

**Upper Hurstville Security District  
New Orleans, Louisiana**

Annual Financial Statements  
And Accompanying Compilation Report

Year Ended December 31, 2013

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## **Section I**

**PEDELAHORE & CO., LLP**  
*Certified Public Accountants*

Accountant's Compilation Report

To the Board of Commissioners  
Upper Hurstville Security District  
New Orleans, Louisiana

We have compiled the accompanying financial statements of Upper Hurstville Security District (the Security District) as of and for the year ended December 31, 2013, as listed in the table of contents. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the Security District is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the management of the Security District in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the Security District's financial position and changes in fund balance. Accordingly, these financial statements are not designed for those who are not informed about such matters.

As permitted under the requirements of Louisiana Revised Statute 24:513, the District has not adopted the provision of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Government*, as of and for the year ended December 31, 2013. The effects of this departure from generally accepted accounting principles have not been determined.

*Pedelahore & Co., LLP*

June 11, 2014

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**Section II**

**Financial Statements – Governmental Funds**

**Upper Hurstville Security District**  
Balance Sheet  
December 31, 2013

**Assets**

Cash	\$ 14,944
Receivables - Due from Board of Liquidation, City Debt	144,124
Prepaid expenses	<u>96</u>
 Total assets	 <u><u>\$ 159,164</u></u>

**Liabilities And Fund Balance**

Refundable parcel fees	\$ 16,490
Accounts payable	<u>288</u>
 Total liabilities	 <u>16,778</u>
 Fund balance	
Nonspendable - prepaid items	96
Unassigned	<u>142,290</u>
 Total fund balance	 <u>142,386</u>
 Total liabilities and fund balance	 <u><u>\$ 159,164</u></u>

See accountant's compilation report.

**Upper Hurstville Security District**  
**Statement Of Revenues, Expenditures And**  
**Changes In Fund Balance**  
Year Ended December 31, 2013

<b>Revenues</b>	
Parcel Fees (net of collection fees)	\$ 154,698
Other income	14,242
Interest earned	<u>546</u>
 Total revenues	 <u>169,486</u>
 <b>Expenditures</b>	
Patrol and security services	163,090
Administration and office	8,579
Insurance	2,193
Signage	<u>2,139</u>
 Total expenditures	 <u>176,001</u>
 <b>Net Change In Fund Balance</b>	 <b>(6,515)</b>
 Fund Balance At Beginning Of Year	 <u>148,901</u>
 <b>Fund Balance At End Of Year</b>	 <b><u><u>\$ 142,386</u></u></b>

See accountant's compilation report.

**Upper Hurstville Security District**  
**Statements Of Revenues, Expenditures, And**  
**Changes In Fund Balance**  
**Budget And Actual - General Fund**  
**For The Year Ended December 31, 2013**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> Favorable (Unfavorable)	<u>%</u> Variance
<b>Revenues</b>				
Parcel fees (net of fees)	\$ 154,638	\$ 154,698	\$ 60	
Other income	-	14,242	14,242	
Interest earned	<u>600</u>	<u>546</u>	<u>(54)</u>	
Total Revenues	<u>155,238</u>	<u>169,486</u>	<u>14,248</u>	9.2
<b>Expenditures</b>				
Security services	165,000	163,090	1,910	
Administration and office	12,300	8,579	3,721	
Insurance	2,100	2,193	(93)	
Signage	<u>-</u>	<u>2,139</u>	<u>(2,139)</u>	
Total Expenditures	<u>179,400</u>	<u>176,001</u>	<u>3,399</u>	1.9
<b>Net Change In Fund Balance</b>	(24,162)	(6,515)	17,647	
Fund Balance At Beginning Of Year	<u>148,901</u>	<u>148,901</u>	<u>-</u>	
<b>Fund Balance At End Of Year</b>	<u>\$ 124,739</u>	<u>\$ 142,386</u>	<u>\$ 17,647</u>	

There were no amendments during the year to the original budgeted amounts of revenues and expenditures.

See accountant's compilation report.

## **Other Schedules**

**Upper Hurstville Security District**  
Summary Schedule Of Prior And Current Year Findings  
Year Ended December 31, 2013

Prior Year Findings:

Section I – Compilation

There were no findings noted for the year ended December 31, 2012.

Section II – Management Letter

Finding 2012-1: Revenue and Budgetary Monitoring

Condition: Refundable parcel fees are included as a liability in the financial statements which may be either refunded or offset against future collections by the City of New Orleans. There is still some uncertainty with the amount of parcels fees actually paid in error or uncollected for the fiscal year.

Status: *Partially Resolved.* See Management Letter Finding 2013-1.

Current Year Findings:

Section I – Compilation

There were no findings noted for the year ended December 31, 2013.

Section II – Management Letter

Finding 2013-1: Revenue and Budgetary Monitoring (Repeated from prior year)

Condition: Refundable parcel fees are included as a liability in the financial statements due to the uncertainty in the amount of parcel fees paid in error for fiscal year 2009.

Cause: In 2009, it appears that the City of New Orleans erroneously collected and distributed parcel fees in excess of those belonging to the Security District. The Security District did not receive timely and accurate information from the City of New Orleans (and/or the Assessor) concerning the parcel fees levied and collected during 2009.

**Upper Hurstville Security District**  
**Schedule Of Prior And Current Year Findings**  
Year Ended December 31, 2013

Effect: The Security District has recorded a liability for the estimated overpayment based on the information available; however, until fully resolved, the final effect is uncertain.

Recommendation: We recommend that the Security District's management consider continued contact with the City to obtain further reports detailing the parcel fee amounts billed, collected and refunded for the period(s) in question. The reports should be reviewed annually to evaluate and resolve the balance of the remaining liability.

Management's  
response and  
planned corrective  
action:

The Security District concurs with the finding. The Security District has recently received reports from the City of New Orleans Finance Department providing certain information to begin evaluating parcel fees already refunded, or yet to be refunded. The Security District is hopeful it will continue to receive information in order to resolve this matter conclusively.