

**SEABROOK NEIGHBORHOOD
IMPROVEMENT AND SECURITY DISTRICT**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT ACCOUNTANT’S REVIEW REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Revenues, Expenditures, and Changes in Net Position	4
Statement of Cash Flows	5
Notes to Financial Statements	6
. SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual For the Year Ended December 31, 2023	11
Schedule of Compensation Paid to Agency Head	12
Schedule of Prior Years Findings and Questioned Costs	13
Schedule of Findings and Questioned Costs	14

JUDY MONCRIEF CPA LLC

910 Pierremont Road, Suite 311
Shreveport, Louisiana 71106-2069

Phone (318) 683-1002 Fax (318) 670-8021 Email jemcpa@att.net

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Seabrook Neighborhood
Improvement and Security District
New Orleans, Louisiana

We have reviewed the accompanying financial statements of Seabrook Neighborhood Improvement and Security District (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of revenues, expenditures, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements. 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, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

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

Emphasis of Matter


As discussed in Note 6 to the financial statements, in conducting our review a request for information from the City of New Orleans has not been fulfilled. Our conclusion is not modified with respect to this matter. The accountant's review report is intended solely for the information and use of the District and is not intended to be, and should not be, used by anyone other than the specified party.

Supplementary Information

The accompanying schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual, and the Schedule of Compensation of Agency Head 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. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Accountant's Conclusion

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

A handwritten signature in blue ink, reading "Judy E. Moncrief".

Judy Moncrief CPA LLC

Shreveport, Louisiana

February 1, 2025

**SEABROOK NEIGHBORHOOD IMPROVEMENT AND SECURITY DISTRICT
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023**

ASSETS:

Cash	\$	91,420
Parcel Fees Receivables		150
Total Assets	\$	<u>91,570</u>

LIABILITIES AND NET POSITION:

LIABILITIES

Accounts Payable and Accrued Expenses		<u>-</u>
Total Liabilities		-
NET POSITION - UNASSIGNED		<u>91,570</u>
Total Liabilities and Net Position	\$	<u>91,570</u>

The accompanying notes are an integral part of these financial statements.
See Accountant's Review Report

**SEABROOK NEIGHBORHOOD IMPROVEMENT AND SECURITY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN NET POSITION
FOR THE YEAR ENDING DECEMBER 31, 2023**

REVENUES:

Parcel Fees (Net of Collection Fees)	\$ 210,347
Other Income	100
Interest Income	<u>461</u>
Total Revenues	\$ 210,908

EXPENDITURES:

Patrol and Security Expenses	\$ 238,766
Administration and Accounting	3,306
Beautification	<u>3,392</u>
Total Expenditures	245,464

CHANGE IN NET POSITION	(34,556)
-------------------------------	----------

BEGINNING NET POSITION	126,126
-------------------------------	---------

ENDING NET POSITION	<u><u>\$ 91,570</u></u>
----------------------------	-------------------------

The accompanying notes are an integral part of these financial statements.
See Accountant's Review Report

**SEABROOK NEIGHBORHOOD IMPROVEMENT AND SECURITY DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDING DECEMBER 31, 2023**

CASH FLOWS FROM OPERATIONS

RECEIPTS

Parcel Fees	\$ 210,295
Other Income	100
Interest Income	<u>461</u>
TOTAL RECEIPTS	\$ 210,856

EXPENDITURES

Patrol and Security Expenses	\$ 238,766
Administration and Accounting	3,306
Beautification	<u>3,392</u>
TOTAL EXPENDITURES	<u>245,464</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES	(34,608)
--	-----------------

PROVIDED BY INVESTING ACTIVITIES	<u>-</u>
---	-----------------

NET INCREASE (DECREASE) IN CASH	(34,608)
--	-----------------

CASH AT BEGINNING OF YEAR	<u>126,028</u>
----------------------------------	-----------------------

CASH AT END OF YEAR	\$ <u><u>91,420</u></u>
----------------------------	--------------------------------

The accompanying notes are an integral part of these financial statements.
See Accountant's Review Report

**SEABROOK NEIGHBORHOOD IMPROVEMENT AND SECURITY DISTRICT
STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (Decrease) in Net Fund Balance	\$ (34,556)
---	-------------

Accounts Receivable	(52)
---------------------	------

Accounts Payable	-
------------------	---

NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ <u>(34,608)</u>
--	---------------------------

The accompanying notes are an integral part of these financial statements.
See Accountant's Review Report

SEABROOK NEIGHBORHOOD IMPROVEMENT AND SECURITY DISTRICT
NOTES TO FINANCIAL STATEMENTS
AT AND FOR THE YEAR ENDING DECEMBER 31, 2023

NOTE 1 – ORGANIZATION

Seabrook Neighborhood Improvement and Security District (the District) was created as a public body by the Louisiana Legislature, 2010, Act No. 230, La. R.S. 33:9001.16, for the primary objective and purpose of promoting and encouraging the beautification, security, and overall betterment of the area included within the District.

The boundaries of the District are areas within the following perimeter: Fillmore Avenue, Leon C. Simon Boulevard, St. Roch Avenue, and Peoples Avenue.

The District services all parcel located in the geographic area it serves. The District has no paid employees and contracts with an external security company for patrolling. The Board of Commissioners consists of five appointed embers who are residents within the District. Board members are not compensated.

The governing authority of the City of New Orleans is authorized to impose and collect a parcel fee within the District. The amount of the fee is determined by an adopted resolution of the Board of Commissioners of the District. The fee, however, cannot exceed two hundred dollars per parcel per year.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Principles of Accounting

Reporting Entity – For reporting purposes, the District is a stand-alone entity as defined by Governmental Accounting Standards Board (GASB) Codification 2600 *Reporting Entity and Component Unit Presentation and Disclosure*. The District is neither fiscally dependent on any other local government, nor does it provide specific financial benefits to or impose specific financial burdens on any other government. No other potential component units meet the criteria for inclusion in the financial statements of the District.

Basis of Presentation – Fund Accounting – The proprietary fund is used to account for the District's ongoing operations and activities, which are similar to those in the private sector. Proprietary funds are accounted for using a flow of economic resource measurement focus under which all assets and all liabilities associated with the operation of these funds are included in the balance sheet. The statement of revenues, expenses, and changes in net position increases (revenues) and decreases (expenses) in total net position.

The District's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. All revenue items are recorded when the amount of the parcel fees to be received are measurable. Expenditures are recorded when a liability is incurred.

Basis of Reporting – The District has adopted GASB Codifications, which established standards for external financial reporting for all state and local government entities. GASB Codifications require the classification of net position into three components – net investment in capital assets; restricted; and unrestricted.

These notes are an integral part of the accompanying financial statements.

SEABROOK NEIGHBORHOOD IMPROVEMENT AND SECURITY DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
AT AND FOR THE YEAR ENDING DECEMBER 31, 2023

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES - Continued

These classifications are defined as follows:

Net Investment in Capital Assets – This component of net position 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 that are attributable to the acquisition, construction, or improvement of the assets.

Restricted – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of net position amounts that do not meet the definition of “net investment in capital assets” or “restricted”.

Cash Equivalents

For the statement of cash flows, all unrestricted investment instruments with original maturities of three months or less are cash equivalents. The District has no cash equivalents at December 31, 2023.

Estimates

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

NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

In accordance with the Louisiana Local Government Budget Act, the procedures used by the District in establishing the budgetary data reflected in the financial statements include public notices of the proposed budget, public inspections, and public hearings. The District then legally adopts the budget. Budgeted amounts for the proprietary fund included in the supplemental data are as originally adopted by the District for the year ended December 31, 2023.

NOTE 4 – CASH AND CASH EQUIVALENTS

The District’s deposits held in financial institutions are insured up to \$250,000 by the Federal Deposit Insurance Corporation. As of December 31, 2023, the District has no uninsured deposits. The District has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

NOTE 5 – PARCEL FEES INCOME

The District has a fiduciary relationship with the City of New Orleans, who assesses and collected parcel fees on behalf of the District. As of December 31, 2023 total parcel fees receivable is \$150.

These notes are an integral part of the accompanying financial statements.

SEABROOK NEIGHBORHOOD IMPROVEMENT AND SECURITY DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
AT AND FOR THE YEAR ENDING DECEMBER 31, 2023

NOTE 6 – INFORMATION REQUESTED FROM THE CITY OF NEW ORLEANS

In performing the review of these financial statements, the accountants requested the City of New Orleans comply with the Louisiana State Law (R.S. 24:513 B2) to provide the accountants with a sworn signed statement reporting the amount billed and collected on behalf of the District and the amounts paid to the District during the year ending December 31, 2023. In addition, a request for an explanation as to why there is a difference between the City's records for improved parcels versus the tax assessor's office reports. Accordingly, there is a possibility that some revenues and receivables may not be properly reported in these financial statements.

NOTE 7 – SUBSEQUENT EVENTS

FASB Accounting Standards Codifications Topic 855-10, "Subsequent Events" requires the disclosure of the date through which the District has evaluated subsequent events and the reason for selecting that date. The District evaluated subsequent events from January 1, 2024 through February 1, 2025, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

**SEABROOK NEIGHBORHOOD IMPROVEMENT AND SECURITY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
NET POSITION – BUDGET AND ACTUAL
FOR THE YEAR ENDING DECEMBER 31, 2023**

	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Parcel Fees	\$ 347,500	\$ 210,347	\$ (137,153)
Other Income		100	100
Interest Income		461	461
TOTAL RECEIPTS	347,500	210,908	(136,592)
EXPENDITURES			
Patrol and Security Expenses	255,000	238,766	(16,234)
Administration and Accounting	23,100	3,306	(19,794)
Beautification	5,000	3,392	(1,608)
Overall Betterment	10,500	-	(10,500)
TOTAL EXPENDITURES	293,600	245,464	(48,136)
Change in Net Position	53,900	(34,556)	(88,456)
Net Position, Beginning of Year	126,126	126,126	-
Net Position, End of Year	<u>\$ 180,026</u>	<u>\$ 91,570</u>	<u>\$ (88,456)</u>

See Accountant's Report on Supplementary Information

**SEABROOK NEIGHBORHOOD IMPROVEMENT AND SECURITY DISTRICT
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDING DECEMBER 31, 2023**

AGENCY HEAD NAME: Leonard McCullum

	<u>Amount</u>
Salaries	\$ 0.00
Benefits-Insurance	0.00
Benefits-Retirement	0.00
Deferred Compensation (Contributions Made by the Agency)	0.00
Benefits-Other	0.00
Car Allowance	0.00
Vehicle Provided by Government	0.00
Cell Phone	0.00
Dues	0.00
Vehicle Rental	0.00
Per Diem	0.00
Reimbursements	0.00
Travel	0.00
Registration Fees	0.00
Conference Travel	0.00
Housing	0.00
Unvouchered Expenses	0.00
Special Meals	0.00
Other	0.00
	<u>\$ 0.00</u>

See Accountant's Report on Supplementary Information

**SEABROOK NEIGHBORHOOD IMPROVEMENT AND SECURITY DISTRICT
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING DECEMBER 31, 2023**

2021-001 – Untimely Submission of Review Report

Criteria – Pursuant to the requirements of Louisiana Statute R.S. 24:513 a. (5)(a)(i), annual financial reports shall be completed within six months of the close of an entity's fiscal year. If the due date falls on a Saturday, Sunday, or federal holiday, the reporting package is due the next business day.

Conditions and Perspective – The December 31, 2022 review report was not submitted within the prescribed time frame.

Cause – Management failed to ensure that the review report was issued within the prescribed time frame.

Effect - The District has not complied with the reporting requirements of the State of Louisiana.

Recommendation – The management of the District should take steps to ensure that the financial reports are submitted within the prescribed state and federal time frame.

Management's Response – The City of New Orleans failed to comply with the Louisiana State Law (R.S. 24:513(B2)) to provide the CPA requested sworn financial statement and explanation as to why there is a difference between the City's records for improved parcels versus the tax assessor's office reports, estimated at 152 taxpayers not accounted for on the financial statements for the year ended December 31, 2022. The Entity (Seabrook District) cannot prepare a fair presentation of their financial statements, without the City (those charged with governance) providing full disclosures of what was collected, billed and distributed to the District, if not provided in a timely manner. The Entity's conclusion is that the CPA and the Entity must receive full disclosures from the City in order to meet the Louisiana required timeline on reporting of public funds.

SEABROOK NEIGHBORHOOD IMPROVEMENT AND SECURITY DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING DECEMBER 31, 2023

2023-001 – Untimely Submission of Review Report

Criteria – Pursuant to the requirements of Louisiana Statute R.S. 24:513 a. (5)(a)(i), annual financial reports shall be completed within six months of the close of an entity's fiscal year. If the due date falls on a Saturday, Sunday, or federal holiday, the reporting package is due the next business day.

Conditions and Perspective – The December 31, 2023 review report was not submitted within the prescribed time frame.

Cause – Management failed to ensure that the review report was issued within the prescribed time frame.

Effect - The District has not complied with the reporting requirements of the State of Louisiana.

Recommendation – The management of the District should take steps to ensure that the financial reports are submitted within the prescribed state and federal time frame.

Management's Response – The City of New Orleans failed to comply with the Louisiana State Law (R.S. 24:513(B2)) to provide the CPA requested sworn financial statement and explanation as to why there is a difference between the City's records for improved parcels versus the tax assessor's office reports, estimated at 192 taxpayers not accounted for on the financial statements for the year ended December 31, 2023. The Entity (Seabrook District) cannot prepare a fair presentation of their financial statements, without the City (those charged with governance) providing full disclosures of what was collected, billed and distributed to the District, if not provided in a timely manner. The Entity's conclusion is that the CPA and the Entity must receive full disclosures from the City in order to meet the Louisiana required timeline on reporting of public funds.