



Lakeview Crime Prevention District

FINANCIAL STATEMENTS

December 31, 2020





Lakeview Crime Prevention District
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December 31, 2020

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REPORT





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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners of
Lakeview Crime Prevention District
New Orleans, Louisiana

We have audited the accompanying financial statements of the business-type activities of the Lakeview Crime Prevention District (the District) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the District's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of December 31, 2020, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis beginning on page 4 and the budgetary comparison information on page 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The schedule of compensation paid to board members and schedule of compensation, benefits, and other payments to agency head are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of compensation paid to board members and schedule of compensation, benefits, and other payments to agency head are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 compensation paid to board members and 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 4, 2021, 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 with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Metairie, Louisiana
June 4, 2021



REQUIRED SUPPLEMENTARY INFORMATION



Lakeview Crime Prevention District Management's Discussion and Analysis

Management's Discussion and Analysis (MD&A) for the Lakeview Crime Prevention District (the District) is designed to:

- assist the reader in focusing on significant financial issues;
- provide an overview of the District's financial activities;
- identify changes in the District's financial position and results of operations and assist the user in determining whether financial position has improved or deteriorated as a result of the year's operations;
- identify any significant variations from the original, amended, and final budget amounts and include any currently known reasons for any variations that are expected to have a significant effect on future services or liquidity; and
- identify other significant issues.

The information contained herein should be read in conjunction with the financial statements, notes thereto and other required supplementary information taken as a whole.

The MD&A is required supplementary information that introduces the reader to the general-purpose financial statements and provides an overview of the District's financial activities. The District's basic financial statements consist of the following components: the District's statement of net position, statement of revenues, expenditures, and changes in net position and budgetary comparison, statement of cash flows, and the notes to the financial statements.

FINANCIAL ANALYSIS OF THE DISTRICT

The District's total assets for 2020 increased by \$106,073 due to an increase in parcel fees in the current fiscal period. The District's total liabilities for 2020 increased by \$62,219 as a result of an increase in patrol expenses related to a new millage imposed by the City of New Orleans in the current fiscal period. As a result, there was an increase in net position of \$43,854 from the beginning of the year.

	<u>2020</u>	<u>2019</u>	<u>\$ Change</u>	<u>% Change</u>
Total Asset Change	\$ 422,923	\$ 316,850	\$ 106,073	33%
Total Liabilities Change	\$ 173,256	\$ 111,037	\$ 62,219	56%
Total Net Position	\$ 249,667	\$ 205,813	\$ 43,854	21%
Revenues	\$ 1,025,014	\$ 927,588	\$ 97,426	11%
Expenditures	\$ 996,287	\$ 872,483	\$ 123,804	14%
Non-operating Revenues (Expenses)	\$ 15,127	\$ -	\$ 15,127	-%

Lakeview Crime Prevention District Management's Discussion and Analysis

RESULTS OF OPERATIONS

Operating capital for 2020 was received from assessments on property owners of the District as defined by Act 200 of the Louisiana Legislature. Each parcel owner is assessed a \$150 fee per year which is collected by the City of New Orleans and remitted to the District. The City of New Orleans charges a 1% collection fee, which is deducted prior to remittance to the District. The District also earns interest income on funds on deposit.

The Board of Commissioners of the District has directed all revenues to providing the maximum security presence as directed by statute. For 2020, patrols were manned by two officers serving four hour shifts, twenty four hours per day, seven days per week. Additional patrols are scheduled as deemed necessary.

The District's total net position increased by \$43,854 over the course of the year's operations primarily due to an increase in parcel fees and the insurance proceeds received for a damaged police sedan. In 2020, the increase in total expenditures of \$123,804, or 14%, as compared to the previous year was mainly a result of the District incurring additional overtime (which increases the normal hourly rate by 50%) for patrol officers during the current year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Board has deemed it necessary to hold security at its current level for the near future as it is unknown what percentage of residents will remain in the District and also in what time frame the City of New Orleans will be able to collect and subsequently distribute the funds collected on behalf of the District in 2021. Because of these two unknowns, the level of security will be reevaluated to determine the level that is most fiscally prudent for the District in 2021 as these facts become known.

The Board of Commissioners of the District has strictly adhered to all Louisiana Ethics Laws and Parliamentary Procedures during 2020 when conducting District business.

ORIGINAL VS. AMENDED BUDGET

The District adopts an annual operating budget including proposed expenditures and anticipated parcel fee collections.

The amended budget did not change the original budget amounts; actual amounts and variance explanations are approved by the LCPD board and accepted as the amended budget.

Lakeview Crime Prevention District Management's Discussion and Analysis

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Mr. Brian Anderson
Board President

Lakeview Crime Prevention District
PO Box 24051
New Orleans, Louisiana 70184



FINANCIAL STATEMENTS



Lakeview Crime Prevention District
Statement of Net Position

<i>December 31,</i>	2020
<hr/>	
Assets	
Current assets	
Cash and cash equivalents	\$ 421,147
Prepaid expenditures	1,776
	<hr/>
Total assets	422,923
Liabilities	
Current liabilities	
Accounts payable	173,256
	<hr/>
Total liabilities	173,256
Net Position	
Unrestricted	249,667
	<hr/>
Total net position	\$ 249,667
	<hr/> <hr/>

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

Lakeview Crime Prevention District
Statement of Revenues, Expenditures, and Changes in Net Position
and Budgetary Comparison

<i>For the year ended December 31, 2020</i>	Actual	Original Budget	Amended Budget *	Variance
Revenues				
Parcel fees	\$1,024,968	\$1,026,064	\$1,026,064	
Interest	46	250	250	
Total revenues	1,025,014	1,026,314	1,026,314	(1,300)
Expenditures				
Direct expenditures				
Patrols	914,432	886,527	886,527	
Police sedans, radios and equipment	117	43,457	43,457	
Administrative Expenditures				
Technology/IT equipment	30,043	33,830	33,830	
Insurance	22,680	23,500	23,500	
Accounting	15,900	20,000	20,000	
Legal fees	8,617	10,000	10,000	
Telephone	1,880	2,000	2,000	
Miscellaneous	2,618	1,500	1,500	
Website	-	500	500	
Newsletter	-	5,000	5,000	
Total expenditures	996,287	1,026,314	1,026,314	(30,027)
Non-operating Revenues (Expenses)				
Insurance proceeds **	15,127	**	**	
Change in net position	43,854	-	-	43,854
Net position, beginning of year	205,813			
Net position, end of year	\$ 249,667			

* Amended budget did not change the original budget amounts; actual amounts and variance explanations are approved by the LCPD board and accepted as the amended budget.

** Insurance proceeds are not considered operating revenues nor typically budgeted for on an annual basis.

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

Lakeview Crime Prevention District
Statement of Cash Flows

<i>For the year ended December 31,</i>	2020
<hr/>	
Operating Activities	
Change in net position	\$ 43,854
Adjustments to reconcile change in net position to cash provided by (used in) operating activities:	
Parcel fees receivable	16,054
Accounts payable	62,219
<hr/>	
Net cash provided by (used in) operating activities	122,127
<hr/>	
Net increase (decrease) in cash and cash equivalents	122,127
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Cash and cash equivalents, beginning of year	299,020
<hr/>	
Cash and cash equivalents, end of year	\$ 421,147
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The accompanying notes are an integral part of this financial statement.

Lakeview Crime Prevention District Notes To Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Lakeview Crime Prevention District (the District) was created as a public body by Acts of the Louisiana Legislature, 1997, No. 1132, La. R.S. 33:9091.1, to aid in crime prevention and to add to the security of Lakeview residents by providing an increase in the presence of law enforcement personnel in the District.

The Board of Commissioners is constituted of eleven (11) appointed members. The President of the Lakeview Civic Improvement Association is an ex officio member. The Board of Directors of the Lakeview Civic Improvement Association appoints four members. The member or members of the Louisiana House of Representatives who represent the area which comprises the District appoints one member. The member or members of the Louisiana Senate who represent the area which comprises the District appoint one member. The assessor for the second municipal district appoints one member. The assessor for the seventh municipal district appoints one member. The Mayor of the City of New Orleans appoints one member. The council member or council members who represent the District appoint one member. All members of the Board are required to own property within the District. The terms of the members are concurrent with the respective appointing authority.

The District services all parcels located in the geographic area it serves. The District has no paid employees and contracts with the City of New Orleans for off-duty police officers to patrol the District. The cooperative endeavor agreement with the City of New Orleans expired on December 31, 2020 and was extended through December 30, 2021 with no changes in terms.

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. As of the April 25, 2019 board meeting, effective January 1, 2020, the parcel fee of \$150 per parcel per year was approved by the Board. As of January 1, 2020, the District has reached the maximum amount it is allowed to charge per parcel per year under La. R.S. 33:9091.1.

Basis of Presentation

The accompanying financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Basic Financial Statements – Enterprise Fund

The enterprise fund is used to account for operations that are performed in a manner similar to a private business, whereby, services are provided to the public on a user charge basis. An enterprise fund is accounted for using a flow of economic resources measurement focus and the accrual basis of accounting under which both long-term assets and liabilities are reported on the statement of net position.

Lakeview Crime Prevention District Notes To Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The District's financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when all eligibility requirements imposed by the provider have been met.

Budgetary Basis of Accounting

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 included in the accompanying statements are as originally adopted and amended by the District for the year 2020.

Assets, Liabilities, and Net Position

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.

Lakeview Crime Prevention District Notes To Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues

Parcel fees – Parcel fees are assessed annually by the Orleans Parish Assessor's Office. These fees are included with each resident's property tax statements. Parcel fees are recognized in the year in which they are made available to the District in accordance with accounting standards generally accepted in the United States of America.

Interest revenue – Interest revenue, which includes interest earned on cash deposit accounts, is recognized when made available to the District in accordance with accounting standards generally accepted in the United States of America.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 4, 2021. See Note 4 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Note 2: CASH AND CASH EQUIVALENTS

The District maintains cash accounts at local financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures accounts at each institution up to \$250,000. As of December 31, 2020, the District's account balances exceeded the FDIC insurance by \$173,978. The under-insured portion is secured by pledged collateral as required. The District has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

Note 3: LITIGATION AND CLAIMS

At December 31, 2020, the District was not involved in any litigation nor was the District aware of any claims.

Note 4: INSURANCE PROCEEDS

During the year ended December 31, 2020, the District received insurance proceeds from an insurance company for a damaged police cruiser. The amount is recorded as insurance proceeds in the statement of revenue, expenditures, and changes in net position and budgetary comparison and is considered non-operating revenues. In May 2021, the District purchased a new police cruiser and is expected to provide it to the City of New Orleans to be placed in service in June 2021.

Lakeview Crime Prevention District

Notes To Financial Statements

Note 5: UNCERTAINTY

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the District. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.



OTHER SUPPLEMENTARY INFORMATION



Lakeview Crime Prevention District Schedule of Compensation Paid to Board Members

For the year ended December 31,

2020

Board Member	Amount
Henry F. Yoder, Jr 175 32nd. St., New Orleans, LA 70124	\$ -
Jeb Bruneau 7038 General Haig St., New Orleans, LA 70124	-
Graham Ryan 6145 General Diaz St., New Orleans, LA 70124	-
Ann Marie Leblanc 6461 General Diaz St., New Orleans, LA 70124	-
Val Cupit 6825 General Diaz St., New Orleans, LA 70124	-
Melissa Lessell 254 30th St., New Orleans, LA 70124	-
Brian Anderson 6925 Canal Blvd., New Orleans, LA 70124	-
Nancy Lytle 5525 Milne Blvd., New Orleans, LA 70124	-
Reid Raymond 5978 General Diaz St., New Orleans, LA 70124	-
Emile "Trey" Babin 7000 General Haig St., New Orleans, LA 70124	-
Chris Beacher 211 Polk St., New Orleans, LA 70124	-

**Lakeview Crime Prevention District
Schedule of Compensation, Benefits,
and Other Payments to Agency Head**

For the year ended December 31,

2020

Agency Head Name: Brian Anderson, Board President

<i>Purpose</i>	<i>Amount</i>
Salary	\$ -
Benefits-insurance	-
Benefits-retirement	-
Uniforms	-
Per diem	-
Reimbursements-advertising	-
Travel	-
Fuel usage	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
Total	\$ -



OTHER REQUIRED REPORT AND RELATED SCHEDULES



**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 of
Lakeview Crime Prevention District
New Orleans, 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 Lakeview Crime Prevention District (the District) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 4, 2021.

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 District'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 may exist that have not been identified.

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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cau, Riggs & Ingram, L.L.C.

Metairie, Louisiana
June 4, 2021

**Lakeview Crime Prevention District
Schedule Of Findings and Responses
For the Year Ended December 31, 2020**

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

 yes X no

Significant deficiencies identified?

 yes X none noted

Noncompliance material to financial statements noted?

 yes X no

SECTION II – FINANCIAL STATEMENT AND INTERNAL CONTROL FINDINGS

None noted.

SECTION III – COMPLIANCE FINDINGS

None noted.

**Lakeview Crime Prevention District
Summary Schedule Of Prior Audit Findings
For the Year Ended December 31, 2020**

SECTION II – FINANCIAL STATEMENT FINDINGS

None noted.

SECTION III – COMPLIANCE FINDINGS

None noted.