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**FALSE RIVER AIR FUEL COMMISSION
NEW ORLEANS, LOUISIANA**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDING DECEMBER 31, 1966**

**A JOINT VENTURE OF THE
POLICE AND THE PARSONS OF FRENCH COFFEE
NEW ORLEANS, LOUISIANA
AND
CITY OF NEW ORLEANS, LOUISIANA**

under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8-18-66

**FALSE RIVER AIR PARK COMMISSION
8802 AIRPORT DRIVE
NEW ROADS, LOUISIANA 70700
(504) 638-3182**

GOVERNING BOARD

Commissioner

**Charles Bennett, Chairman
John M. Woods, Secretary
James E. Salton, Jr.
John L. Ewing
Christopher Hatley
Louis A. Robert**

Appointed By

**Police Couper Police Jury
Police Couper Police Jury
Police Couper Police Jury
City of New Roads
City of New Roads
City of New Roads**

Appointment Expires

**August 31, 1998
August 31, 1999
August 31, 2000
August 31, 2000
August 31, 1997
August 31, 2001**

MANAGER

Francis Chevrolet

MEETING DATE

**First Thursday of Every Month
at Airport Terminal**

**FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA
FOR THE YEAR ENDED DECEMBER 31, 1995**

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FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA
FOR THE YEAR ENDED DECEMBER 31, 1965

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George F. Delaune

CERTIFIED PUBLIC ACCOUNTANT
Private Limited, Governmental Accounting, Auditing and Financial Reporting

Phone
OFFICE: 504-835-4147
HOME: 504-835-4147
FAX: 504-835-4147
CELL: 504-835-4147

Office
100 PONDICHERRY AVENUE
NEW ORLEANS, LOUISIANA 70112

Member
MEMBER OF THE INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS OF THE
STATE OF LOUISIANA
MEMBER OF THE INSTITUTE OF
CERTIFIED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Mr. Charles Bonasutta, Chairman
and Members of the Board of Commissioners
False River Air Park Commission
New Roads, Louisiana

I have audited the accompanying general purpose financial statements of the FALSE RIVER AIR PARK COMMISSION, NEW ROADS, LOUISIANA, a joint-venture of the Pointe Coupee Parish Police Jury and City of New Roads, Louisiana, as of and for the year ended December 31, 1995, as listed in the Table of Contents. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards adopted by the American Institute of Certified Public Accountants, *Government Auditing Standards*, issued by the Comptroller General of the United States, and with provisions of Louisiana Revised Statute 24:913 and the provisions of the *Louisiana Governmental Audit Guide*, published jointly by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statements presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the False River Air Park Commission, New Roads, Louisiana, as of December 31, 1995, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated May 6, 1996 on my consideration of the Commission's internal control structure and a report dated May 6, 1996, on its compliance with laws and regulations.

George F. Johnson, RSM

May 4, 1966

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FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1985

	Governmental Fund Type	Account Group	Totals	
			Miscellaneous (Only)	
			1985	1984
	General	Fixed Assets		
ASSETS				
Cash	\$1,718		\$1,718	\$1,863
Receivables -				
Fees				62
Due from other governments -				
Police Compens Plan/Police Jury				1,000
False River Recreation Commission				504
Inventory - fuel	609		609	
Property, plant, and equipment		\$1,311,215	\$1,311,215	\$1,319,834
TOTAL ASSETS	\$1,937	\$1,311,215	\$1,312,934	\$1,296,573
LIABILITIES AND FUND EQUITY				
Liabilities				
Accounts payable	\$5,179		\$5,179	\$1,585
Accrued salaries payable	1,000		1,000	1,000
Payroll tax liabilities	881		881	378
Deferred revenues				430
Capital lease obligations	20,583		20,583	
Total Liabilities	27,643		27,643	3,373
Fund Equity				
Investment in general fund assets		\$1,311,215	\$1,311,215	\$1,319,834
Fund balance -				
Unreserved - unexpended	\$1,896		\$1,896	\$1,156
Total Fund Equity	\$1,896	\$1,311,215	\$1,313,111	\$1,296,573
TOTAL LIABILITIES AND FUND EQUITY	\$1,937	\$1,311,215	\$1,312,934	\$1,296,573

The accompanying notes are an integral part of these statements.

FALSE RIVER AIR PARK COMMISSION
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 GOVERNMENTAL FUND-TYPE - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 1995

Revenues	1995	1994
Charges for services -		
Hangars	24,687	24,778
Aprons	3,655	4,725
Hot property	168	
Office space	1,008	
Fuel sale	5,842	
Total Charges for Services	<u>35,360</u>	<u>34,503</u>
Intergovernmental revenues -		
Operating grants -		
Parish of Poline Couper	21,237	25,282
City of New Roads	24,328	25,282
Total Intergovernmental Revenues	<u>45,565</u>	<u>50,564</u>
Miscellaneous revenues -		
Interest earned	175	
Reimbursements		4,071
Total Miscellaneous Revenues	<u>175</u>	<u>4,071</u>
Total Revenues	<u>81,100</u>	<u>89,138</u>

The accompanying notes are an integral part of these statements.

	<u>1993</u>	<u>1994</u>
Expenditures		
Operations -		
Salaries and benefits	16,427	22,383
Management and consulting fees	3,000	6,383
Professional fees	3,200	1,146
Permits and licenses	440	
Utilities	8,350	6,392
Contract labor -		
Maintenance	2,440	1,204
Janitor	518	
Insurance	7,220	6,632
Telephones	2,540	1,687
Membership dues	250	140
Meetings and seminars	718	
Publishing	608	47
Fuel purchases	10,008	
Repairs and supplies -		
Concrete	3,910	7,876
Buildings & fixtures	454	2,389
Roofs and walls	2,784	1,881
Communications	2,488	6,560
Machinery and equipment	3,295	1,488
Fuel tanks and pumps	1,240	171
Incentival	662	1,834
Office	1,676	1,993
Fencing	154	136
All other	428	683
Total Operations	<u>99,188</u>	<u>72,343</u>
Capital Outlays -		
Computer system	1,778	
Fast gas system	19,756	
Equipment	699	
Total Capital Outlays	<u>22,233</u>	
Total Expenditures	<u>121,421</u>	<u>72,343</u>
Excess (Deficiency) of Revenues Over Expenditures	(25,132)	(2,488)
Fund Balance - January 1	<u>1,726</u>	<u>3,644</u>
FUND BALANCE - December 31	<u>(23,406)</u>	<u>(5,132)</u>

The accompanying notes are an integral part of these statements.

	1993	1994
Expenditures		
Operations -		
Salaries and benefits	15,427	12,883
Management and consulting fees	3,000	4,380
Professional fees	3,200	1,240
Permits and licenses	140	
Utilities	5,150	6,290
Contract labor -		
Maintenance	2,440	1,214
Janitor	448	
Insurance	7,220	6,611
Telephone	1,240	1,697
Membership dues	250	140
Meetings and seminars	740	
Publishing	600	47
Post purchases	10,000	
Repairs and supplies -		
Grounds	5,200	7,676
Buildings & hangars	404	2,020
Runways and roads	2,784	1,886
Communications	2,880	4,560
Machinery and equipment	2,295	1,488
Fuel tanks and pumps	1,240	105
Janitorial	440	1,006
Office	1,495	1,290
Postage	124	126
All other	420	682
Total Operations	<u>69,180</u>	<u>70,043</u>
Capital Outlays -		
Computer system	1,750	
Pay pay system	39,756	
Equipment	409	
Total Capital Outlays	<u>41,915</u>	
Total Expenditures	<u>111,095</u>	<u>70,043</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(24,152)</u>	<u>(2,488)</u>
Fund Balance - January 1	<u>1,256</u>	<u>3,644</u>
FUND BALANCE - December 31	<u>(22,896)</u>	<u>1,156</u>

The accompanying notes are an integral part of these statements.

FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (GAAP BASIS) - GOVERNMENTAL FUND TYPE - GENERAL
FOR THE YEAR ENDED DECEMBER 31, 1995

	1995		Variance Favorable (Unfavorable)	1994
	Budget	Actual		Actual
Revenues				
Charges for services -				
Hangars	54,806	54,687	(119)	54,788
Aircraft	3,615	3,635	20	3,710
Trey property		790	790	
Office space		2,890	2,890	
Fuel sales		9,241	9,241	
Total Charges for Services	<u>58,421</u>	<u>60,443</u>	<u>12,022</u>	<u>58,508</u>
Intergovernmental revenues -				
Operating grants -				
Funds of Private Cooper	25,000	25,117	(1,761)	25,000
City of New Roads	25,000	24,500	500	25,080
Total Intergovernmental Revenues	<u>50,000</u>	<u>49,617</u>	<u>(3,831)</u>	<u>50,080</u>
Miscellaneous revenues -				
Interest earned		179	179	
Miscellaneous	100		(100)	4,072
Total Miscellaneous Revenues	<u>100</u>	<u>179</u>	<u>79</u>	<u>4,072</u>
Total Revenues	<u>108,521</u>	<u>110,239</u>	<u>7,488</u>	<u>107,660</u>

The accompanying notes are an integral part of these statements.

	1991		Variance Favorable (Unfavorable)	1994
	Budget	Actual		Actual
Expenditures				
Operations -				
Salaries and benefits	29,217	15,627	3,390	11,680
Management fees	1,028	5,899		6,289
Professional fees	4,775	5,200	1,575	1,346
Fees and interest		440	(440)	
Utilities	5,500	5,890	(390)	6,790
Contract labor -				
Maintenance	2,814	2,440	374	3,114
Janitor		618	(618)	
Insurance	8,000	7,125	780	6,617
Telephone	3,128	2,592	(114)	1,807
Membership dues		281	(281)	140
Meetings and seminars		748	(748)	
Publishing		628	(628)	47
Fuel purchases	3,107	10,028	(6,921)	
Expans and supplies -				
Grounds	4,800	3,910	70	7,934
Building and ranges	1,800	454	846	2,000
Postage and cards	3,111	2,784	417	1,884
Communications	6,000	3,880	3,120	6,540
Machinery and equipment	3,800	2,295	(705)	1,488
Fuel, tanks and postage	800	1,940	(1,140)	275
Janitorial	1,000	461	538	1,208
Office	1,524	1,486	(70)	1,993
Postage	150	314	(14)	536
All other	180	439	(259)	603
Total Operations	<u>67,204</u>	<u>65,182</u>	<u>(1,022)</u>	<u>75,143</u>
Capital Outlays -				
Computer system	1,710	1,710		
Furn. pay (return)		18,716	(18,716)	
Equipment		689	(689)	
Total Capital Outlays	<u>1,710</u>	<u>21,115</u>	<u>(20,406)</u>	
Total Expenditures	<u>68,914</u>	<u>86,297</u>	<u>(17,383)</u>	<u>75,143</u>
Excess (Deficiency) of Revenues over				
Expenditures	(30,763)	(20,142)	(14,267)	(2,480)
Fund Balance - January 1	<u>1,251</u>	<u>1,184</u>		<u>3,644</u>
FUND BALANCE - December 31	<u>(29,512)</u>	<u>(21,058)</u>	<u>(11,787)</u>	<u>11,164</u>

The accompanying notes are an integral part of these statements.

FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - INTRODUCTION

The False River Air Park Commission, New Roads, Louisiana (the "Commission") is a joint venture created by a resolution of the Pointe Coupee Parish Police Jury (the "Parish") and the City of New Roads (the "City") in May 1974. The Commission operates under a commission form of government and provides an airport authority under the provisions of Louisiana Revised Statutes (LRS) 2:131, et seq. Said Commission operates under the powers as outlined under LRS 2:135.

The Commission is composed of six (6) members. Three (3) are appointed by the Parish and three (3) are appointed by the City.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying general purpose financial statements of the False River Air Park Commission, New Roads, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

As the governing authority of the parish, for reporting purposes, the Pointe Coupee Parish Police Jury is the financial reporting entity for Pointe Coupee Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Pointe Coupee Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or

FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are faculty dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury may suffer financial burdens and is faculty responsible to the Commission, the Commission was determined to be a component unit of the Pointe Coupee Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Commission and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

Fund Accounting

The Commission uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect an expendable available financial resource.

Funds of the Commission are classified as governmental funds. Governmental funds account the Commission's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fund assets, and the servicing of general long-term debt. Governmental funds of the Commission include:

General Fund - the general operating fund of the Commission and accounts for all financial resources.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current

FALSE RIVER AIR FARE COMMISSION
NEW ORLEANS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

notes. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Fees, charges and commissions are recognized as revenue in the month in which they are earned and billed.

Federal and state grants and reimbursements are recorded when the Commission is entitled to the funds.

Substantially all other revenues are recorded when received by the Commission.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Budgets

A proposed operating budget for the fiscal year, prepared on GAAP Basis, is approved by the Board of Commissioners and adopted in accordance with the Local Government Budget Law. The operating budget includes proposed expenditures and the means of financing them.

During the year, monthly budgetary comparison statements are used as management tools to control operations.

The Commission exercises budgetary control at the line item level. Unexpended appropriations lapse at the end year end and must be reappropriated in the next year's budget to be expended.

Encumbrances

The Commission does not follow the encumbrance method of accounting.

Cash

Cash includes amounts in demand deposits. Under state law, the Commission may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Bad Debts

The Commission uses the direct charge-off method whereby uncollectible amounts due from charges are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The direct charge-off method is used because it does not cause a material departure from GAAP and it approximates the valuation method.

Inventory

Inventory of aviation fuel is valued at cost using the FIFO method. All other supplies are immaterial and are recorded as expenditures when purchased.

Fixed Assets

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. The Commission has elected to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including runways and lighting systems. Interest costs incurred during construction are capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair value on the date donated.

Compensated Absence

The Commission has no vacation or sick leave policies.

Fund Equity

The unreserved fund balances for governmental funds represent the amount available for budgeting future operations.

Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Commission's financial position and operations. However, complete comparative data (i.e., presentation of prior year totals by fund type in each of the statements) have not been presented since their inclusion would make the statements unduly complex and difficult to read.

FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Total Columns on Combined Statements

Total columns on the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 3 - CASH

At December 31, 1995, the status of deposited funds and collateralized balances are as follows:

Balance per bank statements	12,194
Secured by Federal Deposit Insurance	<u>2,194</u>
Unsecured and Uncollateralized	<u>32</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

NOTE 4 - OPERATING GRANTS

Annual appropriations are made by the Parish and City to defray the operating costs of the False River Air Park. These appropriations are budgeted by the governmental entities and are susceptible to change depending upon economic conditions and the financial burden of their respective operations.

FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 5 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	January 1, 1995	Additions	Deletions	December 31, 1995
Land	\$202,487			\$202,487
Land improvements	10,977			10,977
Buildings and sidewalks	90,000			91,090
Roads and runways	940,006			941,096
Radios and antennas	14,797			14,187
Machinery and equipment	20,770	20,401		41,236
Water well	5,134			5,134
Furniture and fixtures	3,275	1,790		5,055
Totals	<u>\$1,289,054</u>	<u>\$22,181</u>		<u>\$1,311,235</u>

Since its inception in 1994, equipment and improvements have been contributed by the Office of Aviation, originally under the Louisiana Department of Public Works and presently under the Louisiana Department of Transportation and Development and jointly by the Parish and Gap. Because of the inability to obtain reliable cost data necessary for accurate accountability, these assets are not included in general fixed assets. Consequently, General Fixed Assets as presented above represent only those assets and improvements obtained by the Commission for the years after December 31, 1995.

NOTE 6 - PENSION PLAN AND RETIREMENT COMMITMENTS

All employees of the Commission belong to the Federal Social Security and Medicare System.

NOTE 7 - CONTINGENT LIABILITIES

There is no pending litigation against the Commission.

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FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 8 - COMPENSATION PAID TO BOARD MEMBERS

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, compensation paid to board members is as follows:

Charlie Bonazza, Parish appointment	50
John M. Olinde, Parish appointment	0
James E. Satton, Jr., Parish appointment	0
Christopher Bartley, City appointment	0
John L. Ewing, City appointment	0
Louis A. Hebert, City appointment	0
	<hr/>
	50
	<hr/>

NOTE 9 - FEDERAL FINANCIAL ASSISTANCE

There are no active awards for the year ended December 31, 1995.

George F. Deloane

CERTIFIED PUBLIC ACCOUNTANT

Practice Limited to Governmental Accounting, Auditing, and Financial Reporting

Phone
504-835-3333
FALLEN LEAF
TRADING COMPANY
C/O DELOANE OFFICE

Office
504-835-3333
10000 LAKEVIEW DRIVE
NEW ROADS, LA 70086

Member
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
STATE SOCIETY OF CERTIFIED
PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Mr. Charlie Bonnette, Chairman
and the Members of the Board of Commissioners
False River Air Park Commission
New Roads, Louisiana

I have audited the component unit financial statements of the FALSE RIVER AIR PARK COMMISSION, NEW ROADS, LOUISIANA (the "Commission"), a joint venture of the Pointe Coupe Parish Police Jury and City of New Roads, Louisiana, for the year ended December 31, 1995, and have issued my report thereon dated May 6, 1996.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Commission is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the general purpose financial statements of the Commission for the year ended December 31, 1995, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant

policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by personnel in the normal course of performing their assigned functions. However, I noted the following matters involving the internal control structure and its operations that I consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the general purpose financial statements of the Commission for the year ended December 31, 1995.

Expenditures in Excess of Budget

As more fully explained in my report on "Compliance with Laws and Regulations", the Commission failed to amend the budget for a capital lease which caused total expenditures to exceed the budget by 28.57%.

Insufficient Supervision of Duties

The Commission has only one employee (Manager) in an administrative capacity. Consequently, supervision of duties is insufficient. Management has taken steps to monitor operations by having a Board member to review the accounting system on a regular basis.

This report is intended solely for information of the Police Jury of the Parish of Pointe Coupee, New Roads, Louisiana (oversight entity), the City of New Roads, Louisiana, and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

George F. Delaune, CPA

May 6, 1996

George F. Deloane

CERTIFIED PUBLIC ACCOUNTANT

Practice Limited to Governmental Accounting, Auditing and Financial Reporting

Phone
601-382-1111
1000 Pine Street
New Orleans, Louisiana 70119

Office
1000 Pine Street, Suite 1000
New Orleans, Louisiana 70119

Member
American Institute of Certified Public Accountants
Louisiana Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Mr. Charlie Bonazza, Chairman
and the Members of the Board of Commissioners
False River Air Park Commission
New Roads, Louisiana

I have audited the general purpose financial statements of the FALSE RIVER AIR PARK COMMISSION, NEW ROADS, LOUISIANA (the "Commission"), a joint venture of the Police Cooper Parish Police Jury and the City of New Roads, Louisiana, for the year ended December 31, 1995, and have issued my report thereon dated May 4, 1996.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Commission is the responsibility of management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, I performed tests of the Commission's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed the following instance of noncompliance that is required to be reported under Government Auditing Standards:

Expenditures in Excess of Budget

Applicable Condition

Total expenditures exceeded budgeted expenditures by 51.85%.

Case

Failure to amend budget for the acquisition of assets acquired by a capital lease transaction amounting to 28.51% of the 31.83% average.

Effect

Expenditures exceeded appropriations which violate Louisiana Revised Statute 39:1201 et. seq. "Louisiana Local Government Budget Act".

Recommendation

I recommend that budget amendments be made with regard to all future acquisitions classified as capital leases.

Management Response

Management stated they will adopt my recommendation and closely monitor monthly budget to actual financial statements to eliminate such violations.

This report is intended for the information of management, the Police Jury of the Parish of Pointe Coupee, New Roads, Louisiana (oversight entity), the City of New Roads, Louisiana, and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

George F. Bolzano, CPA

May 6, 1996