UPPER AUDUBON SECURITY DISTRICT

NEW ORLEANS, LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 2025

RICHARD CPAS

UPPER AUDUBON SECURITY DISTRICT

NEW ORLEANS, LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 2025

UPPER AUDUBON SECURITY DISTRICT

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RICHARD CPAS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

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

We have reviewed the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Upper Audubon Security District (the Security District), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Security District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Upper Audubon Security District and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page 3 through page 7 and the budgetary comparison of the general fund on page 21 be presented to supplement the basic financial statements. Such information, although not a required 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. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Supplementary Information

The supplementary information included in the schedule of compensation, benefits, and other payments to the agency head on page 22 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Richard CPAS

Metairie, Louisiana
June 19, 2026

REQUIRED SUPPLEMENTARY INFORMATION (PART 1)

UPPER AUDUBON SECURITY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2025

Our discussion and analysis of the Upper Audubon Security District (the Security District) financial performance provides an overview of the Commission financial activity for the year ended December 31, 2025. It should be read in conjunction with the basic financial statements.

The accompanying financial statements present information only on the funds maintained by Upper Audubon Security District

Financial Highlights

- As of December 31, 2025 and 2024, the Security District's net position amounts to $130,392 and $122,316, respectively.
- During the year ended December 31, 2025, the Security District's net position increased by $8,076, due to parcel fee collections in excess of operating expenses.
- In November 2025, the residents of the Security District voted to increase the maximum parcel fee to $1,200, with the precise amount as requested by the Commissioners of the Security District, for a period of seven years commencing on January 1, 2026, and ending on December 31, 2032.

Overview of the Financial Statements

The financial statement focuses on the Security District's only major fund – General Fund. The major governmental funds allow the user to address relevant questions, broaden a basis for comparison and enhance the Security District's accountability. Management's Discussion and Analysis (MD&A) serve as an introduction to the basic financial statements. The Security District's basic financial statements are comprised of the major fund financial statements and notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements.

Government-Wide Financial Statement

The government-wide financial statements report information about the Security District as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Security District's assets and all of its liabilities. All of the Security District's activities are classified as governmental activities in the government-wide financial statements. The governmental activities are financed primarily by parcel fee revenue and interest income.

Fund Financial Statements

Fund financial statements provide detailed information regarding the Security District's most significant activities and are not intended to provide information for the Security District as a whole. Funds are accounting devices that are used to account for specific sources of funds. All of the Security District's funds are limited to its general fund, which is classified as a Governmental Fund. This fund is used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental fund uses a modified accrual basis of accounting that provides a short-term view of the Security District's finances. Assets reported by the governmental fund are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Financial Analysis - 2025 of the Security District as a Whole

CONDENSED STATEMENTS OF NET POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024	$ Change	% Change
CURRENT ASSETS				
Cash and cash equivalents	$ 151,316	$ 145,699	$ 5,617	3.86%
Total assets	$ 151,316	$ 145,699	$ 5,617	3.86%
LIABILITIES				
Accounts payable	$ 20,924	$ 23,383	$ (2,459)	-10.52%
Total liabilities	20,924	23,383	(2,459)	(0)
NET POSITION				
Unrestricted net position	130,392	122,316	8,076	6.60%
Total net position	130,392	122,316	8,076	6.60%
TOTAL LIABILITIES AND NET POSITION	$ 151,316	$ 145,699	$ 5,617	3.86%

The Security District reported cash balances of $151,316 and $145,699 as of December 31, 2025 and 2024, respectively. Cash balances are maintained to further improve the services of the Security District. The Security District reported accounts payable balances of $20,924 and $23,383 as of December 31, 2025, and 2024.

Financial Analysis - 2025 of the Security District as a Whole (continued)

UPPER AUDUBON SECURITY DISTRICT
CONDENSED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024	$ Change	% Change
Parcel fee revenue	$ 235,350	$ 233,897	$ 1,453	0.62%
Interest income	2,140	1,923	217	11.28%
Total revenues	237,490	235,820	1,670	0.71%
Patrol and security services	215,622	220,345	(4,723)	-2.14%
Administrative services	13,792	8,930	4,862	54.45%
Total program expense	229,414	229,275	139	0.06%
Change in net position	8,076	6,545	1,531	23.39%
Net position, beginning of the year	122,316	115,771	6,545	5.65%
Net position, end of the year	$ 130,392	$ 122,316	$ 8,076	6.60%

For the year ended December 31, 2025, total revenues increased by $1,670 due to timing of collections of parcel fee revenue.

For the year ended December 31, 2025, total program expense remained consistent with only an increase of $139 from election consulting expenses incurred in 2025.

Financial Analysis of the Upper Audubon Security District's General Fund

For the year ending December 31, 2025, the Security District did not report any differences between the government-wide presentation and the fund financial statements.

General Fund Budgetary Highlights

During the year ended December 31, 2025, the Security District adopted an original budget and an amended budget. During the year ended December 31, 2025, total revenues were more than budgeted revenues by $11,623, and total expenditures were less than budgeted expenditures by $8,208.

Material differences between actual results and budgeted amounts are as follows:

- Parcel fee revenue was more than budgeted expenditures by $9,483.
- Patrol and security services were less than budgeted expenditures by $10,974.

Debt Administration

As of December 31, 2025 and 2024, the Security District had no debt.

Capital Assets

As of December 31, 2025 and 2024, the Security District had no capital assets.

Economic Factors and Next Year's Budget

As of December 31, 2025, the Security District had positive net position of $130,392. For the year ending December 31, 2026, the Security District has maintained the current fee of $700 per parcel of real property. Expenses for 2026 are expected to increase slightly relative to 2025. Overall, the Security District expects that next year's actual revenues and expenses will closely reflect the budgeted amounts.

Request for Information

This financial report is designed to provide a general overview of the Security District's finances and to show the Security District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Security District at 5329 Dryades St. A, New Orleans, Louisiana 70115.

BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS

UPPER AUDUBON SECURITY DISTRICT
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2025

		Governmental Activities
ASSETS		
Current assets:		
Cash and cash equivalents	$	151,316
Total current assets		151,316
TOTAL ASSETS	$	151,316
LIABILITIES		
Accounts payable	$	20,924
Total liabilities		20,924
NET POSITION		
Unrestricted net position		130,392
Total net position	$	130,392

The accompanying notes are an integral part of this financial statement.

UPPER AUDUBON SECURITY DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

		Program Revenues		
	Expenses	Charge for Services	Operating Grants	Net Revenue (Expense) and Changes in Net Position
FUNCTIONS/PROGRAMS				
Governmental activities:				
Patrol and security services	$ 215,622	$ -	$ -	$ (215,622)
Administrative services	13,792	-	-	(13,792)
Total governmental activities	$ 229,414	$ -	$ -	(229,414)
GENERAL REVENUES				
Parcel fee revenue				235,350
Interest income				2,140
Total general revenues				237,490
Change in net position				8,076
Net position, beginning of the year				122,316
Net position, end of the year				$ 130,392

The accompanying notes are an integral part of this financial statement.

BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS -GOVERNMENTAL FUNDS

UPPER AUDUBON SECURITY DISTRICT
GOVERNMENTAL FUNDS - BALANCE SHEET
AS OF DECEMBER 31, 2025

	General Fund
ASSETS	
Cash and cash equivalents	$ 151,316
Total assets	$ 151,316
LIABILITIES	
Accounts payable	$ 20,924
Total liabilities	20,924
FUND BALANCES	
Unassigned	130,392
Total fund balances	130,392
Total liabilities and fund balances	$ 151,316

The accompanying notes are integral part of this financial statement.

UPPER AUDUBON SECURITY DISTRICT
RECONCILIATION OF THE GOVERNMENTAL BALANCE SHEET
TO THE STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2025

Total governmental fund balance	$	130,392
Amounts reported for governmental activities in the statement of net position are different because:		
No reconciling items noted		-
Net position of governmental activities	$	130,392

The accompanying notes are integral part of this financial statement.

UPPER AUDUBON SECURITY DISTRICT
STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2025

		General Fund
REVENUES		
Parcel fee revenue	$	235,350
Interest income		2,140
Total revenues		237,490
EXPENDITURES		
Patrol and security services		215,622
Administrative costs		3,096
Insurance		1,262
Collection fees		2,366
Accounting fees		4,400
Election consulting		2,668
Total expenditures		229,414
NET CHANGE IN FUND BALANCE		8,076
FUND BALANCE, BEGINNING OF THE YEAR		122,316
FUND BALANCE, END OF THE YEAR	$	130,392

The accompanying notes are integral part of this financial statement.

UPPER AUDUBON SECURITY DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

Net change in fund balance - total governmental funds	$	8,076
Amounts reported for governmental activities in the statement of activities are different because:		
No reconciling items noted		-
Change in net position of governmental activities	$	8,076

The accompanying notes are integral part of this financial statement.

1. Summary of Significant Accounting Polices

The accounting policies of the Upper Audubon Security District (the Security District) conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the standard setting body for establishing governmental accounting and financial reporting principles.

Financial Reporting Entity

The Security District is a special taxing district created by Act 76 of Regular Session of 2005 of the Louisiana Legislature (Louisiana Revised Statute 33:9091.12), for the purpose of promoting and encouraging security in the area included within the Security District. The boundaries of the Security District are areas within the following perimeter: The Uptown side of Audubon Park to St. Charles Avenue (riverside only), to Broadway Street (both sides) to Magazine Street (lakeside only) and back to the Uptown side of Audubon Park.

The Security District is governed by a Board consisting of seven members (commissioners) who are residents of the Security District. The commissioners are appointed as follows: The President of the Upper Audubon Association or his designee, three members appointed by the Upper Audubon Association, one member appointed by the member of the City of New Orleans whose Council District encompasses all or a greater portion of the Security District, one member appointed by the Louisiana House of Representatives whose District encompasses all or a great portion of the Security District, and one member appointed by the Louisiana Senate whose District encompasses all or a greater portion of the Security District. All members of the board must be residents of the Security District.

As approved by a majority of the voters of the Security District in November 2008 and renewed by a vote in November 2017 and most recently in November 2025, the operations of the Security District have been funded beginning in 2009 by the imposition of a special parcel fee on all taxable real property within the Security District. The election in November 2025 provided for the Security District to levy an annual parcel fee in an amount not to exceed $1,200 per year for a period of seven years beginning on January 1, 2026, and ending December 31, 2032.

Section 2100 of the Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards* establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions, the Security District is considered a primary government, since it is a special purpose government that has a separately appointed governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the Security District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges (within legally prescribed limits), and issue bonded debt.

The Security District does not have any component units, and the Security District is not a component unit of any other entity.

1. Summary of Significant Accounting Polices (continued)

Fund Accounting

The financial transactions of the Security District are recorded in an individual fund (the General Fund). The operation of the General Fund is accounted for with a separate set of self-balancing accounts that comprise its assets, outflows of resources, liabilities, inflows of resources, fund balances, revenues and expenditures. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental funds are used to account for all general activities. These funds focus on the sources, uses and balances of the current financial resources. Expendable assets are assigned to the general fund according to the purposes for which they may be used. Current liabilities are assigned to the general fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations.

The Security District records all activities in one fund, the General Fund.

Basis of Presentation

The Security District's basic financial statements consist of government-wide statements and the fund financial statements (General fund). The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units and promulgated by the GASB *Codification of Accounting and Financial Reporting Standards*.

Measurement Focus and Basis of Accounting

Measurement focus refers to what items should be reported as elements of financial statements and basis of accounting refers to when those elements are recognized in the financial statements.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the Security District.

The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs, regardless of when cash is received or disbursed. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Codification Section N50, Non-exchange Transactions.

1. Summary of Significant Accounting Polices (continued)

Measurement Focus and Basis of Accounting (continued)

Government-Wide Financial Statements (continued)

Program revenues included in the Statement of Activities are derived directly from the program itself or from sources outside the Security District's tax based directly related to the program (operating grants and contributions). Program revenues reduce the cost of the function to be financed from general revenues.

Fund Financial Statements (General Fund)

The accounting and financial reporting treatments applied to a fund are determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With the current financial resources measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual, that is, when they become measurable and available to pay current liabilities. Such revenue items are ad valorem taxes, sales taxes, and state and federal entitlements. Ad valorem taxes are considered measurable in the calendar year of the tax levy if collected soon enough to meet the availability criteria.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Budget and Budgetary Accounting

The general fund of the Security District has a legally adopted budget on an annual basis. The adopted budget is prepared on the modified accrual basis of accounting, a basis consistent with the accounting principles generally accepted in the United States. The proposed budget is submitted to the Board of Commissioners prior to the beginning of each fiscal year. The budget is made available for public inspection and is then legally adopted by the Board of Commissioners. The budget is amended during the year as necessary. All budgetary appropriations lapse at the end of the year and must be re-appropriated for the following year to be expended.

1. Summary of Significant Accounting Polices (continued)

Cash and Cash Equivalents

Cash and cash equivalents include amounts in interest bearing demand deposits. The Security District may invest in United States bonds, notes, bills, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Restricted Net Position

For the government-wide Statement of Net Position, net position is classified and displayed in three components focused on the accessibility of the underlying assets:

- Net investment in capital assets, calculated as capital assets net of accumulated depreciation plus capital-related deferred outflows of resources, less capital-related borrowings and deferred inflows of resources;
- Restricted, either externally imposed by creditors such as debt covenants, grantors, contributors, laws, or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation; or
- Unrestricted. When both restricted and unrestricted resources are available for use, it is the Security District's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Equity of Fund Financial Statements

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

- Nonspendable represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.
- Restricted represents balances where constraints have been established by parties outside the Security District or imposed by law through constitutional provisions or enabling legislation.
- Committed represents balances that can only be used for specific purposes pursuant to constraints imposed by the adoption of a resolution by the Security District, which is the Security District's highest level of decision-making authority.
- Assigned represents balances that are constrained by the Security District's intent to be used for specific purposes but are not restricted or committed.
- Unassigned represents balances that have not been assigned and that have not been restricted, committed, or assigned to specific purposes within the general fund.

1. Summary of Significant Accounting Polices (continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures and contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates, and those differences may be material.

Recent Accounting Pronouncements - Adopted

The Security District adopted GASB Statement No. 102, Certain Risk Disclosures, which requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units vulnerable to the risk of a substantial financial impact. If certain criteria are met, the concentration or constraint needs to be disclosed in the notes to the financial statements. The adoption of this standard did not have a material impact on the Security District's financial statements.

Recent Reporting and Disclosure Developments

As of December 31, 2025, the GASB has issued several statements that are to be implemented by the Security District in future years. The statements which may have an impact on the School Board are as follows:

GASB Statement 103 Financial Reporting Model Improvements
Statement 103 sets forth improvements to the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government's accountability. Management is currently evaluating the effects of the new GASB pronouncement scheduled for implementation for the fiscal year ending December 31, 2026.

GASB Statement 105, Subsequent Events
Statement 105, issued in December 2025, establishes guidance for reporting subsequent events those occurring after the balance sheet date but before financial statements are issued or available to be issued. The standard distinguishes between recognized subsequent events, which relate to conditions existing at the balance sheet date and require adjustments to the financial statements, and nonrecognized subsequent events, which arise afterward and require disclosure but not adjustment. Governments must disclose the nature of such events and, when possible, provide an estimate of their financial impact. Management is currently evaluating the effects of this new GASB pronouncement scheduled for implementation for the fiscal year ending December 31, 2027.

2. Concentration of Credit Risk

As of December 31, 2025, the Security District had cash (book balances) in the amounts of $151,316, which are in demand deposit or interest-bearing demand deposit accounts.

Custodial credit risk is the risk that in the event of a financial institution failure, the Security District's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. Securities that may be pledged as collateral consist of obligations of the United States government and its agencies, obligations of the state of Louisiana and its municipalities, and school districts. As of December 31, 2025, none of the Security District's bank balances were exposed to custodial credit risk.

3. Parcel Fees

Annually, the Security District submits a plan to the City Council of New Orleans to levy and collect a parcel fee, not to exceed $700 per improved parcel of land located within the boundaries of the Security District. In November 2025, the residents of the Security District voted to increase the maximum parcel fee to $1,200, with the precise amount as requested by the Commissioners of the Security District, for a period of seven years commencing on January 1, 2026, and ending on December 31, 2032.

The City of New Orleans levies and collects the special fees for the Security District in the same manner and at the same time as ad valorem taxes on property subject to taxation by the City of New Orleans are levied and collected. The City of New Orleans, as provided by state law, is the official tax collector of general property taxes levied by the Security District. Taxes are due and payable by January 31 of the assessment year, and the lien date is February 1. State law requires the City of New Orleans to collect property (ad valorem) taxes in the calendar year in which the assessment is made. Property taxes become delinquent on February 1. If taxes are not paid by the due date, taxes bear interest at the rate of one percent per month until taxes are paid. A list of property on which taxes have not been paid is published in the official journal of the City of New Orleans. If taxes are not paid within the period stipulated in the public notice, the property is sold for taxes due at a tax sale held by the City of New Orleans. The tax sale is usually held prior to the end of the Security District's fiscal year.

All property taxes are recorded in the governmental funds (General Fund). Parcel fee revenues are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible amounts are that parcel fees based on past experience where parcel fees will not be collected in the subsequent year. Since parcel fees receivable are secured by property, there is no allowance for uncollectible parcel fees. Available means due or past due and receivable within the current period and collected within the current period. The remaining parcel fee receivables are considered available if they are collected within sixty days subsequent to year end.

4. Commitments

The Security District has an agreement with a company to provide patrol and security services for the protection of property and people located within the boundaries of the Security District. The agreement was approved by the Security District in March 2021 and is currently renewed automatically on an annual basis. During the year ending December 31, 2025, included in expenses is $215,622 related to this agreement.

The Security District has an agreement with a company to provide administrative and support services to the Security District. The agreement has an autorenewal on a monthly basis. Any increases in the fees related to this agreement would be approved by the Board. During the year ending December 31, 2025, included in expenses is $3,000 related to this agreement.

REQUIRED SUPPLEMENTARY INFORMATION (PART 2)

UPPER AUDUBON SECURITY DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2025

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES				
Parcel fee revenue	$ 225,867	$ 225,867	$ 235,350	$ 9,483
Interest income	-	-	2,140	2,140
Total revenues	225,867	225,867	237,490	11,623
EXPENDITURES				
Patrol and security services	244,227	226,596	215,622	10,974
Administrative costs	3,600	3,100	3,096	4
Insurance	1,300	1,300	1,262	38
Collection fees	2,226	2,226	2,366	(140)
Accounting fees	3,900	4,400	4,400	-
Election consulting	-	-	2,668	(2,668)
Total expenditures	255,253	237,622	229,414	8,208
NET CHANGE IN FUND BALANCE	(29,386)	(11,755)	8,076	19,831
FUND BALANCE, BEGINNING OF THE YEAR	122,316	122,316	122,316	-
FUND BALANCE, END OF THE YEAR	$ 92,930	$ 110,561	$ 130,392	$ 19,831

See independent accountant's review report.

SUPPLEMENTARY INFORMATION

UPPER AUDUBON SECURITY DISTRICT
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2025

Agency Head Name: Todd Thompson, President

Purpose	Amount
Salary	$ -
Benefits - insurance	-
Meals and Parking	-
Registration fees	-
Conference travel	-
	$ -

Louisiana Revised Statute 24:513(A)(3) as amended by Act 706 of the 2014 Regular Legislative Session requires that the total compensation, reimbursements, and benefits of an agency head or political subdivision head or chief executive officer related to the position, including but not limited to travel, housing, unvouchered expense, per diem, and registration fees to be reported as a supplemental report within the financial statement of local government and quasi-public auditees. In 2015, Act 462 of the 2015 Regular Session of the Louisiana Legislature further amended R.S. 24:513(A)(3) to clarify that nongovernmental entities or not-for-profit entities that received public funds shall report only the use of public funds for the expenditures itemized in the supplemental report.

See independent accountant's review report.

UPPER AUDUBON SECURITY DISTRICT

LOUISIANA LEGISLATIVE AUDITOR

AGREED-UPON PROCEDURES REPORT

JANUARY 1, 2025 – DECMBER 31, 2025

RICHARD CPAS

UPPER AUDUBON SECURITY DISTRICT

LOUISIANA LEGISLATIVE AUDITOR

AGREED-UPON PROCEDURES REPORT

JANUARY 1, 2025 – DECEMBER 31, 2025

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RICHARD CPAS

<u>INDEPENDENT ACCOUNTANT'S REPORT</u>
<u>ON APPLYING AGREED-UPON PROCEDURES</u>

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

We have performed the procedures enumerated below on Upper Audubon Security District's (the Security District) compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2025, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Security District's management is responsible for its financial records and compliance with applicable laws and regulations.

The Security District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the Security District's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2025. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

We were engaged by the Security District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Commission's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Security District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on the Security District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Richard CPAS

Metairie, Louisiana
June 19, 2026

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UPPER AUDUBON SECURITY DISTRICT

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JANUARY 1, 2025 – DECEMBER 31, 2025

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding $60,000, or public works exceeding $250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code), R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

   This procedures is not applicable as the Security District incurred no expenditures that met the above criteria for the year ended December 31, 2025.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

   See alternative procedures performed under #5 below.

3. Obtain a list of all employees paid during the fiscal year.

   This procedure is not applicable as the Security District has no employees during the year ended December 31, 2025.

4. Report whether any employee's names appear on both lists obtained in Procedures 2 and 3.

   This procedure is not applicable as the Security District has no employees during the year ended December 31, 2025.

5. Obtain a list of all disbursements made during the year, and a list of outside business interests of board members, employees, and board member's and employee's immediate families. Report on whether any vendors appear on both lists.

   In lieu of procedures #2 and #5, a list of vendors obtained from the Security District's disbursements was provided to each Commissioner. This list consisted of six vendors / payees. Each Commissioner confirmed that they and their immediate family members observed the listing of vendors and indicated that no "outside business interest" coincided with the vendors listed.

Budgeting

6. Obtain a copy of the legally adopted budget and all amendments.

   No exceptions were found as a result of this procedure.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

   No exceptions were found as a result of this procedure.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report on whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditure exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures to determine if actual expenditures exceed budgeted amounts by 10% or more per category or 5% or more in total).

   No exceptions were found as a result of this procedure.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

   a) Report whether the six disbursements agreed with the amount and payee in the supporting documentation.

      No exceptions were found as a result of this procedure.

   b) Report whether the six disbursements were coded to the correct fund and general ledger account.

      No exceptions were found as a result of this procedure.

   c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

      No exceptions were found as a result of this procedure.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

    No exceptions were found as a result of this procedure.

Debt

11. Obtain bank deposit slips for the fiscal year and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

    No exceptions were found as a result of this procedure.

Advanced and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

    This procedure is not applicable as the Security District has no employees during the year ended December 31, 2025.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

    No exceptions were found as a result of this procedure.

14. Inquire of management and report whether the Organization entered into any contracts that utilized state funds as defined in R.S. 39:72. 1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

    No exceptions were found as a result of this procedure.

Prior Year Comments

15. Obtain and report management's representation as to whether any prior year suggestions, recommendations, and/or comments have been resolved.

    No exceptions were found as a result of this procedure.