

# Delta Regional Authority

Performance and Accountability Report  
September 30, 2023

**Delta Regional Authority**  
Performance and Accountability Report  
September 30, 2023

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# Delta Regional Authority

## Listing of Officials

As of September 30, 2023

### Federal Co-Chairman

Dr. Corey Wiggins

### States' Co-Chair

Governor J.B. Pritzker

### Alternate Federal Co-Chairman

Vacant

## State Governors, Designees and Alternates

### Alabama

Governor Kay Ivey

Mr. Kenneth Boswell (Designee)

Ms. Crystal Talley (Alternate)

### Louisiana

Governor John Bel Edwards

Mr. Roderick Scott (Designee)

### Arkansas

Governor Sarah Huckabee Sanders

Mr. Clint O'Neal (Designee)

Ms. Amy Williams (Alternate)

### Mississippi

Governor Tate Reeves

Mr. Sam Andrews (Designee)

### Illinois

Governor J.B. Pritzker

Ms. Brandi Bradley (Designee)

Ms. Lynne Chambers (Alternate)

### Missouri

Governor Michael Parson

Mr. Robert Knodell (Alternate)

### Kentucky

Governor Andy Beshear

Mr. Dennis Keene (Designee)

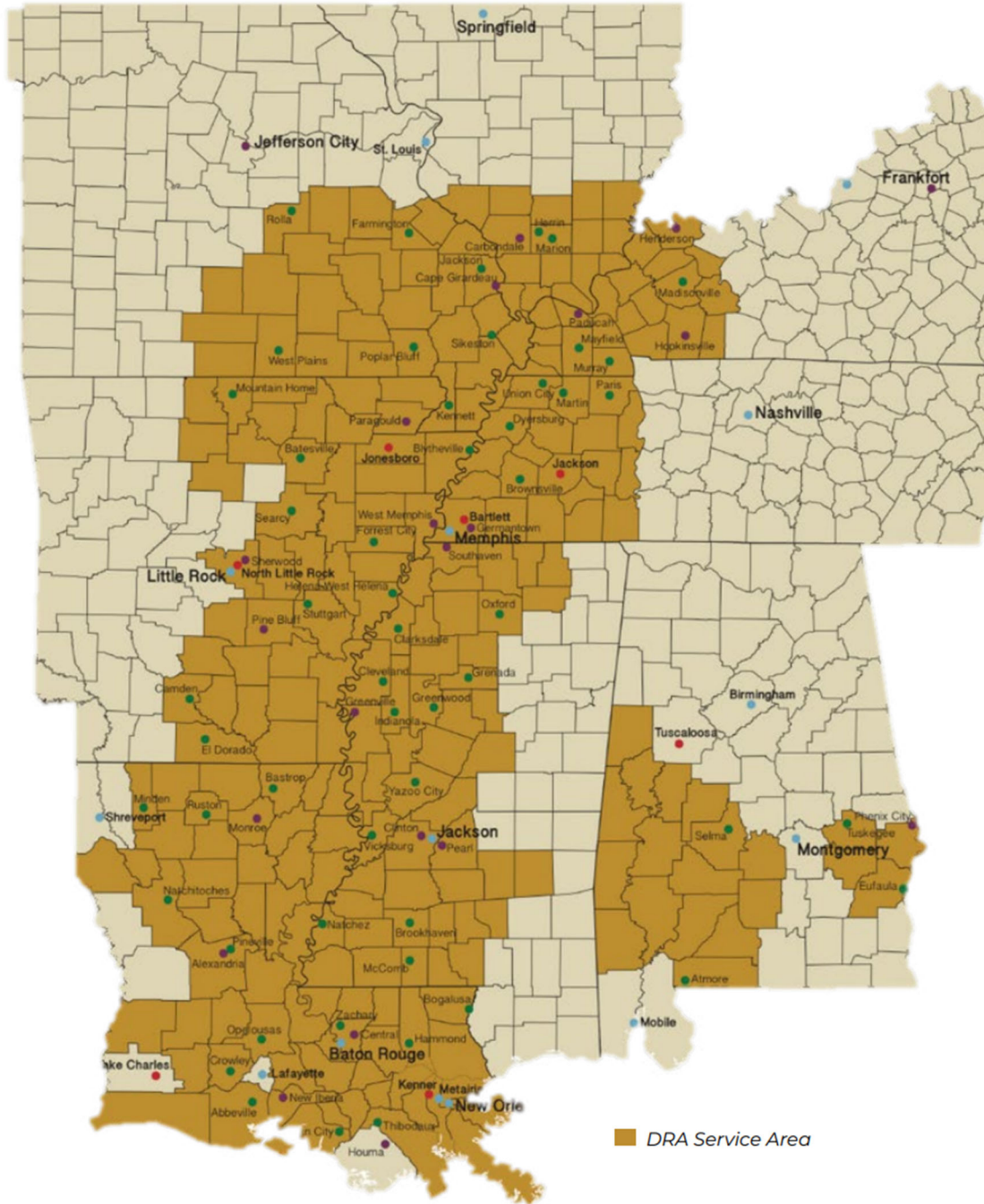
### Tennessee

Governor Bill Lee

Ms. Brooxie Carlton (Designee)

# Delta Regional Authority Service Area

DRA REGION





November 15, 2023

Shalanda D. Young, Acting Director  
The Office of Management and Budget  
725 17<sup>th</sup> Street NW  
Washington, DC 20503

Dear Director Young:

The Delta Regional Authority's (DRA or Authority) is an independent federal agency of the U.S. Government. The DRA was established in 2000 as a formal framework for joint federal-state collaboration to promote and encourage the economic development of the lower Mississippi River and Alabama Black Belt regions. To fulfill this purpose, DRA invests in projects supporting transportation infrastructure, basic public infrastructure, workforce training, and business development. DRA works to create jobs, build communities, and improve the lives of those who reside in the region. DRA's region encompasses 252 counties and parishes in parts of Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee.

Enclosed, you will find the DRA's Performance and Accountability Report for fiscal year 2023. This report is an accurate and comprehensive account of the Authority's performance for fiscal year 2023 and includes comparative financial statements in fiscal year 2022 and fiscal year 2023.

DRA continues to be in full compliance with The Accountability for Tax Dollars Act of 2002, Under the current administration, DRA maintains its long-term commitment to setting and sustaining the highest standards in financial integrity and compliance. The report by the auditors of Fred T. Neely & Company, PLLC contains an unmodified opinion on the financial statements in this document, and DRA continues to meet each new challenge and expectation presented by the U.S. Congress.

The DRA is committed to accountability as we provide an effective mechanism for federal investment in the Delta region. We continually strive to improve our performance and cut waste so that our job creation and health investments have the maximum impact on the Delta. This fiscal year 2023 Performance and Accountability Report is aligned with the performance goals and targets outlined in the Regional Development Plan IV: Navigating the Currents of Opportunity. DRA's Regional Development Plan IV, since its publication in February 2023, has and will continue to guide the agency's strategic priorities and actions through fiscal year 2027 to help the region build on previous successes and maximize future opportunities. The goals outlined in the Regional Development Plan IV are as follows:

**GOAL 1: Invest in Public Infrastructure**

DRA will expand and invest in the resiliency of the region's public infrastructure to improve residents' quality of life and increase economic opportunity. This includes utilities (e.g., water, sewer), digital communications (e.g., broadband, cellular), and transportation (e.g., road improvements, public transit).

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Tennessee**

**Regional Headquarters:** 236 Sharkey Avenue, Suite 400 | Clarksdale, MS 38614 | T 662.624.8600 | F 662.624.8537

**Washington, DC Office:** 444 North Capitol, NW, Suite 292 | Washington, DC 20001 | T 202.434.4870 | F 202.434.4871

[www.dra.gov](http://www.dra.gov)



#### GOAL 2: Nurture Local Workforce Ecosystems

DRA will improve networks of agencies, organization, businesses, and educational institutions providing workforce development opportunities. It will promote access to services, funding, and programs that enable career stability, including health care, housing, education, and food security.

#### GOAL 3: Promote Business Growth and Entrepreneurship

DRA will strengthen the competitiveness of the region's employers, attract new employers to the region, and support the long-term growth of micro and small businesses, especially those that promote local industries such as tourism.

#### GOAL 4: Support Community Placemaking and Capacity-Building

DRA will expand efforts to enhance sustainable and inclusive local placemaking, quality of life, and community capacity. This includes enabling community connectedness, increased efficacy, leadership development, and the ability to receive federal support, especially with under-resourced groups.

Under my administration as Federal Co-Chairman, DRA has listened and intentionally responded to the voices of local governments, nonprofit organization, local development districts, community colleges, and four-year institutions of higher learning regarding their capacity to access federal funding opportunities. As a direct result of data and evidence-based information gathering in fiscal year 2022, we remain committed to equitable community engagement, increasing community capacity to receive federal support, efficiently and expeditiously reinvesting taxpayer dollars in the communities we serve, and establishment of a sustainable organization for continued support to rural communities.

Through responsible stewardship of statutory appropriations as well as Bipartisan Infrastructure Law/Infrastructure Investment and Jobs Act funding, DRA has responded effectively to the region's challenges through its programs and investments, as evidenced in this report. The DRA invests in a broad range of initiatives that support the four overarching goals of DRA: investing in public infrastructure, developing local workforce, promoting business growth and entrepreneurship, and supporting sustainable communities.

The data collected and included in this report to measure performance uses a standardized methodology. The data has been compiled to provide the most complete and accurate results available. DRA utilizes the following metrics to track the success of all of its programs: jobs created, jobs retained, families affected (by improved infrastructure investment), and people trained. The Authority tracks the accrual of these benefits to disadvantaged communities on the county/parish level via grantee reporting. For some projects, the Authority tracks these benefits on more granular geographic levels, such as the census tract.

DRA's impact in the region is not just limited to the quantitative outputs from the agency's investments, but it is also connected to DRA's reputation as a regional partner working closely with local governments and local development districts to help find solutions to the challenges experienced in the region. The fiscal year 2023 Performance Accountability Report demonstrates DRA's critical importance to the region. The investments made

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through DRA foster inclusive communities, strengthen regional collaboration and productive capacity; achieve sustained, long-term economic development; and produce meaningful opportunities for all people in the DRA region.

Respectfully submitted,

A handwritten signature in blue ink, appearing to be "Corey Wiggins", written over a light blue horizontal line.

Corey Wiggins, Ph.D.  
Federal Co-Chairman

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## Section 2 – Management’s Discussion and Analysis



# Delta Regional Authority

Management's Discussion and Analysis  
Year Ended September 30, 2023

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## Introduction

As management of Delta Regional Authority (DRA or the Authority), we offer readers of DRA's Performance and Accountability Report this narrative overview and analysis of the financial activities of DRA for the fiscal year ended September 30, 2023. We encourage the readers to consider the information presented here in conjunction with information furnished within this report.

DRA is an Independent federal agency of the U.S. Government. DRA was established in 2000 as a formal framework for joint Federal-State collaboration to promote and encourage the economic development of the lower Mississippi River and Alabama Black Belt regions. To fulfill this purpose, DRA invests in projects supporting transportation infrastructure, basic public infrastructure, workforce training, and business development. DRA works to create jobs, build communities, and improve the lives of those that reside in the region. DRA's region encompasses 252 counties and parishes in parts of Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee.

Congress mandated (7 U.S.C. §2009aa) that DRA shall provide funding for the following four categories:

- Basic public infrastructure in distressed counties and isolated areas of distress;
- Transportation infrastructure for the purpose of facilitating economic development in the region;
- Business development, with emphasis on entrepreneurship; and
- Job training or employment-related education, with emphasis on the use of existing public educational institutions located in the region.

Congressional stipulations include:

- The Authority will allocate at least 75% of Authority funds for use in distressed counties; and
- The Authority shall allocate at least 50% of any funds for transportation and basic public infrastructure projects.

The following is a discussion and analysis of the operating results and financial position of DRA, created by the Delta Regional Authority Act of 2000. The Authority's reauthorization was extended by the Agricultural Act of 2018.

As listed in the Management's Discussion and Analysis and throughout the Performance and Accountability Report, DRA continues to emphasize performance, accountability and sustainability within its programs. Please review this document in conjunction with the annual financial statements and accompanying notes.

## Fiscal Year 2023 Counties and Parishes

DRA calculates distress criteria on an annual basis. To be deemed distressed, counties and parishes must meet the following criteria:

1. An unemployment rate of one percent higher than the national average for the most recent 24-month period.
2. Have a per capita income of 80 percent or less of the most recent national per capita income level.

DRA's enabling legislation requires the Authority to update its distressed and non-distressed county as well as isolated areas designation annually. The tabulation for fiscal year 2023 resulted in 224 distressed counties and parishes and 28 non-distressed counties and parishes and 240 isolated areas within non-distressed counties and parishes (see list below).

# Delta Regional Authority

Management's Discussion and Analysis  
Year Ended September 30, 2023

## Non-Distressed List as of September 30, 2023

<b>Arkansas</b>	<b>Illinois</b>	<b>Louisiana</b>	Plaquemines
Arkansas	Hamilton	Ascension	Pointe Coupee
Pulaski	White	Cameron	Rapides
	Williamson	De Soto	Red River
		East Baton Rouge	Richland
		Jefferson	
<b>Alabama - None</b>	<b>Kentucky</b>	Lincoln	<b>Mississippi</b>
	Carlisle	Livingston	Madison
	Hickman	Madison	
	McCracken	Morehouse	<b>Tennessee</b>
		Natchitoches	Dyer
		Orleans	Fayette
		Ouachita	

## Distressed List as of September 30, 2023

<b>Alabama</b>	Dallas	Monroe	<b>Louisiana</b>	Iberia	Union
Barbour	Escambia	Perry	Acadia	Iberville	Vermillion
Bullock	Greene	Pickens	Allen	Jackson	Washington
Butler	Hale	Russell	Assumption	Jefferson Davis	Webster
Choctaw	Lowndes	Sumter	Avoyelles	La Salle	West Baton Rouge
Clarke	Macon	Washington	Beauregard	Lafourche	West Carroll
Conecuh	Marengo	Wilcox	Bienville	St. Bernard	West Feliciana
			Caldwell	St. Charles	Winn
<b>Arkansas</b>	Fulton	Phillips	Catahoula	St. Helena	
Ashley	Grant	Poinsett	Claiborne	St. James	
Baxter	Greene	Prairie	Concordia	St. John the Baptist	
Bollinger	Independence	Randolph	East Carroll	St. Landry	
Bradley	Izard	Searcy	East Feliciana	St. Martin	
Calhoun	Jackson	Sharp	Evangeline	St. Mary	
Chicot	Jefferson	St. Francis	Franklin	Tangipahoa	
Clay	Lawrence	Stone	Grant	Tensas	
Cleveland	Lee	Union			
Craighead	Lincoln	Van Buren	<b>Illinois</b>	Johnson	Saline
Crittenden	Lonoke	White	Alexander	Massac	Union
Cross	Marion	Woodruff	Franklin	Perry	
Dallas	Mississippi		Gallatin	Pope	
Desha	Monroe		Hardin	Pulaski	
Drew	Ouachita		Jackson	Randolph	

# Delta Regional Authority

Management's Discussion and Analysis  
Year Ended September 30, 2023

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## Distressed List as of September 30, 2023 (continued)

<b>Kentucky</b>	Henderson	Trigg	<b>Mississippi</b>	Humphreys	Simpson
Ballard	Hopkins	Union	Adams	Issaquena	Smith
Caldwell	Livingston	Webster	Amite	Jasper	Sunflower
Calloway	Lyon		Attala	Jefferson Davis	Tallahatchie
Christian	McLean		Benton	Lafayette	Tate
Crittenden	Marshall		Bolivar	Lawrence	Tippah
Fulton	Muhlenberg		Carroll	Leflore	Tunica
Graves	Todd		Claiborne	Lincoln	Union
			Coahoma	Marion	Walthall
<b>Missouri</b>	Madison	Shannon	Copiah	Marshall	Warren
Bollinger	Mississippi	Ste. Genevieve	Covington	Montgomery	Washington
Butler	New Madrid	St. Francois	DeSoto	Panola	Wilkinson
Cape Girardeau	Oregon	Stoddard	Franklin	Pike	Yalobusha
Carter	Ozark	Texas	Grenada	Quitman	Yazoo
Crawford	Pemiscot	Washington	Hinds	Rankin	
Dent	Perry	Wayne	Holmes	Sharkey	
Douglas	Phelps	Wright			
Dunklin	Reynolds		<b>Tennessee</b>	Hardeman	Madison
Howell	Ripley		Benton	Hardin	McNairy
Iron	Scott		Carroll	Haywood	Obion
			Chester	Henderson	Shelby
			Crockett	Henry	Tipton
			Decatur	Lake	Weakley
			Gibson	Lauderdale	

### Organizational Structure

The Federal member and Governors of each of the states in the eight-state region, jointly referred to as “the Authority,” establish a formal framework for joint Federal-State collaboration in meeting and focusing national attention on the economic development needs of the region.

The DRA Board is comprised of Governors from the eight states in the DRA region along with the Federal member, or Federal Co-Chairman, who is appointed by the President and confirmed by the U.S. Senate. The Governors annually appoint a States' Co-Chairman, and in fiscal year 2023, Governor J.B. Pritzker of Illinois was elected to serve as the fourteenth States' Co-Chairman.

DRA statute requires the Board to hold an annual quorum meeting, which mandates the attendance of a majority of the states' Governors. For all other DRA meetings, Governors may appoint an alternate to serve in their absence.

# Delta Regional Authority

Management's Discussion and Analysis  
Year Ended September 30, 2023

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Pursuant to 7 U.S.C. §2009aa-1. (d), the Authority shall-

- (1) Develop, on a continuing basis, comprehensive and coordinated plans and programs to establish priorities and approve grants for the economic development of the region, giving due consideration to other federal, state, and local planning and development activities in the region;
- (2) Not later than 220 days after December 21, 2000, establish priorities in a development plan for the region (including 5-year regional outcome targets);
- (3) Assess the needs and assets of the region based on available research, demonstrations, investigations, assessments, and evaluations of the region prepared by federal, state, and local agencies, universities, local development districts, and other nonprofit groups;
- (4) Formulate and recommend to the Governors and legislatures of States that participate in the Authority forms of interstate cooperation;
- (5) Work with state and local agencies in developing appropriate model legislation;
- (6) (A) Enhance the capacity of, and provide support for, local development districts in the region; or (B) if no local development district exists in an area in a participating state in the region, foster the creation of a local development district;
- (7) Encourage private investment in industrial, commercial, and other economic development projects in the region; and
- (8) Cooperate with and assist State governments with economic development programs of participating States.

DRA maintains two office locations:

Main Office:  
236 Sharkey Ave  
Suite 400  
Clarksdale, Mississippi 38614

Washington D.C. Office:  
Hall of States Building, 444 North Capitol Street NW  
Suite 546  
Washington, D.C. 20001

DRA maintains two federal employee positions, the Federal Co-Chairman and the Alternate Federal Co-Chairperson (currently vacant). For continuity of operations, DRA is structured to employ 30 non-federal employees who administer the purposes of the agency. DRA currently employs 23 employees dedicated to serving the communities of DRA's region.

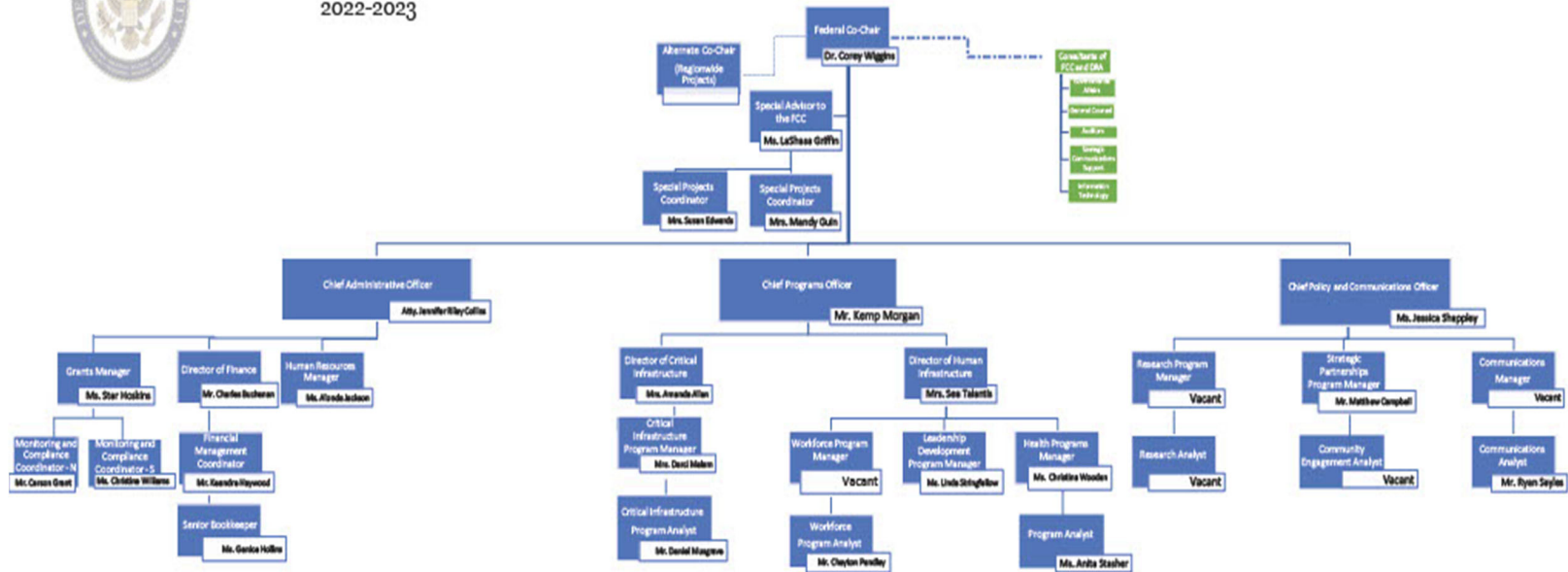
# Delta Regional Authority

Management's Discussion and Analysis  
Year Ended September 30, 2023

## Organizational Chart



### Delta Regional Authority Organizational Chart 2022-2023



# Delta Regional Authority

Management's Discussion and Analysis  
Year Ended September 30, 2023

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## Management of Delta Regional Authority

DRA contracts with the General Services Administration (GSA) to perform the Commission's accounting and financial reporting regarding DRA's economic development obligations, disbursements, and the financial reporting of its federally- appropriated dollars. DRA has made tremendous efforts under the current Federal Co-Chair's Administration to bring DRA into full compliance with the U.S. Department of Treasury laws and regulations. During fiscal year 2023, all funds deposited in the bank, as reported in prior year accountability reports, have been transferred to the U.S. Treasury.

The agency's approach is to make management controls an integral part of the entire cycle of planning, budgeting, management, accounting, and auditing. DRA's leadership has established a goal of maintaining the highest standards of accountability and transparency in which all employees help ensure that government resources are used efficiently and effectively to achieve intended program results with minimal potential for waste, fraud, and mismanagement. To that end, DRA, at the end of fiscal year 2023, launched a new comprehensive grants management system. This system will supplement the fiscal accountability services of DRA's finance department supported by GSA. The new system provides real-time funding, grant-status, and performance-measurement information, as well as grant-related financial data, to authorized users. The system is built in compliance with zero trust architecture standards.

## Financial Highlights

The following is a summary of changes in assets, liabilities, revenues, expenditures and net position at September 30, 2023, as compared to the prior year:

- Total assets increased \$4,225,887 or 2% in 2023 compared to an increase of \$162,101,489 or 196% in 2022;
- Total liabilities increased \$4,184,739 or 80% in 2023 compared to a decrease of \$726,453 or 12% in 2022;
- Total net program costs increased \$13,329,159 or 62% in 2023 compared to a decrease of \$2,710,920 or 11% in 2022;
- Financing sources of operations increased \$13,329,159 or 62% in 2023 compared to a decrease of \$2,710,920 or 11% in 2022; and
- Net position increased \$41,148 or .02% in 2023 compared to an increase of \$162,892,511 or 212% in 2022.

## Overview of the Financial Statements

The Management's Discussion and Analysis introduces DRA's principal statements. The principal statements include: (1) balance sheets, (2) statements of net cost, (3) statements of changes in net position, (4) statements of budgetary resources, and (5) notes to financial statements. DRA also includes in this report additional information to supplement the principal statements.

**Balance Sheets** – The balance sheets are summaries of assets, liabilities, and net position for each fiscal year. They include assets in possession or managed by the entity exclusive of items subject to stewardship reporting (assets), amounts owed by the entity (liabilities), and amounts which comprise the difference (net position).

# Delta Regional Authority

Management's Discussion and Analysis  
Year Ended September 30, 2023

Summary Balance Sheet				
As of September 30,				
	2023	2022	\$ Change	% Change
Total assets	\$ 249,068,673	\$ 244,842,786	\$ 4,225,887	2%
Total liabilities	9,410,348	5,225,609	4,184,739	80%
Total net position	239,658,325	239,617,177	41,148	0.02%
Total liabilities and net position	<u>\$ 249,068,673</u>	<u>\$ 244,842,786</u>	<u>\$ 4,225,887</u>	2%

Summary Balance Sheet				
As of September 30,				
	2022	2021	\$ Change	% Change
Total assets	\$ 244,842,786	\$ 82,741,297	\$ 162,101,489	196%
Total liabilities	5,225,609	5,952,062	(726,453)	-12%
Total net position	239,617,177	76,789,235	162,827,942	212%
Total liabilities and net position	<u>\$ 244,842,786</u>	<u>\$ 82,741,297</u>	<u>\$ 162,101,489</u>	196%

The fiscal year 2023 and 2022 increases in total assets were largely attributable to federal appropriations for economic development purposes. Total liabilities increased in fiscal year 2023 due to an increase in payables at the end of fiscal year 2023. Net position increased in fiscal year 2023 compared to fiscal year 2022. An increase in net position indicates that DRA's financial condition improved in fiscal year 2023.

**Statements of Net Cost** – The statements of net cost are designed to show separately the components of the net cost of the reporting entity's operations for the period. The net cost of operations is the gross cost incurred by the reporting entity less any exchange revenue earned from its activities. The gross cost of a program consists of the full cost of the outputs produced by that program plus any non-production costs that can be assigned to the program. Non-production costs are costs linked to events other than the production of goods and services. The net cost of a program consists of gross cost less related exchange revenues. By disclosing the gross and net cost of the entity's programs, the statements of net cost provide information that can be related to the outputs and outcomes of the programs and activities.

Summary Statement of Net Costs				
Years Ended September 30,				
	2023	2022	\$ Change	% Change
<b>Program Costs</b>				
Gross cost	\$ 36,498,656	\$ 21,813,570	\$ 14,685,086	67%
Less: earned revenue	(1,723,389)	(367,462)	(1,355,927)	369%
Total net program costs	<u>\$ 34,775,267</u>	<u>\$ 21,446,108</u>	<u>\$ 13,329,159</u>	62%

# Delta Regional Authority

Management's Discussion and Analysis  
Year Ended September 30, 2023

## Summary Statement of Net Costs Years Ended September 30,

	2022	2021	\$ Change	% Change
<b>Program Costs</b>				
Gross cost	\$ 21,813,570	\$ 26,004,985	\$ (4,191,415)	-16%
Less: earned revenue	(367,462)	(1,847,957)	1,480,495	-80%
Total net program costs	\$ 21,446,108	\$ 24,157,028	\$ (2,710,920)	-11%

The fiscal year 2023 increase in total net program costs is attributable to an increase in SEDAP and CIF project disbursements and an increase in earned revenue.

**Statements of Changes in Net Position** – The statements of changes in net position report the change in net position during the reporting period. Net position is affected by changes to its two components: cumulative results of operations and unexpended appropriations. The statement format is designed to display both components of net position separately to enable the user to better understand the nature of changes to net position as a whole.

## Summary Statement of Changes in Net Position Years Ended September 30,

	2023	2022	\$ Change	% Change
<b>Unexpended appropriations</b>				
Beginning balance	\$ 239,617,177	\$ 76,826,673	\$ 162,790,504	212%
Change in unexpended appropriations	(63,422)	162,790,504	(162,853,926)	-100%
Total unexpended appropriations	239,553,755	239,617,177	(63,422)	-0.03%
<b>Cumulative results of operations</b>				
Beginning balance	-	-	-	0%
Correction of errors (+/-)	5,049	-	5,049	0%
Change in cumulative results of operations	99,521	-	99,521	0%
Total cumulative results of operations	104,570	-	104,570	0%
Net position	\$ 239,658,325	\$ 239,617,177	\$ 41,148	0.02%

## Summary Statement of Changes in Net Position Years Ended September 30,

	2022	2021	\$ Change	% Change
<b>Unexpended appropriations</b>				
Beginning balance	\$ 76,826,673	\$ 67,560,194	\$ 9,266,479	14%
Change in unexpended appropriations	162,790,504	9,229,041	153,561,463	1664%
Total unexpended appropriations	239,617,177	76,789,235	162,827,942	212%
<b>Cumulative results of operations</b>				
Beginning balance	-	-	-	0%
Change in cumulative results of operations	-	-	-	0%
Total cumulative results of operations	-	-	-	0%
Net position	\$ 239,617,177	\$ 76,789,235	\$ 162,827,942	212%

The increase in net position is attributable to change in unexpended appropriations against current year cumulative result of operations.

**Statements of Budgetary Resources** – The statements of budgetary resources and related disclosures provide information about how budgetary resources were made available, as well as their status at the end of the year. It



# Delta Regional Authority

Management’s Discussion and Analysis  
Year Ended September 30, 2023

is the only financial statement predominantly derived from an entity’s budgetary general ledger in accordance with budgetary accounting rules, which are incorporated into generally accepted accounting principles in the United States of America (GAAP) for the federal government.

## Summary Statement of Budgetary Resources Years Ended September 30,

	2023	2022	\$ Change	% Change
Budgetary resources	\$ 199,144,866	\$ 213,527,021	\$ (14,382,155)	-7%
Status of budgetary resources	\$ 73,298,919	\$ 65,030,224	\$ 8,268,695	13%
Net outlays, end of year	\$ 28,378,547	\$ 18,243,126	\$ 10,135,421	56%
Unpaid obligated balance, net	\$ 122,664,650	\$ 91,097,974	\$ 31,566,676	35%

## Summary Statement of Budgetary Resources Years Ended September 30,

	2022	2021	\$ Change	% Change
Budgetary resources	\$ 213,527,021	\$ 37,660,892	\$ 175,866,129	467%
Status of budgetary resources	\$ 65,030,224	\$ 42,233,871	\$ 22,796,353	54%
Net outlays, end of year	\$ 18,243,126	\$ 23,562,980	\$ (5,319,854)	-23%
Unpaid obligated balance, net	\$ 91,097,974	\$ 44,246,307	\$ 46,851,667	106%

**Notes to Financial Statements** – The notes to financial statements are an integral part of the financial statements and provide more detailed data.

### Limitations of the Financial Statements

The principal financial statements have been prepared to report the financial position and results of operations of the entity, pursuant to the requirements of 31 U.S.C. §3515(b). While the statements have been prepared from the books and records of the entity in accordance with GAAP for federal entities and the formats prescribed by the President’s Office of Management and Budget (OMB), the statements are, in addition to the financial reports, used to monitor and control budgetary resources, which are prepared from the same books and records.

## Summary of Financial Statement Audit Year Ended September 30, 2023

**Audit Opinion:** Unmodified

**Restatement:** No

Material Weakness(es)	Beginning Balance	New	Resolved	Consolidated	Ending Balance
Total Material Weaknesses	-	-	-	-	-

### Grants Oversight and New Efficiency Act

The objective of the Grants Oversight and New Efficiency (GONE) Act is to identify and close out expired grants. The covered grants are those within an agency’s cash payment management system that have been expired for two or more years and have not been closed out. DRA reviewed its close-out population of federal grants and cooperative agreements and found instances where either a grant award or cooperative agreement with the period of performance ending on or prior to September 30, 2018, had not been closed out. Delays in grant and cooperative agreement closeout, and challenges to be addressed pursuant to the GONE Act follow the table below.

# Delta Regional Authority

Management's Discussion and Analysis  
Year Ended September 30, 2023

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## Summary of Grants Oversight and New Efficiency (GONE) Act As of September 30, 2023

<u>Category</u>	<u>No. of</u>	<u>2-3 Years</u>	<u>No. of</u>	<u>&gt;3-5 Years</u>
Grants and cooperative agreements with undisbursed balances	10	\$ 2,484,034	3	\$ 509,118

### Challenges

*Delays in Grant and Cooperative Agreement Award Closeout* - As noted in DRA's enabling legislation, "Congress finds that certain States and local communities of the region, including local development districts, may be unable to take maximum advantage of Federal grant programs for which the States and communities are eligible because: (1) the States or communities lack the economic resources to provide the required matching share; or (2) there are insufficient funds available under the applicable Federal law authorizing the Federal grant program to meet pressing needs of the region." These limitations are often the reason DRA funds are needed as first dollars in on some of these grants. These limitations speak to other intrinsic limitations some of these communities' experience, that being, other resources to ensure the projects are completed on time and on budget.

*Changes in the Fund Obligation Process* - DRA has obligated funds over the course of four administrations. The first administration obligated with a signed grant agreement; the second administration obligated with a board approved (voted on) project. Typically, grant agreements were signed and returned soon after, but there have been occasions where the signed grant agreement took much longer to return. This issue is exacerbated by an extremely small administrative staff with little continuity over DRA's 21 years of existence.

### Planned Corrective Actions

To overcome challenges noted in the fiscal year 2022 PAR, during fiscal year 2023 DRA has implemented a robust grants review and monitoring and compliance program which has helped to identify grantees which require technical assistance, or awards which needed to be amended or which in some cases needed to be de-obligated. Additionally, during fiscal year 2023, DRA initiated steps to launch a new comprehensive grants management system which was necessary to properly align program and administrative duties needed for checks and balances as well as to ensure broader transparency and accountability regarding grants management. The grants management system implements a scoring system which will help DRA Board and Staff identify the feasibility of projects and the readiness of grantees to successfully manage grants within the award period of performance. DRA has also begun pre and post award technical assistance trainings which include a detailed overview of awards administrative and legal requirements which ensure grantees are aware of reporting, close out and other requirements related to their awards. DRA is well aware of the challenges faced by the communities we serve and have worked through programs and initiatives such as the LDD Pilot Program, DRIVE and Roundtables to help increase the capacity of grantees to not only apply for but to manage awards as well.

### The Anti-Deficiency Act

Public Law 31 U.S.C. §1341, Limitations on Expending and Obligor Amounts, 31 U.S.C. §1342, Limitation on Voluntary Services, and 31 U.S.C. §1517, Prohibited Obligations and Expenditures, and 31 U.S.C. §1501, Documentary Evidence Requirement for Government Obligations make up the core of this Act.

#### 31 U.S.C., Section 1341, Limitations on Expending and Obligor Amounts

An officer or employee of the U.S. Government or of the District of Columbia government may not---

- Make or authorize an expenditure or obligation exceeding an amount available in an appropriation or fund for the expenditure or obligation; or

# Delta Regional Authority

Management's Discussion and Analysis  
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- Involve either government in a contract or obligation for the payment of money before an appropriation is made unless authorized by law.

## 31 U.S.C., Section 1342, Limitation on Voluntary Services

An officer or employee of the U.S. Government or of the District of Columbia government may not accept voluntary services for either government or employ personal services exceeding that authorized by law except for emergencies involving the safety of human life or the protection of property.

## 31 U.S.C., Section 1517, Prohibited Obligations and Expenditures

An officer or employee of the U.S. Government or of the District of Columbia government may not make or authorize an expenditure or obligation exceeding---

- An apportionment; or
- The amount permitted by regulations prescribed under section 1514(a) of this title.

## 31 U.S.C., Section 1501, Documentary Evidence Requirement for Government Obligations

An amount shall be recorded as an obligation of the U.S. Government only when supported by documentary evidence of---

- A binding agreement;
- A loan agreement;
- Order required by law;
- A grant or subsidy;
- A liability from litigation;
- Employment of persons;
- Public utilities services; or
- Other.

## ***Violations of the Anti-Deficiency Act***

### Making or authorizing an obligation or expenditure:

- In excess of an appropriation;
- Before an appropriation is made;
- In excess of an apportionment;
- In excess of agency regulations (e.g., allotment); or
- Accepting voluntary services (except in an emergency); employing personal services.

### Violations of these rules will subject the officer or employee to:

- Appropriate administrative discipline;
- Suspension from duty without pay; or
- Removal from office.

### Intentional violation of the Anti-Deficiency Act will subject the officer or employee to:

- Fines up to \$5,000;
- Imprisonment up to 2 years;
- Or both.

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## ***Reporting a Violation***

A violation report has to be prepared by the head of the offending agency and sent to:

- The President (through OMB);
- The Speaker of the House;
- The President of the Senate; or
- The Comptroller General.

The violation report must contain:

- Date, amount, account involved in violation;
- The name and position of the person responsible;
- Discipline imposed;
- Statement about the adequacy of administrative control system; and
- Statement of actions taken to prevent it from ever happening again.

For the year ended September 30, 2023, DRA complied with the Anti-Deficiency Act.

## **The Prompt Payment Act**

The Prompt Payment Act (PPA) was enacted to ensure the federal government makes timely payments. Bills are to be paid within 30 days after receipt and acceptance of material and/or services, or after receipt of a proper invoice whichever is later. When payments are not made timely, interest should be automatically paid. The basic requirements of the PPA for government finance offices are to:

- Date stamp all incoming invoices;
- Make payments no earlier than 23 days and no later than 30 days from the invoice date;
- Take discounts only within the terms offered;
- Pay interest automatically when payment is late; and
- Report performance based on statistical sampling to the OMB.

## ***Procedures and Guidelines DRA uses to comply with the Prompt Payment Act***

Mandatory IMP AC (government credit card program) for all purchases less than \$2,500 may eliminate hours of collection time on smaller dollar invoices. Under the current VISA card program, vendors are paid usually within 2-3 days of shipment of the order. The merchant bank then collects from the government. The government purchase order is e-mailed to the vendor, input into their order processing system and then invoiced electronically to the payment office. When information is not re-keyed into systems, the chances for errors in the order and billing processes are reduced if not eliminated. DRA complied, in all relevant respects, with the PPA.

## **Data Accountability and Transparency Act of 2014 31 U.S.C. §6101, PL 113-101**

The purpose of the Data Accountability and Transparency Act (DATA Act) is to establish government-wide financial data standards and increase the availability, accuracy, and usefulness of Federal spending information. The DATA Act's vision was to provide reliable, timely, secure, and consumable financial management data for the purpose of promoting transparency, facilitating better decision making, and improving operational efficiency.

DRA complied, with all material respects, with the DATA Act and reported information monthly, as required during the fiscal year.

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## Fraud Reduction and Data Analytics Act of 2015

Under the Fraud Reduction and Data Analytics Act (FRDAA) of 2015, agencies are required to report on efforts to reduce fraud. Standards require agencies to identify fraud risk factors and programs with increased susceptibility for fraud. The report must include information on the agency’s progress in implementing:

- Financial and administrative controls established pursuant to the act,
- The fraud risk principle in the Standards for Internal Control in the Government, and OMB Circular A-123, Management’s Responsibility for Internal Control, with respect to leading practices for managing fraud risk,
- Progress in identifying risks and vulnerabilities to fraud, including with respect to payroll, beneficiary payments, grants, large contracts, purchase and travel cards, and
- Progress on establishing strategies, procedures, and other steps to curb fraud.

### Framework of Internal Control Year Ended September 30, 2023

Control Environment	Risk Assessment	Control Activities	Information & Communication	Monitoring Activities
Demonstrates commitment to integrity and ethical values.	Define objectives and risk tolerances.	Designs control activities.	Uses relevant, quality information.	Performs ongoing monitoring activities.
Exercises oversight responsibilities.	Identifies, analyzes and responds to risk.	Selects and develops general system controls.	Communicates internally.	Evaluates issues and remediates deficiencies.
Establishes structure, authority and responsibility.	Assess fraud risk.	Deploys and implements control activities.	Communicates externally.	
Demonstrates commitment to competence.	Identifies, analyzes and responds to change.			
Enforces accountability.				

DRA maintains an annual Financial Internal Control and Risk Management Plan that identifies, through quantitative and qualitative analysis, transactional areas that are susceptible to inaccuracies and/or fraud. The plan contains specific process areas that are tested throughout the fiscal year to ensure the process results are accurate and reasonable. Government-issued travel cards have been identified as a program with a high risk for fraud.

The following controls are in place to prevent/mitigate fraud within the government travel card program:

- Reduced employee-held travel cards to \$2,500, with the exception of senior level management that is capped at \$7,500 due to frequency of required travel;
- A government travel card SOP is published defining the roles and rules of the program. The handbook is reviewed and updated as needed; and
- Reduce the number of employees eligible for a government travel card.

The following administrative controls are in place to detect potential fraud within the travel card program:

- The Financial Management Coordinator reviews purchase cardholders’ statements and matches supporting receipts to billed charges monthly and communicates with cardholders regarding unmatched or suspicious charges. When cardholders deny unmatched or suspicious charges, the Financial Management Coordinator refers such charges to the Director of Finance and Administration for review and disposition.

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- The Director of Finance and Administration rejects payments for unknown or suspicious charges and requests the bank to investigate those purchases deemed suspect.
- After an investigation, the bank either provides copies of receipts to prove the employee initiated the charge or issues credit to the cardholder.

Other areas reviewed for the annual Financial Internal Control and Risk Management Plan include:

- Payroll, and how fraud could be perpetuated through the time management system. The Accounting/HR Supervisor prepares the payroll for bi-weekly submission to the Director of Finance and Administration, who reviews the submission for changes of personnel or salary from the prior month and budget and compares names to authorized personnel and salaries to authorized/approved salaries.
- Contracts over \$25,000, and how procurement procedures can be manipulated through fraud.

Below are additional strategies, procedures, and other steps employed by the agency to curb fraud:

- Prevent – educate employees on the care and use of a travel card;
- Prevent – conduct detailed fraud risk assessments to focus management attention;
- Deter/Detect – promote effective reporting tools for suspicious or inappropriate activities (whistleblower hotline);
- Anti-Fraud Policy/Training - communicate a policy and train employees to recognize suspicious or inappropriate activities;
- Deter/Detect – response to fraud allegations of how it will be investigated/resolved.

DRA's senior management believes that this policy sends a clear message that senior management is committed to preventing and detecting fraud committed against the organization.

## Contacting DRA's Financial Management

This financial report is designed to fulfill the obligations of DRA as it relates to the *Accountability for Tax Dollars Act of 2002*. The report details the financial position of DRA as of September 30, 2023 and 2022, and demonstrates DRA's accountability for all funds and appropriations received.

If you have any questions about this report or need additional information, please contact the Delta Regional Authority via telephone by calling 662-624-8600 or mail by directing inquiries to the Director of Finance and Administration, Delta Regional Authority, 236 Sharkey Avenue, Suite 400, Clarksdale, Mississippi 38614.

## Other Contact/Reports

Internet Home Page: <http://dra.gov>

Fraud/Whistleblower: <http://dra.gov/accountability/promoting-a-transparent-government/#fraud>

Agency Financial Report: <http://dra.gov/accountability/promoting-a-transparent-government/>

Strategic Plan: <http://dra.gov/funding-programs/strategic-economic-development-plans-by-state/>

## Section 2 – Performance Report

# Delta Regional Authority

Performance Report

Year Ended September 30, 2023

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## Overview

### **Performance Goals, Objectives and Results**

The Delta Regional Authority's (DRA) performance seeks to be evidence-based and data-informed through strategic planning and performance reporting in accordance with the Government Performance and Results Modernization Act of 2010 (GPRAMA).

The second section of DRA's fiscal year 2023 Performance and Accountability Report gauges actual short-term progress toward DRA's Strategic Goals and Objectives as it relates to the program indicators and targets outlined in DRA's Regional Development Plan IV, Navigating the Currents of Opportunity, published in February 2023.

Significant performance results have been highlighted in the Management's Discussion and Analysis section of this report. This year's Performance Section continues general improvement efforts under the Administration of the current Federal Co-Chair, Dr. Corey Wiggins. The data discussions contained in this section provide more detailed accounts of the quality, validity, and source of data for virtually all performance indicators. A summary report card preceding each strategic goal section indicates, in a transparent way, whether each target has been substantially met (i.e., at least 95 percent achieved).

The Government Performance and Results Act of 1993 ("GPRA") requires all federal agencies to submit a report to Congress on actual program results at the end of each fiscal year along with its audited financial statements outlined in the Office of Management and Budget (OMB) Circular No. A-136, Financial Audit Manual.

### **DRA Programs**

#### *Critical Infrastructure Programs*

States' Economic Development Assistance Program (SEDAP)

SEDAP is DRA's main investment tool used to fund basic public infrastructure, transportation infrastructure, business development with an emphasis on entrepreneurship, and workforce development.

Community Infrastructure Fund (CIF)

CIF complements SEDAP as a primary investment tool for DRA. Investments support projects that address flood control, basic public infrastructure, and transportation infrastructure improvements.

Public Works and Economic Adjustment Assistance (PWEAA)

This program helps distressed communities revitalize, expand, and upgrade their physical infrastructure. The PWEAA program provides a wide range of technical, planning, and public works and infrastructure assistance in regions experiencing adverse economic changes that may occur suddenly or over time.

#### *Human Infrastructure Programs*

Health Programs

Through partnerships with the U.S. Department of Defense, U.S. Department of State, and U.S. Department of Health and Human Services, DRA supports the following programs:

Delta Doctors - This program increases access to quality health care in DRA communities by using a J-1 visa waiver to allow foreign physicians trained in the United States to work in areas with a shortage of health professionals.

Innovative Readiness Training - Through a partnership with the U.S. Department of Defense and the U.S. Military's reserve forces, the DRA supports the Innovative Readiness Training program in Delta communities to bring medical, dental, and optical care to Delta residents in need of quality health care at no cost to the patients.



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Delta Region Community Health Systems Development Program - The DRA, in collaboration with the Health Resources and Services Administration of the U.S. Department of Health and Human Services, implements the Delta Region Community Health Systems Development – Technical Assistance Program to enhance healthcare delivery in the Delta region. Through intensive technical assistance, healthcare providers in select rural communities are helped to identify and address healthcare needs while strengthening the local healthcare system.

Delta Region Rural Hospital Workforce Training Program - Through a partnership with the U.S. Department of Health and Human Services Health Resources and Services Administration, the Delta Region Rural Health Workforce Training Program addresses the ongoing need in healthcare facilities for trained administrative support or business operations professionals in rural communities through the development of Strategic Networks that support recruitment, formal training, certification, and placement of students. This program aims to provide training and pathways to professional certifications to current administrative support professionals working in rural DRA region healthcare facilities as well as new entrants to the workforce and dislocated workers.

## Workforce Development Programs

Workforce Opportunity for Rural Communities (WORC) - In partnership with the U.S. Department of Labor, Employment and Training Administration, Appalachian Regional Commission, and Northern Border Regional Commission, approximately \$44 million in grants were awarded in fiscal year 2023 under the WORC Initiative to support workforce training and education in rural communities across the Delta, Appalachian, and Northern Border regions.

The Delta Workforce Grant Program (DWP) is an initiative designed to build long-term community capacity and increase economic competitiveness by providing grants to support workforce training and education programs throughout the Mississippi River Delta and Alabama Black Belt regions. DWP supports projects and initiatives that create a more vibrant economic future for the Delta region by expanding opportunities to recruit, train, and retain a diverse and local workforce, aligning workforce and economic development strategies, creating sustainable talent pipelines, establishing or enhancing locally/regionally significant sector-based partnerships, and supporting enhanced workforce productivity through investments in innovative programming or services.

## Capacity-Building Programs

The LDD Community Support Pilot Program is a non-competitive grant program open to the 45 LDDs in DRA's service area. This program targets capacity-building and community support resources to local development districts (LDDs) that are helping economically distressed, isolated areas of distress, and persistent poverty communities navigate federal, state, and other resources that impact economic and community development. The program is designed to enhance the region's resiliency and ability to compete for and leverage resources. The program is funded through the Bipartisan Infrastructure Law signed by President Biden.

Strategic Planning Program - Communities across DRA's eight-state region lack the capacity and resources to strategically plan. This program will give public entities access to strategic planning funds to address long-standing issues and develop a roadmap for economic growth and opportunity. Applicants for this program have the autonomy to apply for a plan that fits the unique needs and challenges in their community. Eligible plans include, but are not limited to, economic development plans, utility rate studies, transportation plans, workforce development plans, and broadband deployment plans. The program is funded through the Bipartisan Infrastructure Law signed by President Biden.

## Delta Regional Authority Strategic Planning

In February 2023, the Authority approved and released the DRA Regional Development Plan IV: Navigating the Currents of Opportunity.

# Delta Regional Authority

Performance Report

Year Ended September 30, 2023

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The Regional Development Plan IV meets the requirements of the GPRAMA and is in accordance with DRA’s enabling legislation 7 U.S.C. Section 2009aa-1(d)(2). The plan is the basis for DRA’s performance, planning and implementation, as well as fiscal management and accountability.

This plan is not just a statement of our priorities but a driver of the actions we have begun to embark on to capitalize on tremendous opportunities, focus on rural and distressed communities, and strengthen regional economic development. DRA’s strategic goals reflect the Authority’s fourfold commitment to advancing infrastructure, job creation, business expansion, and local economies. Our strategic goals for the next five years include:

- DRA will expand and invest in the resiliency of the region’s public infrastructure to improve residents’ quality of life and increase economic opportunity.
- DRA will improve networks of agencies, organizations, businesses, and educational institutions providing workforce development opportunities. It will promote access to services, funding, and programs that enable career stability.
- DRA will strengthen the competitiveness of the region’s employers, attract new employers to the region, and support the long-term growth of micro and small businesses.
- DRA will expand efforts to enhance sustainable and inclusive local placemaking, quality of life, and community capacity.

To solidify its goals and ascertain that the DRA is assisting communities in meaningful ways, DRA aims to adopt measurable targets related to those goals. The DRA is committed to achieving four cross-cutting performance targets through investments in its four strategic goals. The performance targets are:

1. Families with improved access to infrastructure and/or services.
2. People trained.
3. Jobs created.
4. Jobs retained.

These targets relate to the broad outcomes that the DRA is working to achieve over the 2023 to 2027 plan period. Progress toward those targets will assist communities within the region in their efforts to navigate economic ebbs and flows and to enrich the lives of their residents. The extent to which various goals align with targets will vary, depending on which grant projects and actions are funded. Based on the illustrative projects outlined in the 2023-2027 Goals and Strategies section, all performance targets align with each of the four strategic goals.

**Goal 1: DRA will expand and invest in the resiliency of the region’s public infrastructure to improve residents’ quality of life and increase economic opportunity.**

Strategy 1.1 Invest in resilient public physical infrastructure repair and modernization to provide DRA residents with reliable transportation, utility, telecommunications, digital and other public infrastructure.	Meets
Strategy 1.2 Invest in high-efficiency public infrastructure development to preserve the region's natural heritage and urge natural resource stewardship.	Meets
Strategy 1.3 Pursue digital inclusion through affordable, quality digital communications infrastructure to enable communities to remain connected to and access critical services and resources.	In Progress

# Delta Regional Authority

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Year Ended September 30, 2023

Strategy 1.4 Support environmentally sustainable investments in communities within the region that are disproportionately affected by human-made environmental hazards.
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Meets
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During fiscal year 2023, DRA supported modernization projects for public utilities (e.g., wastewater treatment plants, sewer systems), made strategic investments in the region’s public transportation infrastructure (e.g., highways, railroads, ports, waterways, dams and bridges, and airports) that further workforce retention and job creation, and made investments to support the repair of existing transportation infrastructure so that social and economic activities within communities are not disrupted.

In its Regional Development Plan IV, DRA made a commitment to expand the DRA region’s energy infrastructure and production capacity by emphasizing high efficiency, clean technologies and indigenous resources (e.g., biofuels, water, wind, geothermal, hydroelectric, and solar) wherever possible; and to provide investments that support clean energy and resilience while creating jobs and rebuilding manufacturing capacity in the DRA region. Additionally, DRA is expanding workforce development programs to provide industry-specific training (e.g., clean energy, broadband installation and maintenance, and health care), strengthen talent pipelines, enhance industry clusters, and support regional economic development.

Demonstration of DRA investments is exemplified by investments made throughout the region, including these highlighted investments:

- DRA awarded a \$3,539,000 investment that will boost economic development and improve the quality of life for current and future businesses and residents surrounding the BlueOval City automotive complex near Stanton, Tennessee. BlueOval City is Ford’s largest, most advanced auto production complex in its history and will be home to the next-generation electric truck from Ford. Funding from this project is provided by the Community Infrastructure Fund. The investment will be matched by \$8,140,000 in additional funds from the U.S. Department of Agriculture Rural Development. The Town of Stanton investment project will provide water and sewer utility services to facilities critical to BlueOval City. The project is expected to create 2,700 direct jobs and over 3,300 indirect jobs.
- DRA awarded \$630,400 to five communities in Illinois, Louisiana, and Missouri in its first round of funding through the Strategic Planning Program, including \$150,000 to the Alexander-Cairo Port District located in Southern Illinois. The funding will be utilized to develop a master plan that will identify the scope for port development and the future of the riverport.
- Using fiscal year 2023 funding, the Sesser North Street Watermain Replacement project in Sesser, Illinois, has been awarded more than \$199,000 to replace a cast iron watermain.

Additionally, DRA, as a demonstration of our commitment to exploring how we can adjust our criteria and improve policies, senior staff attended the White House Summit on Building Climate Resilient Communities on September 28, 2023. DRA is working to advance environmental justice through the active implementation of Justice40 requirements in our financial assistance programs and capacity-building initiatives.

DRA has committed to the review of its policies and program criteria to ensure the agency demonstrates its pursuit of digital inclusion and support for environmentally sustainable investments in communities within the region that are disproportionately affected by human-made environmental hazards. DRA leadership is exploring ways to stimulate access to high-speed broadband services by DRA communities for telehealth, remote learning, telework and entrepreneurship, economic growth, and job creation by endorsing affordable, quality digital infrastructure. We will prioritize project submissions that repurpose abandoned facilities to use as communal digital learning

# Delta Regional Authority

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centers and those that improve digital infrastructure and discuss opportunities for smaller firms to expand services to support rural areas.

Contributing Programs:

States' Economic Development Assistance Program, Community Infrastructure Fund, and the Public Works and Economic Adjustment Assistance Program supported through a partnership with the U.S. Economic Development Administration.

**Goal 2: DRA will improve networks of agencies, organizations, businesses, and educational institutions providing workforce development opportunities. It will promote access to services, funding, and programs that enable career stability.**

Strategy 2.1 Invest in workforce development programs (e.g., apprenticeships, internships, programs at technical and community colleges) tailored to regional needs, designed to support residents to enter and remain in the workforce, and structured to connect participants to existing jobs and/or attract new employment opportunities.	Meets
Strategy 2.2 Equip and enable an inclusive and equitable workforce today for multigenerational impacts and a stronger workforce in the future.	Meets
Strategy 2.3 Increase access to affordable, high-quality health and wellbeing services to improve employees' health and support communities' economic prosperity.	Meets

DRA's fiscal year 2023 investments demonstrate its understanding that successful workforce development relies upon a nurturing ecosystem that helps organizations and communities identify the job skills required not only for the current economy but also to prepare the community for future-ready innovation. To that end, DRA convened through a series of Roundtables inclusive of federal, state, and local agencies as well as regional university, philanthropic, Community Development Financial Institutions and small business partners to explore benchmarks for workforce development needs in the DRA region, share best practices across counties and parishes, and leverage available funds. Additionally, we invested in the educational attainment and skills enhancement of systematically left behind students and workers who are underemployed or unemployed, who are displaced or at risk of becoming displaced, and those who are disadvantaged.

Through our health services programs, DRA promoted healthcare education to encourage residents' use of healthcare resources for higher labor-force participation and healthier people across the DRA region, increase access to medical, dental, and optical care for DRA residents, particularly in rural areas, through the existing partnership with U.S. Department of Defense through Innovative Readiness Training missions, and enhanced healthcare delivery and boost economic development in select rural communities through intensive technical assistance to healthcare providers through the Delta Region Community Health Systems Development - Technical Assistance Program.

Utilizing fiscal year 2023 funding, DRA made the following investments, which are only a highlight of DRA's investments:

- The Jobs 4 You Cabot project in Little Rock, Arkansas has been awarded \$509,000 to build a Jobs 4 You Vocational Training Center in Cabot, Arkansas.
- The Workforce Training Expansion – Welding Space Reconfiguration and Renovation project in Pocahontas, Arkansas has been awarded more than \$256,000 to renovate Black River Technical College's welding space on its Pocahontas campus.

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- The Skills to Launch Program project in Paragould, Arkansas has been awarded more than \$221,000 for the 10-week scholarship-based hands-on program designed to provide technical skills and soft skills training for Greene County’s labor force.

Contributing Programs:

States’ Economic Development Assistance Program, Delta Workforce Grant Program, and DRA Health Services Programs.

\$450,000 to the Green River Area Development District to support a water and wastewater operator apprenticeship program serving residents in the Green River region of Western Kentucky.

**Goal 3: DRA will strengthen the competitiveness of the region’s employers, attract new employers to the region, and support the long-term growth of micro and small businesses.**

Strategy 3.1 Invest in programs and business opportunities that address critical challenges facing DRA communities while providing opportunities to attract and retain talent locally.	In Progress
Strategy 3.2 Provide technical assistance and other support for entrepreneurship and small business development in the DRA region.	In Progress
Strategy 3.3 Expand access to business capital (e.g., revolving loan funds, micro loans, angel investing) to support entrepreneurship, local, small and micro business innovation, and economic equity.	In Progress

DRA acknowledges the correlation between small business development and entrepreneurship and their contribution to economic growth. To that end, we are supportive of entrepreneurs growing microenterprises and tapping into federal funding sources. To create networks and pathways, we are working to facilitate public/private partnerships to create loan funds and offer credit enhancement programs with Community Development Financial Institutions that increase access to credit bridge gaps in collateral shortfalls for historically marginalized groups across the DRA footprint. While we continue to make progress in this area, DRA has made investments needed to increase rural access to the benefits of unique innovation assets (e.g., startup incubators) found within urban centers for greater regional collaboration and which address entrepreneur and small and micro business physical space needs (e.g., maker spaces, incubators, shared working spaces, façade, and signage needs) that also support community space needs.

Specifically, using fiscal year 2023 funding, DRA made the following investments:

- The Market – Farmers Market and Food Entrepreneurship Center project in Dyersburg, Tennessee has been awarded more than \$216,000 to renovate the Main Street Dyersburg Farmers Market to better serve a food desert and provide training to food-related entrepreneurs.
- To expand access to business capital, DRA developed a series of Roundtables, which will be launched in fiscal year 2024 and include a roundtable session with Community Development Financial Institutions and Small Businesses to discuss barriers, bright ideas, and best practices in accessing federal grant opportunities to enhance business growth and entrepreneurship.
- DRA’s commitment to build upon these priorities to expand its impact in the region includes outreach to DRA stakeholders, including local governments, nonprofit organizations, local development districts, community colleges, and four-year institutions of higher learning. Some of these outreach and technical assistance efforts have included:

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- In 2023, DRA conducted ten in-person and one virtual LDD trainings providing technical assistance and capacity-building training for LDDs.
- Technical assistance and capacity-building training for the WORC Initiative, which is a partnership between the U.S. Department of Labor, Employment and Training Administration, the Appalachian Regional Commission, the DRA, and the Northern Border Regional Commission that funds grant projects within the Appalachian, lower Mississippi Delta, and Northern Border regions. In 2023, DRA conducted one in-person Pre-Technical Assistance training opportunity in Alexandria, Louisiana for potential applicants applying for the WORC grant with over 80 attendees and one virtual Pre-Technical Assistance training opportunity.

## Contributing Programs:

States' Economic Development Assistance Program, Delta Workforce Grant Program, DRA's Capacity-Building Programs, including the LDD Community Support Program and the Strategic Planning Grants Program.

DRA acknowledges the development of a robust entrepreneurial environment is important to the long-term success of the region. Entrepreneurs, innovative companies, creative workers, and technology are key elements of the regional economy.

## Goal 4: DRA will expand efforts to enhance sustainable and inclusive local placemaking, quality of life, and community capacity.

Strategy 4.1 Provide for leadership development among local leaders and organizations by investing in education, skill development, and pilot initiatives.	Meets
Strategy 4.2 Create support mechanisms to enable communities to be competitive when applying for and increasing the ability to receive financial support.	Meets
Strategy 4.3 Enhance collaboration and social capital to empower residents to drive change within and outside of their communities.	Meets
Strategy 4.4 Invest in local grassroots efforts that provide support for creative placemaking and projects that celebrate local culture in order to enrich the quality of life and quality of place for current and future residents.	In Progress

In September of 2023, DRA graduated 37 regional leaders from the Delta Leadership Institute (DLI) Executive Academy, an extensive, nine-month leadership development program that brings together public, private, and nonprofit sector leaders from the Mississippi River Delta and Alabama Black Belt regions. The 2023 DLI Executive Academy Class was selected through a competitive application process led by DRA's eight-state governors and DRA's Federal Co-Chairman. This program equips a dedicated and diverse group of leaders to drive change within and outside of their communities and accelerate prosperity across the region.

The Strategic Planning Program was designed to help communities in the DRA region identify and develop strategic plans to address infrastructure, industry growth, workforce pipelines, and small business development issues. The program aims to provide underserved communities in the Mississippi River Delta and Alabama Black Belt regions with the necessary resources to develop plans to help alleviate prolonged issues and guide economic growth. DRA awarded \$630,400 to five communities in Illinois, Louisiana, and Missouri in its first round of funding through the Strategic Planning Program. Funding for this program was made available by the Bipartisan Infrastructure Law signed by President Biden, a key part of his Investing in America agenda. Project awards include:

# Delta Regional Authority

Performance Report

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- The Alexander-Cairo Port District was awarded \$150,000 for the development of a master plan that will identify the scope for port development and the future of the riverport.
- The City of Sesser was awarded over \$45,000 for a video-assisted sewer inspection and planning report that will position Sesser to identify sewer lines in need of repair or replacement and leverage funding sources that will lead to improved critical infrastructure.
- The City of Minden was awarded \$135,000 for a comprehensive economic development plan that will assess basic public infrastructure and strategies that will enhance workforce and small business development.
- The Lake Providence Port Commission was awarded \$150,000 for a master plan that will focus on financial resourcing for infrastructure upgrades at logical hubs such as ports and railways.
- The South Central Ozark Council of Governments, in collaboration with Howell, Oregon, Ozark, Douglas, Texas, Wright, and Shannon Counties, has been awarded \$150,000 for the development of a feasibility study that will focus on the development of a regional industrial incubator that will offer financing, mentoring, administrative support, and physical space to businesses.
- DRA also launched the Delta Revitalization through Innovation, Vision, and Equity (DRIVE) Pilot program in partnership with the University of Memphis Division of Research and Innovation. The Pilot program was created to help distressed and underserved communities build capacity and drive community-centered economic growth in the Mississippi River Delta region. The DRIVE Pilot program is part of DRA's efforts to advance equity for communities that have been historically underserved, marginalized, and adversely affected by persistent poverty. Through an intensive year-long, cohort-based program, the DRIVE Pilot program will bring together eight small towns to increase local capacity in economic and workforce development that will support long-term economic opportunity in rural communities. The participating towns include Eudora, Arkansas; Helena-West Helena, Arkansas; Osceola, Arkansas; Hazlehurst, Mississippi; Port Gibson, Mississippi; Tunica, Mississippi; Brownsville, Tennessee; and Whiteville, Tennessee.

Although we continue to make improvements in this area, we have made investments necessary to enrich the quality of life for communities. An example of this type of investment was the \$1.6 million grant award made in the second quarter of fiscal year 2023 to Marion, Illinois. The award funded the construction of a new city-owned roadway essential to the first phase of a new economic development project in Marion, Illinois. The transportation project will be part of the first phase of the Oasis Sports Complex, a state-of-the-art multi-sports complex to be developed by Marion Fields in Southern Illinois. The Oasis Sports Complex will create hundreds of new jobs by tapping into the youth sports industry, a multi-billion-dollar market in the United States. It will occupy a +/- 240-acre site and feature synthetic turf baseball, softball, soccer, lacrosse, and football fields. According to a feasibility study conducted by Sports Facility Management, once stabilized, the complex will host 64 tournaments annually, attracting over 450,000 visitors and resulting in more than 62,725 additional overnight hotel stays, generating \$25.2 million in direct spending.

## Contributing Programs:

Delta Leadership Institute, the Strategic Planning Grants Program, the LDD Pilot Project, DRA's capacity-building hub initiatives, including DRIVE and DRA Roundtables supported by Rural Community Advancement Program funding.

## Administration of DRA

DRA also committed to several administrative and operational actions such as improving its grant application portal, advancing principles of the Justice40 Initiative, revising programmatic guidelines to increase engagement with HBCUs and federally-recognized tribes, devising a more inclusive stakeholder outreach strategy and revising

# Delta Regional Authority

Performance Report

Year Ended September 30, 2023

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programmatic guidelines to increase engagement with BIPOC, LGBTQ+, faith-based organizations, and other marginalized groups, and revising programmatic guidelines to increase investment in persistent poverty counties.

DRA has worked tirelessly to fully comply with the U.S. Code, Executive Orders, and OMB Guidance and to implement policies and protocols that integrate all requirements of Presidential initiatives issued through Executive Orders, OMB Memoranda, Budget Data Requests, and other data calls.

- DRA’s Infrastructure Program Implementation Plan pursuant to M-22-12 Advancing Effective Stewardship of Taxpayer Resources and Outcomes in the Implementation of the Infrastructure Investment and Jobs Act. Submitted January 25, 2023.
- DRA continues to take action and utilize the committed resources necessary to comply with the requirements of the memorandum to achieve specific zero-trust security goals by the end of fiscal year 2024. Cybersecurity Executive Order pursuant to Executive Order 13985 Implementation Coordination and Learning Community and M-22-09 Federal Zero Trust Strategy ([whitehouse.gov](https://www.whitehouse.gov)). In fiscal year 2023, DRA worked to shore up our networks, devices, automation, workloads, and people (identity). Through system procurement protocols, transition to Office 365 GCC, implementation of multi-factor authentication (MFA) at critical access nodes, streamlined and limited access control to IP doorways to include via our website and “portals,” and even implementation of trusted workforce 2.0, we are in a much better compliance posture. DRA implemented protocols that restrict ease in unauthorized sharing of data outside DRA-authorized users. Through both 365GCC and GMS, we have improved our data storage posture. DRA is also looking at resourcing internal organizational capacity to support our continued momentum toward full ZTA compliance.
- Executive Order on DEIA in the Federal Workforce pursuant to Executive Order on Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce. DRA continues to implement its commitments in the Equity Action Plan, published in January 2021, and filed its annual report detailing those action items in January 2023.
- Memorandum on Tribal Consultation and Strengthening Nation-to-Nation Relationships pursuant to Executive Order 13175. DRA continues to consult with and be inclusive of the tribal communities within our region.
- Executive Order 14096, “Revitalizing Our Nation’s Commitment to Environmental Justice for All,” April 21, 2023, DRA continues to advance environmental justice, including making investments in disadvantaged communities and measuring our distribution and benefits to these communities as required by Justice40 Initiative (and Executive Order on the Climate Crisis) pursuant to M-21-28 Interim Implementation Guidance for the Justice40 Initiative.
- Environmental Justice Scorecard submitted March 23, 2023.
- Lapse Plan - As required by section 124 of the OMB Circular A-11, DRA participated in the federal government-wide meeting led by OMB with all agencies and, on September 25, 2023, submitted its Lapse Plan outlining the DRA’s plan for operating in the event of a lapse in appropriations.
- DRA submitted its fiscal year 2024 Congressional Budget Justification to OMB on March 10, 2023. To ensure DRA maintains the efficiencies and equities across its funding programs and initiatives, the 2024 Budget included the following two proposals to amend DRA’s authorizing statute:
  1. Adding “Indian Tribes” to eligible entities: We propose an amendment to expressly include “tribes” in DRA’s statute as an eligible entity. This amendment would be made, specifically and exclusively, to 7 U.S. Code Section 2009aa-2 Economic and Community Development Grant.



# Delta Regional Authority

Performance Report

Year Ended September 30, 2023

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Amend: (a) In general, “The Authority may approve grants to States and public and nonprofit entities for projects, approved in accordance with section 2009aa–8 of this title” to read “The Authority may approve grants to States and local governments, Indian tribes, and public and nonprofit organizations for projects, approved in accordance with section 2009aa–8 of this title.”

2. Expand grantmaking language to align with other Commissions: We would like to add grantmaking language to align with the language of other regional commissions, including Southeast Crescent Regional Commission, Southwest Border Regional Commission, and Northern Border Regional Commission.

The proposed amendment would be the addition of the following “new” language as subparagraphs:

- (5) to provide assistance to severely economically distressed and underdeveloped areas of its region that lack financial resources for improving basic health care and other public services;
- (6) to promote resource conservation, tourism, recreation, and preservation of open space in a manner consistent with economic development goals;
- (7) to promote the development of renewable and alternative energy sources;

Causing reenumeration of current subparagraphs (5) to (8).

In addition, the 2024 Budget included two legislative proposals through appropriations language:

### *Allow User Fees*

DRA requests authority to collect and spend discretionary user fees in conjunction with the Delta Doctors J-1 Visa Program. Consistent with Government Accountability Office (GAO) Redbook guidance on user fees, collections may only be spent on the cost to operate the visa program and may not be used to offset other agency programs or operations. The agency should set and announce the user fee for public comment consistent with the GAO Redbook.

The Delta Doctors Program increases the number of doctors serving Delta residents. The program allows foreign physicians who are trained in the United States to work in medically underserved areas for three years by providing those physicians with J-1 Visa Waivers. Participants in the Delta Doctors Program do not take jobs away from U.S.-born physicians. Instead, they provide services in areas where there would otherwise be a shortage of physicians. The impact of Delta Doctors Program in the region can be realized by the access to quality, affordable health care and the economic impact the doctors make on the community in which they reside and practice. On average, each Delta Doctor is estimated to create five full-time jobs within their clinics and offices and an additional 3.4 full-time and part-time jobs within the communities where they work.

Under the proposed authority, DRA would collect user fees from healthcare institutions and spend the collections on the operation and staffing of the Delta Doctors Program.

### *Deletion of Sunset Provision*

DRA requests appropriations language to amend DRA’s authorizing statute to remove section 382N of the Delta Regional Authority Act of 2000.

Currently, DRA continues to fulfill its mission notwithstanding the sunset clause because prior year appropriations language included a provision that allows the agency to continue to operate as long as it continues to have such funding available.

# Delta Regional Authority

Performance Report

Year Ended September 30, 2023

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## Conclusion

DRA serves a distinguished purpose and uniquely critical role within our regions. DRA's impact in the region is not just limited to the quantitative outputs from the agency's investments, but it is also connected to DRA's reputation as a regional partner working closely with local governments and local development districts to help find solutions to the challenges experienced in the region. It is critical that DRA remains a vital partner in the region to foster inclusive communities, strengthen regional collaboration and productive capacity, achieve sustained, long-term economic development, and produce meaningful opportunities for all people in the DRA region.

## Section 3 – Financial Section

Robert K. VanDevender, CPA  
Lance Mohamed, CPA  
Stribling W. Hargett, CPA  
  
W. Lee Mattox, CPA  
Gay G. Moss, CPA



Fred T. Neely, CPA  
(1897 – 1967)  
Billy Joe Killebrew, CPA  
(1942 – 2010)  
Ralph F. Neely, CPA  
(1927 – 2022)

## Independent Auditor's Report

To Federal and State Co-Chairs  
Members of the Board of Delta Regional Authority  
Clarksdale, Mississippi

In our audits of the fiscal years 2023 and 2022 financial statements of Delta Regional Authority (the Authority), we found:

- the Authority's financial statements as of and for the fiscal years ended September 30, 2023 and 2022, are presented fairly, in all material respects, in accordance with U.S. generally accepted accounting principles;
- no material weaknesses in internal control over financial reporting based on the limited procedures we performed; and
- no reportable noncompliance for fiscal year 2023 with provisions of applicable laws, regulations, contracts, and grant agreements we tested.

The following sections discuss in more detail (1) our report on the financial statements, which includes required supplementary information (RSI) and other information included with the financial statements; and (2) our report on internal control over financial reporting; (3) our report on compliance with laws, regulations, contracts, and grant agreements.

### Report on the Financial Statements

#### Opinion

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, and Office of Management and Budget (OMB) Bulletin No. 24-01, *Audit Requirements for Federal Financial Statements*, we have audited the Authority's financial statements. The Authority's financial statements comprise the balance sheets as of September 30, 2023 and 2022; the related statements of net cost, changes in net position, and budgetary resources for the fiscal years then ended; and the related notes to the financial statements. In our opinion, the Authority's financial statements present fairly, in all material respects, the Authority's financial position as of September 30, 2023 and 2022, and its net cost of operations, changes in net position, and budgetary resources for the fiscal years then ended in accordance with U.S. generally accepted accounting principles.

#### Basis for Opinion

We conducted our audits in accordance with U.S. generally accepted government auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority 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 opinion.

#### Responsibilities of Management for the Financial Statements

Management is responsible for:

- the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles;
- preparing, measuring, and presenting the RSI in accordance with U.S. generally accepted accounting principles;
- preparing and presenting other information included in the Authority's Performance and Accountability Report, and ensuring the consistency of that information with the audited financial statements and the RSI; and
- designing, implementing, and maintaining effective 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 Authority's ability to continue as a going concern for a reasonable period of time.

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

Our objectives are to (1) obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and (2) issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance, and therefore, is not a guarantee that an audit of the financial statements conducted in accordance with U.S. generally accepted government auditing standards will always detect a material misstatement or a material weakness 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, including omissions, are considered to be 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 U.S. generally accepted 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 in order to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to our audit of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. 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.
- Perform other procedures we consider necessary in the circumstances.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority'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 financial statement audit.

#### Required Supplementary Information

U.S. generally accepted accounting principles issued by the Federal Accounting Standards Advisory Board (FASAB) require that the RSI be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by FASAB, which considers it to be an essential part of financial reporting for placing the financial statements in appropriate operational, economic, or historical context.

We have applied certain limited procedures to the RSI in accordance with U.S. generally accepted government auditing standards. These procedures consisted of (1) inquiring of management about the methods used to prepare the RSI and (2) comparing the RSI for consistency with management’s responses to our inquiries, the financial statements, and other knowledge we obtained during the audit of the financial statements, in order to report omissions or material departures from FASAB guidelines, if any, identified by these limited procedures. We did not audit and we do not express an opinion or provide any assurance on the RSI because the limited procedures we applied do not provide sufficient evidence to express an opinion or provide any assurance.

#### Other Information

The Authority’s other information contains a wide range of information, some of which is not directly related to the financial statements. This information is presented for purposes of additional analysis and is not a required part of the financial statements or the RSI. Management is responsible for the other information included in the Authority’s Performance and Accountability Report. The other information comprises the other information in the report but does not include the financial statements and our auditor’s report thereon. Our opinion on the financial statements does 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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.

#### **Report on Internal Control over Financial Reporting**

In connection with our audits of the Authority’s financial statements, we considered the Authority’s internal control over financial reporting, consistent with our auditor’s responsibilities discussed below.

#### Results of Our Consideration of Internal Control over Financial Reporting

Our consideration of internal control was for the limited purpose described below and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies or to express an opinion on the effectiveness of the Authority’s internal control over financial reporting. Given these limitations, during our audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

During our fiscal year 2023 audit, we identified a deficiency in the Authority’s internal control over financial reporting that we do not consider to be a material weakness or significant deficiency. Nonetheless, the deficiency warrants the Authority’s management’s attention. We have communicated this matter to Authority management and, where appropriate, will report on it separately.

#### Basis for Results of Our Consideration of Internal Control over Financial Reporting

We performed our procedures related to the Authority's internal control over financial reporting in accordance with U.S. generally accepted government auditing standards and Office of Management and Budget audit guidance.

#### Responsibilities of Management for Internal Control over Financial Reporting

The Authority management is responsible for designing, implementing, and maintaining effective internal control over financial reporting relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibilities for Internal Control over Financial Reporting

In planning and performing our audit of the Authority's financial statements as of and for the fiscal year ended September 30, 2023, in accordance with U.S. generally accepted government auditing standards, we considered the Authority's internal control relevant to the financial statement 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 Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the Authority's internal control over financial reporting. We are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses. We did not consider all internal controls relevant to operating objectives, such as those controls relevant to preparing performance information and ensuring efficient operations.

#### Definition and Inherent Limitations of Internal Control over Financial Reporting

An entity's internal control over financial reporting is a process effected by those charged with governance, management, and other personnel. The objectives of internal control over financial reporting are to provide reasonable assurance that:

- transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles, and assets are safeguarded against loss from unauthorized acquisition, use, or disposition, and
- transactions are executed in accordance with provisions of applicable laws, including those governing the use of budget authority, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent, or detect and correct, misstatements due to fraud or error.

#### Intended Purpose of Report on Internal Control over Financial Reporting

The purpose of this report is solely to describe the scope of our consideration of the Authority's internal control over financial reporting and the results of our procedures, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering internal control over financial reporting. Accordingly, this report on internal control over financial reporting is not suitable for any other purpose.

#### **Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements**

In connection with our audits of the Authority's financial statements, we tested compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements consistent with our auditor's responsibilities discussed below.

Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our tests for compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements disclosed no instances of noncompliance for fiscal year 2023 that would be reportable under U.S. generally accepted government auditing standards. However, the objective of our tests was not to provide an opinion on compliance with laws, regulations, contracts, and grant agreements applicable to the Authority. Accordingly, we do not express such an opinion.

Basis for Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

We performed our tests of compliance in accordance with U.S. generally accepted government auditing standards.

Responsibilities of Management for Compliance with Laws, Regulations, Contracts, and Grant Agreements

The Authority management is responsible for complying with laws, regulations, contracts, and grant agreements applicable to the Authority.

Auditor's Responsibilities for Tests of Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our responsibility is to test compliance with selected provisions of laws, regulations, contracts, and grant agreements applicable to the Authority that have a direct effect on the determination of material amounts and disclosures in the Authority's financial statements, and to perform certain other limited procedures. Accordingly, we did not test compliance with all provisions of laws, regulations, contracts, and grant agreements applicable to the Authority. We caution that noncompliance may occur and not be detected by these tests.

Intended Purpose of Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements

The purpose of this report is solely to describe the scope of our testing of compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements, and the results of that testing, and not to provide an opinion on compliance. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering compliance. Accordingly, this report on compliance with laws, regulations, contracts, and grant agreements is not suitable for any other purpose.

*Fred T. Neely & Company, PLLC*

Fred T. Neely & Company, PLLC  
Greenwood, Mississippi  
November 15, 2023



# Delta Regional Authority

Balance Sheets

September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
Intragovernmental assets:		
Fund balance with Treasury (Note 2)	\$ 247,160,035	\$ 239,530,202
Accounts receivable, net (Note 3)	1,475,301	310,487
Advances and prepayments	17,286	8,464
Total intragovernmental assets	<u>248,652,622</u>	<u>239,849,153</u>
Other than intragovernmental assets:		
Cash and other monetary assets	252,587	4,843,544
Other assets	97,291	106,113
Property, plant and equipment, net (Note 4)	66,173	43,976
Total other than intragovernmental assets	<u>416,051</u>	<u>4,993,633</u>
Total assets	<u><u>249,068,673</u></u>	<u><u>244,842,786</u></u>
<b>Liabilities</b>		
Intragovernmental liabilities: (Note 6)		
Accounts payable	26,522	-
Advances from others and deferred revenue	3,431,294	3,431,294
Other liabilities (Note 7)	1,083	2,021
Total intragovernmental liabilities	<u>3,458,899</u>	<u>3,433,315</u>
Other than intragovernmental liabilities: (Note 6)		
Accounts payable	4,828,787	965,950
Federal employees and veterans benefit payable	161	319
Advances from others and deferred revenue	835,184	553,421
Other liabilities (Note 7)	287,317	272,604
Total other than intragovernmental liabilities	<u>5,951,449</u>	<u>1,792,294</u>
Total liabilities	<u><u>9,410,348</u></u>	<u><u>5,225,609</u></u>
<b>Net position</b>		
Unexpended appropriations - all other funds (consolidated totals)	239,553,755	239,617,177
Cumulative results of operations - all other funds (consolidated totals)	<u>104,570</u>	<u>-</u>
Total net position	<u><u>239,658,325</u></u>	<u><u>239,617,177</u></u>
Total liabilities and net position	<u><u>\$ 249,068,673</u></u>	<u><u>\$ 244,842,786</u></u>

# Delta Regional Authority

Statements of Net Cost

For the Years Ended September 30, 2023 and 2022

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	<u>2023</u>	<u>2022</u>
<b>Program Costs</b>		
Gross cost	\$ 36,498,656	\$ 21,813,570
Less: earned revenue	<u>(1,723,389)</u>	<u>(367,462)</u>
Total net program costs	<u>34,775,267</u>	<u>21,446,108</u>
Net cost of operations	<u>\$ 34,775,267</u>	<u>\$ 21,446,108</u>

# Delta Regional Authority

Statements of Changes in Net Position

For the Years Ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>Unexpended appropriations</b>		
Beginning balance	\$ 239,617,177	\$ 76,826,673
Appropriations received	30,100,000	180,100,000
Appropriations transferred-in/out (+/-)	5,660,286	-
Other adjustments	(4,018,582)	-
Appropriations used	(31,281,950)	(17,300,124)
Other:		
Cost of operations absorbed by member states and others	1,778,799	1,744,504
Cost of operations absorbed by Rural Community Assistance Program	1,274,569	2,381,076
Disbursements of funds provided by member states and others	(2,511,308)	(1,747,973)
Disbursements of RCAP funds	(1,065,236)	(2,386,979)
Change in unexpended appropriations	(63,422)	162,790,504
<b>Total unexpended appropriations</b>	<u>239,553,755</u>	<u>239,617,177</u>
<b>Cumulative results of operations</b>		
Beginning balance	-	-
Corrections of errors (+/-)	5,049	-
Beginning balances, as adjusted	5,049	-
Appropriations used	31,281,950	17,300,124
Imputed financing	16,294	11,032
Other:		
Disbursements of RCAP funds	1,065,236	2,386,979
Disbursements of funds provided by member states and others	2,511,308	1,747,973
	34,874,788	21,446,108
<b>Net cost of operations</b>	<u>(34,775,267)</u>	<u>(21,446,108)</u>
Change in cumulative results of operations	99,521	-
<b>Total cumulative results of operations</b>	<u>104,570</u>	<u>-</u>
<b>Net position</b>	<u>\$ 239,658,325</u>	<u>\$ 239,617,177</u>

# Delta Regional Authority

Statements of Budgetary Resources

For the Years Ended September 30, 2023 and 2022

	<u>2023 Budgetary</u>	<u>2022 Budgetary</u>
<b>Budgetary resources</b>		
Unobligated balance from prior year budget authority, net (discretionary and mandatory) (Note 11)	\$ 166,572,634	\$ 33,427,021
Appropriations (discretionary and mandatory)	30,100,000	180,100,000
Spending authority from offsetting collections (discretionary and mandatory)	<u>2,472,232</u>	<u>-</u>
Total budgetary resources	<u><u>199,144,866</u></u>	<u><u>213,527,021</u></u>
<b>Status of budgetary resources</b>		
New obligations and upward adjustments (total) (Note 10)	73,298,919	65,030,224
Unobligated balance, end of year:		
Apportioned, unexpired accounts	<u>125,845,947</u>	<u>148,496,797</u>
Unexpired unobligated balance, end of year	<u>125,845,947</u>	<u>148,496,797</u>
Unobligated balance, end of year (total)	<u>125,845,947</u>	<u>148,496,797</u>
Total budgetary resources	<u><u>\$ 199,144,866</u></u>	<u><u>\$ 213,527,021</u></u>
<b>Outlays, net</b>		
Outlays, net (total) (discretionary and mandatory)	<u>\$ 28,378,547</u>	<u>\$ 18,243,126</u>
Agency outlays, net (discretionary and mandatory)	<u><u>\$ 28,378,547</u></u>	<u><u>\$ 18,243,126</u></u>

# Delta Regional Authority

Notes to Financial Statements  
September 30, 2023 and 2022

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## Note 1 – Summary of Significant Accounting Principles

### A. Reporting Entity

The Delta Regional Authority (DRA or the Authority) is a federal-state collaborative serving a 252 county/parish area in an eight-state region. Led by a Federal Co-Chairman and the Governors of each participating state, DRA is designed to remedy severe and chronic economic distress by stimulating economic development and fostering partnerships that will have a positive impact on the region's economy. DRA helps economically distressed communities to leverage other federal and state programs, which are focused on basic infrastructure development and transportation improvements, business development and job training services. DRA is not a federal executive branch agency (as defined in Title 5 and 31 of the United States Code and by the Department of Justice).

The Authority is a party to allocation transfers with federal agencies as a transferring (parent) entity. Allocation transfers are legal delegations by one department of its authority to obligate budget authority and outlay funds to another department. A separate fund account (allocation account) is created in the U.S. Department of Treasury (U.S. Treasury) as a subset of the parent fund account for tracking and reporting purposes. All allocation transfers of balances are credited to this account, and subsequent obligations and outlays incurred by the child entity are charged to this allocation account as they execute the delegated activity on behalf of the parent entity. Generally, all financial activity related to these allocation transfers (e.g., budget authority, obligations, outlays) is reported in the financial statements of the parent entity from which the underlying legislative authority, appropriations and budget apportionments are derived. The Authority allocates funds, as the parent, to the United States Department of Agriculture (USDA) and the U.S. Economic Development Administration (EDA).

The reporting entity is a component of the U.S. Government. For this reason, some of the assets and liabilities reported by the entity may be eliminated for Government-wide reporting because they are offset by assets and liabilities of another U.S. Government entity. These financial statements should be read with the realization that they are for a component of the U.S. Government.

### B. Classified Activities

Accounting standards require all reporting entities to disclose that accounting standards allow certain presentations and disclosures to be modified, if need, to prevent the disclosure of classified information. DRA did not have classified activities as of September 30, 2023.

### C. Fund Accounting Structure

DRA's financial activities are accounted for by utilizing individual funds and fund accounts in reporting to the U.S. Treasury and the Office of Management and Budget (OMB). For financial statement purposes, these funds are classified all other funds, which consist of area development program funds and funding for the Office of the Federal Co-Chair and the Office of Inspector General.

### D. Management of Financial Records

Federal appropriations are managed for DRA by the General Services Administration (GSA). Using the government-wide standard general ledger system (SGL), accounting transactions are initiated at DRA and ultimately entered into the accounting records by GSA.

# Delta Regional Authority

Notes to Financial Statements  
September 30, 2023 and 2022

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DRA invoices and receives funds from the various member states to be used to pay administrative costs. This process meets the requirement of originating legislation which stipulates that “IN GENERAL - Administrative expenses of the Authority (except for the expenses of the federal co-chairperson, including expenses of the alternate and staff of the federal co-chairperson, which shall be paid solely by the federal government) shall be paid (A) by the federal government, in an amount equal to 50% of the administrative expenses; and (B) by the states in the region participating in the Authority, in an amount equal to 50% of the administrative expenses.” Funds received from the states are processed and entered into the accounting records by GSA.

## **E. Basis of Accounting and Presentation**

These financial statements present the financial position, net cost of operations, changes in net position, and budgetary resources of DRA in accordance with U.S. generally accepted accounting principles (GAAP) and form and content requirements of OMB Circular A-136 *Financial Reporting Requirements*. GAAP for federal entities are the standards prescribed by the Federal Accounting Standards Advisory Board (FASAB), which is the official standard-setting body for the federal government. The financial statements have been prepared from the books and records of DRA and include the accounts of all funds under the control of the DRA reporting entity.

OMB Circular A-136 requires DRA to prepare financial statements, which include a balance sheet, statement of net cost, statement of changes in net position and statement of budgetary resources. The balance sheets present, as of September 30, 2023 and 2022, amounts of future economic benefits owned or managed by DRA (assets), amounts owed by DRA (liabilities), and amounts which comprise the difference (net position). The statements of net cost report the full cost of the program, both direct and indirect costs of the output, and the costs of identifiable supporting services provided by other segments within DRA and other reporting entities. The statements of changes in net position reflect financing sources available to DRA, the cost of its operations and the net change in its financial position. The statements of budgetary resources report the entity’s budgetary activity.

U.S. GAAP encompasses both accrual and budgetary transactions. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. Budgetary accounting facilitates compliance with legal constraints on, and control of, the use of federal funds. The accompanying balance sheets, statements of net cost and statements of changes in net position have been prepared on an accrual basis. The statements of budgetary resources have been prepared in accordance with budgetary accounting rules.

## **F. 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 amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net position during the reporting period. Actual results could differ from those estimates.

## **G. Revenues and Other Financing Sources**

DRA is a federal-state collaborative and receives appropriations. Other financing sources for DRA consist of imputed financing sources which are costs financed by other federal entities on behalf of DRA, as required by Statement of Federal Financial Accounting Standard (SFFAS) No. 5, *Accounting for Liabilities of the Federal Government*. DRA also has received funds from the 2022 Infrastructure Investment and Jobs Act, a reimbursable

# Delta Regional Authority

Notes to Financial Statements  
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agreement with the EDA during fiscal years 2018 - 2023, and the Department of Labor (DOL) during fiscal years 2019 – 2023.

## H. Advances and Prepayments

Advances are cash outlays made by the DRA to its employees, contractors, grantees, or others to cover a part or all of the recipients' anticipated expenses or as advance payments for the costs of goods and services the entity receives. Prepayments are payments made by the Board to cover certain periodic expenses before those expenses are incurred. Financing payments (such as progress payments, performance-based payments, etc.) on work in process are generally recognized as a cost for work performed and not included in advances and prepayments.

## I. Cash and Other Monetary Assets

Cash and monetary assets consist of (i) coins, paper currency and readily negotiable instruments, such as money orders, checks, and bank drafts on hand or in transit for deposit and (ii) amounts on demand deposit with banks or other financial institutions including non-confirmed collections and disbursements that cannot be processed by the U.S. Treasury. In fiscal year 2023, balances previously maintained in commercial bank accounts in a custodial capacity were transferred to the U.S. Treasury as obligated and unobligated no-year funds available to finance allowable current and future expenses.

## J. Property, Plant and Equipment

Property and equipment is stated at cost, less accumulated depreciation. DRA capitalizes property and equipment with an acquisition cost of \$5,000 or more and a useful life exceeding two years. Depreciation is charged to expense using the straight-line method over the estimated useful life of five years for equipment. Leasehold improvements are amortized over the estimated period of occupancy or the life of the improvement, whichever is less. Expenditures for repairs and maintenance are charged to operating expense as incurred.

## K. Liabilities

Liabilities represent probable amounts to be paid by DRA as a result of past transactions. Liabilities covered by budgetary or other resources are those for which Congress has appropriated funds or funding is otherwise available to pay amounts due.

Liabilities not covered by budgetary or other resources represent amounts owed in excess of available congressionally appropriated funds of other amounts. The liquidation of liabilities not covered by budgetary or other resources is dependent on future Congressional appropriations or other funding.

## L. Accounts Payable

Accounts payable consists of amounts owed to grantees and amounts owed to federal and nonfederal entities for goods and services received by DRA.

## M. Compensated Absences

The Authority's policies permit employees to accumulate annual and sick leave benefits that may be realized as paid time off. Expense and the related liability are recognized as annual leave benefits are earned. Sick leave benefits expected to be realized as paid time off are recognized as expense when the time off occurs, and no liability is accrued for such benefits employees have earned but not yet realized. The maximum accrual of annual

# Delta Regional Authority

Notes to Financial Statements  
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leave is 320 hours, and there is no maximum accumulation of sick leave. Compensated absence liabilities for annual leave are computed using the regular pay and termination pay rates in effect at the balance sheet date, plus an additional amount for compensation-related payments such as Social Security, Medicare taxes and retirement computed using rates in effect at that date.

## N. Net Position

Net position is the residual difference between assets and liabilities and is comprised of unexpended appropriations and cumulative results of operations. Unexpended appropriations represent the amount of unobligated and unexpended budget authority. Unobligated balances are the amount of appropriations or other authority remaining after deducting the cumulative obligations from the amount available for obligation. The cumulative results of operations are the net results of the Authority's operations since inception.

## O. Net Cost of Operations

Earned revenues arise from the collection of state contributions and other inter-agency agreements are deducted from the full cost of the Authority's major programs to arrive at net program cost. Earned revenues are recognized by the Authority to the extent reimbursements are payable from the public, as a result of costs incurred for services performed on the public's behalf.

## P. Tax Exempt Status

As an instrumentality of the federal government, the Authority is exempt from income taxes imposed by any governing body whether it is a federal, state, commonwealth, local, or foreign government and exempt from sales and use taxes of the District of Columbia.

## Q. Classified Activities

Accounting standards require all reporting entities to disclose that accounting standards allow certain presentations and disclosures to be modified, if needed, to prevent the disclosure of classified information.

## Note 2 – Fund Balance with Treasury

DRA's fund balance with Treasury comes from appropriations and the reimbursable agreement with the DOT, DOL and EDA. A summary of DRA's fund balance with Treasury follows as of September 30:

	<u>2023</u>	<u>2022</u>
<b>A. Fund balance with Treasury</b>		
General Fund	\$ 247,160,035	\$ 239,530,202
<b>B. Status of fund balance with Treasury</b>		
1) Unobligated balance		
a) Available	\$ 125,845,947	\$ 148,496,797
2) Obligated balance not yet disbursed	121,314,088	91,033,405
Total	<u>\$ 247,160,035</u>	<u>\$ 239,530,202</u>



# Delta Regional Authority

Notes to Financial Statements  
September 30, 2023 and 2022

## Note 3 – Accounts Receivable, Net

Intragovernmental accounts receivable represents an amount due from USDA under a grant agreement. Other than intragovernmental accounts receivable represents amounts due from DOL. No allowance for doubtful accounts has been established. The balances as of September 30, 2023 and 2022, are as follows:

	<u>2023</u>	<u>2022</u>
Intragovernmental accounts receivable	\$ 1,475,301	\$ 310,487
Other than intragovernmental accounts receivable	-	-
Total accounts receivable, net	<u>\$ 1,475,301</u>	<u>\$ 310,487</u>

## Note 4 – Property, Plant and Equipment, Net

Property, plant and equipment balance consisted of a vehicle and computer equipment with a total cost of \$75,744, accumulated depreciation of \$9,571 and a net book value of \$66,173 at September 30, 2023. Vehicles and computer equipment are depreciated over a five-year estimated useful life. Depreciation expense for the fiscal year ended September 30, 2023, was \$7,621. An adjustment was made for the year ended September 30, 2023, to report an asset purchased with funds held outside the U.S. Treasury during fiscal year ended September 30, 2022.

Property, plant and equipment balance consisted of a vehicle and computer equipment with a total cost of \$59,894, accumulated depreciation of \$15,918 and a net book value of \$43,976 at September 30, 2022. Vehicles and computer equipment are depreciated over a five-year estimated useful life. Depreciation expense for the fiscal year ended September 30, 2022, was \$10,829.

## Note 5 – Funds Received as Assessments from Member States

Funds received as assessments from the various member states are maintained in the U.S. Treasury General Fund and are included in fund balance with Treasury in the accompanying balance sheets. The states are required, by originating legislation, to pay 50% of the administrative costs of DRA. Amounts billed to the states are calculated at the beginning of each fiscal year and are based on the states' 50% assessment of DRA administrative costs. For the years ending September 30, 2023 and 2022, state assessments billed and received totaled \$1,512,722 and \$1,175,741, respectively.

## Note 6 – Liabilities Not Covered by Budgetary Resources

Liabilities covered by budgetary resources are liabilities for which congressional action (DRA appropriation bill) is needed before budgetary resources can be provided. Liabilities of DRA are classified as liabilities covered or not covered by budgetary resources (DRA state assessments, transfers/grants from other agencies). They are as follows as of September 30:

	<u>2023</u>	<u>2022</u>
<b>Liabilities</b>		
Total liabilities not covered by budgetary resources	\$ 284,089	\$ 876,850
Total liabilities covered by budgetary resources	9,126,259	4,348,759
Total liabilities	<u>\$ 9,410,348</u>	<u>\$ 5,225,609</u>

# Delta Regional Authority

Notes to Financial Statements  
September 30, 2023 and 2022

## Note 7 – Other Liabilities

As of September 30, 2023 and 2022, other liabilities with the public consisted of accrued funded payroll and leave and other liabilities without related budgetary obligations. Intragovernmental other liabilities consisted of employer contributions and payroll taxes payable.

	Year Ended September 30, 2023		
	Noncurrent	Current	Total
Intragovernmental			
Employer contributions and payroll taxes payable	\$ -	\$ 1,083	\$ 1,083
Total intragovernmental	-	1,083	1,083
Liabilities with the Public			
Accrued funded payroll and leave - Federal	-	3,228	3,228
Accrued funded payroll and leave - Non-federal	-	186,798	186,798
Other liabilities not covered by budgetary resources	-	97,291	97,291
Total liabilities with the public	-	287,317	287,317
Total other liabilities	\$ -	\$ 288,400	\$ 288,400

	Year Ended September 30, 2022		
	Noncurrent	Current	Total
Intragovernmental			
Employer contributions and payroll taxes payable	\$ -	\$ 2,021	\$ 2,021
Total intragovernmental	-	2,021	2,021
Liabilities with the Public			
Accrued funded payroll and leave - Federal	-	6,689	6,689
Accrued funded payroll and leave - Non-federal	-	168,624	168,624
Other liabilities not covered by budgetary resources	-	97,291	97,291
Total liabilities with the public	-	272,604	272,604
Total other liabilities	\$ -	\$ 274,625	\$ 274,625

## Note 8 – Operating Leases

DRA leases its primary operating facilities, including substantially all furniture and fixtures used, under a three-year operating lease arrangement with Coahoma County, Mississippi. DRA also leases space for the Washington D.C. office from State Services Organization, Inc. under a six-year operating lease arrangement.

The lease with Coahoma County, Mississippi may be terminated by DRA should DRA fail to receive funding from the United States, the existence of DRA be terminated, or should the governing body of DRA choose to move DRA's office outside Coahoma County, Mississippi. The lease with the State Services Organization, Inc. may also be terminated for the above reasons. However, DRA will be liable for four months of base rent upon early termination

# Delta Regional Authority

Notes to Financial Statements  
September 30, 2023 and 2022

of the State Services Organization, Inc. lease agreement. The DRA lease agreement requires termination through 180 days' written notice if funds are insufficient for the DRA to continue operations where office space is being used. Rental expenses were \$162,894 and \$159,470 for the years ended September 30, 2023 and 2022, respectively. Future minimum lease payments required under these lease agreements are as follows:

	Year Ending September 30,	
	2024	\$ 95,212
	2025	97,597
	2026	100,036
	2027	102,537
	2028	105,099
	Thereafter	<u>153,067</u>
Total future lease payments		<u>\$ 653,548</u>

## Note 9 – Inter-Entity Costs

DRA recognizes certain inter-entity costs for goods and services that are received from other federal entities at no cost or at a cost less than the full cost. Certain costs of the providing entity that are not fully reimbursed are recognized as imputed cost and are offset by imputed revenue. Such imputed costs relate to employee benefits. DRA recognizes as inter-entity costs the amount of accrued pension and post-retirement benefit expenses for current employees. The assets and liabilities associated with such benefits are the responsibility of the administering agency, Office of Personnel Management. For the years ended September 30, 2023 and 2022, inter-entity costs were \$16,294 and \$11,032, respectively.

## Note 10 – Apportionment Categories of New Obligations and Upward Adjustments: Direct vs. Reimbursable Obligations

The DRA is subject to apportionment. The DRA also has reimbursable arrangements. All obligations are incurred against Category B amounts and are apportioned on the latest Standard Form (SF) 132, *Apportionment and Reapportionment Schedule*. A summary of these obligations are as follows as of September 30:

	<u>2023</u>	<u>2022</u>
Direct		
Category B		
New obligations	\$ 70,707,396	\$ 63,277,683
Upward adjustments	<u>226,049</u>	<u>1,385,078</u>
Total direct	<u>70,933,445</u>	<u>64,662,761</u>
Reimbursable		
Category B		
New obligations	2,365,473	367,463
Upward adjustments	<u>-</u>	<u>-</u>
Total direct	<u>2,365,473</u>	<u>367,463</u>
Total new obligations and upward adjustments	<u>\$ 73,298,918</u>	<u>\$ 65,030,224</u>

# Delta Regional Authority

Notes to Financial Statements  
September 30, 2023 and 2022

## Note 11 – Net Adjustments to Unobligated Balance, Brought Forward, October 1

During the year ended September 30, 2023, certain adjustments were made to the balance of unobligated budgetary resources available as of October 1, 2022. These adjustments include, among other things, upward adjustments to undelivered and delivered orders that were obligated in a prior fiscal year. There were no adjustments to Unobligated Balance Brought Forward, October 1, as of September 30, 2023 and 2022.

These adjustments during the years ended September 30, 2023 and 2022, are presented below.

	<u>2023</u>	<u>2022</u>
Unobligated balance brought forward, October 1	\$ 148,496,797	\$ 33,427,021
Adjustments made during the current year:		
Transfer in of prior year balances	5,660,286	-
Recoveries of prior year obligations	12,415,551	-
Unobligated balance from prior year budget authority, net	<u>\$ 166,572,634</u>	<u>\$ 33,427,021</u>

## Note 12 – Undelivered Orders at the End of the Period

Undelivered orders represent the value of goods and services ordered and obligated that have not been received. This amount includes any orders for which advance payment has been made but for which delivery or performance has not yet occurred. The amount of the DRA's budgetary resources obligated for unpaid undelivered orders was \$117,822,155 and \$89,364,021 as of September 30, 2023 and 2022, respectively.

	<u>Undelivered Orders</u>		
	<u>Unpaid</u>	<u>Paid</u>	<u>Total</u>
<b>Intragovernmental</b>			
2023	\$ 65,437	\$ 17,286	\$ 82,723
2022	\$ 5,154	\$ 8,464	\$ 13,618
<b>With the Public</b>			
2023	\$ 117,739,432	\$ -	\$ 117,739,432
2022	\$ 89,350,403	\$ -	\$ 89,350,403

## Note 13 – Explanation of the Relationship Between Liabilities Not Covered by Budgetary Resources on the Balance Sheets and the Change in Components Requiring or Generating Resources in the Future Periods

Liabilities not covered by budgetary resources totaled \$284,089 and \$876,850 at September 30, 2023 and 2022, respectively. The changes are the net increase/decrease of future funded expenses for annual leave and represent the difference between appropriations of annual funds for the prior and current annual funds. Accrued funded payroll liability is covered by budgetary resources and is included in the net cost of operations. The unfunded leave liability includes the expense related to the increase in annual leave liability for which the budgetary resources will be provided in a subsequent period. There were no increases/decreases in components requiring resources in future periods as of September 30, 2023 and 2022.

# Delta Regional Authority

Notes to Financial Statements  
September 30, 2023 and 2022

## Note 14 – Costs and Exchange Revenue

Intragovernmental costs are those good/services purchased from a federal entity and included the following as of September 30:

	<u>2023</u>	<u>2022</u>
<b>Program Costs</b>		
Intragovernmental costs	\$ 156,359	\$ 216,327
Public costs	<u>36,342,297</u>	<u>21,597,243</u>
Total program costs	36,498,656	21,813,570
Less: intragovernmental earned revenue	<u>1,723,389</u>	<u>367,462</u>
Total net program costs	<u>\$ 34,775,267</u>	<u>\$ 21,446,108</u>

## Note 15 – Pension Plans

### A. Plan Description

The Authority contributes to a defined contribution 401(k) plan covering all non-federal employees. Retirement expense is recorded for the amount of the Authority's required contributions, determined in accordance with the terms of the plan. The plan is administered by Advanced Data Processing, Inc. The plan provides retirement and death benefits to plan members and their beneficiaries. Benefit provisions are contained in the Plan Document and were established and can be amended by action of the Authority's governing body.

Additionally, the Authority's federal employees participate in the Federal Employees' Retirement System (FERS), a cost-sharing, multiple-employer defined benefit pension plan. FERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to the plan members and beneficiaries.

### B. Funding Policy

Contributions made by the Authority to the 401(k) defined contribution plan amounted to approximately \$279,000 and \$175,000 for the years ended September 30, 2023 and 2022, respectively.

FERS covered employees, depending upon his or her hire date, are required to contribute between 0.80% and 4.40% of their annual covered salary. The Authority was required to contribute 11.90% of the annual covered payroll. The Authority's contributions to FERS for the years ended September 30, 2023 and 2022, were approximately \$33,000 and \$39,000, respectively, which equaled the required contributions for each year.

## Note 16 – Risk Management

The Authority is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters and employee health and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than those related to errors and omissions and natural disasters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

# Delta Regional Authority

Notes to Financial Statements  
September 30, 2023 and 2022

## Note 17 – Explanation of Differences between the Statement of Budgetary Resources and the Budget of the United States Government

SFFAS No. 7, *Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting*, requires an explanation of material differences between budgetary resources available, the status of those resources and outlays as presented in the Statement of Budgetary Resources to the related actual balances published in the *Budget of the United States Government* (Budget). Budgetary resources made available to DRA include current appropriations, unobligated appropriations and recoveries of prior year obligations. The Budget that will include the fiscal year 2023 actual budgetary execution information is scheduled for publication in February 2024, which will be available through OMB’s website (<http://www.whitehouse.gov/omb>). Accordingly, information required for such disclosure is not available at the time of publication of these financial statements. Balances reported in the fiscal year 2022 Statement of Budgetary Resources and the related President’s Budget reflected the following:

FY2022	Budgetary Resources	New Obligations and Upward Adjustments	Distributed Offsetting Receipts	Net Outlays
Statement of Budgetary Resources	\$ 214	\$ 65	\$ -	\$ 18
<i>Budget of the U.S. Government</i>	213	65	-	19
Difference	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>

The difference between the Statement of Budgetary Resources and the *Budget of the United States Government* for budgetary resources, obligations incurred and net outlays are primarily due to rounding. Note accrued funded payroll liability is covered by budgetary resources and is included in the net cost of operations, whereas unfunded annual leave liability includes the expense related to the increase in annual leave liability for which the budgetary resources will be provided in a subsequent period.

## Note 18 – Reconciliation of Net Cost of Operations (Proprietary) to Net Budgetary Outlays

Budgetary resources obligated are obligations for personnel, goods, services, benefits, etc., made by the Authority in order to conduct operations or acquire assets. Other (i.e., non-budgetary) financing resources are also utilized by the Authority in its program (proprietary) operations. For example, spending authority from offsetting collections and recoveries are financial resources from the recoveries of prior year obligations (e.g., the completion of a contract in which not all the funds were used) and refunds or other collections (i.e., funds used to conduct operations that were previously budgeted). An imputed financing source is recognized for future federal employee benefits costs incurred for the Authority employees that will be funded by the Office of Personnel Management (OPM). Changes in budgetary resources obligated for goods, services and benefits ordered but not yet provided represent the difference between the beginning and ending balances of undelivered orders (i.e., goods and services received during the year based on obligations incurred the prior year represent a cost of operations not funded from budgetary resources). Resources that finance the acquisition of assets are budgetary resources used to finance assets and net cost of operations (e.g., increases in accounts receivable or capitalized assets). Financing sources yet to be provided represent financing that will be provided in future periods for future costs that are

# Delta Regional Authority

Notes to Financial Statements  
September 30, 2023 and 2022

recognized in determining the net cost of operations for the present period. Finally, components not requiring or generating resources are costs included in the net cost of operations that do not require resources (e.g., depreciation and amortized expenses of assets previously capitalized).

DRA has reconciled its budgetary obligations and non-budgetary resources available to its net cost of operations.

	FY2023		Total
	Intragovernmental	Other Than Intragovernmental	
<b>Net operating costs (SNC)</b>	\$ (1,327,757)	\$ 32,526,480	\$ 31,198,723
<b>Components of net operating costs not part of the budgetary outlays</b>			
Property, plant, and equipment depreciation	-	(7,621)	(7,621)
Increase/(decrease) in assets not affecting budget outlays:			
Accounts receivable, net	1,475,301	-	1,475,301
Other assets	8,822	-	8,822
(Increase)/decrease in liabilities not affecting budget outlays:			
Accounts payable	332	(3,520,109)	(3,519,777)
Advances from others	-	(835,184)	(835,184)
Other liabilities	263	3,462	3,725
Federal employee and veteran benefits payable	-	157	157
Other financing sources:			
Imputed costs	(16,294)	-	(16,294)
<b>Total components of net costs not part of the budget outlays</b>	<b>1,468,424</b>	<b>(4,359,295)</b>	<b>(2,890,871)</b>
<b>Miscellaneous items</b>			
Acquisition of capital assets	-	75,744	75,744
Other temporary timing differences	-	(5,049)	(5,049)
<b>Total miscellaneous items</b>	<b>-</b>	<b>70,695</b>	<b>70,695</b>
<b>Net outlays (calculated total)</b>	<b>\$ 140,667</b>	<b>\$ 28,237,880</b>	<b>\$ 28,378,547</b>
<b>Related amounts on the Statement of Budgetary Resources</b>			
Outlays, net			\$ 28,378,547
<b>Agency outlays, net</b>			<b>\$ 28,378,547</b>

# Delta Regional Authority

Notes to Financial Statements  
September 30, 2023 and 2022

	FY2022		
	Intragovernmental	Other Than Intragovernmental	Total
<b>Net operating costs (SNC)</b>	<u>\$ (623,313)</u>	<u>\$ 17,934,469</u>	<u>\$ 17,311,156</u>
<b>Components of net operating costs</b>			
Increase/(decrease) in assets not affecting budget outlays:			
Other assets	8,464	-	8,464
(Increase)/decrease in liabilities not affecting budget outlays:			
Accounts payable	564,896	10,569	575,465
Advances from others	367,463	-	367,463
Other liabilities	(2,021)	(6,689)	(8,710)
Federal employee and veteran benefits payable	-	(319)	(319)
Other financing sources:			
Imputed costs	(10,393)	-	(10,393)
Total components of net costs not part of the budget outlays	<u>928,409</u>	<u>3,561</u>	<u>931,970</u>
<b>Net outlays (calculated total)</b>	<u>\$ 305,096</u>	<u>\$ 17,938,030</u>	<u>\$ 18,243,126</u>
<b>Related amounts on the Statement of Budgetary Resources</b>			
Outlays, net			<u>\$ 18,243,126</u>
<b>Agency outlays, net</b>			<u>\$ 18,243,126</u>

## Note 19 – Subsequent Events

DRA has evaluated subsequent events occurring after the balance sheet date and through the date of November 15, 2023, the date the financial statements were available for release. Based upon this evaluation, DRA has determined that no subsequent events have occurred which require disclosure in the financial statements.



# Delta Regional Authority

Combining Balance Sheet

September 30, 2023

	Federal	State and Other	RCAP	Total
<b>Assets</b>				
Intragovernmental assets:				
Fund balance with Treasury (Note 2)	\$ 247,160,035	\$ -	\$ -	\$ 247,160,035
Accounts receivable, net (Note 3)	1,475,301	-	-	1,475,301
Advances and prepayments	17,286	-	-	17,286
Total intragovernmental assets	248,652,622	-	-	248,652,622
Other than intragovernmental assets:				
Cash and other monetary assets	-	252,587	-	252,587
Other assets	-	-	97,291	97,291
Property, plant and equipment, net (Note 4)	66,173	-	-	66,173
Total other than intragovernmental assets	66,173	252,587	97,291	416,051
Total assets	248,718,795	252,587	97,291	249,068,673
<b>Liabilities</b>				
Intragovernmental liabilities: (Note 6)				
Accounts payable	26,522	-	-	26,522
Advances from others and deferred revenue	3,431,294	-	-	3,431,294
Other liabilities (Note 7)	1,083	-	-	1,083
Total intragovernmental liabilities	3,458,899	-	-	3,458,899
Other than intragovernmental liabilities: (Note 6)				
Accounts payable	4,828,787	-	-	4,828,787
Federal employees and veterans benefit payable	161	-	-	161
Advances from others and deferred revenue	835,184	-	-	835,184
Other liabilities (Note 7)	3,228	186,798	97,291	287,317
Total other than intragovernmental liabilities	5,667,360	186,798	97,291	5,951,449
Total liabilities	9,126,259	186,798	97,291	9,410,348
<b>Net position</b>				
Unexpended appropriations - all other funds (consolidated totals)	239,487,966	65,789	-	239,553,755
Cumulative results of operations - all other funds (consolidated totals)	104,570	-	-	104,570
Total net position	239,592,536	65,789	-	239,658,325
Total liabilities and net position	\$ 248,718,795	\$ 252,587	\$ 97,291	\$ 249,068,673

# Delta Regional Authority

Combining Balance Sheet

September 30, 2022

	Federal	State and Other	RCAP	Total
<b>Assets</b>				
Intragovernmental assets:				
Fund balance with Treasury	\$ 239,530,202	\$ -	\$ -	\$ 239,530,202
Accounts receivable, net	-	-	310,487	310,487
Advances and prepayments	8,464	-	-	8,464
Total intragovernmental assets	<u>239,538,666</u>	<u>-</u>	<u>310,487</u>	<u>239,849,153</u>
Other than intragovernmental assets:				
Cash and other monetary assets	-	4,637,213	206,331	4,843,544
Other assets	-	8,822	97,291	106,113
Property, plant and equipment, net	-	43,976	-	43,976
Total other than intragovernmental assets	<u>-</u>	<u>4,690,011</u>	<u>303,622</u>	<u>4,993,633</u>
Total assets	<u><u>239,538,666</u></u>	<u><u>4,690,011</u></u>	<u><u>614,109</u></u>	<u><u>244,842,786</u></u>
<b>Liabilities</b>				
Intragovernmental liabilities:				
Advances from others and deferred revenue	3,431,294	-	-	3,431,294
Other liabilities	2,021	-	-	2,021
Total intragovernmental liabilities	<u>3,433,315</u>	<u>-</u>	<u>-</u>	<u>3,433,315</u>
Other than intragovernmental liabilities:				
Interfund transfers	180,277	(180,277)	-	-
Accounts payable	908,436	57,514	-	965,950
Federal employees and veterans benefit payable	319	-	-	319
Advances from others and deferred revenue	-	-	553,421	553,421
Other liabilities	6,689	168,624	97,291	272,604
Total other than intragovernmental liabilities	<u>1,095,721</u>	<u>45,861</u>	<u>650,712</u>	<u>1,792,294</u>
Total liabilities	<u><u>4,529,036</u></u>	<u><u>45,861</u></u>	<u><u>650,712</u></u>	<u><u>5,225,609</u></u>
<b>Net position</b>				
Unexpended appropriations - all other funds (consolidated totals)	<u>235,009,630</u>	<u>4,644,150</u>	<u>(36,603)</u>	<u>239,617,177</u>
Total net position	<u><u>235,009,630</u></u>	<u><u>4,644,150</u></u>	<u><u>(36,603)</u></u>	<u><u>239,617,177</u></u>
Total liabilities and net position	<u><u>\$ 239,538,666</u></u>	<u><u>\$ 4,690,011</u></u>	<u><u>\$ 614,109</u></u>	<u><u>\$ 244,842,786</u></u>

# Delta Regional Authority

Combining Statement of Net Cost  
September 30, 2023

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	<u>Federal</u>	<u>State and Other</u>	<u>RCAP</u>	<u>Total</u>
<b>Program Costs</b>				
Gross cost	\$ 32,922,112	\$ 2,511,308	\$ 1,065,236	\$ 36,498,656
Less: earned revenue	<u>(1,723,389)</u>	<u>-</u>	<u>-</u>	<u>(1,723,389)</u>
Total net program costs	<u>31,198,723</u>	<u>2,511,308</u>	<u>1,065,236</u>	<u>34,775,267</u>
Net cost of operations	<u>\$ 31,198,723</u>	<u>\$ 2,511,308</u>	<u>\$ 1,065,236</u>	<u>\$ 34,775,267</u>

# Delta Regional Authority

Combining Statement of Net Cost  
September 30, 2022

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	<u>Federal</u>	<u>State and Other</u>	<u>RCAP</u>	<u>Total</u>
<b>Program Costs</b>				
Gross cost	\$ 17,678,618	\$ 1,747,973	\$ 2,386,979	\$ 21,813,570
Less: earned revenue	<u>(367,462)</u>	<u>-</u>	<u>-</u>	<u>(367,462)</u>
Total net program costs	<u>17,311,156</u>	<u>1,747,973</u>	<u>2,386,979</u>	<u>21,446,108</u>
Net cost of operations	<u>\$ 17,311,156</u>	<u>\$ 1,747,973</u>	<u>\$ 2,386,979</u>	<u>\$ 21,446,108</u>

# Delta Regional Authority

Combining Statement of Changes in Net Position  
Year Ended September 30, 2023

	All Other Funds (Consolidated Totals)			Consolidated Total
	Federal	State and Other	RCAP	
<b>Unexpended appropriations:</b>				
Beginning balance	\$ 235,009,630	\$ 4,644,150	\$ (36,603)	\$ 239,617,177
Appropriations received	30,100,000	-	-	30,100,000
Appropriations transferred-in/out (+/-)	5,660,286	-	-	5,660,286
Other adjustments	-	(3,845,852)	(172,730)	(4,018,582)
Appropriations used	(31,281,950)	-	-	(31,281,950)
Other:				
Cost of operations absorbed by states and others	-	1,778,799	-	1,778,799
Cost of operations absorbed by RCAP	-	-	1,274,569	1,274,569
Disbursements of state assessments and other funds	-	(2,511,308)	-	(2,511,308)
Disbursement of RCAP funds	-	-	(1,065,236)	(1,065,236)
Change in unexpended appropriations	4,478,336	(4,578,361)	36,603	(63,422)
<b>Total unexpended appropriations</b>	<b>239,487,966</b>	<b>65,789</b>	<b>-</b>	<b>239,553,755</b>
<b>Cumulative results of operations</b>				
Beginning balance	-	-	-	-
Corrections of errors (+/-)	5,049	-	-	5,049
Beginning balances, as adjusted	5,049	-	-	5,049
Appropriations used	31,281,950	-	-	31,281,950
Imputed financing	16,294	-	-	16,294
Other:				
Disbursement of RCAP funds	-	-	1,065,236	1,065,236
Disbursements of funds provided by member states and others	-	2,511,308	-	2,511,308
<b>Net cost of operations</b>	<b>(31,198,723)</b>	<b>(2,511,308)</b>	<b>(1,065,236)</b>	<b>(34,775,267)</b>
Change in cumulative results of operations	99,521	-	-	99,521
<b>Total cumulative results of operations</b>	<b>104,570</b>	<b>-</b>	<b>-</b>	<b>104,570</b>
<b>Net position</b>	<b>\$ 239,592,536</b>	<b>\$ 65,789</b>	<b>\$ -</b>	<b>\$ 239,658,325</b>

# Delta Regional Authority

Combining Statement of Changes in Net Position  
Year Ended September 30, 2022

	All Other Funds (Consolidated Totals)			Consolidated Total
	Federal	State and Other	RCAP	
<b>Unexpended appropriations</b>				
Beginning balance	\$ 72,209,754	\$ 4,647,619	\$ (30,700)	\$ 76,826,673
Appropriations received	180,100,000	-	-	180,100,000
Appropriations used	(17,300,124)	-	-	(17,300,124)
Other:				
Cost of operations absorbed by member states and others	-	1,744,504	-	1,744,504
Cost of operations absorbed by RCAP	-	-	2,381,076	2,381,076
Disbursements of state assessments and other funds	-	(1,747,973)	-	(1,747,973)
Disbursement of RCAP funds	-	-	(2,386,979)	(2,386,979)
Change in unexpended appropriations	162,799,876	(3,469)	(5,903)	162,790,504
<b>Total unexpended appropriations</b>	235,009,630	4,644,150	(36,603)	239,617,177
<b>Cumulative results of operations</b>				
Beginning balance	-	-	-	-
Appropriations used	17,300,124	-	-	17,300,124
Other:				
Imputed financing from costs absorbed by others	11,032	-	-	11,032
Disbursements of RCAP funds	-	-	2,386,979	2,386,979
Disbursements of funds provided by member states and others	-	1,747,973	-	1,747,973
	17,311,156	1,747,973	2,386,979	21,446,108
<b>Net cost of operations</b>	(17,311,156)	(1,747,973)	(2,386,979)	(21,446,108)
Change in cumulative results of operations	-	-	-	-
<b>Total cumulative results of operations</b>	-	-	-	-
<b>Net position</b>	\$ 235,009,630	\$ 4,644,150	\$ (36,603)	\$ 239,617,177

# Delta Regional Authority

Combining Reconciliation of Net Cost of Operations (Proprietary to Budget)  
Year Ended September 30, 2023

	Federal	State and Other	RCAP	Total
<b>Resources used to finance activities</b>				
<u>Budgetary resources obligated</u>				
Obligations incurred	\$ 96,481,492	\$ -	\$ -	\$ 96,481,492
Less: spending authority from offsetting collections and recoveries	2,472,232	-	-	2,472,232
Obligations net of offsetting collections and recoveries	94,009,260	-	-	94,009,260
Net obligations	94,009,260	-	-	94,009,260
<u>Other resources</u>				
Imputed financing from costs absorbed by others	16,294	-	-	16,294
Disbursements of funds provided by member states and others	-	2,511,308	-	2,511,308
Disbursement of RCAP funds	-	-	1,065,236	1,065,236
Net other resources used to finance activities	16,294	2,511,308	1,065,236	3,592,838
Total resources used to finance activities	94,025,554	2,511,308	1,065,236	97,602,098
<b>Resources used to finance items not part of the net cost of operations</b>				
Change in budgetary resources obligated for goods, services and benefits ordered but not yet provided	62,826,831	-	-	62,826,831
Total resources used to finance items not part of the net cost of operations	62,826,831	-	-	62,826,831
Total resources used to finance net cost of operations	\$ 31,198,723	\$ 2,511,308	\$ 1,065,236	\$ 34,775,267

# Delta Regional Authority

Combining Reconciliation of Net Cost of Operations (Proprietary to Budget)  
Year Ended September 30, 2022

	Federal	State and Other	RCAP	Total
<b>Resources used to finance activities</b>				
<u>Budgetary resources obligated</u>				
Obligations incurred	\$ 65,030,224	\$ -	\$ -	\$ 65,030,224
Less: spending authority from offsetting collections and recoveries	-	-	-	-
Obligations net of offsetting collections and recoveries	65,030,224	-	-	65,030,224
Net obligations	65,030,224	-	-	65,030,224
<u>Other resources</u>				
Imputed financing from costs absorbed by others	11,032	-	-	11,032
Disbursements of funds provided by member states and others	-	1,747,973	-	1,747,973
Disbursements of RCAP funds	-	-	2,386,979	2,386,979
Net other resources used to finance activities	11,032	1,747,973	2,386,979	4,145,984
Total resources used to finance activities	65,041,256	1,747,973	2,386,979	69,176,208
<b>Resources used to finance items not part of the net cost of operations</b>				
Change in budgetary resources obligated for goods, services and benefits ordered but not yet provided	47,730,100	-	-	47,730,100
Total resources used to finance items not part of the net cost of operations	47,730,100	-	-	47,730,100
Total resources used to finance net cost of operations	\$ 17,311,156	\$ 1,747,973	\$ 2,386,979	\$ 21,446,108



# Delta Regional Authority

Schedule of Expenditures

Year Ended September 30, 2023

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	Paid From			Total
	Federal	State and Other	RCAP	
Grants, subsidies and contributions	\$ 28,907,512	\$ -	\$ 1,065,236	\$ 29,972,748
Consulting and other services	905,031	587,903	-	1,492,934
Employee benefits	284,405	339,489	-	623,894
Personnel services	451,892	1,185,325	-	1,637,217
Travel and transportation of persons	396,903	110,008	-	506,911
Rent, communications and utilities	121,359	209,474	-	330,833
Supplies and materials	70,444	50,476	-	120,920
Printing and reproduction	4,605	8,961	-	13,566
Office expense	56,572	19,672	-	76,244
Total expenditures	<u>\$ 31,198,723</u>	<u>\$ 2,511,308</u>	<u>\$ 1,065,236</u>	<u>\$ 34,775,267</u>

# Delta Regional Authority

Schedule of Grants Made

States' Economic Development Assistance Program (SEDAP)

Years Ended September 30, 2023, 2022 and 2021

	2023			2022			2021*		
	DRA Obligated	Total Funds	Funding %	DRA Obligated	Total Funds	Funding %	DRA Obligated	Total Funds	Funding %
Basic public infrastructure	\$ 5,039,838	\$ 16,618,775	28.1%	\$ 6,899,373	\$ 416,464,638	44.0%	\$ -	\$ -	0.0%
Transportation infrastructure	2,740,633	5,342,323	15.3%	2,106,967	4,963,930	13.4%	2,406,710	23,169,087	100.0%
Business development	4,252,496	84,612,071	23.7%	3,028,629	34,970,431	19.3%	-	-	0.0%
Work development	4,888,492	27,471,491	27.3%	2,243,063	5,869,398	14.3%	-	-	0.0%
Other	995,186	1,644,448	5.6%	1,407,549	5,104,240	9.0%	-	-	0.0%
	<u>\$ 17,916,645</u>	<u>\$ 135,689,108</u>	<u>100.0%</u>	<u>\$ 15,685,581</u>	<u>\$ 467,372,637</u>	<u>100.0%</u>	<u>\$ 2,406,710</u>	<u>\$ 23,169,087</u>	<u>100.0%</u>

	2023			2022			2021*		
	DRA Obligated	State Allocation	State %	DRA Obligated	State Allocation	State %	DRA Obligated	State Allocation	State %
State allocations									
Alabama	\$ 1,687,287	\$ 1,687,287	10.0%	\$ 1,641,142	\$ 1,917,635	10.1%	\$ -	\$ -	0.0%
Arkansas	2,353,614	2,353,614	14.0%	2,225,382	2,674,233	14.1%	-	-	0.0%
Illinois	1,259,854	1,302,424	7.7%	1,129,234	1,465,061	7.7%	-	-	0.0%
Kentucky	1,504,578	1,488,776	8.9%	1,452,132	1,702,140	9.0%	-	-	0.0%
Louisiana	3,338,367	3,338,367	19.9%	3,217,852	4,093,054	21.6%	-	-	0.0%
Mississippi	2,220,074	2,553,441	15.2%	1,817,557	2,856,357	15.1%	-	-	0.0%
Missouri	2,553,441	1,906,686	11.3%	2,461,413	2,176,676	11.5%	2,406,710	-	100.0%
Tennessee	2,999,430	2,183,561	13.0%	1,740,869	2,045,443	10.8%	-	-	0.0%
	<u>\$ 17,916,645</u>	<u>\$ 16,814,156</u>	<u>100.0%</u>	<u>\$ 15,685,581</u>	<u>\$ 18,930,599</u>	<u>100.0%</u>	<u>\$ 2,406,710</u>	<u>\$ -</u>	<u>100.0%</u>

\*The Delta Regional Authority (DRA) consists of a federal member and the Governors of the eight-states in the region. No approval for new grants can be made without a federal member. In FY 2021, DRA was without a federal member for the majority of fiscal year 2021. Fiscal year 2021 grant fundings have been or will be obligated to new projects as a presidential appointee was nominated and confirmed by the U.S. Senate in fiscal year 2022.

Obligations may be more than allocated due to deobligation and reobligation of prior years' unused funds.

# Delta Regional Authority

Schedule of Grants Made

Community Infrastructure Fund (CIF)

Years Ended September 30, 2023, 2022 and 2021

	2023			2022			2021*		
	DRA Obligated	Total Funds	Funding %	DRA Obligated	Total Funds	Funding %	DRA Obligated	Total Funds	Funding %
Basic public infrastructure	\$ 3,539,000	\$ 11,679,000	100.0%	\$ 9,457,781	\$ 135,741,317	78.3%	\$ -	\$ -	0.0%
Transportation infrastructure	-	-	0.0%	2,626,939	451,716,090	21.7%	-	-	0.0%
Business development	-	-	0.0%	-	-	0.0%	-	-	0.0%
Work development	-	-	0.0%	-	-	0.0%	-	-	0.0%
Other	-	-	0.0%	-	-	0.0%	-	-	0.0%
	<u>\$ 3,539,000</u>	<u>\$ 11,679,000</u>	<u>100.0%</u>	<u>\$ 12,084,720</u>	<u>\$ 587,457,407</u>	<u>100.0%</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>

	2023			2022			2021*		
	DRA Obligated	State Allocation	State %	DRA Obligated	State Allocation	State %	DRA Obligated	State Allocation	State %
State allocations									
Alabama	\$ -	\$ -	0.0%	\$ 1,807,831	\$ 1,807,831	15.0%	\$ -	\$ -	0.0%
Arkansas	-	-	0.0%	1,014,000	1,014,000	8.4%	-	-	0.0%
Illinois	-	-	0.0%	664,500	664,500	5.5%	-	-	0.0%
Kentucky	-	-	0.0%	2,294,740	2,294,740	19.0%	-	-	0.0%
Louisiana	-	-	0.0%	3,588,715	3,588,715	29.7%	-	-	0.0%
Mississippi	-	-	0.0%	2,235,481	2,235,481	18.5%	-	-	0.0%
Missouri	-	-	0.0%	479,453	479,453	4.0%	-	-	0.0%
Tennessee	3,539,000	3,539,000	100.0%	-	-	0.0%	-	-	0.0%
	<u>\$ -</u>	<u>\$ 3,539,000</u>	<u>100.0%</u>	<u>\$ 12,084,720</u>	<u>\$ 12,084,720</u>	<u>100.0%</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>

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