

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED
GOVERNMENT OF LAFAYETTE, LOUISIANA**

**ANNUAL FINANCIAL REPORT
AND SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2021

LAFAYETTE REGIONAL AIRPORT

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INDEPENDENT AUDITORS' REPORT

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To the Board of Commissioners
Lafayette Airport Commission
Lafayette, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities of the Lafayette Regional Airport (the Airport), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Airport's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Airport 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 the 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 Airport'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.

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 auditors' 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 GAAS 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 GAAS 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 Airport'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 Airport'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Employer's Share of Net Pension Liability, and Schedule of Employer Contributions 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Airport's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statements. The remaining supplementary information as listed in the table of contents is presented for purposes of additional analysis and is also not a required part of the financial statements. The accompanying schedule of passenger facility charges collected and expended is presented for purposes of additional analysis as specified in the Passenger Facility Charge Audit Guide for Public Agencies, issued by the Federal Aviation Administration, and is also not a required part of the basic financial statements.

The supplemental information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the 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 supplemental information and the schedule of expenditures of federal awards 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 15, 2022, on our consideration of the Lafayette Regional Airport'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 Lafayette Regional Airport'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 Lafayette Regional Airport's internal control over financial reporting and compliance.

*Wright, Moore, DeHart,
Dupuis & Hutchinson*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, LLC
Certified Public Accountants

June 15, 2022
Lafayette, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis (MD&A) provides an overview of the Lafayette Regional Airport's activities and financial performance for the fiscal year ended December 31, 2021.

AIRPORT ACTIVITIES & HIGHLIGHTS

- In 2021, the effects of the COVID-19 virus, specifically on the aviation industry, began to wane. Passenger numbers started to grow by March 2021 and by late summer were holding steady at about 85% of pre-COVID levels. LFT ended 2021 at nearly 80% of 2019's record breaking Enplanement numbers.
- Lafayette Regional Airport's 2021 enplanement numbers reached 211,948, which was an 77% increase over the 2020 year. Deplanements were 207,844 which was a 75% increase from the prior year. In addition, Cargo operations continued to grow showing that a record 28,565,156 pounds passed through the airport in 2021 which was 7.6% more than in 2020.
- As for flight loads, United flights to Houston recorded a 73.2% load factor, followed by Delta flights to Atlanta with 68.0%, and American Eagle flights to Dallas with a 67.8% of outgoing seats filled in 2021. March of 2021 saw the first flight from Lafayette to Charlotte as a new daily flight being offered to Lafayette area residents. In addition, the Airport continues to work with these and other carriers to bring additional service to the Lafayette area.
- In December of 2014, Lafayette Parish voters approved a unique 1% Sales Tax that was collected only in 2015 and dedicated to the construction of a new Airport Terminal. The tax and interest have generated over \$35,000,000 as of the end of 2021. Since the November 2018 groundbreaking, New Terminal construction has been ongoing. In November of 2021, the Commission staff moved into the completed LAC's Administrative offices in order to facilitate the remaining interior work to ensure that the Airlines, TSA, Rental Car companies, Security, and Concessionaire's areas would be ready for the first flights and passengers in January 2022.
- In accordance with Federal Aviation Regulations (FAR 139), Lafayette Regional Airport conducted a full-scale emergency plan exercise in March 2021. This disaster drill is scheduled every three years. There were multiple agencies involved in this successful exercise, including local fire and police departments, Office of Emergency Preparedness, Red Cross, local hospitals and victim volunteers.
- Major projects that were completed in 2021 include the Realignment and Widening of Taxiway Foxtrot South Ends and the Rehab of RWY 11/29. Also completed was the construction of a Detention Pond near the New Terminal project as well as new terminal passenger parking areas and the Ready Return Lot for Rental Car returns. In the summer of 2021, the airport received new jet bridges for the new terminal. These projects are designed to enhance overall safety, as well as to facilitate future growth and capacity of Lafayette Regional Airport.
- Several projects still in progress at the end of 2021 include the new Terminal which is still on schedule to open in the first month of 2022 along with TWY F North, which will improve access to both the Air Carrier and General Aviation ramps as well as address pavement issues at the intersection of TWY J and RWY 22L.

Several other projects associated with the new terminal, like the infrastructure necessary for the redesign of Borman Drive and the future airport employee parking area are ongoing. These projects are all designed to improve efficiency and overall safety of the airport while enhancing the passenger's experience.

FINANCIAL HIGHLIGHTS

- ➔ Operating Revenues grew by nearly 21% in 2021 from 2020 going from \$8.3 million to \$10.0 million. Keeping in mind that all airport business in 2020 was severely impacted by COVID, Parking Revenues grew by 82.8%, and Rental Car and Landing Fee revenues also increased by 54.6% and 36.1% respectively. The collection of PFC's was also positively impacted by 39% from 2020. The rise of approximately \$38.3 million in Capital Grants revenues is a result of reimbursements through various funding sources for the New LFT Terminal under construction. (Table 3)
- ➔ Operating Expenses increased from 2020 changing from \$15.3 million to \$17.8 million due primarily to increases in Communication as setups for the New Terminal were added, as well as in Professional Fees and Depreciation costs. (Table 4)
- ➔ Non-Operating Income (Expenses), excluding Capital Grants and the 1% Airport Tax, changed from a net income of \$6,344,689 in 2020 to a net income of \$7,063,769 in 2021. This category also reported a 63.6% decrease in Interest Income earned over 2020 as funds restricted for the construction of the new terminal were being expended for ongoing work and rates fell.
- ➔ Net position of our business-type activity for 2021 increased by \$37.6 million or 13.5%, compared to a 12.5% increase in 2020. The increase for 2021 is largely due to increases in our Capital Assets. (Table 1)
- ➔ Additional funding for Airport operations is received through ad valorem tax revenue. In 2021 the Airport received approximately \$3.77 million in revenues which is a slight increase from the \$3.64 million in 2020.
- ➔ Capital Grants and Contributions received in 2021 were \$38,396,662 compared to \$30,024,097 in 2020. These grants are directly related to the construction of the new terminal and the various Airport Improvement Program grants which are funded at the federal and state level and fluctuate from year-to-year dependent upon the funding and schedules of the Airport's capital projects.

USING THIS REPORT

Reporting the Airport as a Whole

The Statement of Net Position reports information about the Airport as a whole and its activities in a way that helps answer the question "Is the Airport as a whole better or worse off as a result of the year's activities?" This statement includes all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

This statement reports the Airport's net assets and changes in them. Net assets (the difference between assets and liabilities) are one way to measure the Airport's financial health, or financial position. Over time, increases or decreases in the Airport's net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Airport's property tax base and millage rates, as well as capital grant awards, to assess the overall health of the Airport.

In the Statement of Net Position, we report the Airport by activity. The Airport's only operation is that of Airport Services which represents the fees charged to customers to help cover most of the cost of the services provided. The property tax revenue is also reported in this fund since it is dedicated to the operations and maintenance of the Airport.

Reporting the Airport's Significant Funds

At the recommendation of the Louisiana Legislative Auditor's Office, the Airport dissolved the General Fund at the beginning of the 2007 fiscal year. The revenues and expenditures that were previously reported within the General Fund are now included in the Proprietary Fund financial statements. Following is a description of the Proprietary Fund:

- Proprietary Fund - When the Airport charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. The Airport's proprietary fund is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

THE AIRPORT AS A WHOLE

The Airport's total assets increased just over 10.3% in the current year, from \$298 million to \$329 million. The increase is due to the growth in Capital Assets of \$29.7M. Our following analysis focuses on the net position (Table 1) and changes in net position (Table 2) of the Airport's business-type activities. Table 2 reflects collections from Passenger Facility Charges and Customer Facility Charges, even though these are not operating revenues.

CAPITAL ASSET AND LONG-TERM DEBT

Capital Assets

At the end of December 31, 2021, the Airport had \$258.1 million invested in capital assets, net of related debt, including all equipment, land and buildings. This represents a net increase of \$34.9 million, or 16%, over the 2020 amount of \$223.2 million (restated).

During 2021, the airport expended \$41.9 million on capital activities. This expenditure included funds spent for any airport construction and improvement projects previously listed in this report under Airport Activities and Highlights-including the construction of a new Terminal-designed to enhance overall safety, as well as the help determine future growth and capacity of Lafayette Regional Airport.

Debt

During 2011, the Airport completely paid out all taxable and nontaxable bonds outstanding. The Lafayette Airport Commission, in 2018, received approval from the State Bond Commission and had plans to use Bonds in the financing of the New Terminal Project. At this time, no bonds have been issued. In addition, there were two open lines of credit: one backed by the CFC Funds for the construction in 2020 of the Rental Car Quick Turn Around Facility and the second by the PFC Fund for multiple portions of the New LFT Terminal. As of the end of 2021, these lines of credit have been closed and only interest payments were made on this debt.

ECONOMIC FACTORS

The business-type activities will see changes due to economic factors as well as continued capital improvements funded by various grants. Several of the economic factors considered in the budgetary process were:

- The economic environment of the airline industry as a whole including continued increases in the cost of fuel and security.
- Consumer price index adjustments, which allows for increases in rental charges to tenants of the Airport.
- Escalating costs of operations including repairs and maintenance, employee health insurance, professional, security and other contractual services.
- The Lafayette Airport Commission is well aware that as of the writing of this report, that COVID-19 may continue to be a key economic factor in 2022 as the airline/airport industry continues to be affected.

REQUEST FOR INFORMATION

This financial report is written to provide a general overview of the Lafayette Regional Airport's financial position for all interested parties and to show the Airport's accountability for the money it receives. Questions concerning any of the information in the report should be addressed in writing to the Financial Comptroller, Lafayette Regional Airport, 200 Terminal Drive Suite 200, Lafayette, Louisiana 70508.

Table 1
NET POSITION

	Business-type Activities		Total Primary Government	
	2021	2020 (restated)	2021	2020 (restated)
ASSETS:				
Current Assets	\$ 53,073,503	\$ 44,293,783	\$ 53,073,503	\$ 44,293,783
Capital Assets	258,134,236	228,403,854	258,134,236	228,403,854
Non-Current Assets	18,249,529	26,002,844	18,249,529	26,002,844
TOTAL ASSETS	\$ 329,457,268	\$ 298,700,481	\$ 329,457,268	\$ 298,700,481
Deferred Outflows	\$ 222,815	\$ 162,308	\$ 222,815	\$ 162,308
LIABILITIES:				
Current Liabilities	\$ 11,087,796	\$ 12,889,192	\$ 11,087,796	\$ 12,889,192
Non-Current Liabilities	347,208	5,531,200	347,208	5,531,200
Total Liabilities	\$ 11,435,004	\$ 18,420,392	\$ 11,435,004	\$ 18,420,392
Deferred Inflows	\$ 948,149	\$ 782,478	\$ 948,149	\$ 782,478
NET POSITION:				
Net Investment in Capital Assets	\$ 258,134,236	\$ 223,194,255	\$ 258,134,236	\$ 223,194,255
Restricted - PFC	233,242	324,458	233,242	324,458
Restricted - CFC	232,912	551,580	232,912	551,580
Restricted - New Terminal	8,494,918	17,488,852	8,494,918	17,488,852
Unrestricted	50,201,622	38,100,775	50,201,622	38,100,775
Total Net Position	\$ 317,296,930	\$ 279,659,920	\$ 317,296,930	\$ 279,659,920

Table 2
CHANGES IN NET POSITION

	Business-type Activities		Total Primary Government	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues				
Program Revenues:				
Charges for Services	\$ 9,918,426	\$ 8,194,081	\$ 9,918,426	\$ 8,194,081
Operating Grants	109,500	102,005	109,500	102,005
Capital Grants and Contributions	38,396,634	30,024,097	38,396,634	30,024,097
Passenger Facility Charges	842,868	606,528	842,868	606,528
Customer Facility Charges	1,017,632	862,845	1,017,632	862,845
General Revenues:				
Property Taxes	3,725,965	3,591,179	3,725,965	3,591,179
Other Revenue	875,494	107,639	875,494	107,639
State Revenue Sharing	45,854	49,124	45,854	49,124
1% Airport Tax	84,529	60,503	84,529	60,503
Pension Related	150,430	17,521	150,430	17,521
Investment Earnings	403,439	1,109,756	403,439	1,109,756
Gain on Sale of Assets	1,115	99	1,115	99
Total Revenues	<u>55,571,886</u>	<u>44,725,377</u>	<u>55,571,886</u>	<u>44,725,377</u>
Program Expenses				
Administration	2,014,344	1,891,876	2,014,344	1,891,876
Telephones & Utilities	605,372	427,520	605,372	427,520
Supplies & Materials	35,245	31,873	35,245	31,873
Repairs & Maintenance	1,300,245	1,193,586	1,300,245	1,193,586
Security	1,123,109	1,064,051	1,123,109	1,064,051
ARFF	705,172	709,866	705,172	709,866
Professional Fees	761,539	609,962	761,539	609,962
Insurance	390,538	375,155	390,538	375,155
Contractual Services	979,515	965,696	979,515	965,696
Depreciation	9,911,450	8,106,315	9,911,450	8,106,315
Pension Related	-	42,034	-	42,034
Bond Expense	108,347	100,545	108,347	100,545
Total Expenses	<u>17,934,876</u>	<u>15,518,480</u>	<u>17,934,876</u>	<u>15,518,480</u>
Increase in Net Position	<u>\$ 37,637,010</u>	<u>\$ 29,206,897</u>	<u>\$ 37,637,012</u>	<u>\$ 29,206,898</u>

Table 3
REVENUES

The following chart shows the major sources and percentage of operating revenues of the proprietary fund for the years ended December 31, 2021 and December 31, 2020:



Operating Revenues:

	2021	2020	Increase (Decrease) from 2020	Percent Increase (Decrease)
Landing Fees	\$ 1,435,934	\$ 1,054,841	\$ 381,093	36.1%
Terminal Rent/Charges	1,758,637	1,670,750	87,887	5.3%
Hangar Rentals	707,746	683,639	24,107	3.5%
Fuel Flowage Fees	145,334	113,968	31,366	27.5%
Land & Non-Terminal Facilities	2,935,563	2,933,612	1,951	0.1%
Rental Cars	1,222,989	791,005	431,984	54.6%
Parking	1,626,260	889,809	736,451	82.8%
Car Wash Revenues	53,082	27,425	25,658	0.0%
Grant Revenues	109,500	102,005	7,495	7.3%
Other	31,907	29,033	2,874	9.9%
Total Operating Revenues	10,026,952	8,296,085	1,730,867	20.9%

Non-Operating Revenues:

Interest Income	403,439	1,109,756	(706,316)	-63.6%
Other Revenue	876,468	107,636	768,832	714.3%
Proceeds from Sale of Assets	1,115	99	1,016	1023.4%
Pension Related	150,430	17,521	132,909	758.6%
Operation & Maintenance Tax	3,771,819	3,640,303	131,517	3.6%
Passenger Facility Charges	842,868	606,528	236,339	39.0%
Customer Facility Charges	1,017,632	862,845	154,787	17.9%
1% Airport Tax	84,529	60,503	24,025	39.7%
Capital Grants and Contributions	38,396,634	30,024,097	8,372,537	27.9%
Total Non-Operating Revenues	45,544,934	36,429,289	9,115,646	25.0%

TOTAL REVENUES	\$ 55,571,886	\$ 44,725,374	\$ 10,846,512	24.3%
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**Table 4
EXPENSES**

The following chart shows the major sources and percentage of operating revenues of the proprietary fund for the years ended December 31, 2021 and December 31, 2020:



Operating Expenses:

	2021	2020	Increase (Decrease) from 2020	Percent Increase (Decrease)
Administration	\$ 2,014,344	\$ 1,891,873	\$ 122,471	6.5%
Telephones & Utilities	605,372	427,520	177,852	41.6%
Supplies & Materials	35,245	31,873	3,372	10.6%
Repairs & Maintenance	1,300,245	1,193,586	106,659	8.9%
Security	1,123,109	1,064,051	59,058	5.6%
ARFF	705,172	709,866	(4,694)	-0.7%
Professional Fees	761,539	609,962	151,577	24.9%
Insurance	390,538	375,155	15,383	4.1%
Other Contractual Services	979,515	965,696	13,819	1.4%
Depreciation	9,911,450	8,106,315	1,805,135	22.3%
Total Operating Expenses	17,826,529	15,375,898	2,450,631	15.9%

Non-Operating Expenses:

Pension Related	-	42,034	(42,034)	-100.0%
Bond Related	108,347	100,545	7,802	7.8%
Total Non-Operating Expenses	108,347	142,579	(34,232)	-

TOTAL EXPENSES	\$ 17,934,876	\$ 15,518,477	\$ 2,416,399	15.6%
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BASIC FINANCIAL STATEMENTS

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF NET POSITION
DECEMBER 31, 2021**

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$	35,398,385
Accounts Receivable		639,719
Ad Valorem Tax Receivable		879,248
Due From Sheriff		2,321,994
Grant Funds Receivable		13,240,557
Prepays		<u>593,600</u>
Total Current Assets		<u>53,073,503</u>

RESTRICTED ASSETS

Cash		
Grant Funds		8,935,969
PFC Funds		233,242
CFC Funds		232,912
1% Airport Tax		<u>8,494,918</u>
Total Restricted Assets		<u>17,897,041</u>

NON-CURRENT ASSETS

PROPERTY AND EQUIPMENT

Property and Equipment		256,716,470
Land		5,491,076
Construction in Progress		<u>140,711,092</u>
Total		402,918,638
Less: Accumulated Depreciation		<u>(144,784,402)</u>
Net Property and Equipment		<u>258,134,236</u>

NON-CURRENT ASSETS

Net Pension Asset		346,788
Security Deposits		<u>5,700</u>
Total Non-Current Assets		<u>352,488</u>

TOTAL ASSETS

\$ 329,457,268

DEFERRED OUTFLOWS OF RESOURCES

Pension Related		<u>\$ 222,815</u>
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The Accompanying Notes are an Integral Part of These Statements.

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF NET POSITION
DECEMBER 31, 2021**

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	\$ 5,392,957
Accrued Expenses	5,623,022
Unearned Revenue	<u>71,817</u>
Total Current Liabilities	<u>11,087,796</u>

NON-CURRENT LIABILITIES

Security Deposits	233,492
Accrued Compensated Absences	<u>113,716</u>
Total Non-Current Liabilities	<u>347,208</u>

TOTAL LIABILITIES	\$ <u>11,435,004</u>
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DEFERRED INFLOWS OF RESOURCES

Pension Related	\$ 740,362
Property Taxes	<u>207,787</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>\$ 948,149</u>

NET POSITION

Net Investment in Capital Assets	\$ 258,134,236
Expendable:	
Restricted for PFC Projects	233,242
Restricted for New Commercial Terminal	8,494,918
Restricted for CFC Projects	232,912
Unrestricted	<u>50,201,622</u>
TOTAL NET POSITION	<u>\$ 317,296,930</u>

The Accompanying Notes are an Integral Part of These Statements.

LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021

OPERATING REVENUES

Rentals	\$ 6,623,134
Commissions	144,702
Landing Fees	1,435,934
Parking Tolls	1,626,260
Grant Revenues	109,500
Car Wash Revenues	53,082
Miscellaneous	34,340
Total Operating Revenues	<u>10,026,952</u>

OPERATING EXPENSES

Salaries and Costs of Employment	1,931,751
Supplies	35,245
Other Services and Charges	5,814,279
Depreciation	9,911,450
Total Operating Expenses	<u>17,692,725</u>

OPERATING LOSS

(7,665,773)

NON-OPERATING REVENUES (EXPENSES)

Interest Income	403,439
Other Revenue	174,475
Capital Grant Revenue	38,452,374
Amounts Paid to Subrecipients	(55,739)
Ad Valorem Tax Revenue	3,723,920
State Revenue Sharing	47,899
1% Airport Tax	84,529
Non-Employer Pension Contribution	16,628
Passenger Facility Charges	842,868
Customer Facility Charges	1,017,632
Interest Expense	(108,347)
Lease Termination Payments	701,990
Gain on Disposal of Fixed Assets	1,115
Total Non-Operating Revenues (Expenses)	<u>45,302,783</u>

INCREASE IN NET POSITION

37,637,010

NET POSITION, BEGINNING (AS RESTATED, SEE NOTE R)

279,659,920

NET POSITION, ENDING

\$ 317,296,930

The Accompanying Notes are an Integral Part of These Statements.

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021**

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received From Providing Services	\$ 10,504,764	
Received from Other Sources	877,580	
Cash Paid to Suppliers	(7,887,480)	
Cash Paid to Employees	<u>(2,058,170)</u>	
Net Cash Provided By Operating Activities		\$ 1,436,694
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Interest Received	<u>403,439</u>	
Net Cash Provided By Investing Activities		403,439
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Ad Valorem Tax Revenue	<u>4,076,313</u>	
Net Cash Provided By Non-Capital Financing Activities		4,076,313
CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES		
Capital Grants Received	37,288,899	
Acquisition and Construction of Fixed Assets	(39,641,831)	
1% Tax Revenue	84,529	
Other Funds Received	1,860,500	
Proceeds From Long-Term Debt	720,200	
Principal Payments on Long-Term Debt	(5,929,800)	
Interest Paid	<u>(108,347)</u>	
Net Cash (Used In) Capital and Financing Activities		<u>(5,725,850)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		190,596
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		
(including \$25,997,144 in restricted cash)		<u>53,104,830</u>
CASH AND CASH EQUIVALENTS, END OF YEAR		
(including \$17,897,041 in restricted cash)		<u>\$ 53,295,426</u>

The Accompanying Notes are an Integral Part of These Statements.

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF CASH FLOWS - continued
FOR THE YEAR ENDED DECEMBER 31, 2021**

**RECONCILIATION OF OPERATING LOSS TO NET CASH
PROVIDED BY OPERATING ACTIVITIES:**

Operating Loss	\$ (7,665,773)	
Adjustments to Reconcile Loss From Operations to Net Cash Provided By Operating Activities:		
Gain on Sale of Property and Equipment	1,115	
Lease Termination Payments	701,990	
Depreciation	9,911,450	
Other Revenue	174,475	
Provision for Net Pension Liability, Net	(133,804)	
Changes in Assets and Liabilities:		
Accounts Receivable	410,271	
Prepaid Expenses	(197,435)	
Accounts Payable	(2,827,154)	
Accrued Expenses	986,633	
Unearned Revenue	39,125	
Security Deposits	28,417	
Accrued Compensated Absences	<u>7,384</u>	
Net Cash Provided By Operating Activities		<u>\$ 1,436,694</u>

The Accompanying Notes are an Integral Part of These Statements.

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity - Lafayette Regional Airport is a municipally owned, non-hub airport located on U. S. Highway 90 East in the City of Lafayette. The Airport provides passenger service through three regional carriers. The major source of revenue for the Airport is rentals on buildings, hangars, land, and terminal space.

The Lafayette Regional Airport is a component unit, jointly reaffirmed by ordinances from both the Lafayette City Council and the Lafayette Parish Council in 2020. The Airport constitutes a legal entity separate and apart from these Councils which were previously recognized as a Consolidated Government. The Airport continues to be governed by a seven-member, non-elected commission. Three members are appointed by the Lafayette City Council, two members are appointed by the Lafayette Parish Council, one member is appointed by the Mayor-President, and one member is appointed by the mayors of the various municipalities surrounding Lafayette.

The financial information contained in these statements is only that of the Lafayette Regional Airport and includes all funds over which the Airport exercises oversight responsibility. This responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters.

Basis of Presentation - The Lafayette Regional Airport, reported in these statements as a proprietary fund, prepares its financial statements in accordance with the standards established by the Governmental Accounting Standards Board (GASB), the accepted standard-setting body for establishing governmental accounting and financial reporting principles. FASB ASC Section 2100 – Defining the Financial Reporting Entity established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The Lafayette Regional Airport is considered to be a component unit of the Consolidated Government of Lafayette, Louisiana. The accompanying statements present only transactions of the Airport, a component unit of the Consolidated Government of Lafayette, Louisiana.

Basis of Accounting - The Airport maintains its books and records using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The accounts of the Airport are in conformity with generally accepted accounting principles (GAAP). Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statute 24:517 and to the guidelines set forth in the Louisiana Governmental Audit Guide.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Basis of Accounting - continued

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

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

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 and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

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

Unrestricted net position - This component of net position consists of net position that do not meet the definition of "restricted" or "net investment in capital assets."

Revenue Recognition - Property taxes are billed and collected within the same period in which the taxes are levied. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue based on GASBS No. 33. In applying GASBS No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient.

Landing and airfield fees, terminal building, rental building, and leased areas rentals are recorded as revenues during the year in which earned.

Property and Equipment - Depreciation of all exhaustible fixed assets is charged as an expense against operations. Accumulated depreciation is reported on the Statement of Net Position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives of fixed assets are as follows:

	<u>Years</u>
Hangars and Buildings	10 - 30
Runways and Navigation Aids	10 - 20
Service Roads and Parking	10 - 20
Other Permanent Improvements	10 - 20
Equipment	3 - 10
Lease Purchase Equipment	5

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Property and Equipment - continued

Land and other capital improvements acquired by the Airport prior to October 31, 1971, are stated at replacement cost as of that date, as historical cost information was not maintained prior to this time. Land acquisitions, which occurred prior to October 31, 1971, are stated at an estimated replacement cost of \$4,834,560, which approximates \$2,600 per acre. All capital improvements acquired prior to this date are fully depreciated, and, as such, have no remaining book value at the balance sheet date. All subsequent asset purchases are stated at cost. The Airport has a policy in place which requires the capitalization of all asset purchases of \$1,000 or greater. No asset values have been recorded for various improvements constructed by tenants at their own expense, which improvements will revert to the Airport at the expiration of the applicable leases.

Prepaid Items - Payments made to vendors for services that will benefit periods beyond year end are recorded as prepaid items.

Restricted Assets - Proceeds from certain resources of the Airport are classified as restricted assets on the Statement of Net Position because their use is limited by grant agreements or ordinances.

Compensated Absences - Employees of the Airport earn annual leave in amounts from 8 to 12 hours per month based on years of service. Annual leave may be carried forward provided the amount carried forward does not exceed two years of an employee's earned annual leave. Unused annual leave (in excess of what can be carried forward) shall be used or surrendered. Upon termination, employees are paid for all accumulated annual leave.

Sick leave is credited to all classified employees at the rate of eight hours per month. All unused sick leave is carried forward from year to year. No payments are due for such accumulated sick leave upon termination or retirement.

The Airport's recognition and measurement criteria for compensated absences follows GASB Statement No. 16. Estimated accrued compensated absences resulting from unused vacation at the end of the fiscal year are recorded as long-term liabilities in the financial statements. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. This policy resulted in an accrual for compensated absences of \$113,716 at December 31, 2021.

Cash and Cash Equivalents - For purposes of the Statement of Cash Flows, the Airport considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. The Airport had no cash equivalents at December 31, 2021. Restricted cash is also included in the cash balances for purposes of the statement of cash flows.

Investments - Under State law, the Airport may invest in United States bonds, treasury notes or certificates, time certificates of deposit of State banks having their principal office in the State of Louisiana, or any other *federally insured investment*. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", investments meeting the criteria specified in the Statement are stated at fair value. Investments that do not meet the requirements are stated at cost.

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Custodial Credit Risk - Deposits and Investments - The Airport is exposed to custodial credit risk as it relates to their deposits and investments with financial institutions. The Airport's policy to ensure there is no exposure to this risk is to require each financial institution to pledge their own securities to cover any amount in excess of Federal Depository Insurance Coverage. These securities must be held in the Airport's name. Accordingly, the Airport had no custodial credit risk related to its deposits at December 31, 2021.

Deferred Outflows of Resources and Deferred Inflows of Resources - In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues in a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

Pensions - The Airport funds all of its accrued pension cost at the time of contribution, for its contributory pension plan which covers substantially all of its employees. Annual costs are actuarially computed using the entry age normal cost method.

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 and disclosure 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.

Long-term Debt - Long-term debt and other long-term obligations are reported as liabilities. Bond issuance costs, excluding any prepaid bond insurance, are reported as expense in the year of debt issuance. Bonded debt premiums, discounts, and gains/losses on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

Post-Employment Benefits - The Airport does not offer any of these types of benefits to employees and therefore has no liability.

Federal Financial Assistance - The Airport receives financial assistance for costs of construction and improvements to airport facilities through grants from the Federal Aviation Administration. The Airport is on the reimbursement basis for funds received for financial assistance.

(B) CASH AND INVESTMENTS

State laws authorize the government to invest in obligations of the U.S. Treasury, obligations guaranteed by the United States or any agency thereof, and bonds of this state or any subdivision of this state.

All bank balances of deposits and investments as of the Statement of Net Position date are entirely insured or collateralized by securities held by the government's agent in the government's name.

Interest Rate Risk - As a means of limiting its exposure to fair-value losses arising from rising interest rates, the Airport's investment policy limits the investment portfolio to maturities of less than one year.

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(B) CASH AND INVESTMENTS - continued

Credit Risk/Concentration of Credit Risk - Because the Airport currently has no investments, there is no credit risk or concentration of credit risk.

Cash included in the Statement of Cash Flows at December 31 is as follows:

	2021	2020
Petty Cash	\$ 400	\$ 400
Operating Account	2,190,890	1,222,143
Operating Reserve	25,130,879	19,441,674
PFC Account	233,242	324,458
CFC Account	232,912	551,580
Terminal Development Funds Account	8,076,216	6,443,469
1% Airport Tax Account	8,494,918	17,488,852
Grant Account	8,935,969	7,632,254
Cash Per Statement of Cash Flows	\$ 53,295,426	\$ 53,104,830

(C) AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Parish Government in early fall and are actually billed to the taxpayers by the Assessor in October or November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

The taxes are based on assessed values determined by the Tax Assessor of Lafayette Parish and are collected by the Lafayette Parish Sheriff. The taxes are remitted to the Airport net of a deduction for Assessor's Pension Fund contributions.

That portion of the ad valorem taxes dedicated to operations and maintenance of the Airport was assessed to property owners in Lafayette Parish at 1.71 mills on property with assessed valuations totaling \$2,632,598,034 less homestead exemptions of \$417,641,096 for 2021.

(D) PASSENGER FACILITY CHARGE

During the 2016 fiscal year, the Airport submitted an application to the Federal Aviation Administration (FAA) to impose a Passenger Facility Charge (PFC) at the Lafayette Regional Airport. Approval of this application occurred in June 2017. The FAA approved the collection and use of PFC revenues for the new passenger terminal project commencing October 1, 2017. Under the terms of the agreement with the FAA, the Airport is allowed to charge a \$4.50 PFC per passenger, to generate maximum net cumulative revenues of \$21,139,375. In 2021, the Airport submitted an amendment to this application to reduce the maximum net cumulative PFC revenue to \$10,453,982 of which \$3,508,820 has been cumulatively collected. The FAA estimates that the charge expiration date will be August 1, 2029. The use of this revenue is restricted by the FAA for specific approved projects. At December 31, 2021, \$233,242 had not been disbursed and is reported as restricted cash in the Statement of Net Position.

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(E) CUSTOMER FACILITY CHARGE

Effective June 1, 2017, the Airport began collecting a Customer Facility Charge (CFC), which is collected for each rental car transaction day at a rate of \$5.50 per transaction day. The revenues generated will be used to fund and finance the new Rental Car Facility in association with the New Terminal Development Project. The Airport has been approved to initially collect enough CFC funds to cover planning, design, project management costs and construction of the project. For the year ended December 31, 2021, the remaining CFC revenue collected and available to fund the project was \$232,912 and is reported on the face of the Statement of Net Position as Restricted.

(F) GRANT FUNDS RECEIVABLE

The Airport is in the process of performing various airfield improvement projects, including construction of a new terminal, with the assistance of federal and state funds. Grant funds receivable at December 31, 2021, consisted of the following:

State Department of Transportation	\$ 1,572,618
Louisiana Facilities Planning	1,048,615
Economic Development Administration	180,158
FAA – AIP Project 44	687,600
FAA – AIP Project 45	8,623
FAA – AIP Project 47	61,757
FAA – AIP Project 51	411,101
FAA – AIP Project 52	382,496
FAA – AIP Project 53	119,441
FAA – AIP Project 54	280,731
FAA – AIP Project 55	1,742,202
FAA – AIP Project 57	1,533,234
FAA – AIP Project 58	1,154,726
FAA – AIP Project 59	141,797
FAA – AIP Project 60	101,545
FAA – AIP Project 62	56,876
Various Sources - Retainage - Unallocated until Billed	3,757,027
Total Grant Funds Receivable	\$ 13,240,557

(G) RESTRICTED ASSETS

Assets required to be held and/or used as specified in bond resolutions, grant agreements, or other contractual agreements have been reported as Restricted Assets.

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(H) PROPERTY AND EQUIPMENT

The following is a summary of changes in property and equipment:

	Beginning Balance 12/31/2020	Additions	Disposals/ Transfers	Ending Balance 12/31/2021
Hangers and Buildings	\$ 84,217,204	\$ -	\$ -	\$ 84,217,204
Runways and Navigation Aids	109,809,510	15,306,380	(2,623,568)	122,492,322
Service Roads and Parking	10,535,818	-	(50,347)	10,485,471
Other Permanent Improvements	24,262,859	2,866,911	(134,409)	26,995,361
Equipment	10,913,682	84,237	(59,742)	10,938,177
Furniture and Fixtures	1,587,938	-	-	1,587,938
	<u>\$ 241,327,008</u>	<u>\$ 18,257,528</u>	<u>\$ (2,868,066)</u>	<u>\$256,716,470</u>
Less: Accumulated Depreciation and Amortization	<u>(137,741,018)</u>	<u>(9,911,450)</u>	<u>2,868,066</u>	<u>(144,784,402)</u>
Net Property and Equipment	<u>\$ 103,585,990</u>	<u>\$ 8,346,078</u>	<u>\$ -</u>	<u>\$ 111,932,068</u>
Land	<u>\$ 5,491,076</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,491,076</u>
Construction in Progress	<u>\$ 119,326,790</u>	<u>\$ 42,536,772</u>	<u>\$ (21,152,470)</u>	<u>\$ 140,711,092</u>

Depreciation expense for the year ended December 31, 2021, was \$9,911,450

(I) DEFINED BENEFIT PENSION PLAN

Plan Description

All full-time employees of Lafayette Regional Airport participate in the Parochial Employees' Retirement System (PERS) of Louisiana, a multiple-employer, cost-sharing public employee retirement plan that was established by the Louisiana Legislature as of January 1, 1953 by Act 205 of 1952. The PERS was revised by Act 765 of 1979, revised by Act 584 of 2006.

The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the System.

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to these appropriate statutes for more complete information.

**LAFAYETTE REGIONAL AIRPORT
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OF LAFAYETTE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(I) DEFINED BENEFIT PENSION PLAN - continued

Eligibility Requirements

All Airport employees who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

Retirement Benefits

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

- a) Thirty years of creditable service regardless of age.
- b) Twenty-five years of creditable service at age 55.
- c) Ten years of creditable service at age 60.
- d) Seven years of creditable service at age 65.

For employees hired after January 1, 2007:

- a) Thirty years of creditable service at age 55.
- b) Ten years of creditable service at age 62.
- c) Seven years of creditable service at age 67.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits

Upon death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

Disability Benefits

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has a least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board.

**LAFAYETTE REGIONAL AIRPORT
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**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(I) DEFINED BENEFIT PENSION PLAN - continued

Disability Benefits - continued

Upon retirement caused by disability, a member of the Plan shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty for those members who are enrolled prior to January 1, 2007 and to age sixty-two for those members who are enrolled January 1, 2007 and later.

Deferred Retirement Option Plan

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in the DROP in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account (IRA).

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the DROP on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Cost of Living Increases

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements.

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(I) DEFINED BENEFIT PENSION PLAN - continued

Cost of Living Increases - continued

In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Employer Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2020, the actually determined contribution rate was 11.11% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2020, was 12.25% for Plan A.

The total contributions for the years ended December 31, 2021, 2020 and 2019 were \$175,696, \$161,819, and \$158,339, respectively. As of December 31, 2021, the Airport has a pension contribution liability in the amount of \$73,070, included in accounts payable.

According to state statute, the System also receives $\frac{1}{4}$ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities.

Schedule of Employer Allocations

The schedule of employer allocations reports the historical employer contributions, in addition to the employer allocation percentage for each participating employer. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of Parochial Employees' Retirement System of Louisiana. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The resulting allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on the employer's contributions to the plan during the fiscal year ended December 31, 2020, as compared to the total of all employers' contributions received by the plan during the fiscal year ended December 31, 2020.

Schedule of Pension Amounts by Employer

The schedule of pension amounts by employer displays each employer's allocation of the net pension liability, the various categories of deferred outflows of resources, the various categories of deferred inflows of resources, and the various categories of pension expense. The schedule of pension amounts by employer was prepared using the allocations included in the Schedule of Employer Allocations.

**LAFAYETTE REGIONAL AIRPORT
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OF LAFAYETTE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(I) DEFINED BENEFIT PENSION PLAN - continued

Actuarial Methods and Assumptions

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The components of the net pension liability of the System's employers as of December 31, 2020, are as follows:

	PLAN A
Total Pension Liability	\$ 4,385,659,960
Plan Fiduciary Net Position	4,561,001,343
Total Net Pension Liability	\$ (175,341,383)

The Airport's allocation is 0.197779% of the Total Net Pension Liability.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2020, are as follows:

Valuation Date	December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.40%, net of investment expense, including inflation
Projected Salary Increases	4.75%
Mortality Rates:	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees Pub-2010 Public Retirement Plans Mortality Table for General Employees Pub-2010 Public Retirement Plans Mortality Table for General Disabled Employees
Expected Remaining Service Lives	4 years for Plan A
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Inflation Rate	2.30%

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**NOTES TO FINANCIAL STATEMENTS
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(I) DEFINED BENEFIT PENSION PLAN - continued

Actuarial Methods and Assumptions - continued

The discount rate used to measure the total pension liability was 6.40% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (CAPM) (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.00% for the year ended December 31, 2020.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2020, are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Fixed Income	33%	0.86%
Equity	51%	3.36%
Alternatives	14%	0.67%
Real Assets	2%	0.11%
Totals	<u>100%</u>	<u>5.00%</u>
Inflation		<u>2.00%</u>
Expected Arithmetic Nominal Return		<u>7.00%</u>

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

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**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(I) DEFINED BENEFIT PENSION PLAN - continued

Actuarial Methods and Assumptions - continued

For Disabled annuitants, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

Sensitivity to Changes in Discount Rate

The following presents the net pension liability/(asset) of the participating employers calculated using the discount rate of 6.40%, as well as what the employers' net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower 5.40%, or one percentage point higher 7.40% than the current rate.

	Plan A		
	1% Decrease 5.40%	Current Discount Rate 6.40%	1% Increase 7.40%
Net Pension Liability	\$ 727,114	\$ (346,788)	\$ (1,246,159)

Change in Net Pension Liability

The changes in the net pension liability for the year ended December 31, 2020, were recognized in the current reporting period except as follows:

Differences between Expected and Actual Experience

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a deferred inflow of resources in the amount of \$41,391 for the year ended December 31, 2021.

Differences between Projected and Actual Investment Earnings

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a deferred inflow of resources in the amount of \$676,830 for the year ended of December 31, 2021.

**LAFAYETTE REGIONAL AIRPORT
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OF LAFAYETTE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(I) DEFINED BENEFIT PENSION PLAN - continued

Changes of Assumptions

The changes of assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The changes of assumptions resulted in deferred outflows of resources in the amount of \$113,458 for the year ended of December 31, 2021.

Change in Proportion

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The unamortized amounts arising from changes in proportion resulted in deferred outflows of resources in the amount of \$7,792 for the year ended of December 31, 2021.

Contributions – Proportionate Share

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

Retirement System Audit Report

Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2020. Access to the audit report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.la.state.la.us.

Pension Liabilities/(Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021, the Airport reported a liability of \$(346,788) for its proportionate share of the Net Pension Liability of the Plan.

The Net Pension Liability was measured as of December 31, 2020, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Airport's proportion of the Net Pension Liability was based on a projection of the Airport's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

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**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(I) DEFINED BENEFIT PENSION PLAN - continued

Pension Liabilities/(Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - continued

At December 31, 2020, the Airport's proportion was 0.197779%, which was an decrease of 0.018736% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2021, the Airport recognized pension expense of \$41,894 adjusted for the employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$(3,256).

At December 31, 2021, the Airport reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experiences	\$ 84,431	\$ 41,391
Changes of Assumptions	113,458	-
Net difference between projected and actual earnings on pension plan investments	-	676,830
Change in proportion and differences between employer contributions and proportionate share of contributions	11,048	22,141
Employer contributions subsequent to measurement date - Prior	(161,819)	-
Employer contributions subsequent to the measurement date - Current	<u>175,697</u>	<u>-</u>
Total	<u>\$ 222,815</u>	<u>\$ 740,362</u>

Deferred outflows of resources of \$175,697 related to pensions resulting from the Airport's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability/(Asset) in the fiscal year ended December 31, 2021.

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**NOTES TO FINANCIAL STATEMENTS
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(I) DEFINED BENEFIT PENSION PLAN - continued

Pension Liabilities/(Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - continued

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ended</u>	
12/31/2021	\$ (151,497)
12/31/2022	\$ (53,088)
12/31/2023	\$ (222,660)
12/31/2024	\$ (110,570)

(J) BONDS PAYABLE

In November 2018, the Airport issued \$10,000,000 Taxable Customer Facility Charge Revenue Bonds, Series 2018. The proceeds of these bonds will be used 1) to fund the construction of the Rental Car Quick Turn-Around (QTA) Facility and 2) to pay the cost of issuing the Series 2018 Bonds. The purchase price of the bonds will be advanced to the Airport on an as-needed basis and the CFC revenues are pledged to the short-term financing debt. After completion of the Project, all outstanding short-term debt will be combined into one bond issuance. As of December 31, 2021, all funds drawn on these bonds had been repaid by the Airport.

In January 2019, the Airport issued \$10,000,000 Taxable Passenger Facility Charge Revenue Bonds, Series 2019. The proceeds of these bonds will be used 1) for the construction and acquiring of airport facilities, additions and improvements and 2) to pay the cost of issuing the Series 2019 Bonds. The purchase price of the bonds will be advanced to the Airport on an as-needed basis and the PFC revenues are pledged to the short-term financing debt. After completion of the Project, all outstanding short-term debt will be combined into one bond issuance. As of December 31, 2021, all funds drawn on these bonds had been repaid by the Airport.

(K) OPERATING LEASES

The Airport leases buildings, hangars, land and terminal space to a number of tenants. Due to the nature of those leases, they are all classified as operating leases.

The following is a schedule by years of minimum future rentals on non-cancelable operating leases as of December 31, 2021:

Year Ending December 31	
2022	\$ 2,321,980
2023	1,472,390
2024	1,469,698
2025	1,469,698
2026	1,266,090
Thereafter	3,659,472
Total Minimum Future Rentals	<u>\$ 11,292,656</u>

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**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(K) OPERATING LEASES - continued

Certain rentals included above relate to tenants with scheduled annual CPI adjustments. Those annual adjustments could not be determined. Therefore, the 2021 rents were used for all years.

(L) RISK MANAGEMENT

The Airport is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Airport is insured to reduce the exposure to these risks.

(M) COMMITMENTS AND CONTIGENCIES

On a continuing basis, the Airport enters into construction contracts for improvements to the Airport. At December 31, 2021, there are several ongoing projects for which contracts have been entered and work is in progress. The majority of the costs of these projects are being funded by Airport Improvement Program Grants through the Federal Aviation Administration and the State of Louisiana, Department of Transportation.

At December 31, 2021, the Airport is the defendant in one lawsuit with a contractor on these construction contracts for various reasons. The lawsuit was settled and the necessary accruals have been recorded in the financial statements. There is also a claim against the Airport for unpaid fees for services rendered on a construction project. The Airport has its own claim against this vendor for failure to perform the design as specified. As of December 31, 2021, no amounts are recorded in these financial statements regarding these claims.

The Airport participates in a number of federal financial assistance programs. Although the grant programs have been audited through December 31, 2021, in accordance with Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), these programs are still subject to financial and compliance audits by governmental agencies.

(N) DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Airport has items relating to pension that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Airport has items relating to pension and property taxes that qualify for reporting in this category.

(O) COMPENSATION OF COMMISSION MEMBERS

The Airport Commission is comprised of a seven (7) member board who serve without compensation.

**LAFAYETTE REGIONAL AIRPORT
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**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(P) COMPENSATION, BENEFITS AND OTHER PAYMENTS TO EXECUTIVE DIRECTOR

A detail of compensation, benefits, and other payments paid to the Executive Director, Steven Picou, for the year ended December 31, 2021:

<u>Purpose</u>	<u>Amount</u>
Salary and Related Benefits	\$ 181,318
Benefits - Insurance	\$ 19,444
Benefits - Retirement	\$ 17,225
Reimbursements - Phone	\$ 1,200
Travel	\$ -
Registration Fees	\$ 765
Conference Travel	\$ 4,055
Vehicle Usage	\$ 747

(Q) DEDICATION OF PROCEEDS AND FLOW OF FUNDS - SALES TAX

In November 2014, a one percent sales tax was approved by the voters to be collected for a period of eight months, dedicated to the construction of a new terminal at the Airport. Total collections not yet expended as of December 31, 2021, are \$8,494,918 and are reported as restricted cash and restricted net position in these financial statements.

(R) PRIOR PERIOD ADJUSTMENT

During the current year, it was noted that an Act of Transfer executed in 2016 which transferred ownership of a facility constructed on Airport property to the Airport, had not been properly recorded. The financial statements have been restated to increase total beginning net position by \$15,669,445 for the net effect of this correction. The effects were to increase Hangers and Buildings by \$18,803,333, Equipment by \$2,552,706 and Accumulated Depreciation by \$5,686,594.

(S) SUBSEQUENT EVENTS

The Airport has evaluated subsequent events through June 15, 2022, the date the financial statements were available to be issued.

- During January 2022, the Airport reached a favorable settlement in a lawsuit with a project engineer.

SUPPLEMENTARY INFORMATION

**LAFAYETTE REGIONAL AIRPORT
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**SCHEDULE OF EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Administrative	General Maintenance	Contractual Services	Total
SALARIES AND COSTS OF EMPLOYMENT				
Salaries	\$ 986,077	\$ 477,390	\$ -	\$ 1,463,467
Payroll Taxes	13,794	6,773	-	20,567
Group Insurance	212,718	157,190	-	369,908
Worker's Compensation	10,629	25,286	-	35,915
Retirement Contributions	(15,294)	57,188	-	41,894
Total Salaries and Costs of Employment	<u>\$ 1,207,924</u>	<u>\$ 723,827</u>	<u>\$ -</u>	<u>\$ 1,931,751</u>
SUPPLIES				
Supplies and Minor Equipment	<u>\$ 25,669</u>	<u>\$ 8,977</u>	<u>\$ 599</u>	<u>\$ 35,245</u>
OTHER SERVICES AND CHARGES				
Advertising	\$ 508,148	\$ -	\$ -	\$ 508,148
Postage and Freight	1,908	-	-	1,908
Dues and Publications	38,601	-	-	38,601
Environmental Expenses	158,912	-	-	158,912
Fuel and Oil	361	35,929	10,939	47,229
Fly Lafayette Campaign/Public Relations	8,750	-	-	8,750
Insurance	185,685	204,853	-	390,538
Miscellaneous	2,678	6	-	2,684
Terminal Building Equipment Contract	-	-	147,456	147,456
Professional Fees	761,539	-	-	761,539
Repairs and Maintenance	14,502	400,005	135,686	550,193
Repairs and Maintenance - Leased Facilities	-	50,878	-	50,878
Telephone	142,504	7,456	-	149,960
Training	7,541	1,104	-	8,645
Travel	8,080	-	-	8,080
Tri-Annual Drill Expenses	282	-	-	282
Uniforms	1,691	3,321	-	5,012
Utilities	-	455,412	-	455,412
Parking Fee Management	329,964	-	-	329,964
Contracted Services -				
Grounds Maintenance	-	94,152	-	94,152
Janitorial	-	-	267,655	267,655
ARFF Services	-	-	705,172	705,172
Security	-	-	1,123,109	1,123,109
Total Other Services and Charges	<u>\$ 2,171,146</u>	<u>\$ 1,253,116</u>	<u>\$ 2,390,017</u>	<u>\$ 5,814,279</u>

See Independent Auditors' Report.

**LAFAYETTE REGIONAL AIRPORT
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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Federal Grantor Program Title	Assistance Listing Number	Grant Number	Federal Expenditures	Amount to Subrecipients
U.S. Department of Transportation				
Federal Aviation Administration				
Airport Improvement Projects	20.106 *	#48	\$ 2,511	\$ -
Airport Improvement Projects		#50	22,233	-
Airport Improvement Projects		#51	17,107	-
Airport Improvement Projects		#52	84,756	-
Airport Improvement Projects		#53	589,899	-
Airport Improvement Projects		#54	51,682	-
Airport Improvement Projects		#55	4,985,851	-
COVID - 19 - Airport Improvement Projects		#55	553,984	-
COVID - 19 - Airport Improvement Projects		#56	2,496,207	-
Airport Improvement Projects		#57	4,780,278	-
Airport Improvement Projects		#58	5,569,371	-
Airport Improvement Projects		#59	4,275,519	-
COVID - 19 - Airport Improvement Projects		#59	475,058	-
Airport Improvement Projects		#60	1,990,654	-
COVID - 19 - Airport Improvement Projects		#60	221,184	-
COVID - 19 - Airport Improvement Projects		#61	2,289,820	-
COVID - 19 - Airport Improvement Projects		#62	56,876	56,876
Subtotal Airport Improvement Projects			28,462,990	56,876
U.S. Department of Commerce:				
Passed Through Acadiana Planning Commission				
Investments for Public Works and Economic Development Facilities	11.300	N/A	398,114	-
U.S. Department of Homeland Security:				
Passed Through Governor's Office of Homeland Security and Emergency Preparedness -				
Disaster Grants - Public Assistance	97.036	N/A	15,182	-
Total Expenditures of Federal Awards			<u>\$ 28,876,286</u>	<u>\$ 56,876</u>

* - denotes a major program.

NOTE:

The above Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting.

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**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2021**

(A) BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Lafayette Regional Airport under programs of the federal government for the year ended December 31, 2021. The information in this schedule is presented in accordance with requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Because the Schedule presents only a selected portion of the operations of Government, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Government.

(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported in accordance with accounting principles generally accepted in the United States of America as applied to governmental units, which is described in Note A to the basic financial statements for the year ended December 31, 2021. Such expenditures are recognized following the cost principle contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(C) INDIRECT COST RATE

Lafayette Regional Airport has elected not to use the 10% de minimis indirect cost rate for the year ended December 31, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

LAFAYETTE REGIONAL AIRPORT
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LAFAYETTE, LOUISIANA

SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
LOUISIANA PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM
FOR THE YEAR ENDED DECEMBER 31, 2021

Year ended December 31	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.184399%	\$ 50,416	\$ 1,144,263	4.41%	99.15%
2016	0.199408%	\$ 524,899	\$ 1,138,140	46.12%	92.23%
2017	0.190934%	\$ 393,231	\$ 1,161,126	33.87%	94.15%
2018	0.019944%	\$ (148,036)	\$ 1,241,196	-11.93%	101.98%
2019	0.207326%	\$ 920,187	\$ 1,293,976	71.11%	88.86%
2020	0.216515%	\$ 10,192	\$ 1,441,679	0.71%	99.89%
2021	0.197779%	\$ (346,788)	\$ 1,320,970	-26.25%	104.00%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**LAFAYETTE REGIONAL AIRPORT
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**SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Year ended December 31,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 183,082	\$ 183,082	\$ -	\$ 1,144,263	16.00%
2016	\$ 170,329	\$ 167,130	\$ 3,199	\$ 1,174,682	14.23%
2017	\$ 150,946	\$ 146,239	\$ 4,707	\$ 1,161,126	12.59%
2018	\$ 155,150	\$ 152,798	\$ 2,352	\$ 1,241,196	12.31%
2019	\$ 148,807	\$ 145,979	\$ 2,828	\$ 1,293,976	11.28%
2020	\$ 165,793	\$ 158,339	\$ 7,454	\$ 1,441,679	10.98%
2021	\$ 161,819	\$ 161,819	\$ -	\$ 1,320,970	12.25%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

WRIGHT, MOORE, DEHART, DUPUIS & HUTCHINSON, L.L.C.

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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

LANCE E. CRAPPELL, CPA, CGMA *

NICAH R. VIDRINE, CPA *

TRAVIS M. BRINSKO, CPA *

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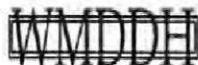
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To the Board of Commissioners
Lafayette Airport Commission
Lafayette, Louisiana

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 and the major fund of the Lafayette Regional Airport, a Component Unit of the Consolidated Government of Lafayette, Louisiana, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Lafayette Regional Airport's basic financial statements, and have issued our report thereon dated June 15, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lafayette Regional Airport'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 Airport's internal control. Accordingly, we do not express an opinion on the effectiveness of the Lafayette Regional Airport'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 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 may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lafayette Regional Airport's financial statements are free of 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.

*Wright, Moore, DeHart,
Dupuis & Hutchinson*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, L.L.C.
Certified Public Accountants

June 15, 2022
Lafayette, Louisiana

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Commissioners
Lafayette Airport Commission
Lafayette, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Lafayette Regional Airport, a Component Unit of the Consolidated Government of Lafayette, Louisiana's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Lafayette Regional Airport's major federal programs for the year ended December 31, 2021. Lafayette Regional Airport's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Lafayette Regional Airport complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Lafayette Regional Airport and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Lafayette Regional Airport's compliance with the compliance requirements referred to above.

Opinion on Each Major Federal Program

In our opinion, Lafayette Regional Airport complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Lafayette Regional Airport's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Lafayette Regional Airport's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Lafayette Regional Airport's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Lafayette Regional Airport's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Lafayette Regional Airport's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Lafayette Regional Airport's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

This report is intended for the information of the management and Board of Commissioners of the Lafayette Regional Airport and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.

*Wright, Moore, DeHart,
Dupuis & Hutchinson*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, L.L.C.
Certified Public Accountants

June 15, 2022
Lafayette, Louisiana

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

We have audited the financial statements of the Lafayette Regional Airport, a component unit of the Consolidated Government of Lafayette, Louisiana, as of and for the year ended December 31, 2021, and have issued our report thereon dated June 15, 2022. 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 Comptroller General of the United States. Our audit of the financial statements as of December 31, 2021, resulted in an unmodified opinion.

Section I - Summary of Auditors' Results

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Control Deficiencies

Yes No

Material Weakness

Yes No

Compliance

Compliance Material to Financial Statements

Yes No

B. Management Letter

Was a management letter issued?

Yes No

C. FEDERAL AWARDS

Major Program Identification

The Lafayette Regional Airport at December 31, 2021, had one major program: Department of Transportation: Federal Aviation Administration - Airport Improvement Projects: Assistance Listing Number 20.106.

Low-Risk Auditee

The Lafayette Regional Airport is considered a low-risk auditee for the year ended December 31, 2021.

Major Program - Threshold

The dollar threshold to distinguish between Type A and Type B programs is \$866,289 for the year ended December 31, 2021.

Auditors' Report - Major Program

An unmodified opinion has been issued on the Lafayette Regional Airport's compliance for its major program as of and for the year ended December 31, 2021.

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - continued
FOR THE YEAR ENDED DECEMBER 31, 2021**

C. FEDERAL AWARDS - continued

Control Deficiencies - Major Program

There were no control deficiencies noted during the audit of the major federal program.

Compliance Finding Related to Major Program

The audit did not disclose any material noncompliance or questioned costs relative to its federal program.

Section II - Financial Statement Findings

There were no control deficiencies or instances of material noncompliance noted during the audit.

Section III - Federal Award Findings and Questioned Costs

The audit did not disclose any material noncompliance findings or questioned costs relative to its federal programs.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE PASSENGER FACILITY CHARGE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

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CHRISTINE R. DUNN, CPA**

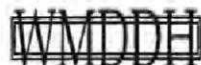
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To the Board of Commissioners
Lafayette Airport Commission
Lafayette, Louisiana

Report on Compliance for the Passenger Facility Charge Program

Opinion on the Passenger Facility Charge Program

We have audited the Lafayette Regional Airport, a Component Unit of the Consolidated Government of Lafayette, Louisiana's compliance with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide), for its Passenger Facility Charge Program for the year ended December 31, 2021.

In our opinion, Lafayette Regional Airport complied, in all material respects, with the requirements referred to above that are applicable to its Passenger Facility Charge Program for the year ended December 31, 2021.

Basis for Opinion on the Passenger Facility Charge Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration. Our responsibilities under those standards and the Guide are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Lafayette Regional Airport and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the Passenger Facility Charge Program. Our audit does not provide a legal determination of Lafayette Regional Airport's compliance with the compliance requirements referred to above.

Opinion on the Passenger Facility Charge Program

In our opinion, Lafayette Regional Airport complied, in all material respects, with the requirements referred to above that are applicable to its Passenger Facility Charge Program for the year ended December 31, 2021.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Lafayette Regional Airport's Passenger Facility Charge Program.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Lafayette Regional Airport's compliance based on our audit. 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, *Government Auditing Standards*, and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Lafayette Regional Airport's compliance with the requirements of the Passenger Facility Charge Program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Lafayette Regional Airport's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Lafayette Regional Airport's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, but not for the purpose of expressing an opinion on the effectiveness of Lafayette Regional Airport's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.

This report is intended for the information of the management and Board of Commissioners of the Lafayette Regional Airport, and the Federal Aviation Administration and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.

*Wright, Moore, DeHart,
Dupuis & Hutchinson*

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June 15, 2022
Lafayette, Louisiana

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**SCHEDULE OF PASSENGER FACILITY CHARGES COLLECTED AND EXPENDED
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Beginning Program Total	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Ending Program Total
Revenue:						
Collections	\$ 14,880,000	\$ 131,930	\$ 202,161	\$ 253,600	\$ 251,967	\$ 15,719,658
Interest	<u>575,595</u>	<u>1,588</u>	<u>1,107</u>	<u>373</u>	<u>142</u>	<u>578,805</u>
Total Revenue	<u>15,455,595</u>	<u>133,518</u>	<u>203,268</u>	<u>253,973</u>	<u>252,109</u>	<u>16,298,463</u>
Disbursements:						
Application 95-01-C-03-LFT (Closed)	933,024	-	-	-	-	933,024
Application 98-02-U-00-LFT (Closed)	150,000	-	-	-	-	150,000
Application 01-03-C-00-LFT (Closed)	2,273,692	-	-	-	-	2,273,692
Application 05-04-C-00-LFT (Closed)	2,677,464	-	-	-	-	2,677,464
Application 06-05-C-00-LFT (Closed)	756,165	-	-	-	-	756,165
Application 08-06-C-00-LFT (Closed)	3,748,286	-	-	-	-	3,748,286
Application 11-07-C-00-LFT (Closed)	1,693,028	-	-	-	-	1,693,028
Application 17-08-I-00-LFT/18-09-U-00-LFT: Project - New Passenger Terminal	<u>931,092</u>	<u>-</u>	<u>455,825</u>	<u>285,754</u>	<u>192,505</u>	<u>1,865,176</u>
Total Disbursements	<u>13,162,751</u>	<u>-</u>	<u>455,825</u>	<u>285,754</u>	<u>192,505</u>	<u>14,096,835</u>
Net PFC Revenue	<u>-</u>	<u>133,518</u>	<u>(252,557)</u>	<u>(31,781)</u>	<u>59,604</u>	<u>-</u>
PFC Account Balance	<u>\$ 324,458</u>	<u>\$ 457,976</u>	<u>\$ 205,419</u>	<u>\$ 173,638</u>	<u>\$ 233,242</u>	<u>\$ 233,242</u>

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting - The above schedule presents the revenues received from the PFC and expenditures incurred on approved Projects. The schedule has been prepared on the cash basis of accounting which is not materially different from the accrual basis of accounting which is required by Generally Accepted Accounting Principles (GAAP).

**LAFAYETTE REGIONAL AIRPORT
PASSENGER FACILITY CHARGE PROGRAM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

A. SUMMARY OF AUDIT RESULTS

1. No material weaknesses were identified during the audit of the Passenger Facility Charge Program.
2. The auditors' report on compliance for the Passenger Facility Charge Program expresses an unmodified opinion.
3. There were no audit findings related to the Passenger Facility Charge Program.

B. FINDINGS AND QUESTIONED COSTS

None.

**LAFAYETTE REGIONAL AIRPORT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**PASSENGER FACILITY CHARGE PROGRAM
AUDIT SUMMARY
YEAR ENDED DECEMBER 31, 2021**

- | | |
|--|--|
| 1. Type of report issued on PFC financial statements. | <u> X </u> Unmodified <u> </u> Qualified |
| 2. Type of report on PFC compliance. | <u> X </u> Unmodified <u> </u> Qualified |
| 3. Quarterly Revenue and Disbursements reconcile with submitted quarterly reports and reported un-liquidated revenue matches actual amounts. | <u> X </u> Yes <u> </u> No |
| 4. PFC Revenue and Interest is accurately reported on FAA Form 5100-127. | <u> X </u> Yes <u> </u> No |
| 5. The Public Agency maintains a separate financial accounting record for each application. | <u> X </u> Yes <u> </u> No |
| 6. Funds disbursed were for PFC eligible items as identified in the FAA Decision to pay only for the allowable costs of the projects. | <u> X </u> Yes <u> </u> No |
| 7. Monthly carrier receipts were reconciled with quarterly carrier reports. | <u> X </u> Yes <u> </u> No |
| 8. PFC revenues were maintained in a separate interest-bearing capital account or commingled only with other interest-bearing airport capital funds. | <u> X </u> Yes <u> </u> No |
| 9. Serving carriers were notified of PFC program actions/changes approved by the FAA. | <u> X </u> Yes <u> </u> No |
| 10. Quarterly Reports were transmitted (or available via website) to remitting carriers. | <u> X </u> Yes <u> </u> No |
| 11. The Public Agency is in compliance with Assurances 5, 6, 7 and 8. | <u> X </u> Yes <u> </u> No |
| 12. Project design and implementation is carried out in accordance with Assurance 9. | <u> X </u> Yes <u> </u> No |
| 13. Program administration is carried out in accordance with Assurance 10. | <u> X </u> Yes <u> </u> No |
| 14. For those public agencies with excess revenue, a plan for the use of this revenue has been submitted to the FAA for review and concurrence. | <u> X </u> Yes <u> </u> No |

LAFAYETTE AIRPORT COMMISSION

Lafayette, Louisiana

Independent Accountants' Report
On Applying Agreed-Upon Procedures

Year Ended December 31, 2021

WRIGHT, MOORE, DEHART, DUPUIS & HUTCHINSON, L.L.C.

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

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To the Board of Commissioners and Management
Lafayette Airport Commission
Lafayette, Louisiana

We have performed the procedures enumerated below on the control and compliance areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021, through December 31, 2021. Lafayette Regional Airport's management is responsible for those control and compliance areas identified in the SAUPs.

The Lafayette Regional Airport has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating management's assertions about Lafayette Regional Airport's compliance with certain laws, regulations, and best practices. Additionally, the Legislative Auditor, State of Louisiana, 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 as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget

Written policies and procedures were obtained and address the functions noted above.

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

Written policies and procedures were obtained and address the functions noted above.

- c) **Disbursements**, including processing, reviewing, and approving

Written policies and procedures were obtained and address the functions noted above.

- d) **Receipts**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions.

Written policies and procedures were obtained and address the functions noted above.

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

Written policies and procedures were obtained and address the functions noted above.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

Written policies and procedures were obtained and address the functions noted above.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage

Written policies and procedures were obtained and address the functions noted above.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

Written policies and procedures were obtained and address the functions noted above.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Written policies and procedures were obtained and address the functions noted above.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Written policies and procedures were obtained and address the functions noted above.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Written policies and procedures were obtained and address the functions noted above.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Written policies and procedures were obtained and address the functions noted above.

Board (or Finance Committee, if applicable)

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

No exceptions were found as a result of this procedure.

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds and semi-annual budget to-actual, at a minimum, on all special revenue funds.

No exceptions were found as a result of this procedure.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

No exceptions were found as a result of this procedure.

Bank Reconciliations

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Obtained a cash account listing and management's representation that the listing is complete.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

No exceptions were found as a result of this procedure.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

No exceptions were found as a result of this procedure.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions were found as a result of this procedure.

Collections

- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Obtained listing of deposit sites and management's representation that the listing is complete.

- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

No exceptions were found as a result of this procedure.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

No exceptions were found as a result of this procedure.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

No exceptions were found as a result of this procedure.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

No exceptions were found as a result of this procedure.

- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

No exceptions were found as a result of this procedure.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

No exceptions were found as a result of this procedure.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exceptions were found as a result of this procedure.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions were found as a result of this procedure.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

No exceptions were found as a result of this procedure.

- e) Trace the actual deposit per the bank statement to the general ledger.

No exceptions were found as a result of this procedure.

Non-Payroll Disbursements (excluding card purchase/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Obtained a listing of locations that process payments, and management's representation that the listing is complete.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

No exceptions were found as a result of this procedure.

- b) At least two employees are involved in processing and approving payments to vendors.

No exceptions were found as a result of this procedure.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

No exceptions were found as a result of this procedure.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

No exceptions were found as a result of this procedure.

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

No exceptions were found as a result of this procedure.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

No exceptions were found as a result of this procedure.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

- 11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Obtained a listing of all active credit cards for the fiscal year and management's representation that the listing is complete.

- 12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]

No exceptions were found as a result of this procedure.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

No exceptions were found as a result of this procedure.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

No exceptions were found as a result of this procedure.

Travel and Expense Reimbursement

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Obtained a listing of all travel and expense reimbursements for the fiscal year and management's representation that the listing is complete.

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

No exceptions were found as a result of this procedure.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

No exceptions were found as a result of this procedure.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions were found as a result of this procedure.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions were found as a result of this procedure.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.

Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

No exceptions were found as a result of this procedure.

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

No exceptions were found as a result of this procedure.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms.

No exceptions were found as a result of this procedure.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions were found as a result of this procedure.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Obtained listing of employees and management's representation that the listing is complete. Randomly selected five employees and obtained paid salaries, and personal files. No exceptions were found as a result of this procedure.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions were found as a result of this procedure.

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

No exceptions were found as a result of this procedure.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions were found as a result of this procedure.

- d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions were found as a result of this procedure.

- 18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. Agree the hours to the employee or officials' cumulate leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Obtained listing of employees that obtained termination benefits during the fiscal year, and management's representation that the listing is complete. No exceptions were found as a result of this procedure.

- 19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Obtained management's representation's that the employer and employee portions along with reporting forms were submitted to applicable agencies by the required deadlines.

Ethics (excluding nonprofits)

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

No exceptions were found as a result of this procedure.

- b. Observe that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

No exceptions were found as a result of this procedure.

Debt Service (excluding nonprofits)

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

Obtained management's representation that no bonds/notes were issued during the fiscal year.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

No exceptions were found as a result of this procedure.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management has asserted that the entity did not have any misappropriations of public funds or assets.

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions were found as a result of this procedure.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, verbally discuss the results with management, and report **"We performed the procedure and discussed the results with management."**

- a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

- b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- c. Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training 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.

27. 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).

No exceptions were found as a result of this procedure.

28. 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 it 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;

No exceptions were found as a result of this procedure.

- b. Number of sexual harassment complaints received by the agency;

No exceptions were found as a result of this procedure.

- c. Number of complaints which resulted in a finding that sexual harassment occurred;

No exceptions were found as a result of this procedure.

- d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

No exceptions were found as a result of this procedure.

- e. Amount of time it took to resolve each complaint.

No exceptions were found as a result of this procedure.

We were engaged by the Lafayette Regional Airport 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. 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 management's financial records and compliance with applicable laws and regulations.

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 the Lafayette Regional Airport 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 for the information and use of the Lafayette Regional Airport and the Legislative Auditor, State of Louisiana, and is not intended to be and should not be used by anyone other than those specified parties.

*Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, LLC
Certified Public Accountants

Lafayette, Louisiana
May 31, 2022