Public Belt Railroad Commission for the City of New Orleans

Financial Statements as of and for the Year Ended December 31, 2013, Additional Information for the Years Ended December 31, 2013 and 2012,Schedule of Expenditures of Federal Awards for the Year Ended December 31, 2013, and Independent Auditors' Report

PUBLIC BELT RAILROAD COMMISSION FOR THE CITY OF NEW ORLEANS

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Gurtner · Zuniga · Abney

Certified Public Accountants & Consultants

INDEPENDENT AUDITORS' REPORT

To the President and Members of the
Public Belt Railroad Commission for the City of New Orleans
New Orleans, Louisiana

Report on the Financial Statements

We have audited the accompanying basic financial statements of the individual funds of the Public Belt Railroad Commission for the City of New Orleans (the Commission) as of and for the year ended December 31, 2013, and the related notes to financial statements, which collectively comprise the Commission's basic financial statements as listed in the accompanying table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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Opinion

In our opinion, the individual financial statements referred to above present fairly, in all material respects, the financial position of the individual funds of the Public Belt Railroad Commission for the City of New Orleans at December 31, 2013, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 - 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2014 on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Gurtner Zuniga Abney, LLC

New Orleans, Louisiana
June 20, 2014

Management's Discussion and Analysis
(Unaudited)

This narrative discussion and analysis is intended to serve as an introduction to the basic financial statements as of and for the year ended December 31, 2013 of the individual funds of the Public Belt Railroad Commission for the City of New Orleans (the Commission). The information presented here should be read in conjunction with the basic financial statements, notes and additional information found in this report.

Overview of the Financial Statements

The Commission operates a railroad system in and around the City of New Orleans as well as a railroad bridge across the Mississippi River (the Huey P. Long Bridge). The financial statements in this report present the financial condition, results of operations and cash flows of the Commission, including its railroad system fund (the Public Belt Railroad) and its bridge operations fund (the Mississippi River Bridge). See the notes to the financial statements for a summary of the Commission's significant accounting policies.

The Commission's financial statements consist of three sections – Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the basic financial statements) and additional information. This information taken collectively is designed to provide readers with an understanding of the Commission's financial condition and its operations.

The *Balance Sheets* present information on all of the Commission's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the Commission's financial position is improving or deteriorating.

The *Statements of Revenues, Expenses and Changes in Net Position* present information showing how the Commission's net position changed as a result of current year operations. Changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in these statements for some items that will not affect cash until future fiscal periods.

The *Statements of Cash Flows* present information showing how the Commission's cash balance changed as a result of current year operations. The cash flow statements are prepared using the direct method and include a reconciliation of net income (loss) to net cash provided by (used in) operating activities (indirect method) as required by Governmental Accounting Standards Board Codification. This reconciliation is provided to assist in the understanding of the difference between cash flows from operating activities and net income (loss).

In addition to the basic financial statements and accompanying notes, this report also presents *Additional Information* comprised of a Schedule of Operating Statistics for the Mississippi River Bridge for the years ended December 31, 2013 and 2012.

Financial Position

Summary of Net Assets

	2013	2012	Increase (Decrease)	Percent Increase (Decrease)
ASSETS:				
Current and other assets	$ 25,312,901	$ 23,375,298	$ 1,937,603	8.3%
Net capital assets	59,614,053	59,850,620	(236,567)	-0.4%
Total Assets	84,926,954	83,225,918	1,701,036	2.0%
DEFERRED OUTFLOWS:				
Prepaid insurance and other	218,201	167,474	50,727	30.3%
LIABILITIES:				
Current liabilities excluding reserves	6,063,029	5,271,173	791,856	15.0%
Long-term liabilities	4,510,650	5,081,339	(570,689)	-11.2%
Casualty and other reserves	982,441	1,915,050	(932,609)	-48.7%
Total Liabilities	11,556,120	12,268,102	(711,442)	-5.8%
DEFERRED INFLOWS:				
Deferred credits	291,026	289,647	1,379	0.5%
NET ASSETS:				
Invested in capital assets, net of debt	59,614,053	59,850,620	(236,567)	-0.4%
Unrestricted	13,683,956	10,985,023	2,698,933	24.6%
Total Net Assets	$ 73,298,009	$ 70,835,643	$ 2,462,366	3.5%

Total assets showed a net increase of approximately $1,701,000 (2.0%) in 2013 due to an increase in current and other assets of approximately $1,938,000 (8.3%) combined with a decrease in net capital assets of $237,000 (0.4%). The increase in current and other assets resulted from increases in cash, trade accounts receivable, net intercompany receivables, and prepaid insurance balances totaling approximately $2,181,000, offset by declines in investments and inventory totaling approximately $243,000. The decrease in net capital assets was due to the cost of retirements exceeding the improvements and additions to track structures.

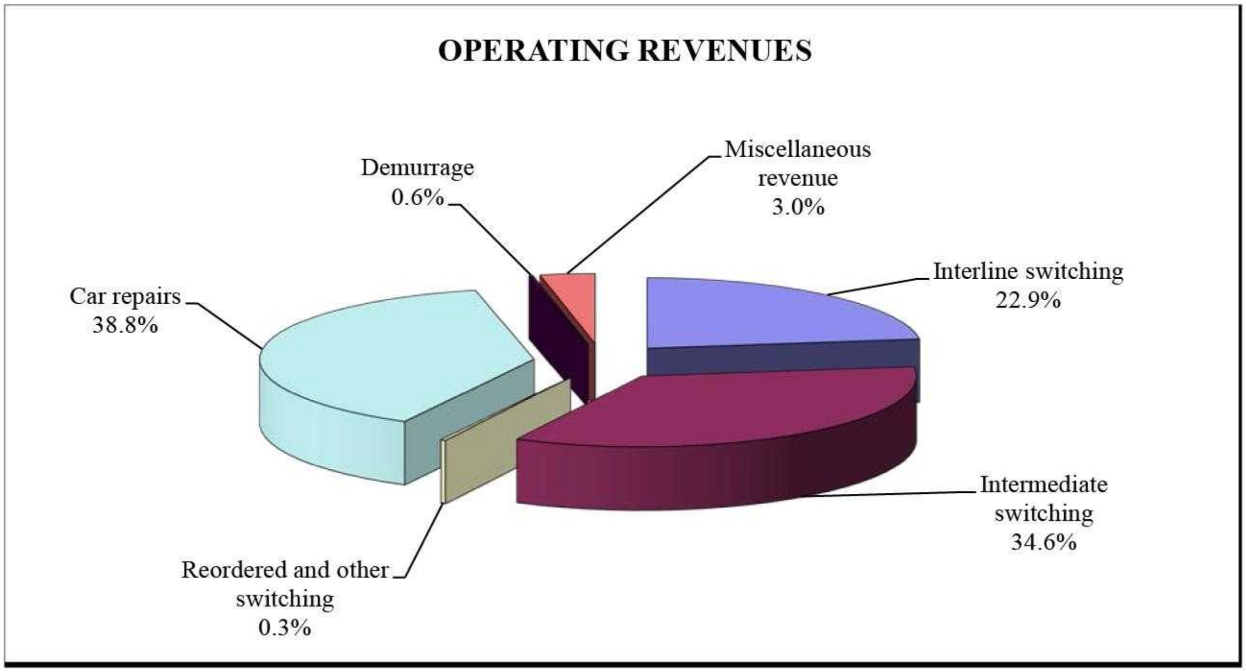
Total liabilities decreased approximately $712,000 (5.8%) this year, due to increases in several balance sheet liability line items. Net intercompany payables increased approximately $419,000. Trade accounts payable increased approximately $74,000. While the Public Belt Railroad paid off its long-term debt related to the lease-purchase of two locomotives in 2012, the Railroad also issued $1.5 million in bonds payable in 2012. This debt relates to a Cooperative Endeavor Agreement entered into between the Commission and its customer, Transportation Consultants, Inc., for construction of a rail extension project by adding a spur rail track connecting with the Public Belt Railroad's main line track. The total payable amount on this debt decreased $280,000 during 2013 due to debt repayments. The Public Belt Railroad saw a decrease of approximately $933,000 (48.7%) in casualty and other reserves.

The Commission is the defendant in legal proceedings which seek compensation for personal injury and/or property damage. The Commission has established a reserve for personal injury and property damage claims that represents an estimate of its liability under these actions. The Commission has established a reserve for casualty and other reserves of approximately 982,000. Further details may be found in Note 5 to the accompanying financial statements.

The largest portion of the Commission's net position (81.3% in 2013 and 84.5% in 2012) represents its investment in capital assets (e.g., land, buildings, bridges, railroad tracks, locomotives and other rolling stock, and equipment) less any related outstanding debt used to acquire those assets. The Commission uses its capital assets to provide service to its Class One railroad partners and to its industry customers, primarily tenants of the Port of New Orleans; consequently, these assets are not available for future spending. The Commission's unrestricted net position, $13,683,956 for 2013, may be used to meet the Commission's ongoing obligations.

Operating Revenues

The following chart shows major sources and the percentage of operating revenues for the year ended December 31, 2013.



Operating Revenues by Major Source

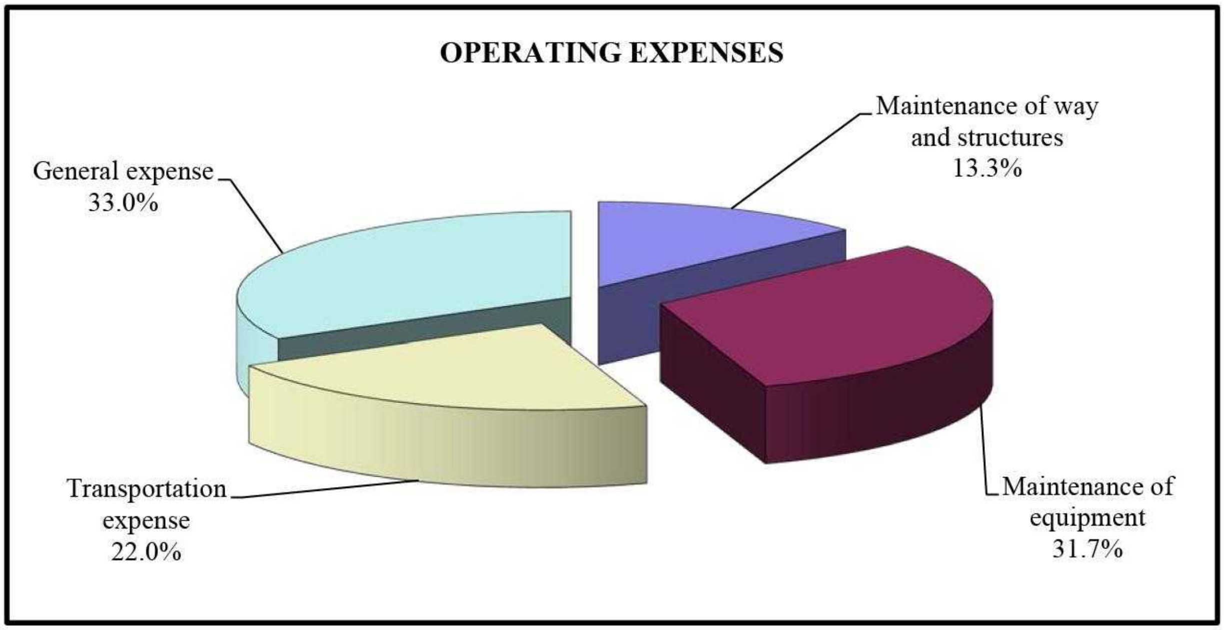
	2013	2012	Increase (Decrease)	Percent Increase (Decrease)
Interline switching	$ 6,606,378	$ 6,281,831	$ 324,547	5.2%
Intermediate switching	9,976,545	8,286,679	1,689,867	20.4%
Reordered and other switching	85,574	76,740	8,834	11.5%
Car repairs	11,182,906	7,139,013	4,043,893	56.6%
Demurrage	62,850	64,980	(2,130)	-3.3%
Miscellaneous revenue	1,101,641	740,022	361,619	48.9%
Total operating revenue	$ 29,015,894	$ 22,589,265	$ 6,426,629	28.4%

The Public Belt Railroad performs interline switching service for customers located along the wharves and industries of the Port of New Orleans and for storage customers who pay for railcar storage space on the Railroad's tracks. The Public Belt also performs intermediate switching service for the six Class One railroads that interchange in the New Orleans area, taking railcars from one railroad and delivering them to another. In addition to providing switching service, the Public Belt Railroad operates a railcar repair shop that adheres to the Association of American Railroads' standards for inspection and repair of railcars.

There was a $6,426,629 (28.4%) net increase in the Public Belt Railroad's operating revenue for the year ended December 31, 2013. The majority of this increase was the $4,043,893 (56.6%) increase in car repairs revenue and the $1,689,867 (20.4%) increase in intermediate switching. Interline and intermediate switching increased due to additional car volume and the related services provided to local customers and Class One railroads. Car repairs increased 56.6% due to the additional shifts worked to repair cars resulting in additional repairs. The related maintenance of equipment labor and materials increased by 37.7% and this was due to the additional repairs provided.

Operating Expenses

The following chart shows major expense categories and the percentage of operating expenses for the year ended December 31, 2013.



Operating Expenses by Major Function

	2013	2012	Increase (Decrease)	Percent Increase (Decrease)
Maintenance of way and structures	$ 4,054,039	$ 3,767,794	$ 286,245	7.6%
Maintenance of equipment	9,667,983	7,020,619	2,647,364	37.7%
Transportation expense	6,729,238	6,440,188	289,050	4.5%
General expense	10,093,583	10,139,187	(45,604)	-.4%
Total operating expenses	$ 30,544,843	$ 27,367,788	$ 3,177,055	11.6%

There was a $3,177,055 (11.6%) net increase in operating expenses during the current year. This was due mainly to the $2,647,364 (37.7%) increase in maintenance of equipment and the decrease of $45,604 (.4%) in general expense. The increase in maintenance of equipment was due to increased labor and materials used to service the increase in car shop revenue. The car repairs revenue increased 56.6% due to the additional shifts worked to repair the cars which resulted in an increase to the related maintenance of equipment labor and materials.

Non-Operating Revenues

	2013	2012	Increase (Decrease)	Percent Increase (Decrease)
Joint facility rent income	$ 301,284	$ 215,174	$ 86,110	40.0%
FEMA and other grant income	991,981	260,367	731,614	281.0%
Miscellaneous rent income	31,461	32,588	(1,127)	-3.5%
Income from non-operating property	830,199	763,931	66,268	8.7%
Income from investments	215,770	235,441	(19,671)	-8.4%
Miscellaneous income	156,725	-	156,725	*NM
Bad debt expense	(243,660)	-	(243,660)	* NM
Total non-operating revenue	$ 2,283,760	$ 1,507,501	$ 776,259	51.5%

The net increase of $776,259 (51.5%) in Public Belt Railroad non-operating revenues results from an increase in FEMA grant income combined with increases in joint facility rent income, income from non-operating property and miscellaneous income which was offset by a decrease in income from investments and an increase in bad debt expense.

Non-Operating Expenses

	2013	2012	Increase (Decrease)	Percent Increase (Decrease)
Hire of freight cars - per diem	$ 286,379	$ 303,609	$ (17,230)	-5.7%
Interest expense	39,499	32,783	6,716	20.5%
Miscellaneous expense	1,421	4,469	(3,048)	-68.2%
Total non-operating expenses	$ 327,299	$ 340,861	$ (13,562)	-4.0%

The net decrease of $13,562 (4.0%) in the Commission's non-operating expenses is due mainly to a $17,230 decrease in the hire of freight cars (car hire expense). Car hire is paid to railcar owners for the time the railcars spend on the Public Belt Railroad's line. The more time spent in active transportation, the more profitable the railcar is to its owner. Car hire represents compensation to railcar owners for time the cars are kept from active transportation and is standard throughout the railroad industry. Interest expense relates mainly to bonds payable for the aforementioned Cooperative Endeavor Agreement entered into between the Commission and its customer, Transportation Consultants, Inc., for construction of a rail extension project by adding a spur rail track connecting with the Commission's main line track.

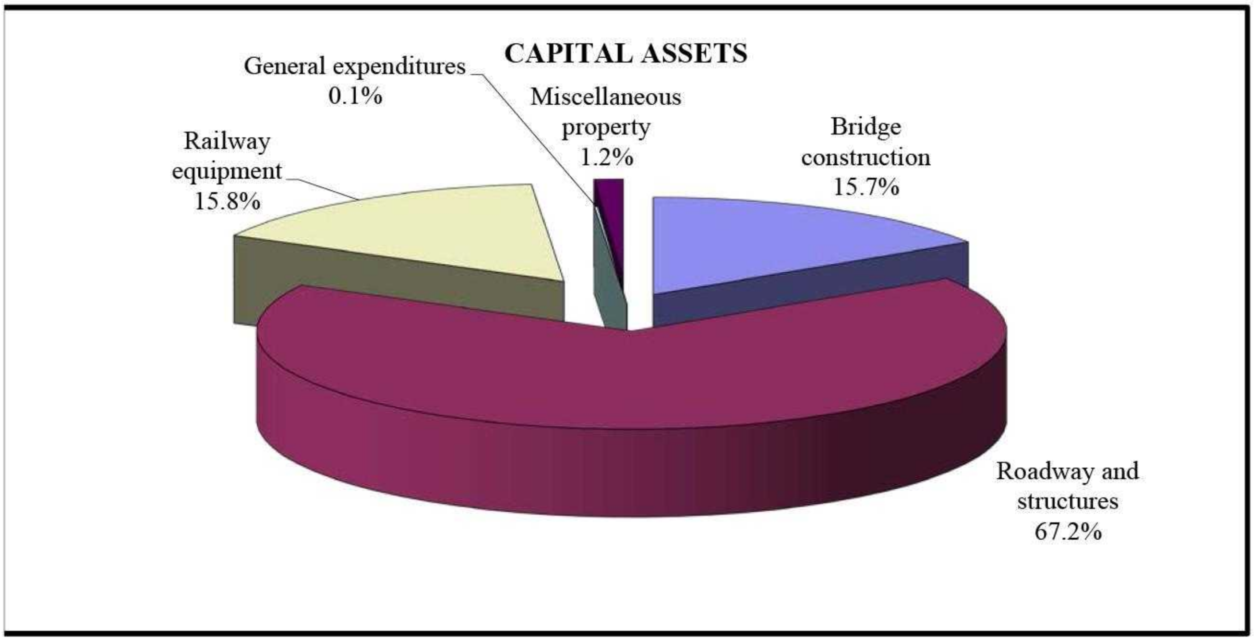
Summary of Changes in Net Assets

	2013	2012	Increase (Decrease)	Percent Increase (Decrease)
Operating revenues	$29,015,894	$22,589,265	$6,426,629	28.4%
Operating expenses	(30,544,843)	(27,367,788)	(3,177,055)	11.6%
Income (loss) before payroll tax accruals and reimbursement	(1,528,949)	(4,778,523)	(3,249,574)	-68.0%
Payroll tax accruals	(1,636,781)	(1,301,349)	335,432	25.8%
Reimbursement from joint tenant lines and State of Louisiana	3,671,642	3,798,305	(126,663)	-3.3%
Railway operating income (loss)	505,912	(2,281,567)	2,787,479	-122.2%
Railway rental expenses	14,905	(88,435)	(103,340)	-116.9%
Other income	1,941,556	1,255,072	686,484	54.7%
Net income (loss)	$ 2,462,373	$ (1,114,930)	$3,577,303	-320.9%

The Public Belt Railroad showed operating income of $505,912 for the year ended December 31, 2013, as compared to an operating loss of $(2,281,567) for the year ended December 31, 2012, a change of (122.2%). Operating revenues increased significantly by 28.4 and operating expenses increased as well by 11.6%. The increase in operating income was due to the additional interline and intermediate switching with a minimal increase in related transportation expense. Most of the increase in transportation expense is due to the property damages increase of $254,000. Car repairs increase of $4,043,893 offset by maintenance of equipment increase of $2,647,000 increased operating income by $1,347,000. The increase in payroll tax accruals of $335,000 was attributable to the increased transportation and maintenance of equipment labor.

There was also a net increase of $686,481 (54.7%) in other income in 2013. This resulted from an increase in FEMA grant income, miscellaneous income, and income from non-operating property which was partially offset by a decrease in investment income and an increase in bad debt expense.

Capital Asset Activity



Capital Assets at Cost

	2013	2012	Increase (Decrease)	Percent Increase (Decrease)
Bridge construction	$ 12,656,814	$ 12,656,814	$ -	0.0%
Roadway and structures	54,063,659	53,244,135	819,524	1.5%
Railway equipment	12,741,127	12,564,449	176,678	1.4%
General expenditures	108,697	108,697	-	0.0%
Miscellaneous property	993,637	993,637	-	0.0%
Total Capital Assets at Cost	80,563,934	79,567,732	996,202	1.3%
Less Accumulated Depreciation	(20,949,881)	(19,717,113)	(1,232,768)	6.3%
Net Capital Assets	$ 59,614,053	$ 59,850,619	$ (236,566)	-0.4%

The Commission's investment in capital assets is summarized in the preceding table. The total decrease in capital assets this fiscal year was $(236,566) or (0.4%). More detailed information can be found in Note 5 to the accompanying financial statements.

Requests for Information

This financial report is designed to provide a general overview of the Commission's finances. Questions concerning any of the information should be addressed to the Chief Financial Officer, New Orleans Public Belt Railroad, 4822 Tchoupitoulas Street, New Orleans, Louisiana 70115.

PUBLIC BELT RAILROAD COMMISSION
FOR THE CITY OF NEW ORLEANS

BALANCE SHEETS
AS OF DECEMBER 31, 2013

	Public Belt Railroad	Mississippi River Bridge	Combined
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash	$ 4,242,835	$ 249,327	$ 4,492,162
Investments	1,733,210	-	1,733,210
Accounts receivable — net	6,227,119	1,977,213	8,204,332
Advances to the Mississippi River Bridge Fund for maintenance requisitions	2,143,228	-	2,143,228
Materials and supplies	1,132,023	-	1,132,023
Accrued interest and other current assets	30,300	-	30,300
Total current assets	15,508,715	2,226,540	17,735,255
CAPITAL ASSETS — At cost:			
Bridge construction	-	12,656,814	12,656,814
Roadway and structures	47,818,183	6,245,476	54,063,659
Railway equipment	12,741,127	-	12,741,127
General expenditures	108,697	-	108,697
Miscellaneous property	238,022	755,615	993,637
Total capital assets	60,906,029	19,657,905	80,563,934
Less accumulated depreciation	(12,573,760)	(8,376,121)	(20,949,881)
Net capital assets	48,332,269	11,281,784	59,614,053
OTHER:			
Investments — designated	4,000,000	-	4,000,000
Advances to the Mississippi River Bridge Fund for additions and betterments	2,197,337	-	2,197,337
Advances to the Public Belt Railroad Fund	-	1,380,309	1,380,309
Total other	6,197,337	1,380,309	7,577,646
TOTAL ASSETS	70,038,321	14,888,633	84,926,954
DEFERRED OUTFLOWS:			
Prepaid insurance and other	218,201	-	218,201
TOTAL ASSETS AND DEFERRED OUTFLOWS	**$ 70,256,522**	**$ 14,888,633**	**$ 85,145,155**

(Continued)

PUBLIC BELT RAILROAD COMMISSION
FOR THE CITY OF NEW ORLEANS

BALANCE SHEETS
AS OF DECEMBER 31, 2013

	Public Belt Railroad	Mississippi River Bridge	Combined
LIABILITIES, DEFERRED OUTFLOWS, AND NET POSITION			
CURRENT LIABILITIES:			
Advances from the Public Belt Railroad Fund for maintenance requisitions	$ -	$ 2,143,228	$ 2,143,228
Accounts payable and accrued expenses	3,629,801	-	3,629,801
Casualty and other reserves	982,441	-	982,441
Bonds payable — short term	290,000	-	290,000
Total current liabilities	4,902,242	2,143,228	7,045,470
OTHER LIABILITIES:			
Advances from the Mississippi River Bridge Fund	1,380,309	-	1,380,309
Advances from the Public Belt Railroad Fund for additions and betterments	-	2,197,337	2,197,337
Bonds payable — Long term	930,000	-	930,000
Interest payable	3,004	-	3,004
Total other liabilities	2,313,313	2,197,337	4,510,650
TOTAL LIABILITIES	7,215,555	4,340,565	11,556,120
DEFERRED INFLOWS:			
Deferred credits	291,026	-	291,026
NET POSITION:			
Total net position	62,749,940	10,548,069	73,298,009
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	**$ 70,256,521**	**$ 14,888,634**	**$ 85,145,155**

(Concluded)

See independent auditors' report and accompanying notes to financial statements.

PUBLIC BELT RAILROAD COMMISSION
FOR THE CITY OF NEW ORLEANS

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Public Belt Railroad	Mississippi River Bridge	Combined
OPERATING REVENUES:			
Switching:			
Interline	$ 6,606,378	$ -	$ 6,606,378
Intermediate	9,976,545	-	9,976,545
Reordered and other	85,574	-	85,574
Total switching	16,668,497	-	16,668,497
Incidentals:			
Car repairs	11,182,906	-	11,182,906
Demurrage	62,850	-	62,850
Miscellaneous revenue	1,090,592	11,049	1,101,641
Total incidentals	12,336,348	11,049	12,347,397
Total operating revenues	29,004,845	11,049	29,015,894
OPERATING EXPENSES:			
Maintenance of way and structures	1,429,291	2,624,748	4,054,039
Maintenance of equipment	9,528,718	139,265	9,667,983
Transportation expense	6,287,889	441,349	6,729,238
General expense	9,124,805	968,778	10,093,583
Total operating expenses	26,370,703	4,174,140	30,544,843
INCOME (LOSS) BEFORE PAYROLL TAX ACCRUALS AND REIMBURSEMENT	2,634,142	(4,163,091)	(1,528,949)
PAYROLL TAX ACCRUALS	(1,631,457)	(5,324)	(1,636,781)
REIMBURSEMENT FROM JOINT TENANT LINES AND STATE OF LOUISIANA	-	3,671,642	3,671,642
RAILWAY OPERATING INCOME (LOSS)	1,002,685	(496,773)	505,912

(continued)

PUBLIC BELT RAILROAD COMMISSION
FOR THE CITY OF NEW ORLEANS

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2013

	Public Belt Railroad	Mississippi River Bridge	Combined
RAILWAY RENTAL INCOME (EXPENSE):			
Hire of freight cars — per diem	(286,379)	-	(286,379)
Joint facility rent	301,604	(320)	301,284
Net railway rental income (expense)	15,225	(320)	14,905
OTHER INCOME (EXPENSE):			
FEMA grants	991,981	-	991,981
Miscellaneous rent income	31,461	-	31,461
Interest expense	(39,499)	-	(39,499)
Income from nonoperating property	830,199	-	830,199
Income from investments	214,332	1,438	215,770
Bad debt expense	(243,660)	-	(243,660)
Miscellaneous income (expense)	156,725	(1,421)	155,304
Net other income	1,941,539	17	1,941,556
NET INCOME (LOSS) BEFORE TRANSFERS	2,959,449	(497,076)	2,462,373
INTERFUND TRANSFERS	(189,611)	189,611	-
NET INCOME (LOSS) AFTER TRANSFERS	2,769,838	(307,465)	2,462,373
NET POSITION—Beginning of year	59,980,102	10,855,534	70,835,636
NET POSITION—End of year	$ 62,749,940	$ 10,548,069	$ 73,298,009

(concluded)

See independent auditors’ report and accompanying notes to financial statements.

PUBLIC BELT RAILROAD COMMISSION
FOR THE CITY OF NEW ORLEANS

STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED DECEMBER 31, 2013

	Public Belt Railroad	Mississippi River Bridge	Combined
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	30,226,366	3,470,628	33,696,994
Cash paid for materials and services	(28,308,873)	(3,464,973)	(31,773,846)
Net cash provided by operating activities	1,917,493	5,655	1,923,148
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Property additions - net of retirements	(1,296,202)	-	(1,296,202)
Decrease in bond principal	(280,000)	-	(280,000)
Decrease in interest payable	(689)	-	(689)
Net cash used in capital and related financing activities	(1,576,891)	-	(1,576,891)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash received from investments - net of purchases	141,963	-	141,963
Increase in accrued interest receivable	(10,546)	-	(10,546)
Cash received for interest	214,328	1,434	215,762
Net cash provided by investing activities	345,745	1,434	347,179
NET INCREASE IN CASH	686,347	7,089	693,436
CASH - Beginning of period	3,556,488	242,238	3,798,726
CASH - End of period	4,242,835	249,327	4,492,162

See independent auditors' report and accompanying notes to financial statements.

PUBLIC BELT RAILROAD COMMISSION
FOR THE CITY OF NEW ORLEANS

STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED DECEMBER 31, 2013

	Public Belt Railroad	Mississippi River Bridge	Combined
RECONCILIATION OF NET LOSS TO CASH PROVIDED BY OPERATING ACTIVITES:			
Net income (loss)	$ 2,959,449	$ (497,076)	$ 2,462,373
Adjustments to reconcile net income (loss) to cash provided by operating activities:			
Income from investments	(214,332)	(1,438)	(215,770)
Depreciation expense	937,713	295,055	1,232,768
Bad debt expense	243,660	-	243,660
Fixed assets retirements	300,000		300,000
Increase in trade accounts receivable	(1,090,449)	(210,323)	(1,300,772)
(Increase) decrease in advances for maintenance requisitions	(419,437)	419,437	-
Decrease in materials and supplies	100,967	-	100,967
Increase in other current assets	(50,727)	-	(50,727)
Increase in accounts payable and accrued expenses	81,879	-	81,879
Increase in deferred credit related to LA TIMED lease, ROW leases, Kiewit/MTI	1,379	-	1,379
Decrease in casualty and other reserves	(932,609)	-	(932,609)
Cash provided by operating activities	$ 1,917,493	$ 5,655	$ 1,923,147

See independent auditors' report and accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements in this report present the financial condition, results of operations and cash flows of the Public Belt Railroad Commission for the City of New Orleans (the Commission) including its railroad system fund (the Public Belt Railroad) and its bridge operations fund (the Mississippi River Bridge). The Commission operates a railroad system in and around the City of New Orleans as well as a railroad bridge across the Mississippi River (the Huey P. Long Bridge).

The accompanying policies of the Commission conform to accounting principles generally accepted in the United States of America as applicable to proprietary component units of governmental entities. A summary of the Commission's significant accounting policies follows:

Basis of Presentation–Fund Accounting – Proprietary funds are used to account for the Commission's ongoing operations and activities which are similar to those in the private sector. Proprietary funds are accounted for using a flow of economic resource measurement focus under which all assets and all liabilities associated with the operation of these funds are included in the balance sheets. The statements of revenues, expenses, and changes in net position presents increases (revenues) and decreases (expenses) in total net position. The Commission maintains two separate proprietary funds—the Public Belt Railroad and the Mississippi River Bridge.

Estimates – The Commission prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. Such principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Pursuant to Governmental Accounting Standards Board ("GASB") Codification P80, *Proprietary Funding Accounting and Financial Reporting*, the Commission has elected to apply the provsions of all relevant pronouncements of the Financial Accounting Standards Board ("FASB"), excluding those issued after November 30, 1989.

Net Position – On January 1, 2012, the Commission adopted GASB Codification, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which provided financial reporting guidance for deferred outflows of resources, deferred inflows of resources, and net position. State and local governments enter into transactions that result in the consumption or acquisition of net assets in one period that are applicable to future periods. GASB Codification requires that deferred outflows of resources should be reported in a separate section following assets and deferred inflows of resources should be reported in a separate section following liabilities.

In March 2012, GASB issued Codification, *Items Previously Reported as Assets and Liabilities*. GASB Codification clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. Additionally, GASB evaluated debt issuance costs and concluded that, with the exception of prepaid insurance, the costs relate to services provided in the current period and thus they should be expensed in the current period. This is a significant change from current practice which is to record these as assets and amortize them over the life of the related debt. The provisions of this statement were adopted by the commission as of January 1, 2013.

Investments – Investments are recorded at fair value in accordance with GASB Codification I50, *Accounting and Financial Reporting for Investment*. Fair value is defined as the amount at which a financial instrument could be exchanged in a current transaction between willing parties and has generally been based upon quoted values. This method of accounting causes fluctuations in reported investment values based on fluctuations in the investment market. Fluctuations in the fair value of investments are recorded as income or expense in the statements of revenues, expenses and changes in net position. These mark to market adjustments were not significant in 2013. The Commission applies the provisions of the Codification to all of its investments.

Accounts Receivable – Accounts receivable are carried in the financial statements net of an allowance for doubtful accounts, which has been determined based on an analysis of outstanding accounts at December 31. An allowance of $244,000 was recorded at December 31, 2013.

Materials and Supplies – Materials and supplies are valued at the lower of cost or market on the first-in, first-out (FIFO) basis.

Capital Assets – Capital assets are recorded at cost. The current cost of repairs is charged to operating expense. Property additions are generally capitalized and depreciated on the straight-line basis over their estimated service lives. .The useful lives of the capital assets are as follows: bridge construction 15-50 years, railway equipment 7-50 years, and miscellaneous property 5-10 years. However, the roadway and structures are not depreciated, but are accounted for under the retirement-replacement-betterment accounting method. Annual depreciation rates range from 1.75% to 10%. When assets or equipment are retired or sold, the cost, net of accumulated depreciation, is removed from the respective capital asset accounts

Income Tax Provisions – Income tax provisions for federal and state income taxes have not been provided as the Commission is a tax exempt entity. Management believes there are no uncertain tax positions included in the accompanying financial statements.

Revenues and Reimbursements – Revenues and reimbursements are recorded as services are performed. Customers of the Public Belt Railroad Fund providing over 10% of its revenues were:

Customer	2013	2012
A	20.7%	13.7%
B	14.6%	17.3%
C	41.5%	43.1%
D	*	13.2%

*Customer represented over 10% of revenues in 2012 only.

All of the reimbursements recorded by the Mississippi River Bridge Fund are derived from the State of Louisiana and two other customers under long-term contracts.

Statements of Cash Flows – The statements of cash flows reflect all amounts included on the balance sheet caption "cash" as cash equivalents, which include investments with an original maturity of 90 days or less.

Combined Columns – Combined columns on the financial statements are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in accordance with accounting principles generally accepted in the United States of America. Such data is not comparable to a consolidation.

2. PRIOR PERIOD ADJUSTMENT

One of the Class One railroads, which is a party to the joint tenant line reimbursement as part of the maintenance of the Huey P. Long Bridge, completed an audit in which it was determined that the Commission owes approximately $1,118,000 to the two Class One railroads which are participants to the agreement. Of this amount, $868,277 relates to 2011 and 2012. This amount has been recorded as a payable and a prior period reduction of beginning net position at January 1, 2013.

3. INVESTMENTS

At December 31, 2013, investments consisted of the following (at fair value):

Certificates of deposit	$ 5,733,210
Less designated portion (Note 4)	(4,000,000)
Net investments	$ 1,733,210

In compliance with state laws, those deposits not covered by depository insurance are secured by bank-owned securities specifically pledged to the Commission and held in joint custody by an independent custodian bank. The Commission recognizes all purchases of investments with a maturity of three months or less, except for short term repurchase agreements, as cash equivalents.

Credit Risk

Statutes authorize the Commission to invest in the following types of investment securities:

1. Fully-collateralized certificates of deposit issued by qualified commercial banks, federal credit unions and savings and loan associations located within the State of Louisiana.

2. Direct obligations of the U.S. Government, including such instruments as treasury bills, treasury notes and treasury bonds, and obligations of U.S. Government agencies that are deliverable on the Federal Reserve System.

3. Repurchase agreements in government securities in (2) above made with the various primary dealers that report to and are regulated by the Federal Reserve Bank of New York.

4. Guaranteed Investment Contracts with companies with good credit ratings.

The Commission has no investment policy that would further limit its investment choices beyond the restrictions imposed by the State of Louisiana. The Commission has no limit on the amount it may invest in any one issuer so long as the State's restrictions are followed.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from fluctuating interest rates, the Commission makes investments with both short-term and long-term maturities. By using this method, the Commission believes that it will mitigate its interest rate risk.

At December 31, 2013, the Commission had investments in certificates of deposit totaling $5,733,210 with a weighted average maturity of approximately 0.81 years.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Commission would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2013, the Commission was not exposed to custodial credit risk with respect to its investments because all investments are either insured by federal depository insurance, registered in the name of the Commission, or collateralized by other investments pledged in the name of the Commission.

Cash and certificates of deposit are fully collateralized by securities held for the Commission's benefit at the Federal Reserve Bank in New Orleans, Louisiana. The book balances of cash approximated the bank balances at December 31, 2013.

4. INVESTMENTS—DESIGNATED

The Commission established an Insurance cash reserve fund in a prior year and authorized increasing the fund monthly. Disbursements from the insurance cash reserve fund can be made only for payment of personal injury and property damage claims upon approval by the Board of Commissioners. Interest earned on this fund is deposited in the general fund to be used for current operations. The balance of the insurance cash reserve Fund was $4,000,000 at December 31, 2013. The insurance cash reserve fund is considered a component of unrestricted net position since it represents an internally imposed designation rather than an externally imposed restriction.

5. CAPITAL ASSETS

A summary of changes in capital assets for the year ended December 31, 2013 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Cost:				
Bridge construction	$ 12,656,814	$ -	$ -	$ 12,656,814
Roadway and structures	53,244,135	1,195,099	(375,575)	54,063,659
Railway equipment	12,564,449	176,678		12,741,127
General expenditures	108,697	-	-	108,697
Miscellaneous property	993,637	-	-	993,637
Total	79,567,732	1,371,777	(375,575)	80,563,934
Less accumulated depreciation and amortization:	(19,717,113)	(1,232,768)		(20,949,881)
Property and equipment—net	$ 59,850,619	$ 139,009	$ (375,575)	$ 59,614,053

6. CASUALTY RESERVES

The Commission is the defendant in legal proceedings which seek compensation for personal injury and/or property damage. The Commission has established a reserve for personal injury and property damage claims that represents an estimate of its liability under these actions.

During the year ended December 31, 2013, the Commission added approximately $860,000 to the reserve and paid out approximately $1,793,000. In addition, the Commission incurred approximately $346,000 in related legal fees during the year ended December 31, 2013.

7. BONDS PAYABLE

On April 20, 2012, the Commission entered into an agreement for the private placement with a local bank of the Public Belt Railroad Commission's Taxable Indebtedness, Series 2012. The agreement calls for 11 semi-annual payments including interest at 2.95% through 2017. This debt relates to a Cooperative Endeavor Agreement entered into between the Public Belt Railroad Commission and its customer, Transportation Consultants, Inc., for construction of a rail extension project by adding a spur rail track connecting with Commission's main line track. The beginning principal balance of the debt was $1,500,000; interest payments for the year ended December 31, 2013 totaled $40,188; the principal balance as of December 31, 2013 is $1,220,000, of which $290,000 is due June 1, 2014.

8. RETIREMENT PLAN

The Commission made contributions totaling $80,000 to an employer-funded 401(a) pension plan for nonunion employees for the year ended December 31, 2013. Benefits to the participants will be paid based on the ratio of the eligible participants' units to the total units of all eligible participants. One unit is allocated for each half-year of service to the Public Belt Railroad and one unit for each $1,000 of salary in each eligible year.

9. INTERFUND TRANSACTIONS

The Public Belt Railroad provides funds for additions and betterments to the Mississippi River Bridge but is not reimbursed until retirement of the related asset occurs. Advances to the Mississippi River Bridge for additions and betterments were $2,197,337 at December 31, 2013. The Commission also provides material, labor and other miscellaneous expenditures related to maintenance of the Mississippi River Bridge to the Mississippi River Bridge Fund. This is billed monthly and generally collected from the Mississippi River Bridge Fund within a three-month period. The balance payable for maintenance requisitions was $2,143,228 as of December 31, 2013. The Public Belt Railroad Fund had a liability to the Mississippi River Bridge Fund of $1,380,309 at December 31, 2013. None of these interfund transactions are interest-bearing.

10. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 20, 2014, and has determined that no events have occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in the financial statements.

ADDITIONAL INFORMATION

Gurtner · Zuniga · Abney
Certified Public Accountants & Consultants

INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

To the President and Members of the
Public Belt Railroad Commission for the City of New Orleans
New Orleans, Louisiana

Report on Additional Information

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The additional information included on page 24 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This additional information is the responsibility of the Public Belt Railroad Commission for the City of New Orleans' management. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Gurtner Zuniga Abney, LLC

New Orleans, Louisiana
June 20, 2014

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PUBLIC BELT RAILROAD COMMISSION
FOR THE CITY OF NEW ORLEANS
MISSISSIPPI RIVER BRIDGE

SCHEDULE OF OPERATING STATISTICS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
Number of railway cars crossing the Bridge during the year	473,552	420,906
Number of Bridge employees at year end	22	24

See independent auditors' report on additional information.

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

To the President and Members of the
Public Belt Railroad Commission for the City of New Orleans
New Orleans, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of the individual funds of the Public Belt Railroad Commission for the City of New Orleans (the Commission) as of and for the year ended December 31, 2013, and the related notes to financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated June 20, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

Gurtner Zuniga Abney, LLC

New Orleans, Louisiana
June 20, 2014

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the President and Members of the
Public Belt Railroad Commission for the City of New Orleans
New Orleans, Louisiana

Report on Compliance for Each Major Federal Program

We have audited compliance of Public Belt Railroad Commission for the City of New Orleans (the Commission) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct material effect on the Commission's major federal program for the year ended December 31, 2013. The Commission's major federal program is identified in the summary of auditors' results section in the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the Commission's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance the major federal program. However, our audit does not provide a legal determination of the Commission's compliance.

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Opinion on Each Major Federal Program

In our opinion, the Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2013.

Report on Internal Control Over Compliance

Management of the Commission is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Commission's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the Commission as of and for the year ended December 31, 2013, and the related notes to financial statements, which comprise the Commission's basic financial statements. We issued our report thereon dated June 20, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Gurtner Zuniga Abney, LLC

New Orleans, Louisiana
June 20, 2014

PUBLIC BELT RAILROAD COMMISSION
FOR THE CITY OF NEW ORLEANS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

Description	CFDA Number	Federal Expenditures
Department of Homeland Security:		
Public Assistance Grants	97.036	$ 703,922
TOTAL EXPENDITURES OF FEDERAL AWARDS		**$ 703,922**

See notes to the schedule of expenditures of federal awards.

PUBLIC BELT RAILROAD COMMISSION
FOR THE CITY OF NEW ORLEANS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Commission and is presented on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the Commission has met the qualifications for the respective grants.

Payments to Subrecipients —There were no payments to subrecipients for the year ended December 31, 2013.

PUBLIC BELT RAILROAD COMMISSION
FOR THE CITY OF NEW ORLEANS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Part I — Summary of Auditors' Results

1. The independent auditors' report on the financial statements expressed an unmodified opinion.

2. No significant deficiencies in internal control were disclosed by the audit of the financial statements.

3. No instances of noncompliance considered material to the financial statements were disclosed by the audit.

4. No significant deficiencies in internal control over compliance with the requirements applicable to major federal award programs were identified by the audit.

5. The independent auditors' report on compliance with requirements applicable to major federal award programs expressed an unmodified opinion.

6. The audit disclosed no findings required to be reported by OMB Circular A-133.

7. The Commission's major program for the fiscal year ended December 31, 2013 was:

CFDA Number	Name of Federal Program
97.036	Department of Homeland Security— Public Assistance Grants

8. A threshold of $300,000 was used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133.

9. The Commission did qualify as a low-risk auditee as that term is defined in OMB Circular A-133.

Part II — Financial Statement Findings Section

No matters are reportable.

Part III — Federal Award Findings and Questioned Costs Section

No matters are reportable.

Part IV — Other Reports

No matters are reportable.

PUBLIC BELT RAILROAD COMMISSION
FOR THE CITY OF NEW ORLEANS

SUMMARY OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013

Part II — Financial Statement Findings Section

No matters were reportable.

Part III — Federal Award Findings and Questioned Costs Section

No matters were reportable.

Part IV — Other Reports

No matters were reportable.