

**Sherwood Forest Crime Prevention and  
Neighborhood Improvement District**

Baton Rouge, Louisiana

*Financial Statements  
and Supplementary Information*

*and*

*Agreed-Upon Procedures*

Year Ended December 31, 2017

William D. Mercer, CPA  
A PROFESSIONAL ACCOUNTING CORPORATION

## CONTENTS

	<u>Page</u>
Accountant’s Review Report	3 – 4
Management’s Discussion and Analysis	5 – 8
Basic financial statements:	
<i>Government wide financial statements</i>	
Statement of Net Position	9
Statement of Activities	10
<i>Fund financial statements</i>	
Balance Sheet – Governmental Fund	11
Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position	12
Statement of Revenues, Expenditures and Changes in Fund Balance	13 – 14
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities	15
Notes to the Financial Statements	16 – 23
Required Supplementary Information:	
Budgetary Comparison Schedule – General Fund	25 – 26
Schedule of Findings	27
Schedule of Prior Year Findings and Responses	28
Supplementary Information:	
Schedule of Compensation, Benefits, and Other Payments to Agency Head	30
Independent Accountant’s Report on Applying Agreed-Upon Procedures	31 – 33
Louisiana Attestation Questionnaire	34 – 35



## WILLIAM D. MERCER, CPA

A PROFESSIONAL ACCOUNTING  
CORPORATION

### INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Commissioners  
Sherwood Forest Crime Prevention and Neighborhood Improvement District  
Baton Rouge, Louisiana

I have reviewed the accompanying financial statements of the governmental activities and each major fund of Sherwood Forest Crime Prevention and Improvement District as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the 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 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, I 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**

My 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 AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. I believe the results of my procedures provide a reasonable basis for my conclusion.

#### **Accountant's Conclusion**

Based on my review, I am 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 pages 5-8 and the budgetary comparison schedule on pages 25-26 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. The information is the representation of management. I have not audited or reviewed such required supplementary information and, accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on it.

### **Supplementary Information**

The schedule of compensation, benefits, and other payments to agency head reported on page 30 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. I have not audited or reviewed such information and, accordingly, I do not express an opinion, a conclusion, nor provide any assurance on it.

William A. Mercer, CPA (APAC)

Baton Rouge, Louisiana  
June 25, 2018

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended December 31, 2017

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Our discussion and analysis of Sherwood Forest Crime Prevention and Neighborhood Improvement District's (hereafter referred to as the District) financial performance provides an overview of the District's financial activities for the year ended December 31, 2017.

FINANCIAL HIGHLIGHTS

The financial statements included in this report provide insight into the financial status for the year. Based upon the operations of 2017, the District's net position increased by \$ 1,283, and resulted in ending net position of \$ 388,088, or an increase of 0.3 percent.

Total spending for the governmental activity was \$ 184,008 for the year, which was \$ 399 less than the parcel fees received for this activity, \$ 184,407. There were no expenditures for capital assets during the year.

The interest earned on checking accounts and outstanding parcel fee collections was \$ 884 for the year.

USING THIS ANNUAL REPORT

This report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities found on pages 9 and 10 provide information about the financial activities of the District and illustrate a longer-term view of the District's finances. Fund financial statements start on page 11. For governmental type activities, these statements illustrate how these services were financed in the short-term and what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's significant funds.

REPORTING THE DISTRICT AS A WHOLE, THE STATEMENT OF NET POSITION AND THE STATEMENT OF ACTIVITIES

Our analysis of the District as a whole begins on page 9. These statements help to illustrate the status of the District resulting from the year's activities. The statements include all assets and liabilities using the accrual basis of accounting. In this method, all of the current year's revenues and expenses are taken into account regardless of when cash is paid or received.

The District's net position is determined by examining the difference in assets and liabilities. The two statements report the District's net position and any changes in it. Examining the District's net position is an effective way to determine the financial status of the District. Increases and decreases in net position are an indicator of the District's overall increasing or decreasing financial performance.

In the Statement of Net Position and Statement of Activities, the District reports only governmental type activities. The majority of the District's activities are of this type, and parcel fees finance most of the activities.

#### REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS, FUND FINANCIAL STATEMENTS

The analysis of the District's sole fund begins on page 11. The fund financial statements provide detailed information about the most significant fund rather than the District as a whole.

The District uses a governmental type fund. All of the District's services are reported in the governmental fund, which focuses on how money flows into and out of that fund and the balance left at year-end that is available for spending. This fund is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to fund the District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation located after the Statement of Revenues, Expenses, and Changes in Fund Balance.

#### THE DISTRICT AS A WHOLE

The District's net position increased \$ 1,283 as a result of this year's operations, resulting in ending net position of \$ 388,088, or an increase of 0.3 percent. The balance in net position represents the accumulated results of all past years' operations. Unrestricted net position (the part of net position that can be used to finance daily operations without legal restrictions or obligations) changed from a \$ 386,243 surplus to a \$387,709 surplus at year-end. The District can use these funds to finance the continuing operations of the office. This means that if we had to pay off all of our bills today, we would have \$ 387,709 left.

**Table 1**  
**Net Position**

Current and other assets	\$	387,709
Capital assets		<u>379</u>
Total assets	\$	<u><u>388,088</u></u>
Current and other liabilities	\$	-
Long-term liabilities		<u>-</u>
Total liabilities	\$	<u><u>-</u></u>
Net position:		
Invested in capital assets	\$	379
Unrestricted		<u>387,709</u>
Total net position	\$	<u><u>388,088</u></u>

The District's total revenues for the year decreased \$ 87,836, or 32.2 percent. This included \$ 184,407 in parcel fees and \$ 884 in interest income. The total cost of all programs and services was \$ 184,008 with no new programs added this year.

**Table 2**  
**Changes in Net Position**

Revenues:		
Parcel fees	\$	184,407
Other		<u>884</u>
Total revenues		185,291
Expenses		<u>184,008</u>
Increase in net position	\$	<u><u>1,283</u></u>

THE DISTRICT'S FUNDS

As previously mentioned, the District uses funds to help control and manage money for particular purposes. At the completion of the year, the District's governmental fund reported an unassigned fund balance of \$387,709. This reflects an increase of \$ 1,465 from last year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

*Capital Assets*

At the end of the year, the District has \$ 379 invested in capital assets, consisting principally of security equipment. Additions to capital assets totaled \$ 0 this year. More detailed information about the District's capital assets is presented in Note D of the financial statements.

**Table 3**  
**Capital Assets at Year End**  
**(Net of Accumulated Depreciation)**

Equipment	\$ <u>          379</u>
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*Long-Term Liabilities*

At year end, the District had no obligations under long-term liabilities.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to Julie Fuselier, Association Manager, Association Management Strategies, 620 Florida Street, Suite 210, Baton Rouge, Louisiana 70801.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

STATEMENT OF NET POSITION

December 31, 2017

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<u>ASSETS</u>	
Cash and equivalents	\$ 205,625
Due from other governments	182,084
Capital assets, net of depreciation	<u>379</u>
 TOTAL ASSETS	 <u>388,088</u>
 <u>LIABILITIES</u>	
Accrued expenses	<u>-</u>
 <u>NET POSITION</u>	
Investment in capital assets	379
Unrestricted	<u>387,709</u>
 TOTAL NET POSITION	 \$ <u><u>388,088</u></u>

See accompanying notes and independent accountant's review report.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

STATEMENT OF ACTIVITIES

Year Ended December 31, 2017

	Expenses	Charges For Services	Total
Governmental activities:			
Public safety/crime prevention and improvements	\$ 183,826	\$ -	\$( 183,826)
Depreciation	182	-	( 182)
Total governmental activities	184,008	-	( 184,008)
General revenues:			
Parcel fees			184,407
Interest			884
Total general revenues			185,291
Change in net position			1,283
Net position, beginning of year			386,805
Net position, end of year			\$ 388,088

See accompanying notes and independent accountant's review report.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

BALANCE SHEET – GOVERNMENTAL FUND

December 31, 2017

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<u>ASSETS</u>	
Cash	\$ 205,625
Due from other governments	<u>182,084</u>
TOTAL ASSETS	<u>387,709</u>
<u>LIABILITIES</u>	
Accrued expenses	<u>-</u>
<u>FUND BALANCE</u>	
Unassigned	\$ <u>387,709</u>

See accompanying notes and independent accountant's review report.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEET TO  
THE STATEMENT OF NET POSITION  
December 31, 2017

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Fund balances – Governmental Fund	\$	387,709
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund, These assets consist of:		
Costs of capital assets		910
Accumulated depreciation	(	<u>531)</u>
NET POSITION OF GOVERNMENTAL ACTIVITY	\$	<u>388,088</u>

See accompanying notes and independent accountant's review report.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

Year Ended December 31, 2017

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REVENUES:

General revenues:

Parcel fees	\$ <u>184,407</u>
Total general revenues	<u>184,407</u>

Miscellaneous revenue:

Interest earned	<u>884</u>
Total miscellaneous revenue	<u>884</u>

Total Revenues	<u>185,291</u>
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EXPENDITURES:

Current operations:

General government:

Legal	1,600
Management services	6,000
Office expense	503
Postage	<u>25</u>
Total general government	<u>8,128</u>

Public safety and improvements:

Assessor fees and collection costs	9,920
Beautification	13,603
Communications	2,523
Insurance	2,121
Miscellaneous	15
Security patrols	141,213
Signage	3,400
Utilities	943
Website	<u>1,960</u>
Total public safety and improvements	<u>175,698</u>

Capital outlay:

Security equipment	<u>-</u>
Total capital outlay	<u>-</u>

See accompanying notes and independent accountant's review report.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (continued)

Year Ended December 31, 2017

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Total Expenditures	<u>183,826</u>
Excess of revenues over expenditures	<u>1,465</u>
OTHER FINANCING SOURCES (USES):	
Capital lease related debt incurred	<u>-</u>
Total other financing sources (uses)	<u>-</u>
Net change in fund balance	1,465
FUND BALANCE, beginning of year	<u>386,244</u>
FUND BALANCE, end of year	\$ <u><u>387,709</u></u>

See accompanying notes and independent accountant's review report.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
Year Ended December 31, 2017

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Net change in fund balance – governmental fund \$ 1,465

Amounts reported for governmental activity in the statement of activities  
is different because:

Governmental funds report capital outlays as expenditures. However,  
in the statement of activities, the cost of those assets is allocated over  
their estimated useful lives and reported as depreciation expense.

Capital outlay	-
Depreciation expense	( <u>182</u> )

Change in net position of governmental activity \$ 1,283

See accompanying notes and independent accountant's review report.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying basic financial statements of the Sherwood Forest Crime Prevention and Improvement District (“District”) have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments*, issued in June 1999.

Reporting Entity

The District was created by Louisiana Revised Statute 33:9097.19 and is a political subdivision as defined in the Constitution of the State of Louisiana. The purpose of the District is to aid in crime prevention and to add to the security of residents by providing for an increase in the presence of law enforcement personnel in the District and to serve the needs of the residents of the District by funding beautification and improvements for the overall betterment of the District.

For financial reporting purposes, in conformity with GASB Codification of Governmental Accounting and Financial Reporting Standards, the District includes all funds and account groups that are controlled by the District.

Basic Financial Statements – Government-Wide Statements

The District’s basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District’s major fund). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District’s general administrative services are classified as governmental type activities.

In the government-wide Statement of Net Position, the business-type column is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District’s net position is reported in three parts—invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basic Financial Statements – Government-Wide Statements (continued)

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The net costs by function are normally covered by general revenues.

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Basic Financial Statements – Fund Financial Statements

The financial transactions of the District are reported in individual funds in the financial statements. Each fund is accounted for by providing a separate set of self-balancing accounting that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund presented in the financial statements is described as follows:

Governmental Funds:

General Fund

This fund accounts for all or most of the operations of the District. The focus of the governmental fund's measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of current financial resources) rather than upon net income. Expendable assets are assigned to funds according to the purpose for which they may be used. Current liabilities are assigned to funds from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as a fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period operations of the District's office.

The general fund is the principal fund of the District and accounts for all financial resources, except those required to be accounted for in other funds. The general fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the District's policies.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

*Accrual:*

Business-type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

*Modified Accrual:*

The governmental fund financial statement is presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires 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 expenditures during the reporting period. Actual results could differ from these estimates.

Budget Practices

A proposed operating budget for the General Fund, prepared on the modified accrual basis of accounting, is approved by the Board of Commissioners and adopted in accordance with the Local Government Budget Law. The proposed operating budget is legally adopted and amended, as necessary, by the District. All appropriations lapse at year-end.

Formal budget integration is employed as a management control device. Budget amounts included in the accompanying financial statements include the original budget amounts and all subsequent amendments, if any.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. The District has defined cash and cash equivalents to include cash on hand, demand deposits, and time deposits with original maturities of 90 days or less. Under Louisiana Revised Statutes 39:1271 and 33:2955, the District may deposit funds in demand deposits, interest-bearing demand deposits, or certificates of deposit with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Capital Assets

Capital assets purchased or acquired with an original cost of \$ 500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Security equipment	5 years
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Encumbrances

Encumbrance accounting, under which contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of that appropriation, is not employed by the District.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Equity

**Fund Financial Statements**

In the governmental fund financial statements, fund balances are classified as follows:

*Nonspendable* – Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually obligated required to be maintained intact.

*Restricted* – Amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors.

*Committed* – Amounts that can only be used for specific purposes determined by a formal action of the District. These amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed.

*Assigned* – Amounts that are designated as committed by the District but are not spendable until a budget ordinance is passed.

*Unassigned* – All amounts not included in other spendable classifications. The District has not adopted a policy to maintain the general fund's unassigned fund balance above a certain minimum level.

The details of the fund balances are included in the Balance Sheet – Governmental Fund (page 11). As noted above, restricted funds are used first as appropriate. Assigned funds are reduced to the extent that expenditure authority has been budgeted by the District or the assignment has been changed by the District. Decreases in fund balance reduce first unassigned fund balance; in the event that unassigned fund balance becomes zero, then assigned and committed fund balances are used in that order.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Equity (continued)

**Government-Wide Statements**

In the government wide financial statements, net position is classified as follows:

*Net investment in capital assets* – Consists of net capital assets reduced by the outstanding balance of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

*Restricted net position* – Net position is considered restricted if its use is constrained to a particular purpose. Restrictions can be imposed by either external organizations, such as creditor (such as debt covenants), grants, contributors, laws, or regulation of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

*Unrestricted net position* – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the government’s policy to use restricted resources first, then unrestricted resources as they are needed.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE B – CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31, 2017, were as follows:

Cash on hand	\$ -
Cash in bank – checking	<u>205,625</u>
	\$ <u>205,625</u>

These deposits are stated at cost, which approximates market. Under state law, 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.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of December 31, 2017, none of the District's deposits were exposed to custodial risk because all deposits were insured by FDIC insurance.

NOTE C – RECEIVABLES

Amounts due from other governments as of December 31, 2017, are as follows:

Parcel fees receivable	\$ 183,880
Interest on outstanding collections	<u>42</u>
	183,292
Less sheriff's collection costs	<u>1,838</u>
	\$ <u>182,084</u>

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE D – CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets for the year ended December 31, 2017, follows:

	Balance, January 1, <u>2017</u>	<u>Additions</u>	<u>Deletions</u>	Balance, December 31, <u>2017</u>
Equipment	\$ 910	-	-	910
Less accumulated depreciation	<u>349</u>	182	-	<u>531</u>
Capital assets, net	\$ <u><u>561</u></u>			\$ <u><u>379</u></u>

NOTE E – SUBSEQUENT EVENTS

Subsequent events were evaluated through June 25, 2018, which is the date the financial statements were available to be issued.

NOTE F – COMPENSATION PAID TO BOARD MEMBERS

The following is a list of Board members appointed for the year ended December 31, 2017. The Board members did not receive any compensation for their service on the Board of Sherwood Forest Crime Prevention and Neighborhood Improvement District during the year ended December 31, 2017.

Gary Patureau, Chairman  
Donald Hogan, Vice Chairman  
Joel Clement, Secretary  
Gary Smith, Treasurer  
Douglas Gonzales  
John Macus  
Michael Rhoads

REQUIRED SUPPLEMENTARY INFORMATION

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

BUDGETARY COMPARISON SCHEDULE – GENERAL FUND

Year Ended December 31, 2017

	<u>Budgeted Original</u>	<u>Amounts Final</u>	<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
General revenues	\$ 228,000	\$ 228,000	\$ 184,407	\$( 43,593)
Interest	-	-	884	884
Total Revenues	<u>228,000</u>	<u>228,000</u>	<u>185,291</u>	<u>( 42,709)</u>
<b>EXPENDITURES:</b>				
General government:				
Accounting and legal	9,100	9,100	1,600	7,500
Management services	6,000	6,000	6,000	-
Office expense	<u>500</u>	<u>500</u>	<u>503</u>	<u>( 3)</u>
Total general government	<u>15,600</u>	<u>15,600</u>	<u>8,103</u>	<u>7,497</u>
Public safety and improvements:				
Assessor fees and collection costs	6,500	6,500	9,920	( 3,420)
Auto expense	150	150	15	135
Bank charges	350	350	-	350
Communications	3,792	3,792	2,523	1,269
Improvements	22,000	22,000	13,603	8,397
Insurance	3,650	3,650	2,121	1,529
Licenses and taxes	10	10	-	10
Newsletters	11,000	11,000	-	11,000
Postage	4,500	4,500	25	4,475
Security patrols	111,000	142,500	141,213	1,287
Signage	2,000	2,000	3,400	( 1,400)
Utilities	1,000	1,000	943	57
Website	<u>2,500</u>	<u>2,500</u>	<u>1,960</u>	<u>540</u>
Total public safety and improvements	<u>168,452</u>	<u>199,952</u>	<u>175,723</u>	<u>24,229</u>

See independent accountant's review report

SHERWOOD FOREST CRIME PREVENTION AND  
 NEIGHBORHOOD IMPROVEMENT DISTRICT  
 Baton Rouge, Louisiana

BUDGETARY COMPARISON SCHEDULE – GENERAL FUND (continued)

Year Ended December 31, 2017

	<u>Budgeted Original</u>	<u>Amounts Final</u>	<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
Capital outlay:				
Security equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>184,052</u>	<u>215,552</u>	<u>183,826</u>	<u>31,726</u>
Net change in fund balance	43,948	12,448	1,465	( 10,983)
Fund balance, beginning of year	<u>386,244</u>	<u>386,244</u>	<u>386,244</u>	<u>-</u>
Fund balance, end of year	\$ <u>430,192</u>	\$ <u>398,692</u>	\$ <u>387,709</u>	\$( <u>10,983</u> )

See independent accountant's review report.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

SCHEDULE OF FINDINGS

Year Ended December 31, 2017

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There were no findings for the year ended December 31, 2017.

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Year Ended December 31, 2017

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There were no findings noted for the prior year ended December 31, 2016, in the accountant's report dated June 26, 2017.

SUPPLEMENTARY INFORMATION

SHERWOOD FOREST CRIME PREVENTION AND  
NEIGHBORHOOD IMPROVEMENT DISTRICT  
Baton Rouge, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS  
TO AGENCY HEAD  
Year Ended December 31, 2017

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Agency Head: Gary Patureau, Chairperson

<b>Purpose:</b>	<b>Amount:</b>
Salary	None
Benefits – insurance	None
Benefits – retirement	None
Benefits – other	None
Car allowance	None
Vehicle provided by government	None
Per diem	None
Reimbursements	None
Travel	None
Registration fees	None
Conference travel	None
Continuing professional education fees	None
Housing	None
Unvouchered expenses	None
Special needs	None

The agency is managed by a board of commissioners, all of whom serve without compensation.

See independent accountant's review report.



WILLIAM D. MERCER, CPA

A PROFESSIONAL ACCOUNTING  
CORPORATION

INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners of Sherwood Forest  
Crime Prevention and Neighborhood Improvement District and  
the Legislative Auditor, State of Louisiana

I have performed the procedures included in the *Louisiana Audit Guide* and enumerated below, which were agreed to by the management of Sherwood Forest Crime Prevention and Neighborhood Improvement District, hereinafter referred to as the District, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Sherwood Forest Crime Prevention and Neighborhood Improvement District's compliance with certain laws and regulations during the year ended December 31, 2017, included in the accompanying Louisiana Attestation Questionnaire. Management of Sherwood Forest Crime Prevention and Neighborhood Improvement District is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, I make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

My procedures and findings are as follows:

*Public Bid Law*

1. Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with R.S. 38:2211-2296 (the public bid law) or R.S. 39:1551-39:1755 (the state procurement code), whichever is applicable.

*No expenditures were made during the year for materials and supplies that exceeded \$ 30,000 or for public works exceeding \$ 150,000.*

*Code of Ethics for Public Officials and Public Employees*

2. Obtain from management a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

*The list of board members, immediate family members, and outside business interests was obtained and examined.*

3. Obtain from management a listing of all employees paid during the period under examination.

*The District had no employees during the period under examination.*

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon Procedure 3 were also included on the listing obtained from management in agreed-upon Procedure 2 as immediate family members.

*The District had no employees during the period under examination.*

#### *Budgeting*

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

*The adopted budgets were obtained and examined. Amendments were made to the budget during the period under examination.*

6. Trace the budget adoption and amendments to the minute book.

*The adoption of the budget was traced to Board meeting minutes. Amendments made to the budget during the period under examination were traced to Board meeting minutes. No exceptions were noted.*

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5 % or more, or if actual expenditures exceed budgeted amounts by 5% or more. (Note, state law exempts from the amendment requirements special revenue funds with anticipated expenditures of \$500,000 or less, and exempts special revenue funds whose revenues are expenditure-driven--primarily federal funds.). 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.

*The District is a special revenue fund with expenditures under \$500,000, so they are exempt from the aforementioned amendment requirements.*

#### *Accounting and Reporting*

8. Randomly select six disbursements made during the period under examination and: (a) trace payments to supporting documentation as to proper amount and payee, (b) determine if payments were properly coded to the correct fund and general ledger account, and (c) determine whether payments received approval from proper authorities.

*I examined supporting documentation for six random disbursements throughout the period under examination, and found that each payment was (a) for the proper amount and made to the correct payee, (b) properly coded to the correct fund and general ledger account, and (c) approved by appropriate authorities within the District. No exceptions were noted.*

*Meetings*

9. Examine evidence indicating 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).

*I examined supporting documentation for agendas and required postings or advertisings for the period under examination. No discrepancies were noted.*

*Debt*

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks loans, bonds, or like indebtedness.

*I examined supporting documentation for all bank deposits made during the period of examination. All but one bank deposit made during the period of examination were supported by documentation reflecting parcel fees and related revenues from the local City-Parish government. The remaining bank deposit was for interest paid to the District by the East Baton Rouge Parish Sheriff's Office. No discrepancies were noted.*

*Advances and Bonuses*

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees that may constitute bonuses, advance, or gifts.

*For the period under examination, the District did not have any employees.*

*Prior Comments and Recommendations*

12. Review any prior year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

*There no findings noted in the prior year accountant's report, and no suggestions, recommendations, or comments were made as a result of that engagement.*

I was not engaged to, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of management of Sherwood Forest Crime Prevention and Neighborhood Improvement District, its Board of Directors, the Louisiana Department of Education, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*WILLIAM D. MERCER, CPA (AAE)*

Baton Rouge, Louisiana  
June 25, 2018

**LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)**

June 28, 2018 (Date Transmitted)

William J. Malone, CPA  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(Auditors)

In connection with your review of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

**Public Bid Law**

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.  
Yes [] No [  ]

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.  
Yes [] No [  ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.  
Yes [] No [  ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.  
Yes [] No [  ]

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.  
Yes [] No [  ]

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.  
Yes [] No [  ]

We have had our financial statements reviewed in accordance with R.S. 24:513.  
Yes [] No [  ]

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.  
Yes [] No [  ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.  
Yes [] No [  ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [] No [  ]

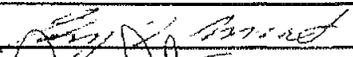
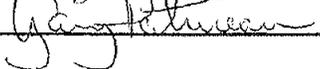
**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [] No [  ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

_____	Secretary	_____	Date
	Treasurer	6/28/2018	Date
	President	6/28/2018	Date