,000
Net Pension Liability, Beginning	118,843,114	5,487,649	113,355,465
Net Pension Liability, Ending	\$ 125,378,798	\$ 7,287,333	\$ 118,091,465

City of New Orleans
Notes to Financial Statements

Firefighters' New System

Change in Net Pension Liability	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Service cost	\$ 7,532,704	\$ -	\$ 7,532,704
Interest on the total pension liability	31,226,471	-	31,226,471
Difference between expected and actual experience	(19,459,842)	-	(19,459,842)
Changes of assumptions and other inputs	25,414,108	-	25,414,108
Contributions – employer	-	34,225,585	(34,225,585)
Contributions - member	-	3,089,859	(3,089,859)
Net investment income	-	4,412,809	(4,412,809)
Benefit payments and net transfers	(32,863,222)	(32,863,222)	-
Administrative expense	-	(786,610)	786,610
Net Change	11,850,219	8,078,421	3,771,798
Net Pension Liability, Beginning	432,784,552	41,949,945	390,834,607
Net Pension Liability, Ending	\$ 444,634,771	\$ 50,028,366	\$ 394,606,405

Employees' System

Change in Net Pension Liability	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Service cost	\$ 9,134,092	\$ -	\$ 9,134,092
Interest on the total pension liability	42,740,865	-	42,740,865
Changes of benefit terms	-	-	-
Difference between expected and actual experience	12,277,193	-	12,277,193
Changes of assumptions and other inputs	(3,579,232)	-	(3,579,232)
Contributions – employer	-	17,446,973	(17,466,973)
Contributions - member	-	6,856,900	(6,856,900)
Net investment income	-	57,172,086	(57,172,086)
Benefit payments and net transfers	(42,005,850)	(42,005,850)	-
Administrative expense	-	(451,348)	451,348
Transfers into the System	-	777,741	(777,741)
Changes in allocation percentage	-	2,744,526	(2,744,526)
Net Change	18,567,068	37,051,976	(18,484,908)
Net Pension Liability, Beginning	627,701,040	396,651,813	231,049,227
Net Pension Liability, Ending	\$ 646,268,108	\$ 433,703,789	\$ 212,564,319

City of New Orleans
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Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table presents the net pension liabilities of the City as of December 31, 2021, calculated using the discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1.0% Decrease	Current Discount Rate	1.0% Increase
<u>Old Plan</u>			
Rates	1.12%	2.12%	3.12%
NPL	\$ 126,190,000	\$ 118,091,000	\$ 110,073,000
<u>New Plan</u>			
Rates	6.50%	7.50%	8.50%
NPL	\$ 432,906,000	\$ 394,606,000	\$ 359,198,000
<u>Employees' Plan</u>			
Rates	6.25%	7.25%	8.25%
NPL	\$ 283,132,000	\$ 212,564,000	\$ 153,694,000
<u>MPERS</u>			
Rates	5.750%	6.750%	7.750%
City Share of NPL	\$ 239,604,000	\$ 137,479,000	\$ 52,239,000

Investment Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended December 31, 2021, the annual money-weighted rates of return on pension plan investments, net of pension plan investment expenses, was 4.86% for the Employees' Retirement System, 10.16% for the Firefighters' New System, and 0.25% for the Firefighters' Old System.

(9) Postretirement Healthcare Benefits and Life Insurance Benefits

General Information about the OPEB Plan

Plan description – The City provides certain continuing health care and life insurance benefits for its retired employees. The City of New Orleans's OPEB Plan (the OPEB Plan) is a single employer defined benefit OPEB plan administered by the City. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the City. No assets are accumulated in a trust that meets the criteria in GASB Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

Benefits Provided – Medical benefits are provided through a self-insured comprehensive health benefit program. Full details are contained in the official plan documents. Medical benefits are provided to employees upon actual retirement (that is, at the end of the DROP period, if applicable) according to the retirement eligibility provisions of the System by which the employee is covered. Most City employees are covered by one of three primary systems: The Employees' Retirement System of the City of New Orleans, the Louisiana State Municipal Police Retirement System, and the New Orleans Firefighters' Pension and Relief Fund

City of New Orleans
Notes to Financial Statements

(NOFF). The maximum DROP period is five years in Employees' Plan and NOFF and three years in MPERS. Retirement (DROP entry) eligibility is as follows: in Employees' Plan, the earliest of 30 years of service at any age; age 60 and 10 years of service; age 65 and 20 years of service; or, satisfaction of the "Rule of 80" (age plus service equals or exceeds 80); in MPRS, the earlier of 25 years of service and age 50 and 20 years of service (in MPERS, DROP entry requires age 55 and 12 years of service or 20 years of service and eligibility to retire); in NOFF, age 50 and 12 years of service. However, because of the "back-loaded" benefit formula in the NOFF plan relative to years of service, the retirement assumption used for that plan was the earliest of age 50 and 30 years of service, age 55 and 25 years of service, and age 60 and 12 years of service to reflect the actual patterns of retirement and DROP entry in that system. For firefighters hired after August 15, 2016, the minimum age for DROP entry/retirement eligibility is the Social Security maximum retirement age less 10 years.

Employees covered by benefit terms – At December 31, 2021, the following employees were covered by the benefit terms (includes employees of the City and other agencies in the plan):

Inactive employees or beneficiaries currently receiving benefit payments	1,764
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>4,989</u>
	<u><u>6,753</u></u>

Total OPEB Liability

The City's total OPEB liability of \$172,847,000 was measured as of December 31, 2021 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	2.12% annually, beginning of year 2.06%, annually, end of year
Healthcare cost trend rates	5.5% annually
Mortality	RP-2000 Table without projection

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2021, the end of the applicable measurement period.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009 to December 31, 2021.

City of New Orleans
Notes to Financial Statements

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

The City is the sponsor of the OPEB Plan, which the City allows the employees of its component units and other city organizations and agencies to participate in the OPEB Plan. At December 31, 2021, the City's proportion of the total OPEB liability was 86.52%, an increase of 1.15% from 2020.

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.12%) or 1-percentage-point higher (3.12%) than the current discount rate:

	1.0% Decrease (1.12%)	Current Discount Rate (2.12%)	1.0% Increase (3.12%)
City of New Orleans	\$ 208,895,000	\$ 172,847,000	\$ 145,023,000

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Healthcare Cost Trend Rate (5.5%)	1.0% Increase (6.5%)
City of New Orleans	\$ 148,523,000	\$ 172,847,000	\$ 204,646,000

For the year ended December 31, 2021, the City recognized OPEB expense of \$16,267,000. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (amounts in thousands):

	Deferred Outflows	Deferred Inflows
Differences between actual and expected experience	\$ 13,678	\$ (6,822)
Changes in assumptions	27,810	(7,683)
	\$ 41,488	\$ (14,505)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending December 31:	
2022	5,142,225
2023	5,142,225
2024	5,142,224
2025	5,142,223
2026	515,697
Thereafter	5,898,905
	\$ 26,983,499

(10) Individual Fund Disclosures

Deficit Fund Equity

At December 31, 2021, the FEMA fund had a deficit fund balance in the amounts of approximately \$20,724,000. The deficit fund balances in the FEMA fund is a result of accrued expenditures for which no revenue has been recognized due to the modified accrual basis of accounting in which revenues are not recognized if the receipts are more than 60 days after year-end. The City plans to fund this deficit with future revenues. The City is currently pursuing obtaining FEMA approval for projects that have been completed by the City and increases in funding for projects that have already been approved by FEMA. If the City is not able to obtain increased funding, the deficit will be funded by the general fund.

At December 31, 2021, the following special revenue non-major funds had deficit balances:

Special Revenue Non-major Fund	Deficit Amount
Department of Housing and Urban Development	\$ 25,281,000
Louisiana Office of Community Development	396,000
Federal Justice Administration	88,000
FDJ Office of Justice Program	591,000
Federal Department of Health	1,989,000
Department of Homeland Security	239,000
Louisiana Commission on Law Enforcement	54,000
Department of Labor	2,447,000
Corporation of National and Community Service	8,000
Federal Department of Transportation	219,000
FHWA Federal Highway Commission	2,000
Louisiana Department of Administration	606,000
	\$ 31,920,000

The deficit fund balances in these special revenue non-major funds result from accrued expenditures for which no revenue has been recognized. The City plans to fund these deficits with future revenues. In addition, the negative unassigned fund balance would also need to be covered through either assigned or committed fund balance or with future revenues.

Interfund Receivables and Payables

Interfund balances resulted from the time lag between the dates (1) when interfund services are provided or reimbursable expenditures occur and (2) payments between funds are made. For example, the General Fund originally incurred expenditures that were ultimately recorded in the FEMA grant and reimbursed by the federal government. The interfund balances between the General Fund and Nonmajor Funds result from timing differences in the payment for services and reimbursement from the federal government. The interfund balances are not expected to be repaid within the year.

City of New Orleans
Notes to Financial Statements

Individual fund interfund receivables and payables at December 31, 2021 were as follows (amounts in thousands):

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
<u>Due to / from other funds</u>		
General Fund	Capital Projects	\$ 28,791
	Nonmajor	2,879
	Federal Treasury Fund	7,398
Nonmajor	Nonmajor	10
		<u>39,078</u>
<u>Advances to / from other funds</u>		
General Fund	FEMA	20,828
	Nonmajor	20,859
		<u>41,687</u>
Total interfund balances		<u>\$ 80,765</u>

Fund Transfers

Individual fund transfers for the year ended December 31, 2021 were as follows (amounts in thousands):

	<u>Transfers-in</u>	<u>Transfers-out</u>
General	\$ -	\$ (2,947)
Capital projects	371,857	-
Debt service fund	2,947	(371,853)
Nonmajor funds	-	(5)
	<u>\$ 374,804</u>	<u>\$ (374,804)</u>

Transfers are used to (1) move revenues from the fund that statute or the budget requires to collect them to the fund that the statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds.

Charges to Component Units for Support Services

Charges for support services paid by the Airport to the general fund during fiscal year 2021 amounted to \$5,442,000 primarily for overhead reimbursement and fire protection.

The City does not charge the Downtown Development District, French Market Corporation, the Municipal Yacht Harbor Management Corporation, or New Orleans Building Corporation for any support services provided to them. In addition, the City does not charge rent to the Audubon Commission for the land which is owned by the City on which the golf course operates.

City of New Orleans
Notes to Financial Statements

(11) Fund Balance

Fund balances for the City’s governmental funds consisted of the following as of December 31, 2021:

Non-Spendable Fund Balance – Non-spendable fund balance in the general fund represents advances to the FEMA fund and HUD fund that are not expected to be paid within the next year. The non-spendable fund balance on the special revenue funds is made up of long-term grantee loan receivables and trust accounts.

Restricted Fund Balance – The restricted fund balance in the special revenue funds is made up of balances restricted for purposes as designated in the grant agreements. The restricted fund balance on the debt service fund is made up of balances restricted for future debt service. The restricted fund balance in the capital projects fund includes unspent proceeds from bond issuances, grants, and donations that are restricted for capital improvements. The restricted fund balance in the General Fund includes unspent proceeds related to the BP Oil spill.

Committed Fund Balance – The committed fund balance on the general fund is made up of funds designated by the City Council to be used to fund future litigation costs and public libraries. The committed fund balance on the special revenue funds consists of unrestricted donations and grants committed for various projects by the City Council.

Assigned Fund Balance –The assigned fund balance on the special revenue funds are unrestricted donations and other funds assigned by the Council or management for various projects. The assigned fund balance on the general fund is made up of funds designated by the City Council or management to be used to fund future litigation costs, public libraries, and to cover deficits of other funds.

Unassigned Fund Balance – The unassigned fund balance includes all amounts not included in other spendable classifications.

(12) Summary of Sales Tax Collections Remitted to Other Taxing Authorities

Act 711 of the Louisiana Legislative Session amended LRS 24:513 B to provide required note disclosure in the financial statements for local governments that collect tax for other taxing jurisdictions. Listed below are sales tax collections and distributions to other parish governmental agencies during 2021 (amounts in thousands).

	<u>Total Collections</u>	<u>Collection Cost</u>	<u>December 2021 Payment Distributed in 2022</u>	<u>December 2020 Payment Distributed in 2020</u>	<u>Final Distribution</u>
Orleans Parish School Board	\$ 126,559	\$ (1,923)	\$ (12,088)	\$ 8,541	\$ 121,090
Regional Transit Authority	78,491	(1,188)	(7,582)	5,214	74,935
Total	<u>\$ 205,050</u>	<u>\$ (3,110)</u>	<u>\$ (19,669)</u>	<u>\$ 13,755</u>	<u>\$ 196,025</u>

(13) Interest Income

Interest earned on investments held by the City’s capital projects fund, certain special revenue funds (Sidewalk Paving and Repairing, Traffic Court Judicial Expense, Department of Safety and Permits – Demolition, Vieux Carre' Commission, and Municipal Court Judicial Expense) and certain custodial funds (Clearing and Deposit) is recorded as revenue of the General Fund. The amount of interest revenue recorded by the General Fund on investments of the capital projects fund for the year ended December 31, 2021 was approximately \$194,000.

(14) Commitments and Contingencies

Operating Lease Agreements

The City has commitments under several operating lease agreements for equipment and facilities. These lease agreements are primarily for copier and data processing equipment and for land and buildings. Future minimum lease payments under these leases for the next five years are as follows (amounts in thousands):

Year ending December 31:	
2022	\$ 963
2023	347
2024	164
2025	13
2026	13

Annual lease expense for operating lease agreements was approximately \$2,596,000 in 2021.

Claims and Judgments

The City is a defendant in a number of claims and lawsuits alleging, among other things, personal injury, police brutality, wrongful death, over-collection of property taxes, and improperly designed drainage systems. The City is self-insured for such cases as described below.

Self-Insurance

The City is self-insured for its motor vehicle fleet, and general liability and police department excessive force, workers’ compensation, hospitalization, and unemployment losses and claims. The City’s claims are financed on a “pay-as-you-go” basis for its motor vehicle fleet, general liability, and police department excessive force losses. Premiums are charged by the General Fund to the City’s various funds for the unemployment and worker’s compensation self-insurance programs and to employees and the City’s various funds for the hospitalization self-insurance programs. Paid claims in excess of such premiums, if any, are funded by the General Fund.

City of New Orleans Notes to Financial Statements

As of December 31, 2021, the City has determined, through an analysis of historical experience, the adequacy of the liability necessary to cover all losses and claims, both incurred and reported and incurred but not reported (IBNR), under its self-insurance programs. The City does not discount its claims liabilities. The liabilities of \$287,000 for motor vehicle fleet, \$268,463,000 for general liability and police department excessive force losses, \$136,724,000 for workers' compensation, and \$4,817,000 for hospitalization and unemployment have been accrued in the government-wide financial statements in the total amount of \$410,291,000.

Changes to the City's claims liability amounts in fiscal 2021 and 2020 are as follows (amounts in thousands):

	<u>Beginning of fiscal year liability</u>	<u>Claims and changes in estimates</u>	<u>Benefit payments, claims, and adjustments</u>	<u>Balance at fiscal year-end</u>	<u>Due in one year</u>
General liability and police liability:					
2020	\$ 260,770	\$ 36,485	\$ (22,371)	\$ 277,402	\$ 8,319
2021	277,402	(2,572)	(6,367)	268,463	6,191
Workers' compensation:					
2020	131,173	27,256	(21,805)	136,624	26,117
2021	136,624	21,908	(21,808)	136,724	21,808
Motor vehicle fleet:					
2020	195	173	(363)	5	1,376
2021	5	415	(133)	287	287
Hospitalization and unemployment:					
2020	4,824	49,146	(49,007)	4,963	4,655
2021	4,963	64,799	(64,945)	4,817	4,817
Total:					
2020	396,962	113,060	(91,028)	418,994	38,715
2021	418,994	84,550	(93,253)	410,291	33,103

Federal Financial Assistance Questioned Costs

The City receives federal financial assistance directly from federal agencies or passed through from other government agencies. Audits of the City's federal award programs periodically disclosed certain items or transactions as questioned costs. The ultimate resolution or determination as to whether the costs will be disallowed under the affected grants will be made by the various funding sources and cannot be determined at this time. The City believes disallowances, if any, will be immaterial to its financial position and operations.

Arbitrage

The City has issued tax-exempt bonds that are subject to arbitrage regulations of the Internal Revenue Service, which impose restrictions on the use of proceeds from tax-exempt bonds. If certain of these restrictions are not complied with, the bonds could lose their tax-exempt status retroactive to the date of original issuance and also result in the City being subject to arbitrage rebates. The City believes it is in compliance with the arbitrage regulations with respect to all of its tax-exempt bond issues.

Landfill Closing Costs

The City owns two closed landfill sites located in the eastern portion of the City (Recovery I Landfill and Gentilly Landfill). State and federal laws require the City to cap the landfill and to monitor and maintain the site for 30 subsequent years. The Gentilly Landfill, which was closed in 1995, was reopened in 2005 under an agreement with a third party vendor. The agreement requires the vendor to pay a 3% royalty fee to the City and a fee equal to 50 cents per cubic yard of waste disposed at the site to be put into a trust to fund the future landfill post closure costs until such time that this liability becomes fully funded, as certified by the Louisiana Department of Environmental Quality (LDEQ). The City does not record this liability on its books, as the third party vendor is contributing to the trust in accordance with the agreement. The Recovery I site was closed in June 2003 upon obtainment of the Closure Certificate from LDEQ. In 2013, the LDEQ approved a revised closure date for the Recovery I site of April 2013.

Through the time of closure, in the government-wide financial statements, the City recognized a portion of the closure and post-closure care costs in each operating period although actual payouts will not occur until this landfill is capped and closed, respectively. The amount recognized each year to date was based on the landfills' capacities used as of the balance sheet date. As of December 31, 2021, the City has estimated its liability at \$3,684,000.

These amounts are based on what it would cost to perform all closure and post closure care beginning in 2013 for a 30-year period, adjusted for annual cost increases of 3%. Actual cost may be higher due to inflation, changes in technology, or changes in regulations, and may need to be covered by charges from future tax revenue. Current funding of these costs comes from the General Fund.

Consent Decrees

This litigation was filed against Orleans Parish Sheriff's Office (OPSO) in 2012 to address allegedly unconstitutional conditions at the Orleans Parish Prison (OPP). The City was named as third-party defendant to this litigation solely because it has a statutory obligation to fund the OPSO and OPP. The OPSO agreed to a consent judgment in 2012 that provided for the implementation of various reforms at OPP, many of them operational. These reforms are currently being implemented with the assistance of various federal monitors and an independent compliance director. The Consent Decree does not technically cast the City in judgment, and, thus, does not create a clearly ascertainable monetary liability. Rather, the cost of implementing Consent Decree reforms has been reflected in the Sheriff's overall budgetary allocation since 2013. The Sheriff's budget does not expressly delineate a percentage directly attributable to Consent Decree costs. Nevertheless, it is not anticipated that subsequent OPSO budgets will contain significant additional increases related to Consent Decree compliance.

City of New Orleans
Notes to Financial Statements

(15) Summary of Ad Valorem Tax Collections Remitted to Other Taxing Authorities

Act 711 of the Louisiana Legislative Session amended LRS 24:513 B to provide required note disclosure in the financial statements for local governments that collect tax for other taxing jurisdictions. The following table includes a list of ad valorem taxes to be collected by other City taxing jurisdictions (amounts in thousands):

	2021	Less Non-Cash	Net
	Taxes Levied	Adjustments	Taxes Levied
	\$	to Tax Rolls	\$
Board of Liquidation	82,107	-	82,107
Sewerage & Water Board	68,338	-	68,338
Orleans School Board	190,781	-	190,781
Orleans Levee Board West Bank	2,959	-	2,959
Orleans Levee Board East Bank	44,376	-	44,376
Law Enforcement District	11,790	-	11,790
Audubon Zoological Garden	8,211	-	8,211
City Park Improvement Associaton	2,568	-	2,568
Downtown Development District	7,983	-	7,983
Touro Bouligny	435	-	435
Garden District	812	-	812
	<u>\$ 420,360</u>	<u>\$ -</u>	<u>\$ 420,360</u>

Uncollected taxes are a result of properties that will be sold in the subsequent year or properties that were put up for sale but not purchased and will be put up for sale again in the subsequent year.

Listed below is a summary of ad valorem tax activity related to other City taxing jurisdictions during 2021 (amounts in thousands).

	2020	2021	2022	Prior Years	2021 Payments to	Total Tax	2021	2021
	Due From/	Tax Collected	Tax Collected	Tax Collected	Assessor and	Collected	Payments	Due From/
	(Due To)	in 2021	in 2021	in 2021	Retirement	in 2020	to Boards	(Due To)
					Systems			
<i>Board of Liquidation</i>	(653)	75,104	-	5,920	2,405	89,570	76,548	(2,724)
<i>Sewerage & Water Board</i>	(774)	62,225	-	4,638	1,948	64,497	63,354	(2,335)
<i>Orleans Parish School Board</i>	386	173,674	-	12,905	5,439	180,156	178,943	(1,811)
<i>Orleans Levee Board West Bank</i>	(25)	2,795	-	200	85	2,733	2,728	(207)
<i>Orleans Levee Board East Bank</i>	(173)	42,029	-	3,009	1,264	42,043	41,292	(2,655)
<i>Law Enforcement District</i>	(2,751)	10,735	-	799	336	11,135	10,967	(2,982)
<i>Audubon Commission</i>	-	7,580	-	358	192	-	6,420	(1,326)
<i>Audubon Zoological Garden</i>	23	19	-	186	3	614	34	(145)
<i>Aquarium of the Americas</i>	220	206	-	204	39	7,278	355	204
<i>Downtown Development District</i>	(719)	7,753	-	-	-	9,266	8,325	(147)
<i>New Orleans Regional Business Park</i>	-	-	-	-	-	-	-	-
<i>Touro Bouligny</i>	6	419	-	23	13	442	456	33
<i>Garden District</i>	(4)	786	-	40	23	797	755	(52)
Total	\$ (4,464)	\$ 383,325	\$ -	\$ 28,282	\$ 11,747	\$ 408,531	\$ 390,177	\$ (14,147)

City of New Orleans
Notes to Financial Statements

(16) Tax Abatement Programs

The City is subject to certain property tax abatements granted by the Louisiana State Board of Commerce and Industry (the “State Board”), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the City may be subject include those issued for property taxes under the Restoration Tax Abatement Program (“RTAP”). For the year ending December 31, 2021, the City participated in the Restoration Tax Abatement Program.

Under the RTAP, as authorized by *Article 7, Section 21(H) of the Louisiana Constitution and Louisiana Revised Statutes 47:4311*, companies that expand, restore, improve or develop an existing structure or structures in a downtown, historic, or economic development district can apply to the State Board and the local governing authority for a property tax exemption. The exemptions are granted for a 5-year term and are renewable for an additional 5-year term upon the approval of the State Board and the local governing authority. The property tax abatements have resulted in reductions of property taxes, which the tax assessor administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. The local government may recapture abated taxes if a company fails to expand facilities or otherwise fail to fulfill its commitments under the agreement.

Taxes abated for the fiscal year ended December 31, 2021 as well as future abatement estimates for active abatement agreements as of December 31, 2021 is as follows (amounts in thousands):

Taxing Body	Millage Rate	2022	2023	2024	2025	2026	Total
City of New Orleans	64.91	4,026	3,276	1,986	671	255	10,214
Discretely Presented							
Component Units							
Other Governments:							
Downtown Development	17.12	716	553	322	107	66	1,764
Sewerage and Water Board	16.23	1,007	819	497	168	64	2,554
Audubon Commission	1.95	121	98	60	20	8	307
School Board	45.31	2,810	2,287	1,387	468	178	7,130
Levee Board (East)	11.18	693	564	342	116	44	1,759
Levee Board (West)	12.26	760	619	375	127	48	1,929
Law Enforcement District	2.8	174	141	86	29	11	441
New Orleans Recreation	2.79	173	141	85	29	11	439
		\$ 10,480	\$ 8,499	\$ 5,140	\$ 1,734	\$ 684	\$ 26,537

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program which offers an attractive tax incentive for manufacturers within the state. With local approval, the program provides up to a 100% property tax abatement for an initial term of up to five years and the option to renew for up to three additional years at up to 80% property tax abatement on a manufacturer’s qualifying capital investment related to the manufacturing process. Businesses must be classified as a manufacturer or related to the manufacturing project in order to receive the benefits of the ITEP program. ITEP is only available for activities related to manufacturers. This program is administered by Louisiana Economic Development. More information on this program can be found in the Louisiana Administrative Code Title 13, Part I, Chapter 5. For the fiscal year ended December 31, 2021, approximately \$279,000 in Ad Valorem Property Taxes was abated as a result of this program.

(17) Critical Cyber Incident

On December 13, 2019, the City of New Orleans experienced a critical cyber incident aimed at its information technology infrastructure when a ransomware infection was detected on City endpoints. In order to reduce risk to the City and mitigate loss of data, the City's network was immediately disconnected from the public internet, all data center assets were shut down, and users were instructed to stop using their computers. With the assistance of a wide array of public and private partners, the City began building an improved network and data center infrastructure, including, but not limited to: re-imaging all endpoints; implementing new security resources, policies, and procedures; restoring business applications; and rebuilding IT infrastructure. Workstations and network resources were restored within the first month and critical applications were prioritized for recovery within the first 1 to 3 months following the attack. Enhanced security and application restoration and improvement has been ongoing. The City has filed a cyber-insurance claim for reimbursement of \$5,280,067 in eligible expenses. As of the date of this report, the City has received \$1,689,056 and is engaged in negotiations with the insurance company on the remaining expenses.

(18) Subsequent Events

Management evaluated all events or transactions that occurred after December 31, 2021 through January 31, 2023, the date the current year's financial statements were available to be issued. The following events occurred:

In December 2022, the City issued General Obligation Refunding Bonds, Series 2022 in the amount of \$106,670,000. The bonds have an average annual interest rate of 4.0723%. Total proceeds received were \$112,077,691 which included a premium of \$5,407,691 and is net bond issuance costs of \$565,453.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NEW ORLEANS, LOUISIANA

Notes to Required Supplementary Information

Year ended December 31, 2021

(Unaudited)

Required Supplementary Information includes budgetary comparisons for the General Fund and required schedules for pension and other post-retirement benefits, related to GASBs No. 67 and 68, and 75, respectively.

Budgetary Data

The procedures used by the City in establishing the general fund budgetary data are as follows:

- Not later than November 1, the Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- After proper official public notification, Public hearings are conducted to obtain taxpayer comments.
- Not later than December 1, the budget is legally enacted through passage of an ordinance.
- The City's budget ordinance is structured such that revenues are budgeted by source, and expenditures are budgeted by department and by principal object classification within a department. The City's charter provides that expenditures may not legally exceed appropriations either at a departmental level or at the principal object classification within a department.
- The Mayor's office is allowed to authorize the transfer of budgeted amounts from one budget activity to another within a principal object classification within the same department. Budgetary transfers between principal object classifications of the same department or between departments must be approved by the City Council. Throughout the year, several amendments to the budget were made by the City Council.
- The City utilizes formal budgetary integration as a management control device during the year for the general and capital projects funds. Formal budgetary integration is not employed for the debt service and special revenue funds because effective budgetary control is alternatively achieved through other provisions.
- Unencumbered appropriations lapse at year-end. Current year transactions, which are directly related to a prior year's budget, are not rebudgeted in the current year.
- The City adopts an ordinance subsequent to year end to agree the final budgeted expenditures to actual expenditures.

CITY OF NEW ORLEANS, LOUISIANA
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual – General Fund
Year ended December 31, 2021
(Amounts in thousands)

	<u>Original budget</u>	<u>Revised budget</u>	<u>Actual on budgetary basis</u>	<u>Variance favorable (unfavorable)</u>
Revenues:				
Taxes	\$ 384,176	\$ 384,176	\$ 441,499	\$ 57,323
Licenses and permits	70,969	70,969	59,753	(11,216)
Intergovernmental	30,181	30,181	42,653	12,473
Charges for services	94,299	94,299	85,973	(8,326)
Fines and forfeits	28,035	28,035	21,550	(6,485)
Interest income	121	121	283	162
Contributions, gifts, and donations	60	60	-	(60)
Miscellaneous	30,183	30,183	24,770	(5,413)
Total revenues	<u>638,024</u>	<u>638,024</u>	<u>676,481</u>	<u>38,457</u>
Expenditures:				
Current:				
General government	240,096	308,102	259,846	48,256
Public safety	289,984	237,577	196,541	41,036
Public works	67,261	74,894	67,674	7,220
Health and human services	25,815	29,572	23,120	6,452
Culture and recreation	30,971	32,283	26,626	5,656
Urban development and housing	250	250	(1)	251
Capital outlays	-	-	512	(512)
Debt service:				
Principal	26,076	26,076	7,958	18,118
Interest and fiscal charges	-	-	1,710	(1,710)
Total expenditures	<u>680,453</u>	<u>708,753</u>	<u>583,985</u>	<u>124,768</u>
Excess (deficiency) of revenues over expenditures	<u>(42,429)</u>	<u>(70,729)</u>	<u>92,495,861</u>	<u>163,225,289</u>
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	(2,947)	(2,947)
Appropriations from prior year budgetary fund balance	10,802	10,802	-	(10,802)
Reduction in prior year's outstanding encumbrances	-	-	-	-
Total other financing sources (uses)	<u>10,802</u>	<u>10,802</u>	<u>(2,947)</u>	<u>(13,748)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (31,627)</u>	<u>\$ (59,927)</u>	<u>\$ 89,549</u>	<u>\$ 149,477</u>
Fund balances, beginning of year, as restated			<u>139,595</u>	
Fund balances – budgetary basis, end of year			<u>\$ 229,145</u>	

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
 Budget to GAAP Reconciliation
 (Unaudited)

The Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual presents comparisons of the legally adopted original budget and final budget (non-GAAP basis) with actual data on a budgetary basis. In the general fund, accounting principles applied for purposes of developing data on the budgetary basis differ from those used to present financial statements in conformity with GAAP. A reconciliation of this basis and timing differences is presented below (amounts in thousands):

Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ 89,549	
Adjustments:		
To adjust revenues and expenditures for accruals and deferrals	6,380	
Net change in fund balance	<table style="margin-left: auto; margin-right: 0;"> <tr> <td style="border-top: 1px solid black; border-bottom: 3px double black;">\$ 95,929</td> </tr> </table>	\$ 95,929
\$ 95,929		

See accompanying independent auditors' report.

CITY OF NEW ORLEANS
 Required Supplementary Pension Information
 Year ended December 31, 2021
 (Amounts in Thousands)

SCHEDULE OF NET PENSION LIABILITY

Actuarial Valuation Date December 31	Total Pension Liability	Plan Fiduciary Net Position	Employer's Net Pension Liability	Plan Fiduciary Net Position as a % of Total Pension Liability	Covered Payroll (millions)	Net Position as a Percentage of payroll
Firefighters' Pension and Relief Fund (New System) (1):						
2013	\$ 423,820	\$ 87,508	\$ 336,312	20.65%	\$ 28,002	1201.03%
2014	502,316	65,377	436,939	13.02%	26,985	1619.19%
2015	393,707	50,268	343,439	12.77%	27,089	1267.82%
2016	414,297	42,998	371,299	10.38%	27,149	1367.63%
2017	416,165	42,736	373,429	10.27%	27,762	1345.11%
2018	408,577	31,420	377,157	7.69%	28,171	1338.81%
2019	432,785	41,950	390,835	9.69%	28,816	1356.31%
2020	444,635	50,028	394,607	11.25%	32,367	1219.16%
2021	408,850	52,870	355,980	12.93%	29,441	1209.13%
Firefighters' Pension and Relief Fund (Old System) (1):						
2013	\$ 148,577	\$ 17,680.00	\$ 130,897	11.90%	\$ -	-
2014	176,689	15,260	161,429	8.64%	-	-
2015	169,294	15,003	154,291	8.86%	-	-
2016	150,250	8,515	141,735	5.67%	-	-
2017	135,310	3,818	131,492	2.82%	-	-
2018	128,672	5,028	123,644	3.91%	-	-
2019	118,843	5,488	113,355	4.62%	-	-
2020	125,379	7,287	118,092	5.81%	-	-
2021	111,210	8,606	102,604	7.74%	-	-

(1) Amounts determined as of the measurement date of December 31 of the previous fiscal year.

Schedule is intended to show information for 10 years. Additional years will be presented as they become available.

(Continued)

CITY OF NEW ORLEANS
 Required Supplementary Pension Information
 Year ended December 31, 2021
 (Amounts in Thousands)

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarial Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
Employees' Retirement System of the City of New Orleans (3):					
2014	\$ 20,871	\$ 20,307	\$ (564)	\$ 97,244	20.88%
2015	21,892	22,447	555	105,692	21.24%
2016	22,713	27,305	4,592	115,505	23.64%
2017	26,858	27,170	312	120,809	22.49%
2018	28,015	28,096	81	128,530	21.86%
2019	23,725	28,021	4,296	105,963	26.44%
2020	22,891	32,615	9,724	135,780	24.02%
2021	23,973	21,652	(2,321)	142,339	15.21%
Firefighters' Pension and Relief Fund (New System) (1):					
2015	\$ 31,993	\$ 30,501	\$ (1,492)	\$ 27,089	112.60%
2016	33,640	32,279	(1,361)	27,149	118.90%
2017	33,640	36,329	2,689	27,762	130.86%
2018	34,103	34,103	-	28,171	121.06%
2019	34,147	34,177	30	28,816	118.60%
2020	35,436	34,226	(1,210)	32,367	105.74%
2021	40,146	34,301	(5,845)	29,441	116.51%
Firefighters' Pension and Relief Fund (Old System) (1):					
2015	17,404	18,066	662	-	N/A
2016	17,169	12,121	(5,048)	-	N/A
2017	16,599	12,380	(4,219)	-	N/A
2018	15,339	16,758	1,419	-	N/A
2019	15,654	15,244	(410)	-	N/A
2020	13,825	15,283	1,458	-	N/A
2021	11,895	13,339	1,444	-	N/A

(1) Amounts determined as of the measurement date of December 31 of the previous fiscal year.

(2) Amounts determined as of the measurement date of June 30 of the current fiscal year.

(3) Amounts presented for the entire Plan including the City, Component Units, and Other Agencies in the Plan

Schedule is intended to show information for 10 years. Additional years will be presented as they become available.

(Continued)

CITY OF NEW ORLEANS
 Required Supplementary Pension Information
 For the year ended December 31, 2021
 (Amounts in Thousands)

SCHEDULE OF CHANGES IN NET PENSION LIABILITY

	Employees' Retirement System of the City of New Orleans							
	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability								
Service cost	\$ 9,134	\$ 9,167	\$ 9,872	\$ 7,486	\$ 7,868	\$ 7,583	\$ 6,832	\$ 6,051
Interest on total pension liability	42,741	41,488	40,062	37,841	38,043	35,314	33,901	34,175
Effect of plan changes	-	5,129	-	(360)	-	-	-	-
Effect of economic/demographic gains or (losses)	12,277	9,866	(14,672)	19,689	11,456	36,658	16,978	(9,679)
Effect of assumption changes or other inputs	(3,579)	(3,036)	58,509	7,322	(3,904)	1,261	-	-
Benefit payments	(42,006)	(43,474)	(40,287)	(41,160)	(40,139)	(40,734)	(38,874)	(34,195)
Net change in total pension liability	18,567	19,140	53,484	30,818	13,324	40,082	18,837	(3,648)
Total pension liability, beginning	627,701	608,561	555,077	524,259	510,935	470,853	452,016	455,664
Total pension liability, ending (a)	\$ 646,268	\$ 627,701	\$ 608,561	\$ 555,077	\$ 524,259	\$ 510,935	\$ 470,853	\$ 452,016
Plan Fiduciary Net Position								
Employer contributions	17,447	26,376	28,022	\$ 25,534	\$ 22,627	\$ 22,848	\$ 18,784	\$ 16,993
Employee contributions	6,857	7,159	7,554	6,778	6,394	6,229	5,431	5,183
Investment income net of investment expenses	57,172	43,683	48,827	(12,814)	43,228	23,942	(11,753)	10,820
Benefit payments	(42,006)	(43,474)	(40,287)	(41,160)	(40,140)	(40,734)	(38,874)	(34,195)
Administrative expenses	(451)	(256)	(311)	(201)	(281)	(143)	(74)	(228)
Transfers into the System	778	212	219	417	-	-	-	-
Other	(2,745)	5,933	(1,563)	9,903	(2,885)	(1,312)	2,573	-
Net change in plan fiduciary net position	37,052	39,633	42,461	(11,543)	28,943	10,830	(23,913)	(1,427)
Plan fiduciary net position, beginning	396,653	357,020	314,559	326,102	297,159	286,329	310,242	311,669
Plan fiduciary net position, ending (b)	\$ 433,704	\$ 396,653	\$ 357,020	\$ 314,559	\$ 326,102	\$ 297,159	\$ 286,329	\$ 310,242
City's net pension liability, ending = (a) - (b)	\$ 212,564	\$ 231,049	\$ 251,541	\$ 240,518	\$ 198,157	\$ 213,776	\$ 184,524	\$ 141,774
Plan fiduciary net position as a % of total pension liability	65.91%	61.72%	57.94%	55.55%	62.22%	58.06%	60.26%	68.64%
Covered payroll	114,696	109,807	123,663	\$ 105,963	\$ 99,300	\$ 96,193	\$ 88,443	\$ 81,373
City's net pension liability as a % of covered payroll	185.33%	210.41%	203.41%	226.98%	199.55%	222.24%	208.64%	174.23%

(1) Amounts determined as of the measurement date of December 31 of the calendar year.

Allocation Percentage to the City of New Orleans	80.579594%	80.871758%	82.696508%	82.195883%	83.280621%	83.679480%	83.679480%	83.679480%
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Methods and assumptions used to determine contribution rates:

Actuarial cost method:	Entry age normal
Salary increases:	Age-based annual rates ranging from 10% to 3.2%
Investment rate of return:	7.25%
Retirement rates:	Age less than 60 and 61-65 - 30%, Age 60 and 65-69 - 40%, Age 70 - 100%
Mortality:	<i>Healthy Pre-retirement:</i> PubG-2010 Employee Mortality Tables, amount-weighted, projected generationally with Scale MP-2020 <i>Healthy Post-retirement:</i> PubG-2010 General Healthy Retiree Tables, amount-weighted, projected generationally with Scale MP-2021 <i>Disabled:</i> PubNS-2010 Non-Safety Disabled Retiree Tables, amount-weighted, projected generationally with Scale MP-2022

Notes to Schedules: The schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying independent auditors' report.

(Continued)

CITY OF NEW ORLEANS
 Required Supplementary Pension Information
 For the year ended December 31, 2021
 (Amounts in Thousands)

SCHEDULE OF CHANGES IN NET PENSION LIABILITY

	Firefighters' Pension and Relief Fund (1)													
	New System							Old System						
	2021	2020	2019	2018	2017	2016	2015	2021	2020	2019	2018	2017	2016	2015
Total pension liability														
Service cost	\$ 7,029	\$ 7,533	\$ 6,289	\$ 5,851	\$ 6,020	\$ 6,328	\$ 6,183	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on total pension liability	31,914	31,226	29,296	29,890	29,807	28,033	25,109	2,532	3,076	4,982	5,234	5,433	5,723	6,202
Effect of plan changes	-	-	4,292	-	-	(18,913)	-	-	-	-	-	-	-	3,065
Effect of economic/demographic gains or (losses)	(36,488)	(19,460)	11,155	(8,073)	(222)	44,771	(18,530)	(5,234)	(31)	(10,208)	8,501	(5,869)	(4,199)	-
Effect of assumption changes or inputs	-	25,414	9,117	-	-	251	(80,611)	462	16,645	9,739	(5,077)	2,284	(2,589)	1,457
Benefit payments	(38,238)	(32,863)	(35,941)	(35,257)	(33,737)	(39,880)	(40,760)	(11,929)	(13,154)	(14,341)	(15,297)	(16,787)	(17,978)	(18,120)
Net change in total pension liability	(35,783)	11,850	24,208	(7,589)	1,868	20,590	(108,609)	(14,169)	6,536	(9,828)	(6,639)	(14,939)	(19,043)	(7,396)
Total pension liability, beginning	444,634	432,784	408,576	416,165	414,297	393,707	502,316	125,380	118,844	128,672	135,311	150,250	169,293	176,689
Total pension liability, ending (a)	\$ 408,851	\$ 444,634	\$ 432,784	\$ 408,576	\$ 416,165	\$ 414,297	\$ 393,707	\$ 111,211	\$ 125,380	\$ 118,844	\$ 128,672	\$ 135,311	\$ 150,250	\$ 169,293
Plan Fiduciary Net Position														
Employer contributions	\$ 35,290	\$ 33,245	\$ 33,218	\$ 33,190	\$ 34,363	\$ 31,393	\$ 29,635	\$ 13,872	\$ 14,742	\$ 14,680	\$ 16,149	\$ 11,689	\$ 11,461	\$ 17,200
Employee contributions	3,253	3,090	3,124	3,052	3,994	2,730	2,655	-	-	-	-	-	-	-
Contributions - non-employer contributing entities	-	981	960	913	983	886	866	-	540	564	609	692	660	866
Investment income net of investment expenses	2,760	4,386	8,561	(12,649)	(5,309)	(1,518)	(6,683)	32	23	92	70	41	(207)	200
Benefit payments	(38,238)	(32,863)	(35,941)	(35,257)	(33,737)	(39,880)	(40,760)	(11,929)	(13,154)	(14,341)	(15,297)	(16,786)	(17,978)	(18,120)
Administrative expenses	(224)	(787)	(954)	(565)	(556)	(880)	(822)	(656)	(352)	(535)	(322)	(331)	(424)	(404)
Miscellaneous revenue	-	27	1,562	-	-	-	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	2,841	8,079	10,530	(11,316)	(262)	(7,269)	(15,109)	1,319	1,799	460	1,209	(4,695)	(6,488)	(258)
Plan fiduciary net position, beginning	50,030	41,951	31,421	42,737	42,999	50,268	65,377	7,288	5,489	5,029	3,820	8,515	15,003	15,261
Plan fiduciary net position, ending (b)	\$ 52,871	\$ 50,030	\$ 41,951	\$ 31,421	\$ 42,737	\$ 42,999	\$ 50,268	\$ 8,607	\$ 7,288	\$ 5,489	\$ 5,029	\$ 3,820	\$ 8,515	\$ 15,003
City's net pension liability, ending = (a) - (b)	\$ 355,980	\$ 394,604	\$ 390,833	\$ 377,155	\$ 373,428	\$ 371,298	\$ 343,439	\$ 102,604	\$ 118,090	\$ 113,355	\$ 123,643	\$ 131,491	\$ 141,735	\$ 154,290
Plan fiduciary net position as a % of total pension liability	12.93%	11.25%	9.69%	7.69%	10.27%	10.38%	12.77%	7.74%	5.81%	4.62%	3.91%	2.82%	5.67%	8.86%
Covered payroll	\$ 29,441	\$ 32,367	\$ 28,171	\$ 27,762	\$ 27,149	\$ 27,089	\$ 26,985	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's net pension liability as a % of covered payroll	1209.13%	1219.16%	1387.36%	1358.53%	1375.48%	1370.66%	1272.70%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Amounts determined as of the measurement date of December 31 of the previous fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry age normal
 Cost of living raises for retirees and beneficiaries: New System and Old System - The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
 Salary increases: New System - 5.00%; Old System - N/A
 Investment rate of return: New System - 7.50% (each year presented); Old System - 2.74% (2020), 4.1% (2019), 3.5% (2015-2018)
 Retirement rates: Employees are assumed to retire after the earliest of: first, attainment of age 50 and 30 years of service; second, the later of age 55 and completion of 25 years of service; third, attainment of age 60 and completion of 12 years of service.
 Mortality: 1994 Uninsured Pensioner Table for active and retired; 1994 Uninsured Pensioner Table set forward 5 years for disabled annuitants.

Notes to Schedules: The schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying independent auditors' report.

(Continued)

CITY OF NEW ORLEANS
 Required Supplementary Pension Information
 For the year ended December 31, 2021
 (Amounts in Thousands)

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	Municipal Police Employees' Retirement System							
	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
City's proportion of the net pension liability	25.7908%	25.2657%	27.4911%	24.2450%	24.3430%	22.6979%	22.3598%	21.9733%
City's proportionate share of the net pension liability	\$ 137,479	\$ 233,514	\$ 249,666	\$ 204,969	\$ 212,525	\$ 212,743	\$ 175,166	\$ 137,467
City's covered payroll	\$ 78,566	N/A	N/A	N/A	N/A	N/A	N/A	\$ 56,923
City's proportionate share of the net pension liability as a percentage of its covered payroll	174.99%	N/A	N/A	N/A	N/A	N/A	N/A	241.50%
Plan fiduciary net position as a percentage of the total pension liability	84.10%	70.94%	71.01%	71.89%	70.08%	66.04%	70.73%	75.10%

SCHEDULE OF CONTRIBUTIONS

	Municipal Police Employees' Retirement System							
	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Actuarially required contribution	\$ 23,951	\$ 25,363	\$ 27,687	\$ 22,002	\$ 23,073	\$ 18,757	\$ 18,840	\$ 22,884
Contributions in relation to the actuarially required contribution	(23,951)	(25,421)	(27,716)	(22,023)	(23,089)	(18,776)	(22,814)	(21,729)
Contribution deficiency (excess)	\$ -	\$ (58)	\$ (29)	\$ (21)	\$ (16)	\$ (19)	\$ (3,974)	\$ 1,155
Employers' covered payroll	\$ 75,532	N/A	N/A	N/A	N/A	N/A	N/A	\$ 56,923
Contributions as a percentage of covered payroll	31.71%	N/A	N/A	N/A	N/A	N/A	N/A	38.17%

Changes to Actuarial Assumptions:

	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Investment rate of return	6.7500%	6.9500%	7.125%	7.200%	7.325%			7.500%
Inflation rate			2.500%	2.600%	2.700%		2.875%	3.000%

Mortality rate - annuitant and beneficiary - Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale was used. For disabled lives, the Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale was used. For employees, the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale was used. (2020); RP Combined Healthy Blue Collar Adjustment Sex Distinct Tables Projected to 2020 by Scale AA set back 1 year for females (2015-2019); RP-2000 Healthy Annuitant (2014).

Salary increases - Years of Service / Salary Growth Rate

2020	2015 - 2019	2014
1-2 / 12.30%	1-2 / 9.75%	1 / 10%
Above 2 / 4.70%	3-23 / 4.75%	2 / 6%
	Above 23 / 4.25%	3-19 / 4.3%
		20-29 / 5.5%
		30 and over / 4.00%

Notes to Schedules: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(concluded)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS
 Required Supplementary OPEB Information
 For the Year Ended December 31, 2021
 (Amounts in Thousands)

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

	2021	2020	2019	2018
Total OPEB liability				
Service cost	3,193	2,892	\$ 1,780	\$ 2,006
Interest	3,680	3,943	4,886	4,682
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	1,155	12,254	4,481	(4,613)
Changes of assumptions or other inputs	1,236	14,419	22,869	(10,255)
Benefit payments	(9,662)	(8,892)	(9,109)	(8,414)
Net change in total OPEB liability	(398)	24,616	24,907	(16,594)
Total OPEB liability, beginning	173,245	148,629	123,722	140,316
Total OPEB liability, ending (a)	172,847	173,245	\$ 148,629	\$ 123,722
Covered-employee payroll	\$ 252,097	\$ 244,754	\$ 227,909	\$ 219,143
City's total OPEB liability as a % of covered-employee payroll	68.56%	70.78%	65.21%	56.46%

(1) Amounts determined as of the measurement date of December 31 of the previous fiscal year.

Notes to Schedule:

1. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.
2. There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB 75 for this OPEB plan
3. *Benefit changes* : There were no changes of benefit terms for the 2018 through 2020.
4. *Changes of Assumptions* :

Discount Rate:	2.06%	2.12%	2.74%	4.10%
Mortality:				

RP-2000

Trend:

Notes to Schedules: The schedules are intended to show information for 10 years.
 Additional years will be displayed as they become available.

See accompanying independent auditors' report.

OTHER INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

CITY OF NEW ORLEANS, LOUISIANA

Combining Financial Statements

Non-major Governmental Funds

December 31, 2021

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. Significant special revenue funds are as follows.

- *New Orleans Economic Development* – Used to account for funds allocated to programs designed to alleviate economic development problems, improve quality of life, and provide jobs for the citizens of New Orleans.
- *Neighborhood Housing Improvement* – Used to account for funds allocated to programs which repair and renovate housing in low-income areas.
- *Environmental Improvement* – Used to account for funds received from fines, fees, costs, and penalties and allocated to programs designed to improve health, housing, and environmental conditions in the City.
- *Integrated Green Infrastructure* – Used to account for the fee-in-lieu payments that are received in exchange for properties that do not physically comply with the city's stormwater management plan regulations. The department of public works shall utilize said funds to design, construct, and maintain public green stormwater infrastructure projects.
- *Gallier Hall Maintenance Fund* – Used to account for funds received in the rental and use of Gallier Hall. The fund shall be dedicated solely to defraying any maintenance costs associated with the upkeep, care, or improvement of Gallier Hall.
- *Infrastructure Maintenance Fund* – Used to account for revenues from any special tax authorized and approved by the voters of New Orleans for infrastructure maintenance and any other funds, including but not limited to a fee designated by lawful authority, shall be deposited into this fund. Expenditures shall be used by the City to build, maintain, clean, manage, beautify, improve, operate, repair, replace, implement and/or upkeep drainage and other infrastructure projects.
- *Sex Offender Proprietary Fund* – Used to account for funds collected by the New Orleans Police Department as a result of annual registration of criminals, annual updates for registration information, criminal penalties for failure to register, and related matters. Expenditures from the fund are for equipment and supplies necessary for its operation and continuation.
- *Sidewalk Paving and Repairing* – Used to account for funds dedicated to maintaining sidewalks.
- *Mayor's Office of Tourism and Arts* – Used to account for programs and initiatives specifically directed toward supporting and advancing arts organizations.
- *Mayoral Fellows Program* – Used to account for funds to offer post-baccalaureate students the opportunity to serve in the New Orleans city government while helping to create a cadre of potential leaders for the community.
- *Music and Entertainment Commission* – Used to account for funds allocated for programs designed to attract music and entertainment to the City.

CITY OF NEW ORLEANS, LOUISIANA

Combining Financial Statements

Non-major Governmental Funds

December 31, 2021

- *New Orleans Police Department Crime Prevention* – Used to account for donations earmarked to assist the Police Department in their crime fighting efforts.
- *Asset Seizure* – Used to account for property confiscated from drug dealers by the police department to be used for crime fighting measures.
- *New Orleans Recreation Foundation* – the New Orleans Recreation Development (NORD) Foundation Fund is established in the department of finance, under section 6-207 of the City Charter, to receive periodic philanthropic contributions from the NORD Foundation.
- *New Orleans Recreation Department* – Used to account for donations designated to assist in the purchase of playground equipment.
- *New Orleans Film Commission Trust* – Used to account for funds received for the spending budget of the New Orleans Film Commission from various sources, such as the New Orleans Tourism and Cultural Fund, as well as grant funds, donations, and other monetary contributions from private individual corporations, and other institutions and entities in the private sector to support the programs and activities of the Commission.
- *Vieux Carre' Residential* – This fund receives payments from individuals or businesses who wish to encourage residential uses in the Vieux Carré. The funds shall be used only for public purposes which help to retain or increase residential uses within the boundaries of the Vieux Carré National Register Historic District.
- *Public Library Donations* – Used to account for donations to enhance the City's library system.
- *Plant-a-Tree Campaign* – Used to account for funds allocated to programs designed for planting and beautifying trees, plants, and flowers throughout the City.
- *Capital Improvements and Infrastructure* – Used to account for funds allocated for the improvements of infrastructures within the City.
- *Delgado Albania Plantation Commission* – Used to account for funds generated from the operation of a sugar cane plantation.
- *Edward Wisner* – Used to account for approximately 53,500 acres of land and water bottoms in Jefferson, St. John the Baptist, and Lafourche Parishes, Louisiana from the estate of Edward Wisner to the City of New Orleans, Louisiana as Trustee, for a 100-year charitable trust. The beneficiaries of the trust include the City of New Orleans, Louisiana as beneficiary for several charitable purposes, Charity Hospital of New Orleans, Louisiana, Tulane University, and The Salvation Army. Specific portions of the land or the income from the land were also set aside for the establishment and maintenance of specified structures for certain other organizations operating within the City of New Orleans, Louisiana. This trust was created by an Act of Donation dated August 4, 1914.
- *Simon Hersheim* – Used to account for funds for the purpose of purchasing books for the Public Library.

CITY OF NEW ORLEANS, LOUISIANA

Combining Financial Statements

Non-major Governmental Funds

December 31, 2021

- *Kiwanis Club Lee Circle Sprinkler System* – Used to maintain and improve the sprinkler system for the beautification and benefit of Lee Circle.
- *Ella West Freeman Foundation* – Used to account for funds to establish and facilitate programs aimed at education, performing and applied arts, community improvement and governmental oversight, and human service organizations with an emphasis on capital projects for established agencies.
- *Isaac Delgado Memorial* – Used to account for funds which will benefit Delgado Community College.
- *John McDonogh School* – Used to account for funds to promote education throughout through the City of New Orleans.
- *Lafayette Cemetery No. 1 Under the Will of Lilly Violet* – a bequest to the City to maintain Lafayette Cemetery No. 1.
- *Mahalia Zimmerman Tomb* – a bequest to the City to maintain Ms. Zimmerman’s tomb.
- *Mrs. Otto Joachim* – Used to account for funds to promote the study of orchestra music and violinists.
- *Simon V. Sickles Legacy Fund* – Beginning in the year 2020, this fund takes the place of the Sickles Legacy Fund and the Sickles Legacy Trust Proceeds Fund. Expenditures from the fund shall be used by the department of health to provide medical advice and purchase medications, medical therapies, vaccines, and medical supplies, including supplies necessary to administer said medications and vaccines, to address emergent health threats, emergencies, or disasters that affect low-income individuals in the City of New Orleans. The director of health shall be responsible for all expenditures from the fund and for ensuring that the expenditures are spent solely for the purposes established by this paragraph.
- *Sickles Legacy* – Used to account for funds designated to establish a city dispensary for gratuitous dispensing of medicine and medical advice for the poor.
- *Helen Adler Levy Library* – Used to account for funds for the purpose of the establishment and maintenance of the Helen Adler Levy Memorial Room at the New Orleans Public Library.
- *Housing and Environment Improvements* – Used to improve health, housing, and environmental conditions in the City.
- *Indigent Defender* – Used to account for revenues collected for specified traffic violations. These funds are maintained by the Orleans Parish Public Defender’s Office.
- *Environmental Disaster Mitigation Revolving Fund* - All revenues collected by the Department of Finance from public or private entities as a result of damage to the environment shall be placed in the fund. Expenditures from the fund shall be used to purchase materials, compensate personnel, obtain services, or offset expenses that may have resulted from said damage.

CITY OF NEW ORLEANS, LOUISIANA

Combining Financial Statements

Non-major Governmental Funds

December 31, 2021

- *French Quarter Development District* – Used to account for funds collected to fund enhanced security in the French Quarter.
- *Utilities* – All revenues derived from utility settlements and corresponding expenditures.
- *French Quarter Improvement* – All revenues collected by the Department of Finance from the New Orleans Convention and Visitors Bureau shall be only for the repairs, improvements, and services within the French Quarter Management District in the following categories: public safety and law enforcement; quality of life enforcement measures, and violation identification; ticketing and court measures relative to ordinance compliance; sanitation; infrastructure repair of improvements, and lighting.
- *Coroner's Office* – Designated for the receipt and accounting of the contributions to the City of New Orleans for funds paid to the Coroner's Office for the fee imposed by the court for defraying the operational expenses of the Coroner's Office.
- *Ad Valorem Property Tax Enforcement Fund* – All revenues collected from property tax enforcement programs, such as adjudicated sales and homestead exemption verification activities, shall be deposited into this fund. Expenditures from the fund shall be used to fund additional costs related to the specific ad valorem property tax enforcement programs, to administer these programs, and to enhance technology used in ad valorem tax enforcement.
- *City Cemetery Maintenance & Repair* – All fees, charges, and revenues received by the city for the use of any city-owned cemetery or for cemetery services rendered or related goods sold or provided by the division of cemeteries or the department of property management shall be dedicated solely to operating, maintaining, repairing and/or improving city-owned cemeteries.
- *Interim Short-Term Rental* – All monies received pursuant to the fees imposed by section 26-616(C) [26-617] of the Code of the City of New Orleans, shall be deposited in the fund to offset the various costs borne by the City of New Orleans stemming from the authorization, implementation, and enforcement of short term rentals within the city. Funds deposited shall remain in the fund until allocations are designated by council ordinance.
- *Miscellaneous Donations* – Used to account for donations designated to specific City departments.
- *Other* – Used to account for proceeds from Trust Funds. *Trust Funds* that correspond to the following *Trust Proceed Funds* that are reported and described separately in this ACFR: (1) Helen Adler Levy Fund, (2) Mrs. Otto Joachim Fund, (3) Isaac Delgado Memorial Fund, (4) John McDonogh Fund, (5) Lafayette Cemetery No. 1 Fund, (6) Mahala Zimmerman Fund, (7) Sickles Legacy Fund, as well as the (8) Playground and Community Service Fund, (9) Ed Benjamin Fund and (10) Captain Neville Levy Fund.
- *Grant Recipient Funds* – Used to account grant revenues received primarily from federal and state entities. Expenditures from the fund shall be used for the purposed indicated in each grant award.

CITY OF NEW ORLEANS, LOUISIANA
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2021
(Amounts in thousands)

	New Orleans Economic Development	Neighborhood Housing Improvement	Environmental Improvement	Integrated Green Infrastructure	Gallier Hall Maintenance Fund	Infrastructure Maintenance Fund	Sex Offender Proprietary Fund
Assets							
Cash	\$ 818	\$ 3,558	\$ 595	\$ 1,348	\$ 675	\$ 9,032	\$ 227
Investments	1,062	1,888	168	-	-	-	-
Sales Tax Receivable	-	-	-	-	-	-	-
Property taxes receivable	91	91	-	-	-	-	-
Accounts receivable (net, where applicable, of allowances for uncollectibles)	-	-	48	-	-	1,568	-
Grantee loans receivable	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
Total assets	<u>\$ 1,971</u>	<u>\$ 5,537</u>	<u>\$ 811</u>	<u>\$ 1,348</u>	<u>\$ 675</u>	<u>\$ 10,600</u>	<u>\$ 227</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities:							
Accounts payable	\$ 345	\$ 797	\$ -	\$ -	\$ 25	\$ 1,721	\$ 6
Accrued liabilities	506	19	38	-	2	1,267	-
Due to other funds	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-
Total liabilities	<u>851</u>	<u>816</u>	<u>38</u>	<u>-</u>	<u>27</u>	<u>2,988</u>	<u>6</u>
Deferred inflows of resources:							
Unavailable revenue	<u>86</u>	<u>87</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>86</u>	<u>87</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	1,033	4,634	774	1,348	649	7,612	221
Unassigned	-	-	-	-	-	-	-
Total fund balances (deficit)	<u>1,033</u>	<u>4,634</u>	<u>774</u>	<u>1,348</u>	<u>649</u>	<u>7,612</u>	<u>221</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 1,971</u>	<u>\$ 5,537</u>	<u>\$ 811</u>	<u>\$ 1,348</u>	<u>\$ 675</u>	<u>\$ 10,600</u>	<u>\$ 227</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2021
(Amounts in thousands)

	<u>Sidewalk Paving and Repairing</u>	<u>Adopt-a- Pothole Program</u>	<u>Mayor's Office of Tourism and Arts</u>	<u>Mayoral Fellows Program</u>	<u>Music and Entertainment Commission</u>	<u>New Orleans Police Department Crime Prevention</u>	<u>Asset Seizure</u>	<u>New Orleans Recreation Foundation</u>
Assets								
Cash	\$ -	\$ -	\$ 584	\$ 354	\$ 77	\$ 1	\$ 505	\$ 115
Investments	2	-	-	-	124	-	-	-
Sales Tax Receivable	-	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-	-
Accounts receivable (net, where applicable, of allowances for uncollectibles)	-	-	-	-	-	-	-	-
Grantee loans receivable	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
Total assets	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 584</u>	<u>\$ 354</u>	<u>\$ 201</u>	<u>\$ 1</u>	<u>\$ 505</u>	<u>\$ 115</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ 355	\$ 2	\$ 9	\$ -	\$ 5	\$ 1
Accrued liabilities	-	-	-	-	-	-	1	-
Due to other funds	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>355</u>	<u>2</u>	<u>9</u>	<u>-</u>	<u>6</u>	<u>1</u>
Deferred inflows of resources:								
Unavailable revenue	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	2	-	-	-	-	-	-	114
Committed	-	-	581	0	192	1	499	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances (deficit)	<u>2</u>	<u>-</u>	<u>581</u>	<u>0</u>	<u>192</u>	<u>1</u>	<u>499</u>	<u>114</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 936</u>	<u>\$ 2</u>	<u>\$ 201</u>	<u>\$ 1</u>	<u>\$ 505</u>	<u>\$ 115</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2021
(Amounts in thousands)

	New Orleans Recreation Department	New Orleans Film Commission	Vieux Carre' Residential	Public Library Donations	Plant- a-Tree Campaign	Capital Improvement and Infrastructure	Delgado- Albania Plantation Commission	Edward Wisner	LaHache Music
Assets									
Cash	\$ 52	\$ 196	\$ 1	\$ 772	\$ 277	\$ 876	\$ 782	\$ 4,538	\$ -
Investments	-	168	-	42	-	293	1,080	2,550	-
Sales Tax Receivable	-	-	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	182	-	-	-
Accounts receivable (net, where applicable, of allowances for uncollectibles)	-	-	-	-	-	-	107	145	-
Grantee loans receivable	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	12	-	-
Total assets	<u>\$ 52</u>	<u>\$ 364</u>	<u>\$ 1</u>	<u>\$ 814</u>	<u>\$ 277</u>	<u>\$ 1,351</u>	<u>\$ 1,982</u>	<u>\$ 7,233</u>	<u>\$ -</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances									
Liabilities:									
Accounts payable	\$ -	\$ 51	\$ -	\$ 183	\$ -	\$ 2	\$ 1,400	\$ 1,480	\$ -
Accrued liabilities	-	-	-	23	-	-	-	40	-
Due to other funds	-	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>51</u>	<u>-</u>	<u>206</u>	<u>-</u>	<u>2</u>	<u>1,400</u>	<u>1,520</u>	<u>-</u>
Deferred inflows of resources:									
Unavailable revenue	-	-	-	-	-	171	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>171</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	52	-	1	608	277	-	-	5,713	-
Committed	-	313	-	-	-	1,178	581	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances (deficit)	<u>52</u>	<u>313</u>	<u>1</u>	<u>608</u>	<u>277</u>	<u>1,178</u>	<u>581</u>	<u>5,713</u>	<u>-</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 52</u>	<u>\$ 364</u>	<u>\$ 1</u>	<u>\$ 814</u>	<u>\$ 277</u>	<u>\$ 1,351</u>	<u>\$ 1,981</u>	<u>\$ 7,233</u>	<u>\$ -</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2021
(Amounts in thousands)

	Simon Hersheim	Kiwanis Club Lee Circle Sprinkler System	Ella West Freeman Foundation	Isaac Delgado Memorial	John McDonogh School	Lafayette Cemetery No. 1 Under Will of Lilly Violet	Mahalia Zimmerman Tomb	Mrs. Otto Joachim	Simon V. Sickles Legacy Fund
Assets									
Cash	\$ -	\$ 1	\$ 4	\$ 347	\$ -	\$ 19	\$ 3	\$ (633)	\$ -
Investments	84	-	4	217	7	2	-	-	374
Sales Tax Receivable	-	-	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-	-	-
Accounts receivable (net, where applicable, of allowances for uncollectibles)	-	-	-	-	-	-	-	-	-
Grantee loans receivable	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 84</u>	<u>\$ 1</u>	<u>\$ 9</u>	<u>\$ 564</u>	<u>\$ 7</u>	<u>\$ 21</u>	<u>\$ 3</u>	<u>\$ (633)</u>	<u>\$ 374</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-	-	-	-
Due to other funds	83	-	-	-	-	-	-	-	48
Due to other governments	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Total liabilities	<u>83</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48</u>
Deferred inflows of resources:									
Unavailable revenue	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	1	1	9	564	7	21	3	(1)	326
Committed	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances (deficit)	<u>1</u>	<u>1</u>	<u>9</u>	<u>564</u>	<u>7</u>	<u>21</u>	<u>3</u>	<u>(1)</u>	<u>326</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 84</u>	<u>\$ 1</u>	<u>\$ 9</u>	<u>\$ 564</u>	<u>\$ 7</u>	<u>\$ 21</u>	<u>\$ 3</u>	<u>\$ (1)</u>	<u>\$ 374</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2021
(Amounts in thousands)

	Sickles Legacy Proceeds	Helen Adler Levy Library	Housing and Environmental Improvement	Indigent Defender	Environmental Disaster Mitigation	French Quarter Development District	Utilities	French Quarter Improvement
Assets								
Cash	\$ -	\$ 0	\$ 2,449	\$ 68	\$ 34	\$ 1,063	\$ 529	\$ 1,240
Investments	-	21	-	-	-	-	-	-
Sales Tax Receivable	-	-	-	-	-	270	-	-
Property taxes receivable	-	-	-	-	-	-	-	-
Accounts receivable (net, where applicable, of allowances for uncollectibles)	-	-	46	108	-	-	-	-
Grantee loans receivable	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 21</u>	<u>\$ 2,494</u>	<u>\$ 176</u>	<u>\$ 34</u>	<u>\$ 1,334</u>	<u>\$ 529</u>	<u>\$ 1,240</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ 470	\$ 68	\$ -	\$ 52	\$ -	\$ 2
Accrued liabilities	-	-	13	-	-	-	-	-
Due to other funds	-	21	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>21</u>	<u>483</u>	<u>68</u>	<u>-</u>	<u>52</u>	<u>-</u>	<u>2</u>
Deferred inflows of resources:								
Unavailable revenue	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	1,299	512	1,239
Committed	-	-	2,012	108	34	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances (deficit)	<u>-</u>	<u>-</u>	<u>2,012</u>	<u>108</u>	<u>34</u>	<u>1,299</u>	<u>512</u>	<u>1,239</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ -</u>	<u>\$ 21</u>	<u>\$ 2,494</u>	<u>\$ 176</u>	<u>\$ 34</u>	<u>\$ 1,351</u>	<u>\$ 512</u>	<u>\$ 1,240</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2021
(Amounts in thousands)

	<u>Coroner's Office</u>	<u>Ad Valorem Property Tax</u>	<u>City Cemetery Maintenance & Repair Fund</u>	<u>Interim Short- Term Rental Fund</u>	<u>Miscellaneous Donations</u>	<u>Other</u>	<u>Grant Recipient Funds</u>	<u>Total</u>
Assets								
Cash	\$ 75	\$ 127	\$ 39	\$ 1,500	\$ 443	\$ 8	\$ 7,927	\$ 41,262
Investments	-	-	-	-	-	118	1,994	10,199
Sales Tax Receivable	-	-	-	-	-	-	-	270
Property taxes receivable	-	-	-	-	-	-	-	364
Accounts receivable (net, where applicable, of allowances for uncollectibles)	-	-	16	183	1	-	-	2,222
Grantee loans receivable	-	-	-	-	-	-	557	557
Due from other funds	-	-	-	-	-	-	10,250	10,250
Due from other governments	-	-	-	-	-	-	23,615	23,615
Other assets	-	-	-	-	-	-	-	12
Total assets	<u>\$ 75</u>	<u>\$ 127</u>	<u>\$ 55</u>	<u>\$ 1,683</u>	<u>\$ 443</u>	<u>\$ 127</u>	<u>\$ 34,103</u>	<u>\$ 78,511</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances								
Liabilities:								
Accounts payable	\$ -	\$ 3	\$ -	\$ -	\$ 27	\$ -	\$ 10,139	\$ 17,143
Accrued liabilities	-	-	-	-	-	-	4,488	6,397
Due to other funds	-	-	-	-	-	11	2,721	2,883
Due to other governments	-	-	-	-	-	-	67	67
Advances from other funds	-	-	-	-	-	-	20,859	20,859
Total liabilities	<u>-</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>27</u>	<u>11</u>	<u>38,273</u>	<u>47,349</u>
Deferred inflows of resources:								
Unavailable revenue	-	-	-	-	-	-	20,183	20,526
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,183</u>	<u>20,526</u>
Fund balances:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	115	7,328	18,191
Committed	75	125	55	1,683	417	-	-	24,126
Unassigned	-	-	-	-	-	-	(31,681)	(31,681)
Total fund balances (deficit)	<u>75</u>	<u>125</u>	<u>55</u>	<u>1,683</u>	<u>417</u>	<u>115</u>	<u>(24,353)</u>	<u>10,636</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 75</u>	<u>\$ 127</u>	<u>\$ 55</u>	<u>\$ 1,683</u>	<u>\$ 443</u>	<u>\$ 126</u>	<u>\$ 34,103</u>	<u>\$ 78,510</u>

(Concluded)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
December 31, 2021
(Amounts in thousands)

	New Orleans Economic Development	Neighborhood Housing Improvement	Environmental Improvement	Integrated Green Infrastructure	Gallier Hall Maintenance Fund	Infrastructure Maintenance Fund
Revenues:						
Taxes	\$ 1,249	\$ 295	\$ -	\$ -	\$ -	\$ 14,084
Licenses and permits	-	382	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charge for services	-	-	197	-	-	-
Program income	-	-	-	-	-	-
Fines and forfeits	-	-	-	726	-	-
Interest income	-	-	-	-	-	-
Contributions, gifts, and donations	-	-	-	-	-	-
Miscellaneous	-	75	-	-	-	-
Total revenues	<u>1,249</u>	<u>752</u>	<u>197</u>	<u>726</u>	<u>-</u>	<u>14,084</u>
Expenditures:						
General government	337	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	40	9,363
Health and human services	-	-	38	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban development and housing	-	-	-	-	-	-
Economic development and assistance	893	3,284	-	-	-	-
Capital outlays	-	-	-	-	-	-
Total expenditures	<u>1,230</u>	<u>3,284</u>	<u>38</u>	<u>-</u>	<u>40</u>	<u>9,363</u>
Excess (deficiency) of revenue over expenditures	20	(2,532)	160	726	(40)	4,721
Other financing sources (uses):						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>20</u>	<u>(2,532)</u>	<u>160</u>	<u>726</u>	<u>(40)</u>	<u>4,721</u>
Fund balances – beginning of year	1,013	7,167	614	622	689	2,891
Fund balances (deficit) – end of year	<u>\$ 1,033</u>	<u>\$ 4,634</u>	<u>\$ 774</u>	<u>\$ 1,348</u>	<u>\$ 649</u>	<u>\$ 7,612</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
December 31, 2021
(Amounts in thousands)

	Sex Offender Proprietary Fund	Sidewalk Paving and Repairing	Adopt-a- Pothole Program	Mayor's Office of Tourism and Arts	Mayoral Fellows Program	Music and Entertainment Commission	New Orleans Police Department - Crime Prevention	Asset Seizure
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charge for services	-	-	-	-	-	-	-	-
Program income	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	136
Interest income	-	-	-	-	-	-	-	-
Contributions, gifts, and donations	-	-	-	100	451	100	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>100</u>	<u>451</u>	<u>100</u>	<u>-</u>	<u>136</u>
Expenditures:								
General government	-	-	-	146	451	94	-	-
Public safety	18	-	-	-	-	-	-	373
Public works	-	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Urban development and housing	-	-	-	-	-	-	-	-
Economic development and assistance	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-
Total expenditures	<u>18</u>	<u>-</u>	<u>-</u>	<u>146</u>	<u>451</u>	<u>94</u>	<u>-</u>	<u>373</u>
Excess (deficiency) of revenue over expenditures	(18)	-	-	(46)	-	6	-	(237)
Other financing sources (uses):								
Operating transfers in	-	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(18)</u>	<u>-</u>	<u>-</u>	<u>(46)</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>(237)</u>
Fund balances – beginning of year	239	2	0	627	0	186	1	736
Fund balances (deficit) – end of year	<u>\$ 221</u>	<u>\$ 2</u>	<u>\$ 0</u>	<u>\$ 581</u>	<u>\$ 0</u>	<u>\$ 192</u>	<u>\$ 1</u>	<u>\$ 499</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
December 31, 2021
(Amounts in thousands)

	New Orleans Recreation Foundation	New Orleans Recreation Department	New Orleans Film Commission	Vieux Carre' Restoration	Public Library Donations	Plant- A-Tree Campaign	Capital Improvement and Infrastructure
Revenues:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,241
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charge for services	-	-	-	-	-	-	-
Program income	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-
Contributions, gifts, and donations	89	-	100	-	-	98	-
Miscellaneous	-	-	-	-	98	-	-
Total revenues	<u>89</u>	<u>-</u>	<u>100</u>	<u>-</u>	<u>98</u>	<u>98</u>	<u>2,241</u>
Expenditures:							
General government	79	-	141	-	-	-	5,270
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	512	58	-
Urban development and housing	-	-	-	-	-	-	-
Economic development and assistance	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-
Total expenditures	<u>79</u>	<u>-</u>	<u>141</u>	<u>-</u>	<u>512</u>	<u>58</u>	<u>5,270</u>
Excess (deficiency) of revenue over expenditures	10	-	(41)	-	(414)	40	(3,030)
Other financing sources (uses):							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>10</u>	<u>-</u>	<u>(41)</u>	<u>-</u>	<u>(414)</u>	<u>40</u>	<u>(3,030)</u>
Fund balances – beginning of year	104	52	354	1	1,022	237	4,208
Fund balances (deficit) – end of year	<u>\$ 114</u>	<u>\$ 52</u>	<u>\$ 313</u>	<u>\$ 1</u>	<u>\$ 608</u>	<u>\$ 277</u>	<u>\$ 1,178</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
December 31, 2021
(Amounts in thousands)

	Delgado- Albania Plantation Commission	Edward Wisner	LaHache Music	Simon Hersheim	Kiwanis Club Lee Circle Sprinkler System	Ella West Freeman Foundation	Isaac Delgado Memorial
Revenues:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charge for services	-	-	-	-	-	-	-
Program income	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Interest income	-	1	-	1	-	-	-
Contributions, gifts, and donations	-	1,886	-	-	-	-	-
Miscellaneous	186	-	-	-	-	-	-
Total revenues	<u>186</u>	<u>1,887</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:							
General government	-	2,272	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
Culture and recreation	-	-	-	4	2	-	-
Urban development and housing	-	-	-	-	-	-	-
Economic development and assistance	-	-	-	-	-	-	-
Capital outlays	1,400	-	-	-	-	-	-
Total expenditures	<u>1,400</u>	<u>2,272</u>	<u>-</u>	<u>4</u>	<u>2</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenue over expenditures	(1,214)	(385)	-	(4)	(2)	-	-
Other financing sources (uses):							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(1,214)</u>	<u>(385)</u>	<u>-</u>	<u>(4)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>
Fund balances – beginning of year	1,796	6,098	0	5	3	9	564
Fund balances (deficit) – end of year	<u>\$ 581</u>	<u>\$ 5,713</u>	<u>\$ 0</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 9</u>	<u>\$ 564</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
December 31, 2021
(Amounts in thousands)

	John McDonogh School	Lafayette Cemetery No. 1 Under Will of Lilly Violet	Mahalia Zimmerman Tomb	Mrs. Otto Joachim	Simon V. Sickles Legacy Fund	Sickles Legacy Proceeds	Helen Adler Levy Library
Revenues:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charge for services	-	-	-	-	-	-	-
Program income	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-
Contributions, gifts, and donations	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Health and human services	-	-	-	-	44	-	-
Culture and recreation	-	-	-	2	-	-	23
Urban development and housing	-	-	-	-	-	-	-
Economic development and assistance	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>44</u>	<u>-</u>	<u>23</u>
Excess (deficiency) of revenue over expenditures	-	-	-	(2)	(44)	-	(23)
Other financing sources (uses):							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2)</u>	<u>(44)</u>	<u>-</u>	<u>(23)</u>
Fund balances – beginning of year	7	21	3	1	370	-	23
Fund balances (deficit) – end of year	<u>\$ 7</u>	<u>\$ 21</u>	<u>\$ 3</u>	<u>\$ (1)</u>	<u>\$ 326</u>	<u>\$ -</u>	<u>\$ 0</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
December 31, 2021
(Amounts in thousands)

	Housing and Environmental Improvement	Indigent Defender	Environmental Disaster Mitigation	French Quarter Development District	Utilities	French Quarter Improvement	Coroner's Office
Revenues:							
Taxes	\$ -	\$ -	\$ -	\$ 1,237	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charge for services	-	-	-	-	-	-	-
Program income	-	-	-	-	-	-	-
Fines and forfeits	1,250	-	-	-	-	-	4
Interest income	-	-	-	-	-	-	-
Contributions, gifts, and donations	-	994	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	<u>1,250</u>	<u>994</u>	<u>-</u>	<u>1,237</u>	<u>-</u>	<u>-</u>	<u>4</u>
Expenditures:							
General government	1,046	-	-	7	17	72	-
Public safety	-	-	-	386	-	-	-
Public works	-	997	166	19	-	15	-
Health and human services	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban development and housing	1,394	-	-	-	-	-	-
Economic development and assistance	(7)	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-
Total expenditures	<u>2,434</u>	<u>997</u>	<u>166</u>	<u>412</u>	<u>17</u>	<u>88</u>	<u>-</u>
Excess (deficiency) of revenue over expenditures	(1,183)	(3)	(166)	825	(17)	(88)	4
Other financing sources (uses):							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	(5)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(1,183)</u>	<u>(3)</u>	<u>(166)</u>	<u>825</u>	<u>(22)</u>	<u>(88)</u>	<u>4</u>
Fund balances – beginning of year	3,195	111	201	474	534	1,326	72
Fund balances (deficit) – end of year	<u>\$ 2,012</u>	<u>\$ 108</u>	<u>\$ 34</u>	<u>\$ 1,299</u>	<u>\$ 512</u>	<u>\$ 1,239</u>	<u>\$ 75</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
December 31, 2021
(Amounts in thousands)

	Ad Valorem Property Tax	City Cemetery Maintenance & Repair Fund	Interim Short Term Rental Fund	Miscellaneous Donations	Other	Grant Recipient Funds	Total
Revenues:							
Taxes	\$ -	\$ -	\$ 1,341	\$ -	\$ -	\$ -	\$ 20,447
Licenses and permits	-	-	-	-	-	-	382
Intergovernmental	-	-	-	-	-	53,642	53,642
Charge for services	-	21	-	-	-	23	241
Program income	-	-	-	-	-	11	11
Fines and forfeits	-	-	-	-	-	39	2,155
Interest income	-	-	-	-	-	-	2
Contributions, gifts, and donations	-	-	-	146	-	5	3,969
Miscellaneous	3	26	-	-	-	1	389
Total revenues	<u>3</u>	<u>48</u>	<u>1,341</u>	<u>146</u>	<u>-</u>	<u>53,721</u>	<u>81,237</u>
Expenditures:							
General government	143	-	-	-	-	8,946	19,022
Public safety	-	-	-	-	-	1,130	1,907
Public works	-	-	-	-	-	5	10,606
Health and human services	-	-	-	4	-	13,391	13,476
Culture and recreation	-	-	-	440	12	-	1,053
Urban development and housing	-	-	-	-	-	32,802	34,196
Economic development and assistance	-	-	-	-	-	7,934	12,104
Capital outlays	-	-	-	-	-	7,201	8,601
Total expenditures	<u>143</u>	<u>-</u>	<u>-</u>	<u>444</u>	<u>12</u>	<u>71,409</u>	<u>100,965</u>
Excess (deficiency) of revenue over expenditures	(140)	48	1,341	(297)	(12)	(17,689)	(19,728)
Other financing sources (uses):							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	(0)	-	(5)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(0)</u>	<u>-</u>	<u>(5)</u>
Net change in fund balance	<u>(140)</u>	<u>48</u>	<u>1,341</u>	<u>(297)</u>	<u>(12)</u>	<u>(17,689)</u>	<u>(19,733)</u>
Fund balances – beginning of year	265	8	342	714	127	(6,664)	30,369
Fund balances (deficit) – end of year	<u>\$ 125</u>	<u>\$ 55</u>	<u>\$ 1,683</u>	<u>\$ 417</u>	<u>\$ 115</u>	<u>\$ (24,352)</u>	<u>\$ 10,636</u>

(Concluded)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Balance Sheet
Non-major Grant Funds
December 31, 2021
(Amounts in thousands)

	Federal Department of Interior	Department of Housing and Urban Development	Federal UDAG	Louisiana Office of Community Development	Federal Justice Administration	FDJ Office of Justice Program	Federal Department of Health
Assets							
Cash	\$ 1	\$ -	\$ 4,276	\$ -	\$ -	\$ -	\$ 268
Investments	-	1,994	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Grantee loans	-	-	557	-	-	-	-
Due from other funds	-	-	-	-	-	7	3
Due from other governments	-	16,437	-	286	236	819	1,427
Other assets	-	-	-	-	-	-	-
Total assets	<u>\$ 1</u>	<u>\$ 18,431</u>	<u>\$ 4,833</u>	<u>\$ 286</u>	<u>\$ 236</u>	<u>\$ 826</u>	<u>\$ 1,699</u>
Liabilities, Deferred Inflows, and Fund Balances							
Liabilities:							
Accounts payable	\$ -	\$ 5,689	\$ -	\$ 9	\$ 5	\$ 446	\$ 1,955
Accrued liability	-	1,110	-	-	0	160	928
Due to other funds	-	-	-	387	83	188	7
Due to other governments	-	67	-	-	-	-	-
Advances from other funds	-	20,859	-	-	-	-	-
Total liabilities	<u>-</u>	<u>27,724</u>	<u>-</u>	<u>396</u>	<u>88</u>	<u>793</u>	<u>2,890</u>
Deferred inflows of resources							
Unavailable revenues	-	15,987	-	286	236	623	798
Total deferred inflows of resources	<u>-</u>	<u>15,987</u>	<u>-</u>	<u>286</u>	<u>236</u>	<u>623</u>	<u>798</u>
Fund balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted	1	-	4,833	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	(25,281)	-	(396)	(88)	(591)	(1,989)
Total fund balances	<u>1</u>	<u>(25,281)</u>	<u>4,833</u>	<u>(396)</u>	<u>(88)</u>	<u>(591)</u>	<u>(1,989)</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 1</u>	<u>\$ 18,431</u>	<u>\$ 4,833</u>	<u>\$ 286</u>	<u>\$ 236</u>	<u>\$ 826</u>	<u>\$ 1,699</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Balance Sheet
Non-major Grant Funds
December 31, 2021
(Amounts in thousands)

	Department of Defense	Department of Homeland Security	Department of Economic Development	Federal Department of Energy	Federal Department of Agriculture	Louisiana Highway Safety Commission	Louisiana Commission on Law Enforcement
Assets							
Cash	\$ 25	\$ -	\$ 19	\$ 71	\$ 978	\$ 26	\$ -
Investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Grantee loans	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Due from other governments	-	314	-	-	-	-	312
Other assets	-	-	-	-	-	-	-
Total assets	<u>\$ 25</u>	<u>\$ 314</u>	<u>\$ 19</u>	<u>\$ 71</u>	<u>\$ 978</u>	<u>\$ 26</u>	<u>\$ 312</u>
Liabilities, Deferred Inflows, and Fund Balances							
Liabilities:							
Accounts payable	\$ -	\$ 82	\$ -	\$ -	\$ -	\$ -	\$ 25
Accrued liability	-	0	-	-	-	-	1
Due to other funds	-	275	-	-	-	-	267
Due to other governments	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>357</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>292</u>
Deferred inflows of resources							
Unavailable revenues	-	196	-	-	-	-	74
Total deferred inflows of resources	<u>-</u>	<u>196</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>74</u>
Fund balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted	25	(239)	19	71	978	26	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(54)
Total fund balances	<u>25</u>	<u>(239)</u>	<u>19</u>	<u>71</u>	<u>978</u>	<u>26</u>	<u>(54)</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 25</u>	<u>\$ 314</u>	<u>\$ 19</u>	<u>\$ 71</u>	<u>\$ 978</u>	<u>\$ 26</u>	<u>\$ 312</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Balance Sheet
Non-major Grant Funds
December 31, 2021
(Amounts in thousands)

	Louisiana Department of Health and Human Resources	Environmental Protection Agency	Louisiana Department of Public Safety	Louisiana Department of Education	Louisiana Department of Agriculture and Forestry	Louisiana Department of Culture, Recreation, and Tourism
Assets						
Cash	\$ 0	\$ 108	\$ -	\$ 5	\$ 109	\$ 2
Investments	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Grantee loans	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	269	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total assets	<u>\$ 269</u>	<u>\$ 108</u>	<u>\$ -</u>	<u>\$ 5</u>	<u>\$ 109</u>	<u>\$ 2</u>
Liabilities, Deferred Inflows, and Fund Balances						
Liabilities:						
Accounts payable	\$ 21	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liability	6	-	-	-	-	-
Due to other funds	-	-	1	-	-	-
Due to other governments	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Total liabilities	<u>27</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources						
Unavailable revenues	43	-	-	-	-	-
Total deferred inflows of resources	<u>43</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	199	108	-	5	109	2
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	(1)	-	-	-
Total fund balances	<u>199</u>	<u>108</u>	<u>(1)</u>	<u>5</u>	<u>109</u>	<u>2</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 269</u>	<u>\$ 108</u>	<u>\$ -</u>	<u>\$ 5</u>	<u>\$ 109</u>	<u>\$ 2</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Balance Sheet
Non-major Grant Funds
December 31, 2021
(Amounts in thousands)

	Department of Labor	State Department of Natural Resources	Private Grants	Louisiana Department of Social Services	Louisiana Military Department	Delta Regional Authority
Assets						
Cash	\$ -	\$ 105	\$ 992	\$ 1	\$ 192	\$ -
Investments	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Grantee loans	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	2,085	-	51	-	88	-
Other assets	-	-	-	-	-	-
Total assets	<u>\$ 2,085</u>	<u>\$ 105</u>	<u>\$ 1,043</u>	<u>\$ 1</u>	<u>\$ 280</u>	<u>\$ -</u>
Liabilities, Deferred Inflows, and Fund Balances						
Liabilities:						
Accounts payable	\$ 1,660	\$ -	\$ 193	\$ -	\$ 29	\$ -
Accrued liability	3	-	10	-	-	-
Due to other funds	1,309	-	-	-	0	-
Due to other governments	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Total liabilities	<u>2,972</u>	<u>-</u>	<u>203</u>	<u>-</u>	<u>29</u>	<u>-</u>
Deferred inflows of resources						
Unavailable revenues	1,560	-	-	-	5	-
Total deferred inflows of resources	<u>1,560</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>-</u>
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	-	105	840	1	247	-
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	(2,447)	-	-	-	-	-
Total fund balances	<u>(2,447)</u>	<u>105</u>	<u>840</u>	<u>1</u>	<u>247</u>	<u>-</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 2,085</u>	<u>\$ 105</u>	<u>\$ 1,043</u>	<u>\$ 1</u>	<u>\$ 280</u>	<u>\$ -</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Balance Sheet
Non-major Grant Funds
December 31, 2021
(Amounts in thousands)

	Corporation of National and Community Service	Federal Department of Transportation	FHWA Federal Highway Commission	Louisiana Department of Administration	Total
Assets					
Cash	\$ -	\$ -	\$ -	\$ 750	\$ 7,927
Investments	-	-	-	-	1,994
Accounts receivable	-	-	-	-	-
Grantee loans	-	-	-	-	557
Due from other funds	-	-	-	-	10
Due from other governments	-	219	-	1,072	23,615
Other assets	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 219</u>	<u>\$ -</u>	<u>\$ 1,821</u>	<u>\$ 34,103</u>
Liabilities, Deferred Inflows, and Fund Balances					
Liabilities:					
Accounts payable	\$ 1	\$ 24	\$ -	\$ -	\$ 10,139
Accrued liability	-	-	-	2,271	4,488
Due to other funds	7	195	2	-	2,721
Due to other governments	-	-	-	-	67
Advances from other funds	-	-	-	-	20,859
Total liabilities	<u>8</u>	<u>219</u>	<u>2</u>	<u>2,271</u>	<u>38,273</u>
Deferred inflows of resources					
Unavailable revenues	-	219	-	156	20,183
Total deferred inflows of resources	<u>-</u>	<u>219</u>	<u>-</u>	<u>156</u>	<u>20,183</u>
Fund balances:					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	7,328
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(8)	(219)	(2)	(606)	(31,681)
Total fund balances	<u>(8)</u>	<u>(219)</u>	<u>(2)</u>	<u>(606)</u>	<u>(24,353)</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ -</u>	<u>\$ 219</u>	<u>\$ -</u>	<u>\$ 1,821</u>	<u>\$ 34,103</u>

(Concluded)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
December 31, 2021
(Amounts in thousands)

	Federal Department of Interior	Department of Housing and Urban Development	Federal UDAG	Louisiana Office of Community Development	Federal Justice Administration	FDJ Office of Justice Program
Revenues:						
Intergovernmental	\$ -	\$ 21,907	\$ -	\$ 4,141	\$ -	\$ 1,131
Charges for services	-	-	-	-	-	-
Program income	-	11	-	-	-	-
Fines and forfeits	-	-	-	39	-	-
Contributions, gifts, and donations	-	-	-	-	-	-
Miscellaneous	-	-	1	-	-	-
Total revenues	<u>-</u>	<u>21,918</u>	<u>1</u>	<u>4,180</u>	<u>-</u>	<u>1,131</u>
Expenditures:						
General government	-	1,515	-	4,864	-	235
Public safety	-	-	-	-	-	454
Public works	-	1	-	-	-	-
Health and human services	-	62	-	-	88	665
Culture and recreation	-	-	-	-	-	-
Urban development	-	32,246	-	561	-	-
Economic development and assistance	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>33,823</u>	<u>-</u>	<u>5,424</u>	<u>88</u>	<u>1,354</u>
(Deficiency) excess of revenues over expenditures	<u>-</u>	<u>(11,905)</u>	<u>1</u>	<u>(1,244)</u>	<u>(88)</u>	<u>(223)</u>
Other financing uses:						
Transfers in	-	-	-	-	-	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>(11,905)</u>	<u>1</u>	<u>(1,244)</u>	<u>(88)</u>	<u>(223)</u>
Fund balances (deficit) – beginning of year	1	(13,376)	4,831	848	-	(367)
Fund balances (deficit) – end of year	<u>\$ 1</u>	<u>\$ (25,281)</u>	<u>\$ 4,833</u>	<u>\$ (396)</u>	<u>\$ (88)</u>	<u>\$ (591)</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
December 31, 2021
(Amounts in thousands)

	Federal Department of Health	Department of Defense	Department of Homeland Security	Louisiana Department of Economic Development	Federal Department of Energy	Federal Department of Agriculture	Louisiana Highway Safety Commission
Revenues:							
Intergovernmental	\$ 12,308	\$ -	\$ 403	\$ -	\$ -	\$ -	\$ -
Charges for services	23	-	-	-	-	-	-
Program income	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Contributions, gifts, and donations	5	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	<u>12,336</u>	<u>-</u>	<u>403</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:							
General government	29	-	641	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Health and human services	12,140	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Urban development	-	-	-	-	-	-	-
Economic development and assistance	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-
Total expenditures	<u>12,168</u>	<u>-</u>	<u>641</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) excess of revenues over expenditures	<u>168</u>	<u>-</u>	<u>(239)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing uses:							
Transfers in	-	-	-	-	-	-	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>168</u>	<u>-</u>	<u>(239)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit) – beginning of year	(2,157)	25	-	19	71	978	26
Fund balances (deficit) – end of year	<u>\$ (1,989)</u>	<u>\$ 25</u>	<u>\$ (239)</u>	<u>\$ 19</u>	<u>\$ 71</u>	<u>\$ 978</u>	<u>\$ 26</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
December 31, 2021
(Amounts in thousands)
Louisiana

	Louisiana Commission on Law Enforcement	Department of Health and Human Resources	Environmental Protection Agency	Louisiana Department of Public Safety	Louisiana Department of Education	Louisiana Department of Agriculture and Forestry
Revenues:						
Intergovernmental	\$ 624	\$ 526	\$ -	\$ 134	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Program income	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Contributions, gifts, and donations	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>624</u>	<u>526</u>	<u>-</u>	<u>134</u>	<u>-</u>	<u>-</u>
Expenditures:						
General government	34	28	3	-	-	-
Public safety	547	-	-	129	-	-
Public works	-	-	-	-	-	-
Health and human services	-	449	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Urban development	-	-	-	-	-	-
Economic development and assistance	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-
Total expenditures	<u>580</u>	<u>477</u>	<u>3</u>	<u>129</u>	<u>-</u>	<u>-</u>
(Deficiency) excess of revenues over expenditures	<u>44</u>	<u>49</u>	<u>(3)</u>	<u>4</u>	<u>-</u>	<u>-</u>
Other financing uses:						
Transfers in	-	-	-	-	-	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>44</u>	<u>49</u>	<u>(3)</u>	<u>4</u>	<u>-</u>	<u>-</u>
Fund balances (deficit) – beginning of year	(98)	150	111	(5)	5	109
Fund balances (deficit) – end of year	<u>\$ (54)</u>	<u>\$ 199</u>	<u>\$ 108</u>	<u>\$ (1)</u>	<u>\$ 5</u>	<u>\$ 109</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
December 31, 2021
(Amounts in thousands)

	Louisiana Department of Culture, Recreation and Tourism	Department of Labor	State Department of Natural Resources	Private Grants	Louisiana Department of Social Service	Corporation of National and Community Service
Revenues:						
Intergovernmental	\$ 5	\$ 6,222	\$ -	\$ 775	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Program income	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Contributions, gifts, and donations	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>5</u>	<u>6,222</u>	<u>-</u>	<u>775</u>	<u>-</u>	<u>-</u>
Expenditures:						
General government	-	-	-	1,129	-	8
Public safety	-	-	-	-	-	-
Public works	5	-	-	-	-	-
Health and human services	-	-	-	(12)	-	-
Culture and recreation	-	-	-	-	-	-
Urban development	-	-	-	-	(4)	-
Economic development and assistance	-	7,928	-	5	-	-
Capital outlays	-	-	-	1,414	-	-
Total expenditures	<u>5</u>	<u>7,928</u>	<u>-</u>	<u>2,537</u>	<u>(4)</u>	<u>8</u>
(Deficiency) excess of revenues over expenditures	<u>-</u>	<u>(1,707)</u>	<u>-</u>	<u>(1,762)</u>	<u>4</u>	<u>(8)</u>
Other financing uses:						
Transfers in	-	-	-	-	-	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>(1,707)</u>	<u>-</u>	<u>(1,762)</u>	<u>4</u>	<u>(8)</u>
Fund balances (deficit) – beginning of year	<u>2</u>	<u>(740)</u>	<u>105</u>	<u>2,602</u>	<u>(3)</u>	<u>-</u>
Fund balances (deficit) – end of year	<u>\$ 2</u>	<u>\$ (2,447)</u>	<u>\$ 105</u>	<u>\$ 840</u>	<u>\$ 1</u>	<u>\$ (8)</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
December 31, 2021
(Amounts in thousands)

	Federal Department of Transportation	Louisiana Military Department	Delta Regional Authority	FHWA Federal Highway Commission	Louisiana Department of Administration	Total
Revenues:						
Intergovernmental	\$ -	\$ 285	\$ -	\$ -	\$ 5,181	\$ 53,642
Charges for services	-	-	-	-	-	23
Program income	-	-	-	-	-	11
Fines and forfeits	-	-	-	-	-	39
Contributions, gifts, and donations	-	-	-	-	-	5
Miscellaneous	-	-	-	-	-	1
Total revenues	<u>-</u>	<u>285</u>	<u>-</u>	<u>-</u>	<u>5,181</u>	<u>53,721</u>
Expenditures:						
General government	281	178	-	-	-	8,946
Public safety	-	-	-	-	-	1,130
Public works	-	-	-	-	-	5
Health and human services	-	-	-	-	-	13,391
Culture and recreation	-	-	-	-	-	-
Urban development	-	-	-	-	-	32,802
Economic development and assistance	-	-	-	-	-	7,934
Capital outlays	-	-	-	-	5,787	7,201
Total expenditures	<u>281</u>	<u>178</u>	<u>-</u>	<u>-</u>	<u>5,787</u>	<u>71,409</u>
(Deficiency) excess of revenues over expenditures	<u>(281)</u>	<u>107</u>	<u>-</u>	<u>-</u>	<u>(606)</u>	<u>(17,689)</u>
Other financing uses:						
Transfers in	-	-	-	-	-	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(281)</u>	<u>107</u>	<u>-</u>	<u>-</u>	<u>(606)</u>	<u>(17,689)</u>
Fund balances (deficit) – beginning of year	62	140	-	(2)	-	(6,664)
Fund balances (deficit) – end of year	<u>\$ (219)</u>	<u>\$ 247</u>	<u>\$ -</u>	<u>\$ (2)</u>	<u>\$ (606)</u>	<u>\$ (24,352)</u>

(Concluded)

See accompanying independent auditors' report.

FIDUCIARY FUNDS

CITY OF NEW ORLEANS, LOUISIANA

Combining Financial Statements

Fiduciary Funds
December 31, 2021

Pension trust funds are used to account for the accumulation of resources to be used for retirement annuities and death and disability benefits for employees covered by the various plans. Resources are contributed by employees at fixed rates by laws and by the City at amounts determined by actuarial studies.

Custodial funds are used to account for all monies held by the City in a custodial capacity. The City's custodial funds are as follows:

- *Clearing Funds* – Used to account for money being held pending payment thereof to other funds as provided by law.
- *Deposit Funds* – Used to account for money deposited under any ordinance or contract in connection with the exercise of any right or privilege for the purpose of guaranteeing performance of any obligation.
- *Escrow Funds* – Used to account for money paid to or deposited with any officer, department, or board under protest or held subject to the proper determination of the rights of the City.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Fiduciary Net Position
Pension Trust Funds
December 31, 2021
(Amounts in thousands)

Assets and Deferred Outflows	Firefighters'		Police	Employees'	Total
	Old System	New System	Old System	Retirement System	
Current assets:					
Cash	\$ 235	\$ 121	\$ 101	\$ 4,729	\$ 5,187
Investments:					
Cash equivalents	8,321	10,665	1,313	20,240	40,538
Fixed income securities	-	0	-	82,872	82,872
Equities	-	0	-	294,898	294,899
Mutual funds	-	38,352	-	-	38,352
Investment in corporations, partnerships, and limited liability companies	-	7,326	-	-	7,326
Investment in hedge funds and private equity funds	-	-	-	67,415	67,415
Investment in real estate	-	301	-	24,860	25,161
Other	-	-	-	15,360	15,360
Receivables:					
Accrued interest	-	-	-	64	64
Contribution	-	-	-	1,222	1,222
Due (to)/from Old/New System	1,152	-	-	-	1,152
Other	-	-	31	194	225
Other assets	146	484	-	-	630
Total assets	<u>9,855</u>	<u>57,249</u>	<u>1,445</u>	<u>511,855</u>	<u>580,404</u>
Deferred outflows of resources:					
Related to pension	71	48	-	-	119
Total assets and deferred outflows	<u>9,925</u>	<u>57,298</u>	<u>1,445</u>	<u>511,855</u>	<u>580,523</u>
Liabilities, Deferred Inflows, and Net Position					
Current liabilities:					
Accounts payable	21	-	14	-	35
Other payables and accruals	-	1,152	-	1,825	2,977
Total current liabilities	<u>21</u>	<u>1,152</u>	<u>14</u>	<u>1,825</u>	<u>3,012</u>
Long-term liabilities:					
Net pension liability (MERS)	149	302	-	-	451
Total long-term liabilities	<u>149</u>	<u>302</u>	<u>-</u>	<u>-</u>	<u>451</u>
Total liabilities	<u>170</u>	<u>1,454</u>	<u>14</u>	<u>1,825</u>	<u>3,463</u>
Deferred inflows of resources:					
Unavailable revenue	1,101	2,876	-	-	3,978
Related to pension	48	97	-	-	145
Total deferred inflows of resources	<u>1,149</u>	<u>2,974</u>	<u>-</u>	<u>-</u>	<u>4,123</u>
Net position:					
Restricted for pension benefits	<u>8,606</u>	<u>52,870</u>	<u>1,431</u>	<u>510,030</u>	<u>572,937</u>
Total liabilities, deferred inflows, and net position	<u>9,925</u>	<u>57,298</u>	<u>1,445</u>	<u>511,855</u>	<u>580,523</u>

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year ended December 31, 2021
(Amounts in thousands)

	Firefighters'		Police Old System	Employees' Retirement System	Total
	Old System	New System			
Additions:					
Contributions:					
Employer	\$ -	\$ 34,301	\$ -	\$ 21,652	\$ 55,953
Members	-	3,253	-	8,509	11,763
Fire insurance rebate	533	989	-	-	1,522
Other	14,007	357	153	965	15,482
Total contributions	<u>14,539</u>	<u>38,901</u>	<u>153</u>	<u>31,127</u>	<u>84,720</u>
Investment income:					
Net appreciation (depreciation) in fair value of investments	-	2,765	1	66,552	69,318
Interest and dividends	2	656	-	5,857	6,516
Less: investment expense	<u>(2)</u>	<u>(362)</u>	<u>-</u>	<u>(1,458)</u>	<u>(1,821)</u>
Net investment income (loss)	<u>0</u>	<u>3,059</u>	<u>1</u>	<u>70,951</u>	<u>74,012</u>
Total additions	<u>14,539</u>	<u>41,961</u>	<u>154</u>	<u>102,078</u>	<u>158,732</u>
Deductions:					
Pension benefits	11,943	26,824	50	46,621	85,438
Refund of member contributions	-	421	-	3,026	3,447
Death benefits	45	24	-	319	388
Depreciation expense	27	-	-	-	27
Administrative expenses	629	859	119	560	2,168
DROP withdrawal	310	7,176	-	1,682	9,168
PLOP withdrawal	129	3,616	-	-	3,745
Transfers	138	199	-	482	819
Total deductions	<u>13,221</u>	<u>39,119</u>	<u>169</u>	<u>52,690</u>	<u>105,199</u>
Net increase (decrease)	1,319	2,841	(15)	49,388	53,533
Net position held in trust for pension benefits – beginning of year					
	<u>7,287</u>	<u>50,028</u>	<u>1,446</u>	<u>460,642</u>	<u>519,404</u>
Net position held in trust for pension benefits – end of year					
	<u>\$ 8,606</u>	<u>\$ 52,870</u>	<u>\$ 1,431</u>	<u>\$ 510,030</u>	<u>\$ 572,937</u>

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Fiduciary Net Position
Custodial Funds
Year ended December 31, 2021
(Amounts in thousands)

	Escrow Funds	Deposit Funds	Clearing Funds	Total
Assets:				
Cash	\$ 21,927	\$ 1,071	\$ 32,514	\$ 55,512
Investments	17,987	639	-	18,626
Accounts receivable	-	44	-	44
	<u>39,914</u>	<u>1,753</u>	<u>32,514</u>	<u>74,182</u>
Liabilities:				
Accounts payable	17,231	1,620	32,411	51,262
Due to other governments or component units	6	-	-	6
	<u>17,237</u>	<u>1,620</u>	<u>32,411</u>	<u>51,267</u>
Net position:				
Restricted for:				
Individuals, organizations, component units and other governments	<u>\$ 22,678</u>	<u>\$ 133</u>	<u>\$ 103</u>	<u>\$ 22,914</u>

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
Year ended December 31, 2021
(Amounts in thousands)

	Escrow Funds	Deposit Funds	Clearing Funds	Total
Additions:				
Investment income	\$ 7	\$ -	\$ -	\$ 7
Tax collections for other governments and component units	-	-	751,834	751,834
Collection of taxes paid in protest	11,611	-	-	11,611
Collection of unadjudicated funds	-	-	-	-
Other collections	-	152	2,992	3,144
Total additions	<u>11,617</u>	<u>152</u>	<u>754,825</u>	<u>766,595</u>
Deductions				
Payment of taxes to other governments and component units	7	-	752,122	752,130
Disbursement of taxes paid in protest	24,379	-	-	24,379
Disbursement of unadjudicated funds	-	-	-	-
Other disbursements	-	1,733	2,608	4,341
Total deductions	<u>24,386</u>	<u>1,733</u>	<u>754,730</u>	<u>780,850</u>
Net increase (decrease) in fiduciary net position	(12,769)	(1,581)	95	(14,255)
Net position - beginning of year, as restated	<u>35,447</u>	<u>1,714</u>	<u>8</u>	<u>37,169</u>
Net position - end of year	<u>\$ 22,678</u>	<u>\$ 133</u>	<u>\$ 103</u>	<u>\$ 22,914</u>

See accompanying independent auditors' report.

NON-MAJOR COMPONENT UNITS

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Net Position
Non-major Component Units
December 31, 2021
(Amounts in thousands)

Assets and Deferred Outflows of Resources	Downtown Development District	New Orleans Tourism and Cultural Fund	Orleans Parish Communication District	Municipal Yacht Harbor Management Corporation	French Market Corporation	New Orleans Building Corporation	Parking Facilities Corporation	Parish Hospital District for the Parish of Orleans District A	Total
Current assets:									
Cash	\$ 3,868	\$ 5,947	\$ 1,038	\$ 2,816	\$ 14,000	\$ 27,353	\$ 10,021	\$ 4,289	\$ 69,332
Investments	-	100	-	115	-	-	-	-	215
Receivables (net of allowances):									
Property taxes	-	-	-	-	-	-	-	-	-
Accounts	-	-	913	3	-	510	381	4,512	6,320
Other	19	2,744	-	-	1,803	-	-	25,322	29,889
Due from other governments	-	-	706	-	-	422	-	-	1,128
Prepaid expenses and deposits	144	-	247	-	264	134	-	1,042	1,831
Other assets	-	-	-	-	-	-	-	1,346	1,346
Total current assets	<u>4,031</u>	<u>8,792</u>	<u>2,904</u>	<u>2,934</u>	<u>16,067</u>	<u>28,419</u>	<u>10,402</u>	<u>36,511</u>	<u>110,061</u>
Restricted cash and investments:									
Customer deposits	-	-	-	-	-	-	-	-	-
Future debt service account	-	-	-	-	-	-	8,735	-	8,735
Other	5,237	-	2,665	-	-	1,000	138	6,552	15,592
Total restricted assets	<u>5,237</u>	<u>-</u>	<u>2,665</u>	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>8,873</u>	<u>6,552</u>	<u>24,327</u>
						0			
Property, plant, and equipment – at cost, less accumulated depreciation	<u>389</u>	<u>-</u>	<u>14,580</u>	<u>1,151</u>	<u>17,344</u>	<u>58,709</u>	<u>90,578</u>	<u>97,173</u>	<u>279,924</u>
Other assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>-</u>	<u>1,361</u>	<u>27</u>	<u>1,392</u>
Total assets	<u>9,657</u>	<u>8,792</u>	<u>20,149</u>	<u>4,089</u>	<u>33,411</u>	<u>88,128</u>	<u>111,215</u>	<u>140,263</u>	<u>415,704</u>
Deferred outflows of resources:									
Deferred amounts related to net pension liability	<u>-</u>	<u>-</u>	<u>9,577</u>	<u>-</u>	<u>1,034</u>	<u>-</u>	<u>-</u>	<u>1,365</u>	<u>11,977</u>
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>9,577</u>	<u>-</u>	<u>1,034</u>	<u>-</u>	<u>-</u>	<u>1,365</u>	<u>11,977</u>
Total assets and deferred outflows of resources	<u>\$ 9,657</u>	<u>\$ 8,792</u>	<u>\$ 29,727</u>	<u>\$ 4,089</u>	<u>\$ 34,445</u>	<u>\$ 88,128</u>	<u>\$ 111,215</u>	<u>\$ 141,628</u>	<u>\$ 427,680</u>

(Continued)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS, LOUISIANA
Combining Statement of Net Position
Non-major Component Units
December 31, 2021
(Amounts in thousands)

Liabilities, Deferred Inflows, and Net Position	Downtown Development District	New Orleans Tourism and Cultural Fund	Orleans Parish Communication District	Municipal Yacht Harbor Management Corporation	French Market Corporation	New Orleans Building Corporation	Parking Facilities Corporation	Parish Hospital District for the Parish of Orleans District A	Total
Current liabilities (payable from current assets):									
Accounts payable	\$ 719	\$ 286	\$ 528	\$ 101	\$ 522	\$ 284	\$ 610	\$ 4,512	\$ 7,560
Other payables and accruals	819	-	596	110	506	2,496	10,784	40,237	55,547
Due to other governments	-	-	-	-	405	-	-	9,282	9,687
Total current liabilities (payable from current assets)	<u>1,538</u>	<u>286</u>	<u>1,124</u>	<u>210</u>	<u>1,432</u>	<u>2,780</u>	<u>11,393</u>	<u>54,030</u>	<u>72,794</u>
Current liabilities (payable from restricted assets):									
Accrued interest	-	-	-	-	-	-	-	-	-
Bonds payable, current portion	-	-	-	-	-	-	-	-	-
Deposits and other	-	-	-	-	-	-	-	-	-
Total current liabilities (payable from restricted assets)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>1,538</u>	<u>286</u>	<u>1,124</u>	<u>210</u>	<u>1,432</u>	<u>2,780</u>	<u>11,393</u>	<u>54,030</u>	<u>72,794</u>
Long-term liabilities:									
Revenue bonds (net of current portion)	6,080	-	-	-	-	-	114,875	-	120,955
Net pension liability	-	-	15,947	-	3,280	-	-	-	19,227
Other	-	14	2,496	-	375	29,011	-	89,805	121,700
Total long-term liabilities	<u>6,080</u>	<u>14</u>	<u>18,443</u>	<u>-</u>	<u>3,655</u>	<u>29,011</u>	<u>114,875</u>	<u>89,805</u>	<u>261,882</u>
Total liabilities	<u>7,618</u>	<u>299</u>	<u>19,567</u>	<u>210</u>	<u>5,087</u>	<u>31,791</u>	<u>126,268</u>	<u>143,835</u>	<u>334,676</u>
Deferred inflows of resources:									
Deferred amounts related to net pension liability	-	-	3,893	-	850	-	-	-	4,743
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>3,893</u>	<u>-</u>	<u>850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,743</u>
Net position:									
Net investment in capital assets	389	-	17,245	1,151	17,344	58,709	-	6,188	101,026
Restricted for bond debt service	237	-	-	-	-	1,000	-	6,552	7,789
Restricted for environmental remediation	-	-	-	-	-	-	-	-	-
Operations reserve	-	-	-	-	-	-	-	-	-
Unrestricted	1,413	8,493	(10,979)	2,728	11,164	(3,372)	(15,053)	(14,947)	(20,554)
Total net position	<u>2,039</u>	<u>8,493</u>	<u>6,266</u>	<u>3,879</u>	<u>28,508</u>	<u>56,337</u>	<u>(15,053)</u>	<u>(2,207)</u>	<u>88,261</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 9,657</u>	<u>\$ 8,792</u>	<u>\$ 29,727</u>	<u>\$ 4,089</u>	<u>\$ 34,445</u>	<u>\$ 88,128</u>	<u>\$ 111,215</u>	<u>\$ 141,628</u>	<u>\$ 427,680</u>

(concluded)

See accompanying independent auditors' report.

CITY OF NEW ORLEANS
 Combining Statement of Activities
 Non-major Component Units
 Year ended December 31, 2021
 (Amounts in thousands)

	Program Revenues				Net (expense) revenue and changes in net position								
	Expenses	Charges for services	Operating Grants	Capital Grants	Downtown Development District	New Orleans Tourism and Cultural Fund	Orleans Parish Communication District	Municipal Yacht Harbor Management Corporation	French Market Corporation	New Orleans Building Corporation	Parking Facilities Corporation	Parish Hospital District for the Parish of Orleans District A	Total
Component units:													
Downtown Development District	\$ 6,698	\$ -	\$ 81	\$ -	\$ (6,617)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,617)
New Orleans Tourism and Cultural Fund	2,262	-	-	-	-	(2,262)	-	-	-	-	-	-	(2,262)
Orleans Parish Communication District	21,782	5,862	-	-	-	-	(15,920)	-	-	-	-	-	(15,920)
Municipal Yacht Harbor Management Corporation	1,033	1,500	20	-	-	-	487	-	-	-	-	-	487
French Market Corporation	8,137	8,006	-	-	-	-	-	(132)	-	-	-	-	(132)
New Orleans Building Corporation	4,729	22,669	-	-	-	-	-	-	17,940	-	-	-	17,940
Parking Facilities Corporation	20,404	15,204	-	-	-	-	-	-	-	(5,200)	-	-	(5,200)
Parish Hospital District for the Parish of Orleans	82,241	75,771	300	-	-	-	-	-	-	-	-	(6,171)	(6,171)
Total component units	<u>\$ 147,287</u>	<u>\$ 129,010</u>	<u>\$ 401</u>	<u>\$ -</u>	<u>(6,617)</u>	<u>(2,262)</u>	<u>(15,920)</u>	<u>487</u>	<u>(132)</u>	<u>17,940</u>	<u>(5,200)</u>	<u>(6,171)</u>	<u>(17,876)</u>
General revenue (expense):													
Interest revenue					4	-	1	0	8	28	-	(3,153)	(3,112)
Property taxes					8,278	-	-	-	-	-	-	-	8,278
Other					-	5,746	10,536	-	(333)	(2,364)	-	2,716	16,301
Total general revenues (expense)					<u>8,283</u>	<u>5,746</u>	<u>10,537</u>	<u>0</u>	<u>(325)</u>	<u>(2,336)</u>	<u>-</u>	<u>(437)</u>	<u>21,468</u>
Changes in net position					1,666	3,484	(5,383)	487	(457)	15,604	(5,200)	(6,608)	3,592
Net position – beginning					1,405	5,009	11,650	3,392	28,965	55,174	(9,853)	4,401	100,142
Prior period adjustments					(1,032)	-	-	-	-	(14,442)	-	-	(15,474)
Net position – beginning, as restated					<u>373</u>	<u>5,009</u>	<u>11,650</u>	<u>3,392</u>	<u>28,965</u>	<u>40,733</u>	<u>(9,853)</u>	<u>4,401</u>	<u>84,668</u>
Net position – ending					<u>\$ 2,039</u>	<u>\$ 8,493</u>	<u>\$ 6,266</u>	<u>\$ 3,879</u>	<u>\$ 28,508</u>	<u>\$ 56,337</u>	<u>\$ (15,053)</u>	<u>\$ (2,207)</u>	<u>\$ 88,261</u>

See accompanying independent auditors' report.

**AFFIDAVIT OF THE CITY OF NEW ORLEANS
AS TAX COLLECTOR**

CITY OF NEW ORLEANS

(As Ex-officio Orleans Parish Tax Collector)
NEW ORLEANS, LOUISIANA

TAX COLLECTOR AGENCY FUND

Affidavit

For the year ended December 31, 2021

AFFIDAVIT (Required by R.S. 24:513(B))
STATE OF LOUISIANA
PARISH OF ORLEANS

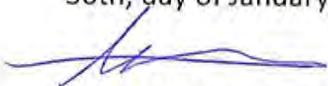
I, Amanda B. Smart, Assistant Treasurer for the Parish of Orleans, do solemnly swear that the information reflected in the Summary of Ad Valorem Tax Collections Remitted to Other Taxing Authorities, included in the footnotes of the City of New Orleans "Basic Financial Statement," is true and correctly reflects all taxes collected and distributed to my office during the period January 1, 2021 to December 31, 2021 and that the cash available for the settlement of the unsettled collections amounted to \$14,147,000.00 as of December 31, 2021.

The amount of taxes collected through tax sales for other taxing authorities in 2021 totaled \$0.00.

The amount of interest on late ad valorem tax payments that was collected and disbursed to other taxing authorities during 2021 totaled \$5,246,935.37.


Assistant Treasurer

Sworn to and subscribed before me, this
30th, day of January 2023


Notary (affix seal)



SCHEDULE OF COMPENSATION PAID TO CITY COUNCIL

CITY OF NEW ORLEANS, LOUISIANA

Schedule of Compensation Paid to City Council

Year ended December 31, 2021

<u>New Orleans City Council</u>	<u>Compensation</u>	<u>Period</u>
Helena Moreno, Councilmember-at-Large	\$ 100,655	January 1, 2021 - December 31, 2021
Jason R. Williams, Councilmember-at-Large	100,655	January 1, 2021 - December 31, 2021
Joseph I. Giarrusso III, Councilmember - District A	100,655	January 1, 2021 - December 31, 2021
Jay H. Banks, Councilmember - District B	100,655	January 1, 2021 - December 31, 2021
Kristin Gisleson Palmer, Councilmember - District C	100,655	January 1, 2021 - December 31, 2021
Jared C. Brossett, Councilmember - District D	100,655	January 1, 2021 - December 31, 2021
Cyndi Nguyen, Councilmember - District E	100,655	January 1, 2021 - December 31, 2021

See accompanying independent auditors' report.

**SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO THE MAYOR**

CITY OF NEW ORLEANS, LOUISIANA

Schedule of Compensation, Benefits, and other Payments to the Mayor

Year Ended December 31, 2021

Mayor LaToya Cantrell

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 181,816
Benefits - insurance	8,750
Benefits - retirement	27,836
Benefits - Social Security, Medicare, Workers' Compensation	11,711
Per Diem	1,379
Vehicle provided by government	48,427
Travel	25,576
Registration fees	-
Cell phone	556
Fuel	4,037
Total	<u>\$ 310,088</u>

See accompanying independent auditors' report.

**JUSTICE SYSTEM FUNDING SCHEDULE – RECEIVING ENTITY
AS REQUIRED BY ACT 87 OF THE LOUISIANA
2020 REGULAR LEGISLATIVE SESSION**

CITY OF NEW ORLEANS, LOUISIANA

Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session
Cash Basis Presentation
Year Ended December 31, 2021

	First Six Month Period Ended 06/30/21	Second Six Month Period Ended 12/31/20		
Receipts From:				
<i>Municipal and Traffic Court of New Orleans - Fines</i>	\$ 626,594	\$ 285,866		
Subtotal Receipts	<u>\$ 626,594</u>	<u>\$ 285,866</u>		
Ending Balance of Amounts Assessed but Not Received	<table border="1"><tr><td>-</td></tr></table>	-	<table border="1"><tr><td>-</td></tr></table>	-
-				
-				

See accompanying independent auditors' report.

STATISTICAL SECTION

(unaudited)

City of New Orleans, Louisiana

Statistical Section

This part of the City of New Orleans, Louisiana's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

- Table 1 Net Position by Component
- Table 2 Changes in Net Position
- Table 3 Fund Balances
- Table 4 Schedule of Changes in Fund Balance

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

- Table 5 Assessed Value and Estimated Actual Value of Taxable Property
Sources: Orleans Parish School Board, Orleans Levee District, SWB and BOL CAFR
- Table 6 Property Tax Rates
- Table 7 Principal Property Taxpayers
- Table 8 Property Tax Levies and Collections

Debt Capacity

These schedules contain information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt.

- Table 9 Ratio of General Obligation Bonded Debt to Assessed Value and Bonded Debt Per Capita
- Table 10 Direct and Overlapping Debt
- Table 11 Legal Debt Margin Information

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City financial activities take place.

- Table 12 Demographic and Economic Statistics
- Table 13 Employers by Industry

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.

- Table 14 City of New Orleans Employees by Department or Component Unit
- Table 15 City of New Orleans Capital Asset Statistics
- Table 16 Operating Indicators by Function

Sources: Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year.

CITY OF NEW ORLEANS, LOUISIANA

Exhibit E-1

**Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(expressed in thousands)**

(unaudited)

Governmental activities	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Net investment in capital assets	\$ 890,521	\$ 894,662	\$ 929,620	\$ 933,606	\$ 914,834	\$ 955,314	\$ 1,269,531	\$ 1,336,781	\$ 1,516,756	\$ 1,409,432
Restricted	81,294	113,204	124,597	113,437	114,897	76,485	162,247	147,538	153,996	671,265
Unrestricted	(943,237)	(823,058)	(1,354,303)	(1,344,840)	(1,231,601)	(1,320,819)	(1,420,011)	(1,404,455)	(1,477,083)	(1,562,728)
Total governmental activities net assets	<u>\$ 28,578</u>	<u>\$ 184,808</u>	<u>\$ (300,086)</u>	<u>\$ (297,797)</u>	<u>\$ (201,870)</u>	<u>\$ (289,020)</u>	<u>\$ 11,767</u>	<u>\$ 79,864</u>	<u>\$ 193,669</u>	<u>\$ 517,969</u>
 Primary government										
Invested in capital assets, net of related debt	\$ 890,521	\$ 894,662	\$ 936,247	\$ 933,606	\$ 914,834	\$ 955,314	\$ 1,269,531	\$ 1,336,781	\$ 1,516,756	\$ 1,409,432
Restricted	81,294	113,204	124,597	113,437	114,897	76,485	162,247	147,538	153,996	671,265
Unrestricted	(943,237)	(823,058)	(764,975)	(1,344,840)	(1,231,601)	(1,320,819)	(1,420,011)	(1,404,455)	(1,477,083)	(1,562,728)
Total primary government net assets	<u>\$ 28,578</u>	<u>\$ 184,808</u>	<u>\$ 295,869</u>	<u>\$ (297,797)</u>	<u>\$ (201,870)</u>	<u>\$ (289,020)</u>	<u>\$ 11,767</u>	<u>\$ 79,864</u>	<u>\$ 193,669</u>	<u>\$ 517,969</u>

Source : City of New Orleans Bureau of Accounting

CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrued basis of accounting)
(expressed in thousands)

(unaudited)

Expenses	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities:										
General government	\$ 382,386	\$ 247,118	\$ 260,852	\$ 311,617	\$ 234,282	\$ 381,449	\$ 323,826	\$ 330,786	\$379,341	\$ 363,892
Public Safety	233,745	230,231	229,968	295,707	264,860	271,886	313,849	336,665	326,375	310,708
Public Works	134,130	124,136	123,826	141,746	146,064	149,164	147,410	149,881	144,634	138,974
Health and Human Services	26,805	27,981	29,587	31,806	32,492	35,803	39,904	44,376	40,890	40,285
Culture and recreation	24,576	23,403	26,021	27,500	30,228	35,274	35,017	37,939	32,726	29,528
Urban development and housing	33,538	23,891	24,968	28,539	22,090	22,212	23,837	25,736	30,986	71,399
Economic development	8,793	12,731	8,488	7,933	7,434	10,295	10,885	13,656	10,205	12,198
Interest and fiscal charges	66,996	60,546	62,647	61,926	60,607	60,567	60,078	32,944	30,906	32,871
Principal	-	-	-	-	-	-	-	-	-	-
Bond Issuance	-	-	-	-	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-	-	-	-	-
Total primary government expenses	910,969	750,037	766,357	906,774	798,057	966,650	954,806	971,983	996,063	999,855
Program Revenues										
Governmental Activities:										
Charges for Services										
General Government	73,770	70,692	67,016	71,912	74,010	68,411	72,623	84,590	150,822	155,401
Public Safety	36,845	22,331	19,113	28,826	29,501	37,486	40,269	38,355	24,163	35,063
Public Works	36,756	37,015	34,571	41,570	46,353	58,570	50,100	47,721	32,307	34,312
Health and Human Services	7,967	8,003	14,792	13,856	14,692	16,652	15,556	19,660	15,974	14,174
Culture and recreation	861	814	1,025	1,033	898	964	863	3,659	970	1,160
Urban development and housing	-	1,735	2,605	3,304	3,204	4,023	2,520	1,230	1,253	1,261
Economic development	2,007	-	-	-	70	-	-	-	77	75
Operating grants and contributions	143,964	139,577	119,512	125,122	107,845	94,041	145,672	148,380	202,739	312,844
Capital grants and contributions	90,434	141,650	119,963	54,091	46,127	78,308	122,873	57,994	137,903	208,986
Capital Outlay	-	-	-	-	-	-	-	-	-	607
Total primary government program revenues	392,604	421,817	378,597	339,714	322,630	358,525	450,476	401,589	566,208	763,883
Net Revenue (Expense)										
Total primary government	(518,365)	(328,220)	(387,760)	(567,060)	(475,427)	(608,125)	(504,330)	(570,394)	(429,855)	(235,972)
General Revenues										
Governmental Activities:										
Property Taxes	180,318	204,335	209,059	212,507	248,493	265,555	277,047	276,721	295,809	274,802
Sales Taxes	163,128	176,465	193,183	204,293	203,235	218,051	233,375	249,291	194,329	218,600
Other Taxes	46,953	57,134	55,875	53,616	55,927	50,659	60,840	56,987	43,618	52,449
Investment Earnings	13,470	15,231	16,851	19,724	22,705	25,232	29,188	12,252	5,064	7,871
Insurance Proceeds	-	-	-	-	-	-	-	-	-	-
Miscellaneous	29,674	29,199	22,649	79,209	40,994	34,834	30,678	33,838	6,034	5,764
Gain (loss) on impairment	-	-	-	-	-	-	-	-	-	-
Gain (loss) on sales of capital assets	-	-	-	-	-	-	-	-	-	-
Forgiveness of Debt	5,973	2,086	-	-	-	-	-	-	-	-
Transfers in/out	-	-	-	-	-	-	-	-	-	-
Special Items	-	-	2,600	-	-	-	172,000	-	-	-
Total general revenues, transfers, and special items	439,516	484,450	500,217	569,349	571,354	594,331	803,128	629,089	544,854	559,486
Change in Net Assets	\$ (78,849)	\$ 156,230	\$ 112,457	\$ 2,289	\$ 95,927	\$ (13,794)	\$ 298,798	\$ 58,695	\$114,999	\$ 323,514

Source : City of New Orleans Bureau of Accounting

CITY OF NEW ORLEANS, LOUISIANA

Exhibit E-3

**Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(expressed in thousands)**

(unaudited)

General Fund	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved:										
Designated for subsequent year	-	-	-	-	-	-	-	-	-	-
Undesignated	-	-	-	-	-	-	-	-	-	-
Nonspendable										
Restricted	-	-	-	250	250	31,646	31,645	31,645	31,646	31,646
Committed	10,661	6,036	4,735	2,080	4,769	12,338	23,192	147,701	29,257	42,185
Assigned	-	-	27,634	38,196	47,899	51,861	58,142	27,000	27,000	27,000
Unassigned	(19,997)	10,926	10,615	35,047	21,067	(20,158)	(33,346)	(14,144)	22,065	93,008
Total general fund	(9,336)	16,962	42,984	75,573	73,985	75,687	97,978	228,785	139,596	235,526
All Other Governmental Funds										
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved reported in:										
HUD	-	-	-	-	-	-	-	-	-	-
Federal UDAG	-	-	-	-	-	-	-	-	-	-
FEMA	-	-	-	-	-	-	-	-	-	-
CDL	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-	-	-	-
Louisiana Office of Community Development	-	-	-	-	-	-	-	-	-	-
Non-major Governmental	-	-	-	-	-	-	-	-	-	-
Nonspendable	5,368	2,407	1,632	1,636	1,083	1,086	7,032	1,999	635	-
Restricted	146,778	137,113	152,806	139,243	125,103	83,388	171,601	162,717	122,350	639,619
Committed	25,402	58,882	81,597	133,220	167,272	148,283	33,034	34,506	26,051	24,126
Assigned	3,164	225	315	308	725	715	718	-	-	-
Unassigned	(64,424)	(36,557)	(30,271)	(37,176)	(19,807)	(38,282)	(36,849)	(47,728)	(86,195)	(130,726)
Total all other government funds	\$ 116,288	\$ 162,070	\$ 206,079	\$ 237,231	\$ 274,376	\$ 195,190	\$ 175,536	\$ 151,494	\$ 62,841	\$ 533,019

Source : City of New Orleans Bureau of Accounting

CITY OF NEW ORLEANS, LOUISIANA

Exhibit E-4

Change in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(expressed in thousands)

(unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
REVENUES										
Taxes	\$ 372,012	\$ 396,973	\$ 424,204	\$ 446,239	\$ 472,836	\$ 501,782	\$ 533,034	\$ 538,411	508,268	541,537
Licenses and permits	56,612	62,963	62,428	60,597	65,821	71,220	76,705	74,500	70,028	57,395
Intergovernmental	273,457	265,594	224,706	177,624	152,413	144,797	256,142	166,838	313,426	444,952
Charges for services	74,164	78,996	81,351	85,753	91,491	90,482	93,026	97,980	133,241	86,450
Program income	82	1,942	6,541	620	1,640	938	834	347	49	11
Fines and forfeits	37,766	35,977	32,603	44,701	41,444	46,463	44,250	43,004	24,715	23,726
Interest income	461	300	417	540	1,882	2,801	5,006	8,763	2,048	1,063
Contributions, gifts, donations	3,092	3,687	4,088	4,737	7,087	6,842	6,295	4,864	5,600	3,969
Miscellaneous and other	33,295	28,367	49,916	85,081	46,891	36,649	40,806	42,951	21,835	35,113
Total Revenues	850,941	874,799	886,254	905,892	881,505	901,974	1,056,098	977,658	1,079,210	1,194,216
EXPENDITURES										
General government	238,166	207,631	233,012	264,663	276,604	263,484	284,385	284,109	300,973	313,573
Public safety	229,457	226,831	226,854	250,164	270,897	296,338	306,544	314,241	310,557	293,764
Public works	75,217	65,903	67,183	78,728	84,132	87,946	86,248	83,041	81,982	78,282
Health and human services	26,785	27,981	29,587	31,806	32,492	35,803	39,539	42,664	39,652	38,618
Culture and recreation	23,027	22,016	24,666	26,193	29,121	34,265	33,610	34,904	30,296	27,053
Urban development and housing	35,424	23,891	24,968	28,539	22,090	22,212	23,837	25,736	30,986	70,847
Economic development and assistance	8,793	12,731	8,488	7,933	7,434	10,295	10,885	13,656	10,205	12,103
Capital projects/Outlays	96,535	152,947	135,780	108,485	85,905	110,820	158,445	128,502	214,449	234,522
Debt service:										
Principal	46,198	47,103	55,820	47,745	50,831	74,187	52,942	68,458	83,456	89,499
Interest and fiscal charges	63,205	57,004	61,151	68,808	62,590	60,031	58,130	35,029	32,741	29,033
Bond issuance costs	-	-	-	-	-	-	-	-	-	4,046
Cash defeasance of bonds	-	-	-	-	-	-	-	-	-	-
Total Expenditures	842,807	844,038	867,509	913,064	922,096	995,381	1,054,565	1,030,340	1,135,297	1,191,340
Revenue over (under) expenditures	8,134	30,761	18,745	(7,172)	(40,591)	(93,407)	1,533	(52,682)	(56,087)	2,874
OTHER FINANCING SOURCES (USES)										
Transfers in	28,219	55,067	66,413	76,726	82,409	4,444	6,420	66,703	31,327	374,799
Transfers in from component unit	-	-	-	-	-	-	-	-	(31,327)	-
Transfers out	(28,219)	(55,067)	(66,413)	(76,726)	(82,409)	(4,444)	(6,420)	(66,703)	-	(374,799)
Issuance of notes payable	3,500	-	12,500	-	-	19,200	-	-	-	-
Issuance of Go Zone Notes	-	-	-	-	-	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-	-	-	-	-	563,238
Issuance of bonds	363,725	40,000	40,000	162,457	135,125	-	-	50,000	10,000	-
Premium/Discount on issuance of long-term debt	25,800	263	182	9,617	6,007	-	-	(268)	-	-
Debt service assistance loan	-	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-	-	-
Payment to escrow agent	(319,178)	-	-	(99,488)	(60,679)	-	-	-	-	-
Federal subsidy - Build America Bonds	-	1,012	-	-	-	-	-	-	-	-
Other, net	1,102	44	-	-	-	-	-	-	-	-
Total other financing sources (uses)	74,949	41,319	52,682	72,586	80,453	19,200	-	49,732	10,000	563,238
Special Items										
Termination of interest rate swap	46,000	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$ 37,083	\$ 72,080	\$ 71,427	\$ 65,414	\$ 39,862	\$ (74,207)	\$ 1,533	\$ (2,950)	(46,087)	\$ 566,112
GASB 44 debt service disclosure	14.74%	15.06%	15.99%	14.49%	13.56%	15.17%	12.39%	11.48%	0	12.39%

Source : City of New Orleans Bureau of Accounting

CITY OF NEW ORLEANS, LOUISIANA

Exhibit E-5

Assessed Value and Estimated Actual Value of Taxable Property

Year	Real Estate		Personal Property		Public Service Corporations	Exemption (\$)	Estimated Actual Value (\$) *	Assessed Value (\$)	Net Assessed Value (\$)
	Estimated Fair Market Value (\$)	Total Assessed Value (\$)	Estimated Fair Market Value (\$)	Total Assessed Value (\$)	Total Assessed Value (\$)				
2012	25,689,720,400	2,760,973,210	2,606,348,213	390,952,232	183,003,600	385,256,805	28,296,068,613	3,334,929,042	2,949,672,237
2013	27,066,642,133	2,920,015,480	2,754,134,933	413,120,240	193,722,510	437,893,609	29,820,777,066	3,526,858,230	3,088,964,621
2014	27,715,785,033	2,992,593,440	2,703,429,532	405,514,430	181,055,280	448,696,881	30,419,214,565	3,579,163,150	3,130,466,269
2015	29,274,057,167	3,188,376,880	2,875,702,200	431,355,330	170,541,020	458,941,272	32,149,759,367	3,790,273,230	3,331,331,958
2016	28,607,113,989	3,376,000,510	2,266,157,700	456,453,540	169,105,350	468,352,645	30,873,271,689	4,001,559,400	3,533,206,755
2017	32,308,258,367	3,481,746,390	3,167,096,334	471,985,530	175,685,210	475,463,500	35,475,354,701	4,129,417,130	3,653,953,630
2018	33,390,091,967	3,592,392,910	2,509,978,134	497,655,080	173,902,710	474,928,030	35,900,070,101	4,263,950,700	3,789,022,670
2019	33,929,395,767	3,647,819,160	2,527,379,933	527,777,040	169,565,520	476,499,550	36,456,775,700	4,345,161,720	3,868,662,170
2020	38,624,930,100	4,187,933,480	2,628,054,067	543,771,340	161,499,030	479,307,090	41,252,984,167	4,893,203,850	4,413,896,760
2021	38,256,976,733	4,044,353,200	2,603,743,807	543,125,551	161,638,810	479,330,890	40,860,720,540	4,749,117,561	4,269,786,671
2022							-	-	-
2023							-	-	-
2024							-	-	-

* Estimated Actual value does not include the Fair Market Value for Public Service Corporations

Source: Louisiana Tax Commission Report (2010-2021)

CITY OF NEW ORLEANS, LOUISIANA
Property Tax Rates - Direct and Overlapping Governments

Property tax rates:	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
City alimony	13.9	13.9	13.9	13.91	13.91	15.1	15.1	15.1	15.1	15.1	15.1	11.72
Interest and redemption city bond,	19.5	22.5	22.5	25.5	25.5	25.5	25.5	25.5	25.5	25.5	25.5	25.5
Special tax dedicated to maintenance of double platoon Fire Department and triple platoon Police Department	4.27	4.27	4.27	4.27	4.27	4.27	4.27	4.27	4.27	4.27	4.27	3.11
Special tax (additional) for increase in pay to officers and members of Police and Fire Department	2.13	2.13	2.13	2.13	2.13	2.13	2.13	2.13	2.13	2.13	2.13	1.55
Special tax, Police without Homestead Exemption: Police protection,	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26	3.98
Special tax, Fire without Homestead Exemption: Additional millages for fire protection	7.71	7.71	7.71	7.71	5.21	5.21	5.21	5.21	5.21	5.21	5.21	5.21
Special tax for establishing and maintaining a zoological garden in Audubon Park	0.15	0.15	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32
Special tax to establish and maintains an aquarium by the Audubon Commission	1.8	1.8	2.99	2.99	2.99	2.99	2.99	2.99	2.99	2.99	2.99	2.99
Special dedicated tax to operate the Public Library	4.91	4.91	5.64	5.64	5.64	5.64	3.14	3.14	3.14	3.14	3.14	3.14
Capital Improvements & Infrastructure Trust Fund	0.56	0.56	1.82	1.82	1.82	1.82	1.82	1.82	1.82	1.82	1.82	1.82
Special tax, Neighborhood Housing Improvement	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91
Special tax, New Orleans Economic Development Fund			0	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91
Special tax, Parkways and Park and Recreation Department	4.36	2.79	3	3	3	3	3	3	3	3	3	2.18
Special tax, Street and Traffic Control Device Maintenance	1.77	1.77	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.38
Special tax for maintenance, operations and extension of the drainage system	16.2	16.2	16.2	16.23	11.77	16.43	16.43	16.43	16.43	16.43	16.43	16.43
Total direct property tax rates	83.5	84.9	88.6	92.5	85.54	91.39	88.89	88.89	88.89	88.89	88.89	81.15
Special tax to provide funds for Board of funds for Board of Assessors	1.19	1.19	1.19									
Special tax, Law Enforcement District of Orleans Parish	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.9	2.9
Special tax for Orleans Parish School Board, for support, maintenance and construction of Public Schools of the City of New Orleans as levied by said Board annually,	45.3	45.3	45.3	45.31	45.31	45.31	45.31	45.31	44.81	43.60	44.12	44.12
Sub Total overlapping property tax rates	49.3	49.3	49.3	48.11	48.11	48.11	48.11	48.11	47.71	46.5	47.02	47.02
Orleans Levee Board												
Orleans Levee District (Eastbank)	11.2	11.2	12.3	12.28	12.28	12.28	11.67	11.67	11.67	11.67	11.67	11.67
Algiers Levee District (Westbank)	12.3	12.3	12.6	12.56	12.56	6.21	12.56	12.56	12.36	12.76	12.76	12.76
Total Overlapping property tax rates												
Eastbank	60.5	60.5	61.6	60.39	60.39	60.39	59.78	59.78	59.38	58.17	58.69	58.69
Westbank	61.6	61.6	61.9	60.67	60.67	54.32	60.67	60.67	60.07	59.26	59.78	59.78
Total Eastbank	144	145	150	152.89	145.93	151.78	148.67	148.67	148.27	147.06	147.58	139.84
Total Westbank	145	146	150	153.17	146.21	145.71	149.56	149.56	148.96	148.15	148.67	140.93

Source: City of New Orleans Department of Finance Bureau of the Treasury

CITY OF NEW ORLEANS, LOUISIANA

**Principal Property Taxpayers
And 10 Years Before
(Amounts in thousands)**

(Unaudited)

		2021		
Name of Taxpayer	Type of business	Taxable Assessed Value	Rank	Percentage of total assessed value
Entergy	Electric and gas utilities	112,889	1	2.68%
Capital One Bank	Financial Institution	49,579	2	1.18%
Hancock\Whitney Bank	Financial Institution	32,426	3	0.77%
Folger Coffee	Coffee Roasting Plant	24,712	4	0.59%
BellSouth	Telephone utilities	24,035	5	0.57%
J P Morgan Chase Bank	Financial Institution	21,407	6	0.51%
Marriott Hotel	Hospitality	21,360	7	0.51%
Harrah's	Hospitality & Gaming	20,610	8	0.49%
International Rivercenter	Real Estate	19,388	9	0.46%
Iberia Bank	Financial Institution	12,782	10	0.30%

		2011		
Name of Taxpayer *	Type of business	Taxable Assessed Value	Rank	Percentage of total assessed value

Source: City of New Orleans Department of Finance Bureau of the Treasury

CITY OF NEW ORLEANS, LOUISIANA

**Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts in thousands)**

(unaudited)

Fiscal Year	Total levied	Collected within Fiscal year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent		Amount	Percentage of Levy
Real estate taxes:						
2012	362,262	342,248	94.48%	13,528	355,776	98.21%
2013	382,902	363,026	94.81%	8,642	374,260	97.74%
2014	393,304	375,815	95.55%	0	375,815	95.6%
2015	422,306	397,843	94.21%	11,168	409,011	96.9%
2016	457,800	442,153	96.58%	13,137	455,290	99.5%
2017	480,924	458,767	95.39%	7,711	466,478	97.0%
2018	497,718	469,414	94.31%	6,567	475,981	95.6%
2019	496,197	456,347	91.97%	9,588	465,935	93.9%
2020	551,514	527,205	95.59%	15,709	542,914	98.4%
2021	543,383	520,864	95.86%	13,910	534,774	98.4%
					0	
Personal property taxes:						
2012	81,685	78,275	95.83%	1,550	79,825	97.72%
2013	87,058	84,410	96.96%	365	84,775	97.38%
2014	84,620	81,926	96.82%	0	81,926	96.82%
2015	86,961	81,773	94.03%	1,002	82,775	95.19%
2016	92,428	88,797	96.07%	744	89,541	96.88%
2017	96,441	92,123	95.52%	827	92,950	96.38%
2018	101,280	100,453	99.18%	499	100,952	99.68%
2019	103,260	94,891	91.89%	1,081	95,972	92.94%
2020	100,865	91,272	90.49%	3,484	94,756	93.94%
2021	92,191	80,441	87.25%	2,671	83,112	90.15%

Source: City of New Orleans Department of Finance Bureau of the Treasury

CITY OF NEW ORLEANS, LOUISIANA

Ratio of General Obligation Bonded Debt to Assessed Value and Bonded Debt per Capita

Last Ten Fiscal Years
(amount in thousands)
(unaudited)

<u>Fiscal year</u>	<u>Population*</u>	Assessed value real estate and personal property	General obligation bonded debt	Ratio of bonded debt to assessed value	Bonded debt per capita (1)
2010	343	3,041,047	529,219	17.40	1,543
2011	356	3,139,338	509,544	16.23	1,431
2012	369	3,334,929	470,077	14.10	1,274
2013	379	3,526,858	489,463	13.88	1,291
2014	384	3,579,163	507,081	14.17	1,321
2015	390	3,790,273	536,326	14.15	1,375
2016	391	3,832,454	577,562	15.07	1,477
2017	393	3,953,732	550,864	13.93	1,402
2018	391	4,090,048	523,950	12.81	1,340
2019	390	3,987,362	494,910	12.41	1,269
2020	384	4,731,705	433,695	9.17	1,129
2021	388	4,587,479	667,160	14.54	1,719

Source: United States Census Bureau / Louisiana Tax Commission Report / City of New Orleans Bureau of Accounting

(1) Bonded debt per capita not in thousands.

Note: Bonded debt does not include the effects of accretion on deep discount bonds.

CITY OF NEW ORLEANS, LOUISIANA

Exhibit E-10

Computation of Direct and Overlapping Debt
Last Ten Fiscal Years
(Amounts in thousands)

(unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
City of New Orleans:										
General Obligation, limited tax, and revenue bonds**	695,587	712,508	734,035	761,663	799,115	766,349	732,477	696,193	624,397	625,297
Sewerage and Water Board	17,630	16,205	14,365	12,750	11,100	9,410	7,665	5,850	3,955	2,000
Audubon Commission	28,343	26,035	23,005	19,860	16,615	13,590	10,405	7,100	13,130	43,360
Total direct City debt	741,560	754,748	771,405	794,273	826,830	789,349	750,547	709,143	639,527	670,657
Overlapping Debt: * (1)										
Orleans Parish School Board	183,796	168,939	153,803	140,575	130,670	120,295	109,415	97,995	56,493	41,053
Southeast Louisiana Flood Protection Authority East	0	0	0	0	0	0	0	0	0	0
Total overlapping debt	183,796	168,939	153,803	140,575	130,670	120,295	109,415	97,995	56,493	41,053
Total direct and overlapping debt	925,356	923,687	925,208	934,848	957,500	909,644	859,962	807,138	696,020	711,710

* The percentage of overlapping debt for both School Board and Levee District are @ 100%

** Bonded debt does not include the effects of accretion on deep discount bonds.

Sources: Orleans Parish School Board, Orleans Levee District, SWB and BOL CAFR

(1) The fiscal year for both the School Board and Levee Districts are June 30. The overlapping debt stated is for June 30 of that year.

CITY OF NEW ORLEANS, LOUISIANA

**Computation of Legal Debt Margin
Last Ten Years**

(amount in thousands)

Add'l email to send to treasury

(unaudited)

Fiscal year	Assessed value real estate and personal property (\$)	Debt Limitation 35% of total assessed value*	Amount of debt applicable to debt limitation **		Less Assets in debt service fund available for retirement of General Obligation Bds.	Legal debt margin
			General Obligation Bonds ***	Effects of Accretion Deep Discount Bonds		
2012	3,334,929	1,232,669	470,077	124,844	30,826	668,574
2013	3,526,858	1,252,707	489,463	104,912	36,481	694,813
2014	3,579,163	1,326,596	507,081	84,608	40,149	775,056
2015	3,790,273	1,341,359	536,326	55,645	45,825	795,213
2016	3,832,454	1,383,806	577,562	38,964	33,016	800,296
2017	3,953,732	1,431,517	550,864	20,445	44,417	904,625
2018	4,090,048	1,395,577	523,950	-	84,206	955,833
2019****	3,987,362	1,656,097	494,910	-	61,822	1,223,009
2020	4,731,705	1,605,618	433,695	-	-	1,171,923
2021	4,587,479	1,597,236	667,160	-	-	930,076

Sources: Louisiana Tax Commission Report (Table 41) and Board of Liquidation CAFR

* Per Act 4 of 1916 of the Legislature of the State of Louisiana as amended by Act 576 of 1966, as amended by Act 420 of 1978, as amended by Act 159 of 1984, as amended by Act 1 of 1994.

** Excludes revenue bonds

*** Excludes the effects of accretion on deep discount bonds

**** Debt limit calculation for 2017 was based on the 2018 assessment, which was available by the end of FY 2017.

CITY OF NEW ORLEANS, LOUISIANA

Demographic and Economic Statistics
Last Ten Years

(unaudited)

<u>Fiscal year</u>	<u>Population* (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate (3)</u>
2012	369	43,421	8.0
2013	379	43,403	7.4
2014	384	46,084	7.0
2015	390	46,684	4.6
2016	391	**	5.1
2017	393	50,115	4.7
2018	391	52,963	4.2
2019	390	54,363	4.5
2020	384	57,891	4.5
2021	388	61,327	4.5

Source:

* BLS 2000, 2010 Census and Projections

** 2016 Per Capita Personal Income information had not been released by the Bureau of Economic Research
by the release of this report

(1) Amount in thousands

(2) Bureau of Economic Analysis, Local Area Personal Income - Metro New Orleans including Metairie (CAINC1)

(3) United States Department of Labor, Bureau of Labor Statistics (Not Seasonally Adjusted Average Yearly Rate)

CITY OF NEW ORLEANS, LOUISIANA

Employees by Industry
Last Ten Years

(unaudited)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016 *</u>	<u>2017 *</u>	<u>2018 *</u>	<u>2019</u>	<u>2020</u>	<u>2021**</u>
Agriculture, forestry, fishing and hunting	39	66	86	68	607	627	602	642	607	461
Mining	2,391	2,431	2,589	2,144	6,637	4,285	4,738	4,844	4,368	4,420
Utilities	921	920	933	962	3,984	3,991	3,999	3,996	4,051	2,125
Construction	5,357	5,653	6,031	4,935	33,835	29,319	30,257	29,536	29,074	27,313
Manufacturing	4,031	4,048	4,187	4,114	30,500	30,229	29,709	29,871	29,918	34,682
Wholesale trade	3,750	3,547	3,845	3,835	22,084	21,122	21,003	20,662	20,798	18,889
Retail trade	12,926	13,595	14,965	15,792	65,649	63,201	61,093	60,395	59,658	59,061
Transportation and warehousing	8,448	8,625	9,049	9,191	27,781	26,815	27,018	28,325	28,717	27,898
Information	4,700	4,449	3,442	4,646	9,559	7,865	8,150	8,217	8,480	5,159
Finance and insurance	5,409	5,100	5,570	5,993	18,467	18,355	17,776	17,397	17,172	15,951
Real estate and rental and leasing	2,587	2,695	2,963	3,028	9,078	8,798	8,701	8,778	8,814	6,919
Professional and technical services	14,671	16,004	15,990	16,040	33,369	32,534	31,257	32,148	33,364	37,704
Management of companies and enterprises	3,348	3,015	2,609	2,760	7,785	8,319	8,203	7,740	7,534	7,141
Administrative and waste services	9,864	10,026	10,846	12,157	34,430	31,979	32,726	32,545	33,738	28,279
Educational services	21,303	22,357	21,950	23,026	44,803	44,130	44,470	45,514	46,384	40,882
Health care and social assistance	21,239	20,759	22,867	24,231	75,837	77,651	77,596	80,811	82,922	83,633
Arts, entertainment, and recreation	5,056	5,608	5,722	6,215	13,283	13,392	13,239	13,980	13,672	7,817
Accommodation and food services	33,162	33,725	35,214	37,988	73,868	74,839	76,056	78,301	78,699	52,210
Other services, except public administration	5,509	5,497	5,495	6,051	15,634	15,141	15,034	15,253	15,353	43,093
Public administration	12,154	12,053	11,965	12,094	25,482	25,451	25,517	25,788	26,363	36,419
Total	176,865	180,173	186,318	195,270	552,672	538,043	537,144	544,743	549,686	540,056

Source: Louisiana Workforce Commission

* Information includes the New Orleans Regional Metropolitan Area:
Jefferson, Orleans, Plaquemines, St. Bernard St. Charles, St James
St John the Baptist and St. Tammany Parishes.

** 2022 Projected Employment

Exhibit E-14

CITY OF NEW ORLEANS, LOUISIANA

Full Time City Employees by Department
Four Fiscal Years

(unaudited)

	2018	2019	2020	2021
Aviation	187	192	190	173
Chief Administrative Office	105	112	97	95
City Council	60	62	58	55
City Planning	24	23	18	15
Civil Service	30	31	26	20
Neighborhood One/NHIF	103	N/A	N/A	N/A
Coroner's Office	19	27	27	24
Criminal District Court/Clerk	73	74	79	81
Finance	125	130	127	115
Fire	586	570	571	577
French Market	52	48	44	30
Health	216	221	216	198
Historic Districts	11	12	12	9
Inspector General	23	17	14	14
Juvenile Court	28	27	26	28
Law	72	71	70	59
Library	208	225	204	180
Mayor's Office	253	231	221	240
Recreation	131	136	138	122
Mosquito Control	26	29	27	27
Municipal Court	80	78	76	74
Museum of Art	3	2	-	1
Parks and Parkways	135	137	121	112
Police	1,459	1,474	1,417	1,293
Police Secondary Employment	8	N/A	N/A	8
Property Management	78	78	76	75
Public Works	181	200	178	156
Rivergate Development Corp.	4	-	-	-
Safety and Permits	94	105	87	70
Sanitation	50	70	56	61
Sewer and Water Board	N/A	N/A	N/A	N/A
Traffic Court	Merged	Merged	Merged	Merged
Vieux Carre	6	6	5	3
Welfare	56	82	56	48
Workforce Investment Act	5	5	4	5
Yacht Harbor	3	3	4	4
Audubon Park	-	-	-	-
	4,494	4,478	4,245	3,972

Source : City of New Orleans Department of Civil Service and City of New Orleans Accounting Department

City Of New Orleans, LOUISIANA

Capital Asset Statistics by Function
Last Ten Fiscal Years

(unaudited)

Function:	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fire and Emergency Services:										
Number of Stations:										
Police (Antionette Bradstreet)	8	8	8	8	8	8	8	8	8	8
Fire (Daniel Perez)	30	30	30	32	32	32	32	31	31	30
Recreation (1) Jahanna Cannon-Brightman										
Active Playground (1)	*	30	33	33	36	38	38	32	32	38
Passive Playground (2)	*	71	72	72	69	20	20	69	69	69
Recreation Centers (3)	*	10	10	10	12	12	12	12	12	12
Stadiums	*	8	8	8	8	5	5	6	6	8
Pools (3)	*	14	15	15	16	18	3	17	17	18
Tennis Locations (3)	*	10	10	10	9	8	3	5	5	10
Dog Run	*	1	1	1	1	1	1	1	1	1
Roads: (Kim DeLarge)										
Miles of roads maintained	1,652	1,652	1,652	1,652	1,652	1,547	1,547	1,547	1,547	1,547

Sources: City of New Orleans Police, Fire, Recreation, and Public Works Departments.

- (1) Location where paid staff delivers programs
- (2) No paid staff to provide structured programs
- (3) Includes at least one facility that is not operational

* Information not available for these years.

Operating Indicators by Function
Last Ten Fiscal Years

(unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police Department: Antoinette Bradstreet										
Response to Phone Emergencies	228,482	280,696	191,719	181,290	*	*	*	*	*	256,463
911 Responses	565,888	642,653	589,317	585,662	*	*	*	505,073	452,273	460,168
Field Operations Bureau Investigations clearance rate for crimes against persons	41%	40%	40%	34%	37%	41%	*	39%	29%	32%
Field Operations Bureau Investigations clearance rate for crimes against property	15%	13%	14%	16%	17%	18%	*	15%	12%	11%
Number of Driving While Intoxicated (DWI) arrests	1,232	1,392	1,473	1,214	*	*	*	870	346	345
Fire Department: Daniel Perez										
Response to Phone Emergencies	26,890	29,811	25,409	26,056	39,446	45,312	47,904	54,424	45,921	50,772
911 Responses	8,695	9,542	8,316	8,701	*	*	*	*	*	*
Number of commercial and industrial structures inspected	3,395	3,872	4,872	5,817	7,180	5,534	5133	5263	809	4
Percent of response times under 6 minutes 20 seconds	75%	74%	74%	71%	69%	67%	51%	40%	45%	29%
EMS: Yolanda Wilson										
Response to Phone Emergencies	23,041	26,716	21,118	25,420	*	*	*	*	*	*
911 Responses	56,740	70,690	60,181	64,529	63,975	67,532	69,037	69,284	64,981	69,253
Percent of Emergency Medical Service responses for acute cases within 12 minutes	77%	76%	80%	74%	72%	66%	68%	66%	71%	63%
Law - Dan Shedd										
Number of public records requests completed	563	1047	891	1,080	1,249	1,669	2,473	2,180	2,970	3,658
Number of tax and public nuisance cases filed before the ABO Board	324	268	224	122	159	172	57	193	29	10
Sanitation - Andrew Joseph										
Garbage Tonnage Collected	173,333	164,556	180,728	*	*	*	167,467	168,731	187,819	188,399
Number of illegal dumping sites cleared	972	2,135	2,832	1,916	1,951	*	2,080	1,904	2,329	3,170
Number of tons of recyclable material collected	6,138	6,650	7,317	7,300	7,102	7,220	7,927	6,621	11,516	4,313
Public Works - Kim DeLARGE, Jr.										
Number of potholes filled (* Starting in 2021, the City tracks potholes filled by city bl	60,401	31,263	25,168	78,054	116,593	71,290	10,400	12,612	36,979	1,092*
Number of catch basins cleaned	5,364	2,839	3,178	7,611	7,382	19,131	8,158	7,881	6,736	3,116
Number of streetlight outages restored	12,500	19,356	3,687	9,180	10,879	5,078	7,011	6,559	6,411	6,423
Number of parking citations	290,214	315,778	257,274	338,477	320,925	332,740	335,617	368,215	143,817	135,137
Number of tows	11,093	14,480	17,578	17,055	13,403	10,731	8,841	11,435	6,040	6,444
Number of boots	6,702	7,489	7,632	11,833	10,517	10,924	8,203	1,837	793	340
Capital Projects - Kim DeLARGE, Jr.										
Percent of projects delivered on schedule	80%	79%	79%	82%	78%	81%	*	80%	76%	58%
Property Management - Stephanie Landry or Natesh Mohan										
Number of work order requests completed	2,855	3,691	3,774	2,915	3,377	3,590	3,959	3,597	3,164	3,313
Percent of work orders/service requests completed within 30 days	83%	91%	92%	94%	93%	98%	99%	97%	98%	96%
Code Enforcement - Thomas Mulligan										
Number of Code Enforcement inspections	11,931	15,193	16,539	14,280	*	*	6,293	7,330	1,362	5,898
Number of properties brought to hearing	3,261	3,111	4,010	3,365	2,069	1,628	1,361	1,705	328	1,166
Number of blighted properties brought into compliance	642	836	1,041	887	*	633	65	114	18	205
Number of blighted units demolished	1,234	329	212	180	185	265	155	64	45	96
New Orleans Recreation Development Commission - Jahanna Cannon-Brightman										
Number of youth athletic program registrants	7,998	7,561	7,876	*	*	*	5,306	4,699	3,336	3,610
Number of cultural events offered	76	57	103	*	*	*	50	34	7	13
Parks & Parkways - Rebecca Grubbs										
Number of acres mowed	19,485	19,795	18,801	20,800	23,200	25,188	27,341	25,404	24,055	23,130
Number of emergency tree service requests completed	1,061	915	447	598	600	649	598	711	2,133	1,511
Library - Michel Thompson										
Number of items circulated (checked-out)	1,141,002	1,067,472	1,143,210	1,182,500	1,148,435	1,200,432	1,617,117	2,278,993	1,317,049	1,513,382
Information Technology & Innovation - Kimberly W. LaGrue										
Call abandonment rate for the Service Desk	16%	9%	13.20%	7.90%	6.71%	9.23%	4.70%	13.00%	17.00%	6.00%
Percent of critical ITI projects delivered on schedule	70%	67%	61%	58%	67%	67%	70%	*	75%	80%
Equipment Maintenance Division - Brian Firstley										
Number of gallons of fuel dispensed	1,786,898	1,676,255	1,600,663	1,604,600	1,594,261	1,532,877	1,530,658	1,558,718	1,597,182	1,782,170

Sources: Orleans Parish Communication District and Office of Performance and Accountability

* Information not available.

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*

The Honorable Mayor and Members
City Council of the City of New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Orleans, Louisiana (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 31, 2023.

Our report includes a reference to other auditors who audited the financial statements of Audubon Commission, Sewerage and Water Board, Downtown Development District, New Orleans Tourism and Cultural Fund, Orleans Parish Communication District, New Orleans Municipal Yacht Harbor Management Corporation, French Market Corporation, New Orleans Building Corporation, Parking Facilities Corporation, Orleans Parish Hospital Service District A, the Firefighters' Old and New Systems, the Police Pension Fund, the Employees' Retirement System of the City of New Orleans, and the Board of Liquidation, City Debt, as described in our report on the City's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. In addition, this report does not include the results of our testing of internal control over financial reporting or compliance and other matters that are reported on separately by us for Louis Armstrong New Orleans International Airport.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City'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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item **2021-001** that we consider to be a significant deficiency.

Report on Compliance and Other Matters

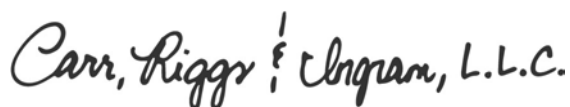
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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* and which are described in the accompanying schedule of findings and questioned costs as items **2021-002** and **2021-003**.

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



New Orleans, Louisiana
January 31, 2023

City of New Orleans
Schedule of Findings and Responses
For the Year Ended December 31, 2021

SECTION I—SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued:

All opinion units	Unmodified
Internal control over financial reporting:	
• Material weaknesses identified?	No
• Significant deficiency is identified?	Yes
Noncompliance material to financial statements noted?	Yes

SECTION II—FINANCIAL STATEMENT FINDINGS

2021-001 ACCOUNTING AND FINANCIAL REPORTING
(SIGNIFICANT DEFICIENCY – ORIGINATED IN 2019)

Condition: The City did not have adequate policies and procedures in place to prepare financial statements on a timely basis.

Criteria: The City should have systems of internal accounting control which ensures the financial statements are presented in accordance with U.S. generally accepted accounting principles on a timely basis.

Context: During our audit, we noted that significant accounts as of December 31, 2021 were not reconciled until late 2022.

Cause: The City had a critical cybersecurity incident that occurred in December 2019 which resulted in the City's network being completely down and then partially shut down for several months with users having limited access to various IT systems, including the accounting system. In addition, due to the COVID-19 pandemic in 2020, the City implemented furloughs which impacted staffing throughout the City.

Effect: The City was not able to complete the audit timely.

Recommendation: The City should ensure implemented policies and procedures, and related internal controls over account reconciliations and preparation of financial statements are followed to ensure that accounts are reconciled timely.

City of New Orleans
Schedule of Findings and Responses
For the Year Ended December 31, 2021

2021-002 UNDERFUNDED RETIREMENT PLAN
(COMPLIANCE – ORIGINATED IN 2017)

Condition: As of the last actuarial valuation, the net pension liability at December 31, 2020 was approximately \$118,091,465 for the Old System and \$394,606,405 for the New System. As of December 31, 2021 (using the December 31, 2020 actuarial valuation), the Fund was significantly underfunded. The plan fiduciary net position as a percentage of the total pension liability at December 31, 2020 was 6.17% for the Old System and 11.25% for the New System.

Criteria: The Firefighters' Pension and Relief Fund (the Fund) was created as a single employer plan, for the purpose of providing retirement allowances and other benefits for firefighters of the City of New Orleans. The Fund consists of two systems, the Old System and the New System. The Old System covers firefighters who were employed before January 1, 1968. The New System covers firefighters who were employed after December 31, 1967 or Old System members who have given written application to the Board to elect coverage under the New System.

Cause: The underfunded pension liability is a result of various factors including losses on certain investments, employer contributions that were less than the actuarially determined contributions, and deductions from the plan (including retirement benefits) exceeding additions to the plan (including contributions). The estimated pension liability is based on certain actuarial assumptions.

Effect: The assets held in trust are deficient of the amount needed to pay the pension benefits over the long term.

Recommendation: The City should develop a plan to ensure that the Firefighters' Pension and Relief Fund is adequately funded to pay future benefits. Additional contributions to the Fund from the general fund, benefit changes, or both may be required.

2021-003 Timely Submission of Audit Report to Legislative Auditor
(COMPLIANCE – ORIGINATED IN 2021)

Criteria: Under Louisiana Revised Statutes, the City is required to have an annual audit of its financial statements prepared in accordance with US generally accepted accounting principles and to complete the audit and file it with the Louisiana Legislative Auditor by June 30th of each year.

Condition: The City did not meet the June 30, 2022 deadline for reporting to the Legislative Auditor. The City requested and received extensions of time until January 31, 2023 from the Legislative Auditor to file its financial statements.

Cause: Due to the effects of the December 2019 Cyberattack and the impacts of the COVID-19 crisis in 2020 and 2021, the audit for the 2020 year and the process to procure an audit firm for the 2021 year was delayed. The City also required additional time to close the books and record the final adjustments to their accounting records.

City of New Orleans
Schedule of Findings and Responses
For the Year Ended December 31, 2021

Effect: The delay in audit procurement caused by the emergency-related factors presented above resulted in the audit completion date being delayed.

Recommendation: The City should implement a plan to assure that the financial reporting is completed timely to ensure future reports are issued by June 30th of each year.

SECTION III- PRIOR FINDINGS AND QUESTIONED COSTS

2020-001 ACCOUNTING AND FINANCIAL REPORTING

Condition: The City did not have adequate policies and procedures in place to prepare accurate and complete financial statements on a timely basis.

Recommendation: The City should develop and implement policies and procedures, and related internal controls over account reconciliations and preparation of the financial statements to ensure that accounts are reconciled timely.

Status: Partially Resolved. See current year finding **2021-001**.

2020-002 CAPITAL ASSETS

Condition: The City did not have adequate policies, procedures, and internal controls in place to ensure capital assets were fairly stated in its financial statements on a timely basis.

Recommendation: The City should develop and implement policies and procedures, and related internal controls to ensure capital assets are fairly stated and properly reported in the financial statements. These controls should include maintaining accurate and complete capital asset listings, periodic inventories, and appropriate reviews of depreciable assets and CIP balances by project during the year to ensure proper accounting and financial reporting.

Status: Resolved.

2020-003 UNDERFUNDED RETIREMENT PLAN

Condition: As of the last actuarial valuation, the net pension liability at December 31, 2019 was approximately \$113,356,000 for the Old System and \$390,834,000 for the New System. As of December 31, 2020 (using the December 31, 2019 actuarial valuation rolled forward to December 31, 2020), the Fund was significantly underfunded. The plan fiduciary net position as a percentage of the total pension liability at December 31, 2020 was 4.6% for the Old System and 9.7% for the New System.

City of New Orleans
Schedule of Findings and Responses
For the Year Ended December 31, 2021

Recommendation: The City should develop a plan to ensure that the Firefighters' Pension and Relief Fund is adequately funded to pay future benefits. Additional contributions to the Fund from the General Fund, benefit changes, or both may be required.

Status: Not Resolved. See current year finding **2021-002**.

2020-004 LOCAL GOVERNMENT BUDGET ACT

Condition: The budgeted revenue amounts in the General Fund exceeded the actual revenue amounts by five percent or more.

Recommendation: The City should implement procedures and controls to ensure that the City complies with all requirements of the Local Government Budget Act.

Status: Resolved.

DEPARTMENT OF FINANCE
CITY OF NEW ORLEANS

LATOYA CANTRELL
MAYOR

NORMAN L. WHITE
CHIEF FINANCIAL OFFICER

Responses to the 2021 Financial Statement Audit Findings:

2021-001 Accounting and Financial Reporting:

The City of New Orleans experienced a shutdown of all IT systems (computers, software, printers, copiers, scanners, etc.) due to the cybersecurity incident on December 13, 2019, in addition to the current COVID-19 nationwide health emergency which impacted the City's daily operations and staffing. These major incidents impacted the City's timeliness and effectiveness with financial reporting and financial reconciliations. In addition to these incidents, the City also just implemented a new INFOR ERP Financial System, named BRASS. Despite these unfortunate incidents, going forward, the City will continue to ensure that the annual audit report is submitted by the deadline and is currently on track to complete the 2022 annual audit timely and by the required deadline.

Responsible Party:

Freda Richardson-Taylor, Comptroller

Anticipated Completion Date:

June 30, 2023

2021-002 Underfunded Retirement Plan:

The City of New Orleans will work with the plan's governing body and current stakeholders to make decisions and take the necessary steps to place the Firefighter's Pension and Relief Fund on the path to a more sustainable course going forward.

Responsible Party:

Norman L. White, Chief Financial Officer

Anticipated Completion Date:

TBA



DEPARTMENT OF FINANCE
CITY OF NEW ORLEANS

LATOYA CANTRELL
MAYOR

NORMAN L. WHITE
CHIEF FINANCIAL OFFICER

2021-003 Timely Submission of Audit Report to Legislative Auditor:

The City of New Orleans experienced a shutdown of all IT systems (computers, software, printers, copiers, scanners, etc.) due to the cybersecurity incident on December 13, 2019, in addition to the current COVID-19 nationwide health emergency which impacted the City's daily operations and staffing. These major incidents impacted the City's timeliness and effectiveness with financial reporting and financial reconciliations. In addition to these incidents, the City also just implemented a new INFOR ERP Financial System, named BRASS. Despite these unfortunate incidents, going forward, the City will ensure that the annual audit report is submitted before or by the deadline and is currently on track to complete the 2022 annual audit timely.

Responsible Party:

Freda Richardson-Taylor, Comptroller

Anticipated Completion Date:

June 30, 2023

Signature: _____

Freda G. Richardson, Comptroller

Date: _____

1/31/2023

