

**Villa del Rey Crime
Prevention and Neighborhood
Improvement District**

Baton Rouge, Louisiana

Year Ended December 31, 2019

*Compiled Financial Statements
and Supplementary Information*

William D. Mercer, CPA
A PROFESSIONAL ACCOUNTING CORPORATION

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WILLIAM D. MERCER, CPA

A PROFESSIONAL ACCOUNTING
CORPORATION

To the Board of Commissioners
Villa del Rey Crime Prevention and Neighborhood Improvement District
Baton Rouge, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Villa del Rey Crime Prevention and Neighborhood Improvement District as of and for the year ended December 31, 2019, which collectively comprise the District's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and activities. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has elected to omit the management's discussion and analysis and the budgetary comparison schedule that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

Supplementary Information

The schedule of compensation, benefits, and other payments to agency head on page 14 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to my compilation engagement; however, I have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

I am not independent with respect to Villa del Rey Crime Prevention and Neighborhood Improvement District.

WILLIAM D. MERCER, CPA (AAE)

Baton Rouge, Louisiana
October 29, 2020

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VILLA DEL REY CRIME PREVENTION AND NEIGHBORHOOD IMPROVEMENT DISTRICT
Baton Rouge, Louisiana

STATEMENT OF NET POSITION

December 31, 2019

ASSETS

Cash and equivalents	\$	98,019
Due from other governments		107,984
Capital assets, net of depreciation		<u>142,646</u>

TOTAL ASSETS		<u>348,649</u>
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LIABILITIES

Accrued expenses		<u>929</u>
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NET POSITION

Investment in capital assets		142,646
Unrestricted		<u>205,074</u>

TOTAL NET POSITION	\$	<u>347,720</u>
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See accountant's compilation report.

VILLA DEL REY CRIME PREVENTION AND NEIGHBORHOOD IMPROVEMENT DISTRICT
 Baton Rouge, Louisiana

STATEMENT OF ACTIVITIES

Year Ended December 31, 2019

	<u>Expenses</u>	<u>Charges For Services</u>	<u>Net Revenue (Expense)</u>
Functions/programs:			
Public safety/crime prevention	\$ 98,736	\$ -	\$(98,736)
Depreciation	<u>6,266</u>	<u>-</u>	<u>(6,266)</u>
Totals	\$ <u>105,002</u>	\$ <u>-</u>	<u>\$(105,002)</u>
General revenues:			
Parcel fees			127,226
Interest			<u>512</u>
Total General Revenues			<u>127,738</u>
Change in net position			22,736
Net position, beginning of year			<u>324,984</u>
Net position, end of year			<u>\$ 347,720</u>

See accountant's compilation report.

VILLA DEL REY CRIME PREVENTION AND NEIGHBORHOOD IMPROVEMENT DISTRICT
Baton Rouge, Louisiana

BALANCE SHEET – GOVERNMENTAL FUND

December 31, 2019

ASSETS

Cash	\$	98,019
Due from other governments		<u>107,984</u>

TOTAL ASSETS		<u>206,003</u>
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LIABILITIES

Accrued expenses		<u>929</u>
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FUND BALANCE

Unrestricted	\$	<u><u>205,074</u></u>
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See accountant's compilation report.

VILLA DEL REY CRIME PREVENTION AND NEIGHBORHOOD IMPROVEMENT DISTRICT
Baton Rouge, Louisiana

RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEET TO
THE STATEMENT OF NET POSITION
December 31, 2019

Fund balances – Governmental Fund	\$	205,074
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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	150,259
Accumulated depreciation	(<u>7,613</u>)

NET POSITION OF GOVERNMENTAL ACTIVITY	\$	<u>347,720</u>
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See accountant's compilation report.

VILLA DEL REY CRIME PREVENTION AND NEIGHBORHOOD IMPROVEMENT DISTRICT
Baton Rouge, Louisiana

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

Year Ended December 31, 2019

REVENUES:

General revenues:

Parcel fees	\$ <u>127,226</u>
Total general revenues	<u>127,226</u>

Miscellaneous revenue:

Interest earned	<u>512</u>
Total miscellaneous revenue	<u>512</u>

Total Revenues	<u>127,738</u>
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EXPENDITURES:

Current operations:

General government:

Accounting	400
Bank charges	84
Legal and professional fees	<u>2,749</u>
Total general government	<u>3,233</u>

Public safety:

Assessor fees	1,859
Collection expense	1,272
Contracted security services	85,935
Insurance	665
Landscaping and improvements	3,025
Supplies	169
Utilities	<u>2,578</u>
Total public safety	<u>95,503</u>

Capital outlay:

Security equipment	<u>146,728</u>
Total capital outlay	<u>146,728</u>

Total Expenditures	<u>245,464</u>
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See accountant's compilation report.

VILLA DEL REY CRIME PREVENTION AND NEIGHBORHOOD IMPROVEMENT DISTRICT
Baton Rouge, Louisiana

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
(continued)
Year Ended December 31, 2019

Excess of expenditures over revenues	(<u>117,726</u>)
OTHER FINANCING SOURCES (USES):	
Capital lease related debt incurred	<u>-</u>
Total other financing sources (uses)	<u>-</u>
Net change in fund balance	(117,726)
FUND BALANCE, beginning of year	<u>322,800</u>
FUND BALANCE, end of year	\$ <u>205,074</u>

See accountant's compilation report.

VILLA DEL REY 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, 2019

Net change in fund balance – governmental fund \$(117,726)

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	146,728
Depreciation expense	(6,266)

Change in net position of governmental activity \$ 22,736

See accountant's compilation report.

VILLA DEL REY CRIME PREVENTION AND NEIGHBORHOOD IMPROVEMENT DISTRICT
Baton Rouge, Louisiana

SCHEDULE OF FINDINGS

Year Ended December 31, 2019

FINDING NO. 2019-001 – FINANCIAL STATEMENT SUBMISSION

Condition: The District did not submit compiled financial statements to the Louisiana Legislative Auditor within the period prescribed by applicable regulations. The submission of this report will meet the applicable requirements. A similar finding was noted in the prior report (see Schedule of Prior Year Findings).

Criteria: Financial statements should be submitted to the Louisiana Legislative Auditor within six months of the end of the organization's fiscal year (Louisiana R.S. 24:514).

Cause: The District requested and was granted an extension of time to complete and submit its financial statements to the Louisiana Legislative Auditor, until September 30, 2020. However, the District was unable to provide requested information to complete the financial statements in a timely manner.

Effect: The District is responsible for compliance with financial statement reporting requirements and is not in compliance with those requirements.

Recommendation: The submission of these financial statements will satisfy the reporting requirements for the year ended December 31, 2019. The District should make arrangements with a qualified accounting firm to perform the required financial statement engagement in future years and see that necessary documentation is provided to the accounting firm in a timely manner.

VILLA DEL REY CRIME PREVENTION AND NEIGHBORHOOD IMPROVEMENT DISTRICT
Baton Rouge, Louisiana

SCHEDULE OF PRIOR YEAR FINDINGS

Year Ended December 31, 2019

The following findings were noted in the prior accountant's report dated July 23, 2019, for the year ended December 31, 2018.

Financial statement submission

The District did not submit compiled financial statements to the Louisiana Legislative Auditor within the period prescribed by applicable regulations. The District retained a qualified firm for the compilation of its financial statements, but the timing of this retention was such that the engagement was unable to be completed in a timely manner. It was recommended that the District make arrangements with a qualified accounting firm to perform the required financial statement engagement in future years and to make sure that such services are scheduled in advance to ensure timely submission of future reports. A similar finding was noted in the current year (see Schedule of Findings, Finding No. 2019-001).

Cash deposits

During the year, the District had cash on deposits in its bank account that exceeded the federally insured limits, and no collateral was pledged or provided by the fiscal agent bank. The District was not aware of the requirement for such collateral, and no such arrangement was made at the time the bank account was opened. The District relied on its bank to ensure its compliance with applicable statutes and regulations. It was recommended that the bank arrange with its fiscal agent bank to collateralize all bank balances, including but not limited to those amounts in excess of FDIC insurance limits. It was further recommended that the District monitor its bank balances to ensure that all cash on deposit is adequately insured and collateralized as required. No similar finding was noted in the current year.

SUPPLEMENTARY INFORMATION

VILLA DEL REY CRIME PREVENTION AND NEIGHBORHOOD IMPROVEMENT DISTRICT
Baton Rouge, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD
Year Ended December 31, 2019

Agency Head: Myles Reed, Chairperson

Purpose:	Amount:
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 accountant's compilation report.

VILLA DEL REY CRIME PREVENTION & NEIGHBORHOOD

IMPROVEMENT DISTRICT

2224 MONACO DR

BATON ROUGE, LA 70915

CORRECTIVE ACTION PLAN

CURRENT YEAR FINDING:

FINDING NO. 2019-001 – FINANCIAL STATEMENT SUBMISSION

We concur with the accountant's finding regarding submission of required financial statements. We are aware of the requirement to submit compiled financial statements within six months of our District's fiscal year end, and we acknowledge this finding is repeated from the prior year. We will engage and work with our outside accountant as soon as possible after year-end to ensure timely retention and submission of future reports, and we do not expect to have similar findings in the future.

PRIOR YEAR FINDINGS:

As noted in the accountant's report, there were two findings in the prior report for the year ended December 31, 2018. As noted in that report, the finding related to submission of required financial statements is repeated in the current year, as noted and acknowledged above. The second finding in the prior year, related to cash deposits and related federal insurance, has been resolved and is not repeated in the current year.

We believe these actions and responses address the matters noted in the current accountant's report.

Signature

Myles L. Reed 0598371

Title

Chairman BD

Date

NOV 2020