

TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT
GRETN, LOUISIANA
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED
MARCH 31, 2025



ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Timberlane Neighborhood Improvement and Beautification District
Gretna, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of the Timberlane Neighborhood Improvement and Beautification District (the District), as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Timberlane Neighborhood Improvement and Beautification District, as of March 31, 2025, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Louisiana Governmental Audit Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



To the Board of Commissioners
Timberlane Neighborhood Improvement and Beautification District
August 20, 2025

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

To the Board of Commissioners
Timberlane Neighborhood Improvement and Beautification District
August 20, 2025

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise of the District's basic financial statements. The accompanying Schedule of General and Administrative Expenses is presented for purposes of additional analysis and is not a part of the basic financial statements. The accompanying Schedule of Compensation, Benefits and Other Payments to Agency Head is presented to comply with the Act 706 of the 2014 Louisiana Legislative Session 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of General and Administrative Expenses and the Schedule of Compensation, Benefits, and Other Payments to Agency Head are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To the Board of Commissioners
Timberlane Neighborhood Improvement and Beautification District
August 20, 2025

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated August 20, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance *Government Auditing Standards* in considering the Timberlane Neighborhood Improvement and Beautification District's internal control over financial reporting and compliance.

August 20, 2025
New Orleans, Louisiana


Certified Public Accountants

REQUIRED SUPPLEMENTARY INFORMATION

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED MARCH 31, 2025**

This section of the Timberlane Neighborhood Improvement and Beautification District's (the District) annual financial report presents management's analysis of the District's financial performance for the year ended March 31, 2025. This analysis should be read in conjunction with the audited financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The District's net position increased by \$46,504.
- The operating revenues of the District were \$1,081,627, and non-operating revenues were \$1,048,091.
- The total expenses including operating and non-operating of the District were \$2,083,214.

OVERVIEW OF THE FINANCIAL STATEMENTS

This report consists of three sections: Management's Discussion and Analysis, audited financial statements and supplementary information. The financial statements also include notes that provide additional detail of the information included in the financial statements.

Government Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments*, provides that special purpose governments engaged only in business-type activities should present only the financial statements required for enterprise funds. For these governments, basic financial statements and required supplemental information (RSI) consist of:

- Management's Discussion and Analysis (MD&A)
- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows
- Notes to the Financial Statements
- RSI other than MD&A, if applicable

Enterprise Fund Financial Statements

The basic financial statements present information for the District as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the statement of net position, the statement of revenues, expenses and changes in net position, and the statement of cash flows.

The statement of net position and the statement of revenues, expenses and changes in net position provide information to present the change in the District's financial condition for the current year's operations. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most businesses. The current year's revenues and expenses are taken into account regardless of when cash is received or paid.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
AS OF AND FOR THE YEAR ENDED MARCH 31, 2025

These two statements report the District's net position and its changes. Net position – the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources – is a measure of the financial position of the District. Increases or decreases in the District's net position are an indicator of whether the District's financial position is improving or deteriorating.

The statement of cash flows provides information on the changes in cash during the year. This statement reports the net cash provided or used by operating, non-capital financing activities, capital and related financing activities, and investing activities.

FINANCIAL ANALYSIS OF THE ENTITY

The following presents condensed financial information of the District:

CONDENSED STATEMENTS OF NET POSITION
AS OF MARCH 31, 2025 AND 2024

	<u>ASSETS</u>	
	<u>2025</u>	<u>2024</u>
Current assets	1,472,994	1,993,912
Right of use assets - financing leases, net	460,577	191,478
Capital assets, net	<u>6,030,971</u>	<u>4,658,298</u>
Total assets	<u>7,964,542</u>	<u>6,843,688</u>
 <u>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u>		
Current liabilities	743,861	1,030,794
Long-term liabilities	1,245,853	980,612
Deferred inflows	<u>3,873,219</u>	<u>2,777,177</u>
Total liabilities and deferred inflows	<u>5,862,933</u>	<u>4,788,583</u>
 <u>NET POSITION</u>		
Net investment in capital assets	1,193,386	775,728
Unrestricted	<u>908,223</u>	<u>1,279,377</u>
Total net position	<u>\$ 2,101,609</u>	<u>\$ 2,055,105</u>

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
AS OF AND FOR THE YEAR ENDED MARCH 31, 2025

Total assets increased by \$1,120,854 (16%) primarily due to leasehold improvement additions added by the lessor. The District recognized the leasehold improvements as assets and a deferred inflow of resources as required by GASB Statement No. 94. Net position increased by \$46,504 (2%) as a result of operations, repayments of long-term debt, and investments in the District's capital assets.

CONDENSED STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEARS MARCH 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Operating revenues	1,081,627	880,291
Operating expenses	<u>(2,028,213)</u>	<u>(1,712,379)</u>
Operating loss	<u>(946,586)</u>	<u>(832,088)</u>
General revenues	1,048,091	1,074,530
Interest expense	(55,001)	(55,430)
Total non-operating income	<u>993,090</u>	<u>1,019,100</u>
Changes in net position	<u>46,504</u>	<u>187,012</u>
Beginning net position	<u>2,055,105</u>	<u>1,868,093</u>
Ending net position	<u>\$ 2,101,609</u>	<u>\$ 2,055,105</u>

Operating revenues increased \$201,336 (23%) primarily due to technological investments that enhanced driving range and golf course utilization compared to the prior year. Operating expenses increased \$315,834 (16%) primarily due to an increased maintenance costs for the golf course and additions to the golf carts and increased depreciation expense. Non-operating general revenues decreased \$26,439 (3%) due to less interest revenue from district reserves.

CAPITAL ASSETS, RIGHT OF USE ASSETS, AND DEBT ADMINISTRATION

Capital assets

As of March 31, 2025 and 2024, the District had \$1,193,386 and \$775,728, respectively, invested in capital assets net of related debt and liabilities. Capital assets include land, construction in progress, buildings and structures, equipment, and right of use assets.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)
AS OF AND FOR THE YEAR ENDED MARCH 31, 2025**

The 2025 amount represents a net increase (including additions, disposals, and payments of debt and financing leases) of \$407,847 over the last year.

The District’s capital assets had cumulative original cost of \$6,431,408 and \$4,826,911 at March 31, 2025 and 2024, respectively. Accumulated depreciation at the end of 2025 and 2024 was \$400,437 and \$168,613, respectively. Increases in the net book value of capital assets was due to the District recognizing improvements to its buildings under its public private partnership with Café Hope as further described in Note 11 in the Financial Statements section.

Right of Use Assets

Under GASB 87, the District capitalized right of use equipment acquired through financing leases with a cost of \$821,104 and recognized corresponding accumulated amortization of \$511,229 as of March 31, 2025. Financing leases payable were \$316,427 as of March 31, 2025. For additional information on right of use assets and financing lease activity, see Note 5 in the Financial Statements section.

Under GASB 96, the District entered into a Subscription-Based Information Technology Arrangement (SBITA) with a service provider for the provision of subscription based software services. The total subscription asset is \$150,702 and financing lease payable was \$162,735 as of March 31, 2025.

For additional information on right of use assets, SBITAs, and financing lease activity, see Note 5 in the Financial Statements section.

Debt Administration

The District had \$945,781 and \$1,098,395 in debt outstanding as of March 31, 2025 and 2024, respectively. The District assumed the debt in its acquisition of the golf course, driving range, and club house.

ECONOMIC FACTORS AND A LOOK AT NEXT YEAR

The commissioners have implemented a 10-year vision to accomplish the stated desired result of the ordinance creating the TNIBD, specifically for “the purpose of promoting and encouraging the improvement, beautification and overall betterment of the Timberlane Neighborhood, in order to add to the quality of life of the residents thereof by maintaining property values, increasing the tax base, fostering economic growth and providing for recreational activities.”

CONTACTING THE DISTRICT’S MANAGEMENT

This report is designed to provide a general overview of the District and to demonstrate the District’s accountability for its finances. If you have any questions about this report or need additional information, please contact the District's Board of Commissioners Chairperson at P.O. Box 1788; Gretna, Louisiana 70054.

BASIC FINANCIAL STATEMENTS

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
STATEMENT OF NET POSITION
MARCH 31, 2025

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 1,253,530
Parcel assessment receivable	52,735
Accounts receivable	28,144
Inventory	119,878
Prepaid expenses	<u>18,707</u>
 Total current assets	 1,472,994

RIGHT OF USE ASSETS

Financing leases, net	309,875
SBITA, net	<u>150,702</u>
 Total right of use assets, net	 460,577

PROPERTY & EQUIPMENT, NET 6,030,971

Total long-term assets	<u>6,491,548</u>
 Total assets	 <u>7,964,542</u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

CURRENT LIABILITIES:

Accounts payable	65,550
Accrued liabilities	482,915
Other current liabilities	16,306
Current portion of long-term financing leases	83,285
Current portion of long-term SBITA	39,494
Current portion of long-term debt	<u>56,311</u>
 Total current liabilities	 <u>743,861</u>

The accompanying notes are an integral part of this statement

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
STATEMENT OF NET POSITION (CONTINUED)
MARCH 31, 2025

LONG-TERM LIABILITIES:

Long-term financing leases, net	233,142
Long-term SBITA, net	123,241
Long-term debt	<u>889,470</u>

Total long-term liabilities	<u>1,245,853</u>
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Total liabilities	<u>1,989,714</u>
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DEFERRED INFLOWS OF RESOURCES:

Deferred inflows	<u>3,873,219</u>
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NET POSITION:

Net investment in capital assets	1,193,386
Unrestricted	<u>908,223</u>

Total net position	<u><u>\$ 2,101,609</u></u>
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**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED MARCH 31, 2025

OPERATING REVENUES:

Membership dues	\$ 196,789
Green fees	249,671
Cart fees	363,842
Driving range fees	84,390
Merchandise sales	110,238
Revenue from public-private partnership	58,354
Other revenues	<u>18,343</u>
 Total operating revenues	 <u>1,081,627</u>

OPERATING EXPENSES:

Golf course management	106,856
Golf course maintenance	810,929
Cart expense	191,700
Driving range expense	36,252
Golf shop	135,747
Merchandise expense	82,732
Depreciation	231,824
General and administrative expenses	<u>432,173</u>
 Total operating expenses	 <u>2,028,213</u>
 Net operating (loss)	 <u>(946,586)</u>

NON-OPERATING REVENUES AND (EXPENSES):

Parcel assessment revenues	1,006,780
Interest income	41,311
Interest expense	<u>(55,001)</u>
 Total non-operating revenues and (expenses)	 <u>993,090</u>
 Net change in net position	 46,504
 Net position - beginning	 <u>2,055,105</u>
 Net position - ending	 <u><u>\$ 2,101,609</u></u>

The accompanying notes are an integral part of this statement

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:

Receipts from customers and members	\$ 999,803
Payments to suppliers	<u>(1,708,622)</u>
Net cash (used in) operating activities	<u>(708,819)</u>

**CASH FLOWS FROM (USED IN) NON-CAPITAL FINANCING
ACTIVITIES:**

Property tax receipts	<u>1,013,877</u>
Net cash from non-capital financing activities	<u>1,013,877</u>

**CASH FLOWS FROM (USED IN) CAPITAL AND RELATED
FINANCING ACTIVITIES:**

Purchase of capital assets	(450,101)
Interest paid on debt	(55,001)
Payment on financing leases	(202,322)
Payment on debt principal	<u>(152,614)</u>
Net cash (used in) capital and related financing activities	<u>(860,038)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Interest income received	<u>41,311</u>
Net cash from investing activities	<u>41,311</u>
Net change in cash and cash equivalents	(513,669)
Cash and cash equivalents – beginning of year	<u>1,767,199</u>
Cash and cash equivalents – end of year	<u><u>\$ 1,253,530</u></u>

The accompanying notes are an integral part of this statement

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED MARCH 31, 2025**

**RECONCILIATION OF OPERATING (LOSS) TO CASH
(USED IN) OPERATING ACTIVITIES:**

Operating (loss)	\$ (946,586)
Adjustment to reconcile operating income (loss) to net cash used in operating activities:	
Depreciation expense	231,824
Amortization of right to use assets	213,909
Amortization of deferred inflows	(58,354)
Change in operating assets and liabilities:	
Accounts receivable	(23,470)
Inventory	6,163
Prepaid expenses	17,459
Accounts payable	(50,415)
Accrued liabilities	(97,308)
Other current liabilities	<u>(2,041)</u>
Net cash (used in) operating activities	<u><u>\$ (708,819)</u></u>

The accompanying notes are an integral part of this statement

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025**

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ENABLING LEGISLATION

The Timberlane Neighborhood Improvement and Beautification District (the District) was created by Jefferson Parish Ordinance No. 25121, on December 5, 2018, under authority of the provision of Article 6, Section 19 of the Louisiana Constitution of 1974, Section 2.01 (7) of the Jefferson Parish Home Rule Charter.

The primary objective and purpose of the District shall be to promote and encourage the improvement, beautification, and overall betterment of the neighborhood located within the boundaries of the District in order to add to the quality of life of District residents by maintaining property values, increasing the tax base, fostering economic growth, and providing for recreational activities.

The District shall constitute a special taxing district and political subdivision and it shall have the power and privilege to incur debt, to issue bonds and to levy and collect taxes, special assessments and fees, upon a majority vote of the electorate of the District; to issue certificates of indebtedness; and has the authority to acquire property located within the boundaries of the District; however, the District is not authorized to acquire property by expropriation.

Reporting Entity

The Governmental Accounting Standards Board issued GASB Statement No. 61, The Financial Reporting Entity: Omnibus an amendment of GASB Statement No. 14 and No. 34, which established criteria for determining the reporting entity and component units that should be included within the reporting entity and other reporting relationships. The basic criteria for including a potential component unit within the reporting is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

- Appointing a voting majority of an organization's governing body, and the ability of the primary government to impose its will on that organization and/or the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.
- Organizations for which the primary government does not appoint a voting majority but are fiscally dependent on the primary government.
- Organizations for which the reporting entity financial statements would be misleading if the data of the organization is not included because of the nature or significance of the relationship.

Based upon the previous criteria, the District has determined it has no component units and the financial statements only include the funds of the District, the reporting entity. The District is governed by a Board of Commissioners consisting of 5 members, all five of whom are elected by parcel owners of the District. Each parcel owner gets one vote.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2025

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (continued)

The District's financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the District are discussed below.

The accompanying basic financial statements have been presented in conformity with GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999, as amended by GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

The accounts of the District are organized and operated as an enterprise fund. Enterprise funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Fund equity is classified as net position.

Basis of Accounting

Basis of accounting refers to the point at which revenues or 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. The accompanying financial statements have been prepared on the full accrual basis in accordance with GAAP. Revenues are recognized when they are earned, and expenses are recognized at the time liabilities are incurred or economic asset used.

Budgetary Accounting

The District prepares the annual budget for internal management purposes, and the budget is based on what is expected to be collected during the fiscal year. The budget is approved by the Board of Commissioners. The adopted budget constitutes the authority of the District to incur liabilities and authorize expenses from the respective budgeted funds. In addition, certain expenses are approved monthly by the Board before payment. The District is not required to present a budget comparison in its financial statements.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2025

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents (continued)

Louisiana revised statutes authorize the District to invest in (1) United States bonds, treasury notes or certificates, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal offices in the State of Louisiana, an investment as stipulated in LSA-R.S. 39:1271, or any other federally insured investments or (2) in mutual or trust fund institutions, which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. Government or its agencies. At March 31, 2025, the District had no such investments.

Parcel Assessment Revenue and Receivables

Parcel assessments are recorded as revenues in the fiscal year in which they are levied, provided they are collected in the current period or within sixty days thereafter. Parcel assessment revenue receivables presented in the financial statements represent the estimated parcel assessments collectable assessed in the current fiscal year.

Inventories

Inventories, which consist primarily of items sold in the golf pro shop and horticultural supplies for the upkeep of the golf course and surrounding green space, are valued at the lower of cost or market on a first-in, first-out method.

Capital Assets

Capital assets purchased or acquired are reported at cost. Contributed assets are reported at fair market value at date received. Additions, improvements, and other capital outlays that are greater than \$2,500 and extended the useful life of an asset for more than one year are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets, other than land and construction in progress, is provided on the straight-line basis over the following estimated useful lives:

<u>Description</u>	<u>Useful Life</u>
Land	N/A
Machinery and equipment	5 – 15
Land improvements	20 – 30
Buildings	25 – 40
Building improvements	7 – 30
Infrastructure	20 – 50

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2025

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Right of Use Assets

The District has recorded right of use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less incentives, and plus ancillary charges necessary to place the lease into service. Such assets are reported net of amortization. Right of use assets are amortized at the lesser of the useful life or lease term.

The District has recorded right-of-use subscription assets as a result of implementing GASB 96, *Subscription-Based Information Technology Arrangements*. The right-of-use assets are initially measured at an amount equal to the initial measurement of the related subscription liability plus any subscription payments made prior to the subscription term, less incentives, and plus capitalizable initial implementation costs necessary to place the subscription into service. Such assets are reported net of amortization. Right-of-use subscription assets are amortized over the subscription term.

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the Statement of Net Position will sometimes report a separate section for deferred outflows and inflows of resources. These separate financial statement elements represent an acquisition of net position that applies to future period(s) and will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time.

Equity Classification

In the financial statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2025

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Classification

When both restricted and unrestricted net position are available for use, it is the District's policy to use restricted resources first, then unrestricted as needed.

Operating Revenues and Expenses

The District's Statement of Revenues, Expenses and Changes in Net Position distinguishes between operating and non-operating revenues and expenses. Operating revenues result from exchange transactions associated with golf operations, merchandise sales, and facility rental, – the District's principal activity. Non-exchange revenues represent special assessments and donations received. Operating expenses are all expenses incurred to provide services, other than financing costs.

Donations

The District may receive donations from individuals and private organizations. Donation revenue (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements are met. Donations may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as nonoperating revenues. Amounts restricted to capital acquisitions are reported after nonoperating revenues and expenses.

Accounting 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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Date of Management's Review

Management has evaluated subsequent events through August 20, 2025, the date which the financial statements were available to be issued.

New Accounting Standards

The GASB has issued Statement No. 96, "*Subscription-Based Information Technology Arrangements*." The primary objective of this Statement is to better meet the information needs of the financial statement users by establishing uniform accounting and financial reporting requirements for subscription-based information technology arrangements (SBITA). The requirements of this Statement established that a SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability.; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. See Note 5.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2025

(2) CASH AND CASH EQUIVALENTS

At March 31, 2025, the District had cash (book balances) totaling \$1,253,530. The District is authorized under state law to deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, and the laws of the United States. The District may also invest in U.S. Treasury securities and other evidence of indebtedness issued or guaranteed by federal agencies and time certificates of deposit with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of such pledged securities and federal deposit insurance must equal or exceed the amount on deposit with the fiscal agent.

At March 31, 2025, the District's deposits were secured from risk by federal deposit insurance at local institutions and through the promontory insured cash sweep service (ICS). Financial institutions that use ICS benefit from the Promontory Network advantage and the confidence of knowing that ICS is endorsed by the American Bankers Association and enjoys strategic marketing alliances with key trade associations across the United States. When a customer submits funds to a Promontory Network member (Gulf Coast Bank and Trust) for placements through ICS, that institution places the funds into deposit accounts at FDIC-insured banks that are also members of the ICS Network. This occurs in increments below the standard FDIC insurance maximum (\$250,000) so that both principal and interest are eligible for FDIC insurance. By working directly with just one institution (Gulf Coast Bank and Trust), the District is able to receive FDIC coverage from many financial institutions while only working with a single bank (Gulf Coast Bank and Trust). At March 31, 2025, the Districts' cash equivalent bank balances held in Promontory Insured Cash Sweep accounts were \$919,411.

(3) PARCEL ASSESSMENT RECEIVABLE AND REVENUE

Parcel assessments are reported as revenues in the period for which they are levied.

The District levies an annual parcel assessment on all parcels within the District as of November 15 of each year. Current parcel assessments are received beginning in December of each year and become delinquent after January 31 of the following year. Parcel assessments are billed and collected by the Jefferson Parish Sheriff's Office which retains a fee for its services.

In 2019, the parcel owners of the District voted and approved a special assessment not to exceed \$1,950 per parcel for a term of 10 years (2019-2028) for use in the improvement, beautification and overall betterment of the District. Annually, the Commissioners vote to set the special assessment rate for the upcoming year.

During the 2024 fiscal year the District recorded revenues of \$1,015,950, which is presented net of related tax collection fees of \$9,170 in the Statement of Revenues, Expenses, and Changes in Net Position. At March 31, 2025, the District was owed \$52,735 for future collections of 2024 calendar year taxes. The District did not calculate an allowance of uncollectible parcel assessment revenues of the current year assessment as it believes all parcel assessments are collectible.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2025

(4) CAPITAL ASSETS

	Balance 4/1/2024	Additions 2025	Deductions 2025	Balance 3/31/2025
Capital assets not being depreciated:				
Land	\$ 1,335,697	\$ 6,100	\$ -	\$ 1,341,797
Construction-in-progress	<u>125,888</u>	<u>38,716</u>	<u>(125,888)</u>	<u>38,716</u>
Total capital assets not being depreciated	<u>1,461,585</u>	<u>44,816</u>	<u>(125,888)</u>	<u>1,380,513</u>
Capital assets being depreciated:				
Buildings	3,074,494	1,653,101	-	4,727,595
Pavement and bridges	123,336	-	-	123,336
Equipment and fixtures	<u>167,496</u>	<u>32,468</u>	<u>-</u>	<u>199,964</u>
Total capital assets being depreciated	<u>3,365,326</u>	<u>1,685,569</u>	<u>-</u>	<u>5,050,895</u>
Less: accumulated depreciation	<u>(168,613)</u>	<u>(231,824)</u>	<u>-</u>	<u>(400,437)</u>
Total capital assets being depreciated, net	<u>3,196,713</u>	<u>1,453,745</u>	<u>-</u>	<u>4,650,458</u>
Total capital assets, net	<u><u>\$ 4,658,298</u></u>	<u><u>\$ 1,498,561</u></u>	<u><u>\$ (125,888)</u></u>	<u><u>\$ 6,030,971</u></u>

Depreciation expense for the year ended March 31, 2025 was \$231,824.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2025

(5) RIGHT OF USE ASSETS AND RELATED LIABILITIES

Long-term Lease Commitments

The District has several leases for equipment. The District's long-term lease commitments as of March 31, 2025 are summarized as follows:

<u>Equipment Description</u>	<u>Start Date</u>	<u>Payment Amount</u>	<u>Interest Rate</u>	<u>Original Lease Term</u>	<u>Remaining Lease Liability</u>
Course maintenance	5/1/2020	\$ 8,897	4.45%	60 Months	\$ 8,897
Golf carts - new	7/31/2024	6,573	6.80%	61 Months	298,999
Turf mower #1	12/1/2021	260	7.39%	51 Months	-
Turf mower #2	3/1/2022	780	2.57%	48 Months	8,531
					<u>\$ 316,427</u>

The course maintenance equipment and golf cart leases end with a bargain purchase option of \$1. The second turf mower lease is able to be extended in 12 month increments at maturity. The remaining leases do not transfer ownership of the asset and do not have renewal clauses. The District leased additional golf carts during the year with no option to purchase.

Principal and Interest on Long-Term Obligations

Annual requirements to amortize long-term obligations and related interest for the next five years are as follows:

2026	\$ 83,285	\$ 23,448
2027	67,782	11,091
2028	71,686	7,187
2029	75,815	3,058
2030	<u>17,859</u>	<u>92</u>
	<u>\$ 316,427</u>	<u>\$ 44,876</u>

During the year ended March 31, 2025, interest charged to expense for leases was \$15,264.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2025

(5) RIGHT OF USE ASSETS AND FINANCING LEASE LIABILITIES
(CONTINUED)

Right of Use Lease Assets

A schedule of changes in right of use assets is as follows:

	Balance 4/1/2024	Additions	Reductions	Balance 3/31/2025
Right of use equipment	\$ 505,512	\$ 333,459	\$ (17,897)	\$ 821,074
Accumulated depreciation	(314,034)	(197,165)	-	(511,199)
Right of use assets, net	<u>\$ 191,478</u>	<u>\$ 136,294</u>	<u>\$ (17,897)</u>	<u>\$ 309,875</u>

Depreciation on right of use assets was \$197,195 for the year ended March 31, 2025 and is included in operating expenses on the statement of revenues, expenses, and changes in net position.

Long-term Subscription-based Information Technology Arrangement (SBITA)

The District entered into a long-term subscription-based lease agreement with Toptracer Range Management System. The subscription fee is equal installments on the first on each month during the term, started on January 1, 2025. The price will increase 3% annually on the anniversary of the first payment date. The District's long-term SBITA commitments as of March 31, 2025 are summarized as follows:

<u>Equipment Description</u>	<u>Start Date</u>	<u>Payment Amount</u>	<u>Interest Rate</u>	<u>Original SBITA Term</u>	<u>Remaining SBITA Liability</u>
Toptracer	10/31/2024	\$ 3,680	3.00%	48 Months	\$ 162,735

Principal and Interest on SBITA Obligations

Annual requirements to amortize SBITA obligations and related interest for the next five years are as follows:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 39,494	\$ 4,997
2027	42,275	3,551
2028	45,198	2,003
2029	35,768	423
	<u>\$ 162,735</u>	<u>\$ 10,974</u>

During the year ended March 31, 2025, interest charged to expense for leases was \$2,980 and principal payment was \$9,576.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2025

(5) RIGHT OF USE ASSETS AND FINANCING LEASE LIABILITIES
(CONTINUED)

Right of Use SBITA Assets

A schedule of changes in right of use assets is as follows:

	Balance 4/1/2024	Additions	Reductions	Balance 3/31/2025
SBITA - Software	\$ -	\$ 167,446	\$ -	\$ 167,446
Accumulated depreciation	<u>-</u>	<u>(16,744)</u>	<u>-</u>	<u>(16,744)</u>
Right of use assets, net	<u>\$ -</u>	<u>\$ 150,702</u>	<u>\$ -</u>	<u>\$ 150,702</u>

Depreciation on right of use assets was \$16,744 for the year ended March 31, 2025 and is included in operating expenses on the statement of revenues, expenses, and changes in net position.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2025

(6) LONG-TERM DEBT

	Balance 4/1/2024	Additions	Reductions	Balance 3/31/2025	Due Within One Year
Debt payable to a private mortgage holder. Interest at 5.75%. Interest is payable monthly, with principal due at maturity. Matured in April 2024, and was paid in full by The District.	\$ 100,000	\$ -	\$ (100,000)	\$ -	\$ -
Debt payable to the Small Business Administration as assumed by the District in 2019. Interest at 3%. Payments of \$3,550 are due monthly and remaining interest and principal are due on May 9, 2043.	602,032	-	(24,926)	577,106	25,457
Debt payable to the Small Business Administration as assumed by the District in 2019. Interest at 4%. Payments of \$3,773 are due monthly and remaining interest and principal are due on June 16, 2036.	396,363	-	(27,688)	368,675	30,854
Total	\$ 1,098,395	\$ -	\$ (152,614)	\$ 945,781	\$ 56,311

Following is a summary of future principal and interest requirements:

Year Ending	Principal	Interest	Total
2026	\$ 56,311	\$ 31,565	\$ 87,876
2027	58,342	29,534	87,876
2028	60,448	27,428	87,876
2029	62,632	25,244	87,876
2030	64,896	22,980	87,876
2031-2035	349,636	77,902	427,538
2036-2040	185,420	29,283	214,703
2041-2045	108,096	4,328	112,424
	\$ 945,781	\$ 248,264	\$ 1,194,045

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2025

(6) LONG-TERM DEBT (CONTINUED)

Interest costs incurred and charged to expense for the year ended March 31, 2025 was \$55,001.

(7) CONCENTRATIONS OF CREDIT RISK

From Accounts Receivable

The District grants credit to its members, most of who are residents of the District. Members are only allowed to charge with a valid credit card on file which is charged monthly.

From Revenues

The District is located in Gretna, Louisiana and relies on parcel assessments, which were approximately 47% of its total revenues for 2025.

(8) MANAGEMENT AGREEMENT

On April 1, 2020, the District entered into a management agreement with CGPM Managers, LLC for the management of the operation golf course and pro shop. The agreement authorizes CGPM Managers, LLC to perform operational, managerial, administrative, supervisory, accounting, and other services related to the management of the golf course facility, golf pro shop, and membership services, under the supervision of the Board of Commissioners of the District. The agreement is for an initial period of three years with an automatic extension of two years, if certain metrics are met. The base management fee is \$7,000 per month for the first year and the \$8,000 for years two and three. The agreement also entitles CGPM Managers, LLC for an incentive payment based upon metrics in the agreement. During the year ended March 31, 2025, the District recorded \$96,000 of management fees and \$6,608 of incentive fees paid to CGPM Managers, LLC, which is included in golf course management expense on the statement of revenues, expenses, and changes in net position. In addition to the management fees, the District is responsible for all expenses necessary for the operation of the golf course and pro shop.

(9) LAND COVENANTS

The District is constrained by a covenant that the property be used only for a golf and country club, initially, for a period of 30 years beginning in August 1961. The covenant renews automatically renews every 10 years unless 80% of the residents vote to amend the restriction.

(10) RISK MANAGEMENT

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District carries commercial insurance in amounts sufficient to insure itself against claims resulting from any of those risks.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2025

(11) PUBLIC PRIVATE PARTNERSHIP ARRANGEMENT FOR CLUB HOUSE

Prior to the District obtaining the real property of the Timberlane Country Club, Inc (the Seller), the Seller executed a lease in December 2019 with Café Hope Inc. (the Tenant) as the Tenant of the main club house building, swimming pool, and other recreational properties except for the golf course. The lease was for a term of 99 years. Management has determined that this qualifies as a Public Private Partnership arrangement under GASB Statement No. 94 (GASB 94), as the District retains ownership of the leased property while the tenant is responsible for the operation and maintenance of the property for the lease term.

The terms of the lease state that the Tenant is responsible for the performance of its obligations, including all repairs, maintenance, renovations, and improvements. In exchange, the Tenant is granted the right to operate and enjoy the leased premises.

During the year ended March 31, 2025, the Tenant completed construction projects with a cost basis of \$1,154,000 which are recorded as fixed assets in the District's financial statements. The total cumulative cost of projects undertaken during the year ended March 31, 2025 was \$3,942,650. These additions and depreciation thereon are included in Note 4.

Depreciation is calculated in accordance with the District's policies as described in Note 1. Depreciation on these assets for the year ended March 31, 2025 totaled \$164,641. The District recognized a corresponding deferred inflow of resources, as these improvements are related to Café Hope fulfilling its obligations under the contract as noted above. The District is amortizing the deferred inflow over the term of the contract.

For the first ten years of the lease, beginning January 1, 2020, the District is obligated to contribute to the building maintenance and operating expenses associated with the resident members' use of the premises. This contribution amounts to \$28.00 per month per taxable parcel within the District.

During the year ended March 31, 2025, the District incurred \$175,046 in expenses under the terms of the agreement. As of March 31, 2025, the District has accrued but not paid \$412,683 in connection with this agreement due to previous noncompliance on the Tenant's behalf, which is recorded under accrued liabilities on the Statement of Net Position. The effects of the noncompliance are currently being negotiated.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2025

**(11) PUBLIC PRIVATE PARTNERSHIP ARRANGEMENT FOR CLUB HOUSE
(CONTINUED)**

The District expects to charge the following amounts to expenditure over the following five years:

<u>Fiscal Year End</u>	<u>Caf� Hope</u>
2026	\$ 175,056
2027	175,056
2028	175,056
2029	175,056
2030	<u>175,056</u>
	<u>\$ 875,280</u>

The District expects to recognize deferred revenue of the following amounts over the following four years and thereafter:

<u>Fiscal Year End</u>	<u>Deferred Inflow Amortization</u>
2026	\$ 37,231
2027	37,231
2028	37,231
2029	37,231
Thereafter	<u>3,341,495</u>
	<u>\$ 3,490,419</u>

(12) SUBSEQUENT EVENTS

In April of 2025, the District entered into a new lease agreement for lawn equipment. The lease agreement requires payments per month of \$10,787 for a term of 60 months and carries an interest rate of 5.35%.

OTHER SUPPLEMENTARY INFORMATION

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED MARCH 31, 2025

GENERAL AND ADMINISTRATIVE EXPENSES:

Accounting	\$	21,841
Advertising and marketing		1,384
Bank fees		29,018
Dues and subscriptions		3,939
Facility use fees		175,046
Insurance		56,048
Legal		2,750
Licenses and permits		1,208
Other general and administrative		25,721
Payroll processing		8,154
Payroll reimbursements		93,841
Postage		630
Printing		3,004
Supplies		2,426
Website management		7,163
Total general and administrative expenses	\$	<u><u>432,173</u></u>

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT**
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED MARCH 31, 2025

Jon S. McGill Sr.
Chairman

No compensation, benefits, or other payments in 2025		\$	-
 Total compensation, benefits, and other payments		 \$	-

**OTHER REPORT REQUIRED BY
*GOVERNMENT AUDITING STANDARDS***



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

To the Board of Commissioners and Management of the
Timberlane Neighborhood Improvement and Beautification District
Gretna, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Timberlane Neighborhood Improvement and Beautification District (the District), as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated August 20, 2025.

Report on Internal Control over Financial Reporting

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

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

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

To the Board of Commissioners and Management of the
Timberlane Neighborhood Improvement and Beautification District
August 20, 2025

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

August 20, 2025
New Orleans, Louisiana


Certified Public Accountants

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT
NEW ORLEANS, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED MARCH 31, 2025**

SECTION I SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statements of the Timberlane Neighborhood Improvement and Beautification District (the District).
2. No material weaknesses in internal control relating to the audit of the financial statements were reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the District were reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
4. No management letter was issued for the year ended March 31, 2025.

SECTION II FINANCIAL STATEMENT FINDINGS

There were no findings for the year ended March 31, 2025.

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED MARCH 31, 2025**

SECTION I – FINANCIAL STATEMENTS FINDINGS

There were no findings related to the year ended March 31, 2024.

LOUISIANA LEGISLATIVE AUDITOR
STATEWIDE AGREED-UPON PROCEDURES
TIMBERLANE NEIGHBORHOOD IMPROVEMENT
AND BEAUTIFICATION DISTRICT
FOR THE YEAR ENDED
MARCH 31, 2025



ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS



INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners of
Timberlane Neighborhood Improvement and Beautification District
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the year ended March 31, 2025. Timberlane Neighborhood Improvement and Beautification District's management is responsible for those C/C areas identified in the SAUPs.

Timberlane Neighborhood Improvement and Beautification 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 C/C areas identified in LLA's SAUPs for the year ended March 31, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. 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.

The procedures and associated findings are attached in Schedule "1."

We were engaged by Timberlane Neighborhood Improvement and Beautification 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 applicable standards of *Government Auditing Standards*. 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 those C/C areas identified in the SAUPs. 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 Timberlane Neighborhood Improvement and Beautification 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 those C/C areas identified in the SAUPs, 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 LLA as a public document.

August 20, 2025
New Orleans, Louisiana


Certified Public Accountants

**TIMBERLANE NEIGHBORHOOD IMPROVEMENT
& BEAUTIFICATION DISTRICT
AGREED-UPON PROCEDURES
FOR THE YEAR ENDED MARCH 31, 2025**

SEXUAL HARASSMENT

1. **Procedures:** Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete and randomly select 5 employees /officials (test all if less than 5). Obtain ethics documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
2. **Procedure:** Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
3. **Procedure:** Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
 - a) Number and percentage of public servants in the agency who have completed the training requirements;
 - b) Number of sexual harassment complaints received by the agency;
 - c) Number of complaints which resulted in a finding that sexual harassment occurred;
 - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e) Amount of time it took to resolve each complaint.

Results: No exceptions were found as a result of applying the procedures.