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Release Date AUG 10 1982

NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT

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FINANCIAL AND COMPLIANCE AUDIT  
TOGETHER WITH  
INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED DECEMBER 31, 1981

**Bruno  
& Tervalon**

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners  
New Orleans Business and Industrial District  
New Orleans, Louisiana

We have audited the accompanying general purpose financial statements of **New Orleans Business and Industrial District (NOBID)** as of and for the year ended December 31, 1997, as listed in the Table of Contents. These general purpose financial statements are the responsibility of NOBID's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

**INDEPENDENT AUDITORS' REPORT**  
**(CONTINUED)**

To the Board of Commissioners  
New Orleans Business and Industrial District  
Page 2

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of **New Orleans Business and Industrial District, New Orleans, Louisiana** as of December 31, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report, dated May 8, 1998 on our consideration of **NORBD's** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Bruno & Tervalon*  
**BRUND & TERVALON**  
**CERTIFIED PUBLIC ACCOUNTANTS**

May 8, 1998

**NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT  
COMBINED BALANCE SHEET -  
GOVERNMENTAL FUND AND ACCOUNT GROUP  
DECEMBER 31, 1997**

	Governmental Fund Type - General Fund	Account Group - General Fixed Assets	Total Memorandum Only>Note 21
<b>ASSETS</b>			
<b>Assets:</b>			
Cash and cash equivalents (NOTE 2)	\$ 451,905	\$ -0-	\$ 451,905
Due from State of Louisiana	59,848	-0-	59,848
Loan receivable (NOTE 3)	414,253	-0-	414,253
Interest receivable	12,612	-0-	12,612
Other assets	6,555	-0-	6,555
Furniture and equipment (NOTE 4)	-0-	66,162	66,162
Automobile (NOTE 4)	-0-	16,849	16,849
Building improvements (NOTE 4)	-0-	3,375	3,375
Building and land (NOTE 4)	-0-	2,738,232	2,738,232
<b>Total assets</b>	<b>\$ 926,315</b>	<b>\$2,823,558</b>	<b>\$3,808,731</b>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 142,428	\$ -0-	\$ 142,428
Payroll taxes payable and accrued expenses	16,934	-0-	16,934
Due to the City of New Orleans (NOTE 5)	55,485	-0-	55,485
Other liabilities	1,388	-0-	1,388
<b>Total liabilities</b>	<b>\$216,235</b>	<b>-0-</b>	<b>\$216,235</b>
<b>Fund equity:</b>			
Investment in general fixed assets (NOTE 6)	-0-	2,823,558	2,823,558
<b>Fund balance:</b>			
Unreserved/undesignated	779,324	-0-	779,324
<b>Total fund equity</b>	<b>\$779,324</b>	<b>\$2,823,558</b>	<b>\$3,598,452</b>
<b>Total liabilities and fund equity</b>	<b>\$995,559</b>	<b>\$2,823,558</b>	<b>\$3,819,731</b>

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

**NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND TYPE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 1997**

<u>REVENUES</u>	
Taxes (NOTE 4)	\$ 172,053
Grant revenues (NOTE 6)	670,173
Rental income (NOTE 7)	314,498
Tenant fees	5,590
Other revenues	3,803
Interest income	<u>28,805</u>
<b>Total revenues</b>	<b>1,192,119</b>
<u>EXPENDITURES</u>	
Salaries	339,587
Payroll taxes	22,814
Employee insurance	22,083
Insurance	34,038
Office supplies	12,284
Telephone	11,675
Automobile expenses	5,821
Capital outlays (NOTE 8)	18,928
Risk charges	738
Repairs and maintenance	148,084
Professional services-Race Track Project (NOTE 6)	372,783
Utilities (NOTE 10)	4,375
Auditorial services	318
Energy service connection expenditures	18,000
Promotions	187,288
Deen and subscriptions	1,075
Postage	1,678
Professional services	82,830
Printing	6,684
Photographic supplies	788
Research and development	28,139
Economic Development Trust	
Fund expenditure (NOTE 8)	18,367
Site improvements	18,749
Workforce development and training expenditures	97,233
Miscellaneous	<u>1,618</u>
<b>Total expenditures</b>	<b>1,324,738</b>
Efficiency of revenues over expenditures	(132,619)
Fund balance-beginning of year	<u>817,628</u>
Fund balance-end of year	<u>\$ 685,009</u>

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

NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
 BALANCE - BUDGET (GAAP BASIS) AND ACTUAL=  
 GOVERNMENTAL FUND TYPE - GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 1997

REVENUES	Budget	Actual	Variance Favorable (Unfavorable)
Taxes	\$ 288,078	\$ 278,081	\$ 10,000
Grant revenues	570,873	570,873	-
Rental income	310,687	316,458	5,871
Tenant fees	-0-	5,100	5,100
Other revenues	-0-	3,800	3,800
Interest income	-0-	24,825	24,825
<b>Total revenues</b>	<b>1,169,638</b>	<b>1,198,138</b>	<b>28,500</b>
<b>EXPENDITURES</b>			
Salaries	323,288	339,187	(16,000)
Payroll taxes	24,288	23,814	1,474
Employee insurance	26,000	22,000	3,000
Insurance	29,800	26,800	16,000
Office supplies	5,000	12,104	(7,104)
Telephones	8,500	11,675	(3,175)
Automobile expenses	5,500	5,821	(321)
Capital outlay	9,000	19,900	(9,900)
Bank charges	-0-	700	(700)
Repairs and maintenance	213,700	108,004	105,696
Professional services- Race Trane Project	400,800	392,787	8,013
Utilities	14,300	4,375	11,925
Auditorial services	-0-	314	(314)
Energy service connection expenditures	10,000	10,000	-
Promotions	105,500	107,996	(2,496)
News and subscriptions	1,025	1,075	(50)
Postage	5,000	3,678	1,322
Professional services	74,000	82,800	(8,800)
Printing	7,000	8,884	(1,884)
Photographic supplies	2,500	784	1,716
Research and Development	41,400	26,100	15,300
Economic Development Trust Fund expenditures	20,167	20,167	-
Site improvements	18,000	14,749	(3,251)
Workforce development and expenditures	278,800	97,225	181,575
Miscellaneous	-0-	3,618	(3,618)
<b>Total expenditures</b>	<b>1,823,648</b>	<b>1,328,704</b>	<b>494,944</b>
Excess (deficiency) of revenues over expenditures	(484,710)	(132,566)	352,144
Fund balance-beginning of year	807,828	807,828	-
<b>Fund balance-end of year</b>	<b>323,118</b>	<b>675,262</b>	<b>352,144</b>

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

**NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
December 31, 1997**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Introduction**

The **New Orleans Business and Industrial District (NOBID)** is a 7,000-acre Louisiana Enterprise Zone created by the Louisiana Legislature to attract new business and industry through incentives such as sales, use and property tax benefits. NOBID also encompasses a 93-acre Foreign Trade Zone which provides additional savings on duty fees.

In 1982, a special project referred to as the "Enterprise Center" (the Center) was initiated in an effort to promote economic growth in the City of New Orleans, by promoting business and industrial development in the district. The Center includes the following components designed to improve the development environment in New Orleans East:

- o Industrial/service based incubator;
- o Advanced technology institute; and
- o College extension programs.

NOBID is used to account for the operations of the district. Its financing sources are derived principally from the proceeds of 20 mills, or \$20 per \$1,000 of assessed value, which is levied on all property within the district for the purpose of constructing roads, sewerage, drainage, water supply systems and other infrastructure improvements to facilitate industrial development.

The Board of Commissioners is composed of twelve (12) members who are appointed by various organizations and public officials and serve without compensation.

**Basis of Presentation**

NOBID is a special municipal district that was created under Louisiana Revised Statute 33:4791, as amended on June 28, 1955. Through NOBID's Board of Commissioners, NOBID has the power to acquire, construct, improve, maintain, and operate projects and to provide additional municipal services within the district.

**NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS,  
CONTINUED**

**December 31, 1997**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

*Basis of Presentation, Continued*

Under GASB Statement No. 14, **NOBID** is considered a primary government and does not include any component units. **NOBID** has powers to incur debt, issue bonds, and sue and be sued. Also, the Board of Commissioners have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. **NOBID** has yet to receive an opinion from the State of Louisiana's Attorney General on its independence from the City of New Orleans. These financial statements include all of the funds and account groups and activities considered to be part of or controlled by **NOBID**.

*Fund Accounting*

The accounts of **NOBID** are organized on the basis of funds and an account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and capital assets, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into one generic fund type and one broad fund category as follows:

*Governmental Fund Type*

This is the fund type through which most governmental functions typically are financed. The following fund is used by **NOBID**.

*General Fund -*

The General Fund is the general operating fund of **NOBID**. It is used to account for all financial resources except those required to be accounted for in another fund or account group.

*General Fixed Assets Account Group*

This is not a fund but rather an account group that is used to account for general fixed assets acquired principally for general purposes.

**NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS,**  
**CONTINUED**  
**December 31, 1997**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

*Fund Accounting, Continued*

*Basis of Accounting*

The General Fund is accounted for using the modified accrual basis of accounting. Under this method, revenues are recognized when they become measurable and available. Property tax collections are considered "measurable" when in the hands of the collecting agency and are recognized as revenue at this time.

Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

*Budgetary Data*

**NOBID** follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Each year, **NOBID** is required to prepare a budget and submit it to the Board of Commissioners for approval.
2. Upon review and completion of all actions necessary to finalize and implement the budget, it is then adopted by the Board of Commissioners prior to the commencement of the fiscal year to which the budget applies.
3. Budgetary amendments involving the transfer of funds, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated, require the approval of the Board of Commissioners.
4. All budgetary appropriations lapse at the end of each fiscal year.

**NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS,**  
**CONTINUED**

December 31, 1997

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Cash and Cash Equivalents**

Cash includes amounts in demand deposits, interest-bearing time deposits and money market accounts. Cash equivalents include amounts in short-term investments with original maturities of ninety (90) days or less. Under state law, NOHD may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**Fixed Assets**

Fixed assets are recorded as expenditures at the time purchased, and the related assets are reported in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

**Total Column on Combined Balance Sheet - Overview**

The total column on the combined balance sheet - overview is captioned "Memorandum Only" to indicate that it is prepared only to facilitate financial analysis. Data in this column does not present the financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

NOHD had cash and cash equivalents totaling \$451,905 (book balances) at December 31, 1997, as follows:

Cash	\$188,000
Certificates of deposit	200,000
Money market funds	_21,927
<b>Total</b>	<b>\$451,905</b>

**NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS,**  
**CONTINUED**  
**December 31, 1997**

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**NOTE 2 - CASH AND CASH EQUIVALENTS, CONTINUED**

Cash deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 1997, NORID has \$486,894 in cash deposits (collected bank balances). These deposits are secured from risk by \$322,188 of federal deposit insurance and \$164,706 of pledged securities held by a custodial bank in the name of the fiscal agent bank (GASB Category 3).

Although the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 59:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by NORID that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 3 - LOAN RECEIVABLE**

In 1996, the Economic Development Trust Fund (EDTF) granted funds to NORID in the amount of \$414,253 to attract industrial manufacturing facilities to the District. As such, NORID provided a start-up/working capital loan to a Louisiana Corporation. The loan bears interest at 8.8%, with interest for seven (7) years and with principal and interest payments to begin eighteen (18) months from the beginning of the term which is, September 27, 1996. The total amount of the loan is unsecured.

**NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS,  
CONTINUED  
December 31, 1997**

**NOTE 4 - TAX REVENUES**

Tax revenues represent the amount of property tax assessments collected by the City of New Orleans. Presently, the tax is 20 mills, or \$20 per \$1,000 of assessed value, which is levied on all property within the district for the purpose of constructing roads, sewerage, drainage, water supply systems and other infrastructure improvements to facilitate industrial development.

During the year ended December 31, 1997, tax revenues collected by the City of New Orleans for the New Orleans Business and Industrial District was \$272,091.

**NOTE 5 - DUE TO THE CITY OF NEW ORLEANS**

Due to the City of New Orleans (CNO) consist of the following at December 31, 1997:

Due to CNO-EDF	
Landbanking	\$46,775
Due to CNO-	
Property Taxes	<u>8,720</u>
Total	<u>\$55,495</u>

**NOTE 6 - CHANGES IN GENERAL FIXED ASSETS**

A summary of the changes in general fixed assets is as follows:

Description	January 1, 1997	Additions	Deletions	December 31, 1997
Furniture and equipment	\$ 62,292	\$ 3,880	\$ -0-	\$ 66,160
Automobile	13,716	15,049	(13,716)	15,049
Building and land	2,758,972	-0-	-0-	2,758,972
Building improvements	<u>3,325</u>	<u>-0-</u>	<u>-0-</u>	<u>3,325</u>
	<u>\$2,818,345</u>	<u>\$ 18,929</u>	<u>\$ (13,716)</u>	<u>\$2,823,558</u>

**NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS,  
CONTINUED  
December 31, 1997**

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**NOTE 7 - OPERATING LEASE**

NODID has entered into rental agreements with tenants which require monthly rental payments. These rental agreements expire on various dates during 1998 and 1999.

**NOTE 8 - GRANT REVENUES AND EXPENDITURES**

In 1997, the City of New Orleans' Economic Development Trust Fund (EDTF), the State of Louisiana and Entergy granted funds to NODID. For the year ended December 31, 1997, NODID earned and expended grant funds as follows:

Grant Program/ Project	Funding Source	Revenue	Expenditure
Race Track Project	State of LA	\$373,787	\$ 373,787
Workforce Development and Training Program	State of LA	101,919	97,253
Professional Services Business	State of LA	65,000	27,140
Enhancement Program	EDTF	20,367	20,367
Service Connection	Entergy	<u>10,000</u>	<u>10,000</u>
<b>Total</b>		<u>\$570,073</u>	<u>\$528,547</u>

NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT  
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS,  
CONTINUED  
December 31, 1997

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NOTE 9 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The estimated fair value of all significant financial instruments have been determined by the organization utilizing available market information and appropriate valuation methodologies. NORID considers the carrying amounts of cash and loan receivable to be fair value.

NOTE 10 - UTILITIES

For tenants leasing warehouse space, NORID charges these tenants for utility use. At December 31, 1997, utilities expense is calculated as follows:

Utilities expense	\$135,717
Billings to tenants	<u>(121,242)</u>
Utilities expense	<u>\$ 14,475</u>

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

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To the Board of Commissioners of the  
**New Orleans Business and Industrial District**  
New Orleans, Louisiana

We have audited the general purpose financial statements of **New Orleans Business and Industrial District (NOBID)** as of and for the year ended December 31, 1997, and have issued our report thereon dated May 8, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Compliance**

*As part of obtaining reasonable assurance about whether NOBID's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of general purpose financial statement amounts. However, providing an opinion on compliance with these 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 that are required to be reported under *Government Auditing Standards*.*

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered NOBID's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the

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

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(CONTINUED)

To the Board of Commissioners of the  
New Orleans Business and Industrial District  
New Orleans, Louisiana

Internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the use of management, the State of Louisiana, and the Legislative Auditor and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which upon acceptance by NOBID and the State of Louisiana, Legislative Auditor is a matter of public record.

*Bruno & Tervalon*  
BRUNO & TERVALON  
CERTIFIED PUBLIC ACCOUNTANTS

May 8, 1998

**NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

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We have audited the general purpose financial statements of **New Orleans Business and Industrial District** as of and for the year ended December 31, 1997, and have issued our report thereon dated May 8, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in **Government Auditing Standards**, issued by the Comptroller General of the United States. Our audit of the general purpose financial statements as of December 31, 1997 resulted in an unqualified opinion.

**1. Summary of Independent Auditors' Results**

- A. Reportable conditions in internal control were disclosed by the audit of the financial statements: Ng Material weaknesses: Ng
- B. Noncompliance which is material to the general purpose financial statements: No
- C. Reportable conditions in internal control over major programs: N/A  
Material weaknesses: N/A
- D. The type of report issued on compliance for major programs: N/A
- E. Any audit findings which are required to be reported under section 510(a) of OMB Circular A-133: N/A
- F. Major programs: N/A
- G. Dollar threshold used to distinguish between Type A and Type B programs: N/A
- H. Audits qualified as a low-risk audits under section 120 of OMB Circular A-133: N/A
- I. A management letter was issued: Ng

**2. Financial Statement Findings**

No matters were reported.

**3. Federal Award Findings and Questioned Costs**

Not applicable.

NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 1997

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1. INTERNAL CONTROL AND COMPLIANCE  
WITH LAWS, REGULATIONS, CONTRACTS AND GRANTS

No prior year audit findings reported.

2. INTERNAL CONTROL AND FEDERAL COMPLIANCE

No prior year audit findings reported.

3. MANAGEMENT LETTER

A. 1996-1 RECONCILIATION OF TENANT SUBSIDIARY RECORDS

The auditors have recommended that NOBID review its procedures relating to reconciling tenant subsidiary records with amounts recorded to the general ledger to ensure that rental income and tenant fees account balances are properly recorded on a monthly basis.

Corrective Action

Resolved.

B. 1996-2 FIXED ASSET SUBSIDIARY LEIJER

The auditors' recommended that NOBID include in its fixed asset subsidiary records the initial cost and date of fixed asset purchases.

Corrective Action

Resolved.

**NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT  
EXIT CONFERENCE**

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The audit report was discussed at a meeting held on June 29, 1998 and attended by:

**NEW ORLEANS BUSINESS AND INDUSTRIAL DISTRICT**

Mr. Joseph M. Blain, II	President
Mr. Charles J. Southall, III	Finance Committee Chairman
Mr. Emanuel Smith	Finance Committee Member
Mr. Dennis Hest	Finance Committee Member
Ms. Beverly Bell	Executive Assistant

**BRUND & TERVALON, CERTIFIED PUBLIC ACCOUNTANTS**

Mr. Michael H. Brund, CPA	Partner
Mr. Lawrence C. Jensen, CPA	Supervisor

*Brund & Tervalon*  
**BRUND & TERVALON**  
**CERTIFIED PUBLIC ACCOUNTANTS**

May 8, 1998