

Miss. Ben, Herr & Mace

Certified Public Accountants
A Professional Corporation

450 East Main St. - P. O. Box 8720
New Orleans, LA 70112-8720

Trace E. Miss, Sr., CPA
James B. Herr, CPA
Bruce J. Mace, CPA
Arthur E. Miss, CPA

Telephone
(504) 587-0004
FAX
(504) 587-0000

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
ISSUED ON THE RESULT OF
GENERAL-PURPOSE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH
MANAGEMENT STATEMENT STANDARDS - NO OPINION
RESPECTING NONCOMPLIANCE**

The Iberia Parish Airport Authority
(A Component Unit of the Iberia Parish Government)
New Iberia, Louisiana 70502

We have audited the general-purpose financial statements of the Iberia Parish Airport Authority (a Component Unit of the Iberia Parish Government), as of and for the year ended December 31, 1996 and have issued our report thereon dated April 1, 1997.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; the provisions of Office of Management and Budget Circular A-136, Audits of State and Local Governments; and the Louisiana Governmental Audit Code. These standards and OMB Circular A-136 require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatements.

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

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards.

MEMBER OF

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LOUISIANA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

IBERIA WAGON AIRPORT AUTHORITY
 A Component Unit of the Iberia Parish Government
 Schedule of Federal Financial Assistance
 For the Year Ended December 31, 1994

Schedule 1

| <u>Federal Grant/ Program Title</u> | <u>Federal CFDA Number</u> | <u>Pass-Through Number</u> | <u>Project Description</u> | <u>Federal Fiscal Year</u> | <u>Federal Expenditures</u> |
|---|------------------------------------|--------------------------------|--------------------------------|--------------------------------|---------------------------------|
| U.S. Department of Transportation Federal Aviation Administration - Airport Improvements | 20.104 | N/A | Rural Project - PBA | \$ 30,189 | \$ 30,189 |
| U.S. Department of Transportation Federal Aviation Administration - Air Traffic Control | N/A | N/A | Air Traffic Control | \$ 138,900 | \$ 138,900 |
| Total Federal Assistance | | | | <u>\$ 169,089</u> | <u>\$ 169,089</u> |

Moore, Hays, Merr & Moore

Chartered Public Accountants
& Professional Corporation
458 East Main St., P. O. Box 8728
New Orleans, LA 70116-8728

Tom E. Moore, Jr., CPA
James R. Hays, CPA
Robert J. Merr, CPA
Dorcas S. Moore, CPA

Telephone
(504) 587-0004
FAX
(504) 587-0004

MANAGEMENT LETTER

April 3, 1997

The Iberia Parish Airport Authority
(A Component Unit of the Iberia Parish Government)
New Iberia, Louisiana 70564

Gentlemen:

As indicated in our report dated April 1, 1997, we have audited the Iberia Parish Airport Authority for the period ending December 31, 1996 and as indicated in that report we found no material weaknesses or irregularities.

However, we wish to bring the following points to your attention.

1. It is an auditing requirement that we review your internal control structure and report our findings to management. We have issued our reports on this dated April 1, 1997. In summary, as in the past, we found that due to limited personnel there is a lack of proper segregation of duties. It appears management has taken steps to minimize this internal control deficiency and it is not considered a material weakness.

Response: It would not be sensible economically to add another person just to satisfy this. We recognize the weakness and the authority commissioners and the airport director are reviewing the financial information on a monthly basis.

2. There is nothing in writing concerning the new lease terms for hangar #11. This should be done as soon as possible to avoid misunderstandings.

Response: The project is not quite complete, there are still some pending items of construction. Oral discussions have been made.

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3. A review of the minutes indicates the Airport Authority is contemplating a transfer of land to the Iberia Parish Government. See the original questions posed which transferred the jurisdiction from the United States Government, written answers is required from the Federal Aviation Administration for uses of property for other than Airport purposes.

Response: We have contacted the FAA and intend to follow their procedures to correctly transfer the land.

4. Lease contracts with tenants have certain insurance requirements. A review of files indicate some of these requirements may not be met.

Response: We will contact the tenants in question and make sure the requirements are met.

5. A copy of the audit report needs to be sent to the Legislative Auditor, The Iberia Parish Government, to the central audit report clearing house (Bureau of the Census, Data Preparation Division, 1200 East 19th Street, Jeffersonville, Indiana 47130) and to the federal sponsor agency. The Legislative Auditor requires 2 copies plus this management letter.

Response: The proper reports will be sent subsequent to approval by the Airport Authority.

Finally, we wish to extend our appreciation to the Iberia Parish Airport Authority for permitting us to perform these auditing services. We would also like to thank the staff of the Iberia Parish Airport Authority for their help during our engagement. We have enjoyed the professional relationship that has built up. We also hope that the commissioners realize that the Airport staff are very conscientious and caring about their duties. We wish the Airport a prosperous future.

Sincerely,

W. Simon, Roy, W. B. G. & P. W. W.

WELCH, ROY, WELCH & WELCH
CERTIFIED PUBLIC ACCOUNTANTS

WWR:ec

Minn, Henn & Minow

Certified Public Accountants

A Professional Corporation

450 East Main St. • P. O. Box 9790

New Berlin, WI 53051-9790

Robert H. Minow, Jr., CPA

April B. Henn, CPA

Barbara J. Minow, CPA

James S. Minow, CPA

Telephone
(262) 231-1000

Fax
(262) 231-1010

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO
MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

We have audited the general-purpose financial statements of the Menis Parish Airport Authority, as of and for the year ended December 31, 1996, and have issued our report thereon dated April 1, 1997.

We have also audited Menis Parish Airport Authority compliance with the requirements governing types of services allowed or unallowed and matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of Federal Financial Assistance, for the year ended December 31, 1996. The management of Menis Parish Airport Authority, is responsible for the Menis Parish Airport Authority's compliance with these requirements. Our responsibility is to express an opinion on compliance with these requirements based on our audit.

We conducted our audit of compliance with these requirements in accordance with generally accepted auditing standards: Government Auditing Standards, issued by the Comptroller General of the United States; and CPA Circular 8-128, Audits of State and Local Governments. These standards and CPA Circular 8-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Menis Parish Airport Authority's compliance with these requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, Menis Parish Airport Authority, complied, in all material respects, with the requirements governing types of services allowed or unallowed and matching that are applicable to each of its major federal financial assistance programs for the year ended December 31, 1996.

This report is intended for the information of the audit committee and management. However, this report is a matter of public record and its distribution is not limited.

Robert H. Minow, Jr.

MINN, HENN & MINOW
CERTIFIED PUBLIC ACCOUNTANTS

April 1, 1997

MEMBER OF

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
ILLINOIS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

The Florida Beaches Airport Authority

This report is intended for the information of the audit committee and management. However, this report is a matter of public record and its distribution is not limited.

W. W. King, Jr., CPA & Associates

WICH, FLA, 32214 & MIAMI
CERTIFIED PUBLIC ACCOUNTANTS

April 1, 1997

Moss, Roy, Moss & Moss

Credentia Public Accountants
A Professional Corporation
480 East Main St. • P. O. Box 9018
New Iberia, LA 70560-0918

Thomas B. Moss, Sr., CPA
James B. Roy, CPA
Thomas J. Moss, CPA
Arthur B. Moss, CPA

Telephone
(844) 342-7001
FAX
(844) 342-7000

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH THE FEDERAL REQUIREMENTS APPLICABLE TO
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

The Iberia Parish Airport Authority
(a Component Unit of the Iberia Parish Government)
New Iberia, LA 70560

We have audited the general-purpose financial statements of the Iberia Parish Airport Authority (a component unit of the Iberia Parish Government) as of and for the year ended December 31, 1986 and have issued our report thereon dated April 1, 1987.

We have applied procedures to test the Iberia Parish Airport Authority's compliance with the following requirements applicable to each of its federal financial assistance programs, which are identified in the schedule of Federal Financial Assistance, for the year ended December 31, 1986: political activity, Davis-Bacon Act, civil rights, cash management, drug-free Workplace Act, or reporting requirements.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Schools, Higher Education and Local Governments. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion of the Iberia Parish Airport Authority's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the Iberia Parish Airport Authority had not complied in all material respects with those requirements. Also, the results of our procedures did not disclose any material instances of noncompliance with those requirements.

MEMBER OF

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The Iberia Parish Airport Authority

This report is intended for the information of the audit committee and management. However, this report is a matter of public record and its distribution is not limited.

Miriam Kay Ortiz & PricewaterhouseCoopers

MIRIAM KAY ORTIZ & PWC
CERTIFIED PUBLIC ACCOUNTANTS

April 1, 1997

MASS, HOV, MASS & MASS

Certified Public Accountants
2 Independent Companies
400 East Main St. - P. O. Box 8720
New Iberia, LA 70502-0720

Thomas E. Mass, Jr., CPA
James B. Hov, CPA
Robert A. Hov, CPA
James E. Mass, CPA

Telephone
(504) 337-8264
FAX
(504) 337-0740

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO FEDERAL
FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS**

The Iberia Parish Airport Authority
(A Component Unit of the Iberia Parish Government)
New Iberia, LA 70502

We have audited the general-purpose financial statements of the Iberia Parish Airport Authority (A Component Unit of the Iberia Parish Government) as of and for the year ended December 31, 1996 and have issued our report thereon dated April 1, 1997.

In connection with our audit of the general-purpose financial statements of the Iberia Parish Airport Authority, and with our consideration of the Iberia Parish Airport Authority's internal control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-134, *Auditing of State and Local Government*, we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended December 31, 1996. As required by OMB Circular A-134, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and matching that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Iberia Parish Airport Authority's compliance with those requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Iberia Parish Airport Authority, had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any material instances of noncompliance with those requirements.

MEMBER OF

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The Iberia Spanish Airport Authority

We noted certain immaterial instances of noncompliance that we have reported to the management of the Iberia Spanish Airport Authority, in a separate letter dated April 5, 1989.

This report is intended for the information of the audit committee and management. However, this report is a matter of public record and its distribution is not limited.

William Ray, Jr. & Partners
MEMPHIS, NEW YORK & MIAMI
CERTIFIED PUBLIC ACCOUNTANTS

April 1, 1989

IBERIA SPAIN AIRPORT AUTHORITY
 (A Component Unit of the Iberia Parish Government)
PROVISIONAL FUND TYPE
AIRPORT METROPOLITAN FUND
 Iberville Street
 December 31, 1998

Liabilities and Fund Equity:

Current Liabilities:

| | | |
|--------------------------------------|-----------|---------------|
| Accounts payable | \$ | 4,500 |
| Contracts payable | | 28,000 |
| Interest payable | | 5,000 |
| Accrued payroll | | 6,250 |
| Taxes deposits | | 2,000 |
| Current maturities of long-term debt | | 37,700 |
| Committed allowances | | 10,000 |
| Due to other funds | | 1,700 |
| Total Current Liabilities: | \$ | 89,650 |

Long-Term Liabilities:

| | | |
|---------------|--|---------|
| Notes payable | | 203,700 |
|---------------|--|---------|

Total Liabilities:

\$ 283,350

Fund Equity:

Contributed capital:

| | | |
|---------------------------------|--|----------------------|
| Federal | | \$ 9,836,000 |
| State | | 3,052,000 |
| Local | | 800,000 |
| | | <u>134,000,000</u> |
| Amortization | | (10,500,000) |
| Net contributed capital: | | \$ 23,338,000 |

Retained earnings:

| | | |
|---------------------------------|--|-------------------|
| Unreserved | | \$ 400,750 |
| Total retained earnings: | | \$ 400,750 |

Total Fund Equity:

\$ 23,738,750

Total Liabilities and Fund Equity:

\$ 24,500,710

The accompanying notes are an integral part of this statement.

IBERIA PASSENGER AIRPORT AUTHORITY
(A Component Unit of the Iberia Parish Government.)
Schedule of Amounts Paid to Commissioners
For the Year Ended December 31, 1998

Schedule 3

For the year ended December 31, 1998 there were no amounts paid to the Iberia Parish Airport Authority commissioners for compensation or per diem allowance.

The Sherida Parish Airport Authority

A material weakness is a reportable 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 noncompliance with laws and regulations that would be material to a Federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering Federal financial assistance would not necessarily disclose all weaknesses in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above to be a material weakness.

This report is intended for the information of the audit committee and management. However, this report is a matter of public record and its distribution is not limited.

Walter R. King, Pritz & Pritz
WALTER R. KING, PRITZ & PRITZ
CERTIFIED PUBLIC ACCOUNTANTS

April 1, 1997

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IBERIA ENGLISH AIRPORT AUTHORITY
(A COMPONENT UNIT OF THE IBERIA ENGLISH GOVERNMENT)
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED DECEMBER 31, 1986

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. This 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 1/14 7 1 87

C O N T E N T S

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Mixco, Roy, Mann & Mixco

Certified Public Accountants
A Professional Corporation
400 East Main St., P. O. Box 9770
New Iberia, LA 70562-9770

Paul B. Mann, Jr., CPA
James B. Roy, CPA
Thomas J. Mann, CPA
Andrew W. Mann, CPA

Telephone:
337-367-9770
FAX
337-367-9770

Independent Auditors' Report

The Iberia Parish Airport Authority
(A Component Unit of the Iberia Parish Government)
New Iberia, Louisiana 70560

We have audited the accompanying general-purpose financial statements of the Iberia Parish Airport Authority (A Component Unit of the Iberia Parish Government) as of and for the year ended December 31, 1994. These general-purpose financial statements are the responsibility of the Iberia Parish Airport Authority's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States; the provisions of Office of Management and Budget Circular A-133, Auditing of State and Local Governments; and the Louisiana Governmental Audit Guide. These standards and the circular A-133 require that we 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 also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the general-purpose financial statements present only the Iberia Parish Airport Authority and are not intended to present fairly the financial position and results of operations of the Iberia Parish Government in conformity with generally accepted accounting principles.

In our opinion, the general-purpose financial statements referred to above present fairly in all material respects, the financial position of the Iberia Parish Airport Authority, as of December 31, 1994 and the results of its operations, and cash flows for the year then ended, in conformity with generally accepted accounting principles.

MEMBER OF

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INDIA ENGLISH AIRPORT AUTHORITY
 (A Corporate Unit of the India Parish Government)
 PROPRIETARY FASD TYPE
 AIRPORT OPERATIONS FASD
 Railway Street
 December 31, 1998

Assets:

Current Assets:

| | |
|---|-------------------|
| Cash and cash equivalents | \$ 248,000 |
| Investments, at cost | 78,450 |
| Accounts receivable, net of allowance for uncollectible accounts of \$30,808 | 44,580 |
| Grants receivable | 108,460 |
| Due from other funds | 230 |
| TOTAL CURRENT ASSETS: | \$ 469,720 |

Property, Plant, and Equipment:

| | |
|--|----------------------|
| Land | \$ 1,348,000 |
| Buildings and improvements | 23,880,145 |
| Machinery and equipment | 880,833 |
| | <u>25,594,978</u> |
| Accumulated depreciation | (11,852,700) |
| TOTAL PROPERTY, PLANT, AND EQUIPMENT: | \$ 14,722,278 |

Total Assets: **\$ 15,192,000**

The accompanying notes are an integral part of this statement.

MISSISSIPPI AIRPORT AUTHORITY
(A Corporate Unit of the State Parish Government)
PROPRIETARY FORM TYPE
AIRPORT IMPROVEMENT FUND

Statement of Revenues, Expenses, and Charges in Retained Earnings
For the Year Ended December 31, 1968

| | |
|--|-------------------|
| Operating Revenues: | |
| Leases and rentals | \$ 535,504 |
| Fees and other revenues | 58,000 |
| Total Operating Revenues: | <u>\$ 593,504</u> |
| Operating Expenses: | |
| Personnel services | \$ 133,432 |
| Professional fees | 14,000 |
| General repairs | 67,005 |
| Maintenance | 21,668 |
| Telephone and other communications | 6,000 |
| Insurance | 28,173 |
| Materials and supplies | 12,308 |
| Fuel and oil | 6,517 |
| Contractors | 36,827 |
| Other | 6,575 |
| Employee benefits | 25,357 |
| Unemployment tax | 3,386 |
| Contract payments - other | 24,880 |
| Total Operating Expenses, Excludes Depreciation: | <u>\$ 378,761</u> |
| Operating Income Before Depreciation: | \$ 214,743 |
| Depreciation | 208,743 |
| Operating Income: | <u>\$ 6,000</u> |
| Nonoperating Revenues (Expenses): | |
| Interest income | \$ 52,415 |
| Operating grants | 226,800 |
| Contract payments | (246,401) |
| Interest expense | (24,880) |
| Total Nonoperating Revenues (Expenses): | <u>\$ 8,934</u> |
| Net loss | 16,280 |
| Depreciation on fixed assets acquired with contributed capital | 166,580 |
| Increase in Retained Earnings: | \$ 500,300 |
| Retained Earnings, Beginning of Year: | 482,700 |
| Retained Earnings, End of Year: | <u>\$ 983,000</u> |

The accompanying notes are an integral part of this statement.

THEIRL MARSH AIRPORT AUTHORITY
 (A Component Unit of the Theirl Marsh Government)
PROPOSED BOND ISSUE
AIRPORT IMPROVEMENT FUND
Statement of Cash Flows
 For the Year Ended December 31, 2008

| | |
|---|---------------------|
| Cash Flows From Operating Activities: | |
| Operating income | \$ 5,000 |
| Adjustments to reconcile operating income to net cash used in operating activities: | |
| Depreciation | 206,000 |
| Increase in accounts receivable | (4,900) |
| Increase in accounts payable and accrued expenses | 3,024 |
| Net Cash Provided by Operating Activities: | \$ 209,124 |
| Cash Flows From Noncapital Financing Activities: | |
| Operating grants received | \$ 286,011 |
| ATC disbursements | (189,474) |
| Comp study disbursements | 129,800 |
| ATC reveal disbursements | 189,540 |
| Net increase in due to other funds | 201 |
| Net Cash Provided by Noncapital Financing Activities: | \$ 124,478 |
| Cash Flows From Capital and Related Financing Activities: | |
| Capital grants received | \$ 20,104 |
| Capital expenditures - buildings | (43,478) |
| Capital expenditures - equipment | (106,140) |
| Capital asset replacement | 11,201 |
| Principal payments on notes | 98,900 |
| Interest payments on notes | (10,908) |
| Net Cash Used in Capital and Related Financing Activities: | \$ (128,901) |
| Cash Flows From Investing Activities: | |
| Interest on investments | \$ 10,415 |
| Payments of investments | (78,500) |
| Net Cash Used in Investing Activities: | \$ (68,085) |
| Net Increase in Cash and Cash Equivalents: | \$ 12,517 |
| Cash and Cash Equivalents at Beginning of Year: | 321,149 |
| Cash and Cash Equivalents at End of Year: | \$ 333,666 |

The accompanying notes are an integral part of this statement.

IBERIA PARISH AIRPORT AUTHORITY
(A Component Unit of the Iberia Parish Government)
Notes to the General-Purpose Financial Statements

3. Summary of Significant Accounting Policies:

The Iberia Parish Airport Authority was created by resolution of the Iberia Parish Police Jury on January 26, 1966 under the provisions of Louisiana Revised Statutes 2:422-2:423. The Iberia Parish Airport Authority is the governing body of Acadiana Regional Airport and Leflore Memorial Airport and administers the overall operation and development of the aforementioned airports.

Louisiana Revised Statutes 2:600-2:613 is an act authorizing the creation by the parish of airport authorities, and granting to such airport authorities all powers necessary to operate the airport.

The Acadiana Regional Airport is located in New Iberia, Louisiana and Leflore Memorial Airport is located in Jeanerette, Louisiana. Both cities are located in Iberia Parish. Neither airport handles regular passenger traffic and are considered to be general aviation facilities. The airports are primarily utilized by local aircraft, military and government aircraft, the oil industry, and aircraft maintenance operations. The Iberia Parish Airport Authority is self-supporting through facility and land rentals and currently has no local or parish financial assistance.

The accounting and reporting policies of the Iberia Parish Airport Authority conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:817 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audit of State and Local Governmental Units.

The following is a summary of certain significant accounting policies.

A. Financial Reporting Entity:

GAAP Statement 10, 34 established criteria for determining the primary government, and the component units that should be included within the primary government. Based upon the following criteria the Iberia Parish Government (the primary government) is considered to have financial accountability for the Iberia Parish Airport Authority.

1. Appointment of governing board
2. Ability to impose its will (subject to La. Revised Statutes 2)
3. Was potential for financial burden

Because of the above criteria, the Iberia Parish Airport Authority was determined to be a component unit of the Iberia Parish Government, the governing body of the parish. The accompanying general-purpose financial statements present information only on the fund maintained by the Iberia Parish Airport Authority and does not present information on the Iberia Parish Government, the general government services provided by that governmental unit, or the other governmental units that comprise the primary government.

IBERIA PARISH AIRPORT AUTHORITY
(A Component Unit of the Iberia Parish Government)
Notes to the General-Purpose Financial Statements (Continued)

B. Fund Accounting:

The Iberia Parish Airport Authority is organized and operated on a fund basis whereby a separate self-balancing set of accounts (Enterprise Fund) is maintained that comprises its assets, liabilities, fund equity, revenues and expenses. The Enterprise Fund is used to account for operations since the Iberia Parish Airport Authority has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, and accountability.

C. Basis of Accounting:

Basis of accounting refers to when revenues and expenses are recognized and reported in the general-purpose financial statements. Basis of accounting relates to the timing of measurements made, regardless of the measurement basis applied.

The Fund is accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of the fund are included on the balance sheet.

The fund's records are maintained on the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

The Iberia Parish Airport Authority does not use encumbrance accounting.

D. Budgetary Practices:

Budgetary practices include public notice of proposed budgets, public inspection of proposed budgets, public hearings on the budgets and approval by the Iberia Parish Government (the primary government). Formal budgetary integration is employed as a management control device during the year. Budgetary amendments can only be made through ordinances adopted by the Iberia Parish Government (the primary government) as recommended by the Iberia Parish Airport Authority. All budgetary appropriations lapse at the end of each year. A budgetary comparison has not been included in the general-purpose financial statements as it is not required by generally accepted accounting principles.

E. Cash and Cash Equivalents and Investments:

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include securities with maturities of 90 days or less. Investments with original maturities of 90 days or less are time deposits with original maturities of 90 days or less.

IBERIA PARISH AIRPORT AUTHORITY
 A Corporate Unit of the Iberia Parish Government
 Notes to the General-Purpose Financial Statements (Continued)

E. Cash and Cash Equivalents and Investments (Continued):

Under state law, the Iberia Parish Airport Authority 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.

Under state law, the Iberia Parish Airport Authority may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

F. Fixed Assets:

All fixed assets are originally recorded at historical cost or estimated cost if historical cost is not available. Depreciated fixed assets are recorded at fair market value at the time of donation.

Depreciation of all depreciable fixed assets used by the fund is charged as an expense against its operations. Depreciation has been provided over the estimated useful lives using the straight-line method based on the estimated useful life of the individual assets.

Interest costs directly related to capital projects are capitalized in the period incurred.

G. Compensated Absences:

Accumulated unpaid annual leave is accrued at the end of the fiscal year. Accumulated sick leave while available for the use of employees is not accrued since it is not a vested right nor is it payable at the end of employment.

H. Restricted Resources:

Because the Iberia Parish Airport Authority has received federal financial assistance it is subject to the Airport and Airway Improvement Act of 1982, as amended, Section 811 (a) (2). Basically this Act requires that all resources generated by the airport be expended for the capital or operating costs of the airport.

I. Deposits and Investments:

Cash and cash equivalents consisted of the following at December 31, 1983:

| | |
|----------------------------------|-------------------|
| | <u>1983</u> |
| Interest-bearing demand deposits | \$ 328,468 |
| Certificates of deposit | 26,401 |
| | <u>\$ 354,869</u> |

| | |
|--|------------------|
| Investments consisted of certificates of deposit | <u>\$ 78,419</u> |
|--|------------------|

IBERIA PARISH AIRPORT AUTHORITY
 [A Component Unit of the Iberia Parish Government]
 Notes to the General-Purpose Financial Statements (Continued)

2. Cash and Cash Equivalents (Continued):

These deposits are stated at cost, which approximates market. Under state law, these deposits for the resulting bank balances 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. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1996 the Iberia Parish Airport Authority had \$245,887 in deposits collected bank balances (including certificates of deposits). These deposits are secured from risk by \$280,800 of federal deposit insurance and \$245,887 of pledged securities held by the custodial bank in the name of the fiscal agent bank KPAE Dec. 31.

Even though the pledged securities are considered uncollateralized (category 2) under the provisions of Code Section 3, Louisiana Revised Statute 38:1129 impose a statutory requirement on the custodial bank to advertise and sell the pledged securities within 18 days of being notified by the Iberia Parish Airport Authority that the fiscal agent has failed to pay deposited funds upon demand.

3. A. Operating Leases as Lessor:

The primary business of the Iberia Parish Airport Authority is providing space and facilities for fixed base operators, and private and public transporters. The Iberia Parish Airport Authority also leases excess land to agricultural tenants. The revenues derived from the name of Airport facilities and land are in the form of operating leases. Lease contracts include escalation clauses, options to renew, and penalty clauses. The Airport Authority does not require deposits or any other collateral other than normal lessor rights.

The following schedule represents the future minimum lease payments due to the Iberia Parish Airport Authority for contracts in effect as of December 31, 1996:

| <u>Year Ended</u> | <u>Amount</u> |
|-------------------|---------------------|
| 1997 | \$ 182,228 |
| 1998 | 182,246 |
| 1999 | 181,893 |
| 2000 | 213,983 |
| 2001 | 218,984 |
| Later Years | <u>4,899,129</u> |
| | <u>\$ 5,578,774</u> |

In addition to the above operating leases, the Airport Authority also receives flowage fees based on a predetermined percentage of invoice cost of aviation fuel and oil sold by Airport tenants. Flowage fees were \$18,489 in the current year.

ISLEA PARISH AIRPORT AUTHORITY
 A Corporate Unit of the Islea Parish Government
 Notes to the General-Purpose Financial Statements (Continued)

3. **A. Operating Leases as Lessor (Continued):**

Agricultural leases were \$94,423 in the current year. Lease revenues are based on an annual minimum rental or 1/3 of the crop, whichever is greater.

3. **B. Operating Leases as Lessor - Major Tenant:**

The following schedule which is included in the above schedule represents the future minimum lease payments due from a major tenant for contracts in effect as of December 31, 1986.

| Year Ended | Amount |
|-------------|---------------------|
| 1987 | \$ 354,329 |
| 1988 | 369,349 |
| 1989 | 332,971 |
| 2000 | 267,971 |
| 2001 | 198,139 |
| Later Years | 4,358,135 |
| | <u>\$ 5,511,894</u> |

Lease payments billed to this tenant in the current year was \$357,639, which represented 87% of the total leases and rentals. As December 31, 1986 included in accounts receivable as due from this tenant were rents totalling \$38,794 all of which was subsequently collected. This tenant's major business is the repairing of large commercial passenger aircraft for a small number of major customers all of which are considered material to the tenant's operations.

4. **Changes in Fixed Assets:**

A summary of changes in fixed assets is as follows:

| | Balance December 31, 1985 | Additions | Deletions | Balance December 31, 1986 |
|-------------------|---------------------------------|-------------------|---------------|---------------------------------|
| | 1985 | | | 1986 |
| Land | \$ 1,348,322 | \$ -0- | \$ -0- | \$ 1,348,322 |
| Building & Imp | 13,878,931 | 1,328 | -0- | 13,880,259 |
| Machinery & Equip | 562,269 | 186,264 | -0- | 748,533 |
| | <u>\$15,789,522</u> | <u>\$ 187,592</u> | <u>\$ -0-</u> | <u>\$16,977,115</u> |

5. **Long-Term Liabilities:**

During 1986, the Islea Parish Airport Authority purchased two buildings built by Escrow Leases on Airport property: one from F.O.I.C. and one from a bank.

IBERIA PASADENA AIRPORT AUTHORITY
 (A Department Unit of the Iberia Parish Government)
 Notes to the General-Purpose Financial Statements (Continued)

5. Long-Term Liabilities (Continued):

consideration to F.D.I.C. is 3% of the base rental of said building for the period June 1, 1989 through May 31, 1990 (ten years); the present value of the expected liability to the F.D.I.C. was computed using a 9% interest rate. No payments are due when the building is not rented.

consideration to the bank was \$250,000 and was set up as an installment loan due in 20 years at 8% interest per annum.

Both the liability to the F.D.I.C. and to the bank are considered unsecured, but the liability to the bank is guaranteed by the Iberia Parish Government. (the primary government).

In June 1995 the Iberia Parish Airport Authority borrowed \$125,000 from the Iberia Parish Government at 7% per annum interest. Payment terms are anticipated to start July 1997 at \$1890.

The following schedule represents the annual requirements to amortize long-term debt (including interest of \$86,702 based on information in existence at December 31, 1994).

| Year Ending December 31, | |
|-----------------------------|------------|
| 1994 | \$ 46,723 |
| 1995 | 68,945 |
| 1996 | 84,989 |
| 1997 | 10,768 |
| 1998 | 15,109 |
| 1999 thru 2000 | 317,850 |
| | \$ 529,384 |

changes in long-term debt were as follows:

| | Balance December, 31, 1993 | Additions | Deductions | Balance December, 31, 1994 |
|-------|----------------------------------|-----------|------------|----------------------------------|
| FIDC | \$ 14,340 | \$ 0 | \$ 3,735 | \$ 20,513 |
| Bank | 125,330 | 0 | 0,000 | 125,330 |
| IFG | 105,000 | 0 | 0 | 105,000 |
| Total | \$ 344,670 | \$ 0 | \$ 3,735 | \$ 340,935 |

6. Leases Deposits:

By state law lessees are required to make a deposit in the form of a bid security at the time they make a bid on a lease. The deposits are normally returned a year after the bid is accepted or immediately if the bid is not accepted. These bid securities are returned with no interest accruing.

For the contracts with the agricultural tenants annual minimum lease payments are required prior to harvesting. During harvesting, the miller and 1/3 of the crop proceeds to the Iberia Parish Airport Authority.

After harvesting, the Iberia Parish Airport Authority returns the lesser of the minimum lease payment or the 1/3 to the tenant.

Moore, Row, Mirra & Mixon

Certified Public Accountants
A Professional Corporation
150 East Main St. - P. O. Box 9720
New Orleans, La. 70661-0720

Walter E. Moore, Jr., CPA
James E. Row, CPA
Robert A. Mirra, CPA
Arthur E. Mixon, CPA

Telephone
(504) 587-0021
FAX
(504) 587-0020

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

The Iberia Parish Airport Authority
(A Component Unit of the Iberia Parish Government)
New Iberia, Louisiana 70568

We have audited the general-purpose financial statements of the Iberia Parish Airport Authority (A Component Unit of the Iberia Parish Government), as of and for the year ended December 31, 1996 and have issued our report thereon dated April 1, 1997.

We conducted our 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 we 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 Iberia Parish Airport Authority 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, projections 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.

MEMBER OF

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
LOUISIANA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

The Iberia Parish Airport Authority

The management of the Iberia Parish Airport Authority, 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, that transactions are recorded 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, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, perception 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.

For the internal control structure categories we considered significant, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended December 31, 1990 the Iberia Parish Airport Authority expended 82% of its total Federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by GAO Circular 8-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we have considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants.

Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the Iberia Parish Airport Authority's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

1. Accounting Applications: See report on internal control structure in accordance with Governmental Auditing Standards dated April 1, 1991.

Moore, Hays, Mann & Moore

Certified Public Accountants
A Professional Corporation
418 East Main St. - P. O. Box 8729
New Orleans, LA 70116-8729

Thomas E. Moore, Sr., CPA
James H. Hays, CPA
Thomas J. Mann, CPA
Annmarie E. Moore, CPA

Telephone
(504) 587-2000
FAX
(504) 587-2000

**INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL
STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL
ASSISTANCE PROGRAMS - NO MAJOR PROGRAMS**

The Iberia Parish Airport Authority
(A Component Unit of the Iberia Parish Government)
New Iberia, Louisiana 70540

We have audited the general-purpose financial statements of the Iberia Parish Airport Authority (A Component Unit of the Iberia Parish Government), as of and for the year ended December 31, 1998 and have issued our report thereon dated April 1, 1999. We have also audited the compliance of the Iberia Parish Airport Authority, with requirements applicable to major federal financial assistance programs and have issued our report thereon dated April 1, 1999.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. These standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement and about whether the Iberia Parish Airport Authority, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audit for the year ended December 31, 1998 we considered the internal control structure of the Iberia Parish Airport Authority, in order to determine our auditing procedures for the purpose of expressing our opinions on the general-purpose financial statements of the Iberia Parish Airport Authority and on the compliance with requirements applicable to major programs, and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general-purpose financial statements in a separate report dated April 1, 1999.

The Iberia Parish Airport Authority

In accordance with ~~generally~~ Auditing Standards, we have also issued a report dated April 3, 1997 on our consideration of the Iberia Parish Airport Authority's internal control structure and a report dated April 3, 1997 on its compliance with laws and regulations.

Our audit was conducted for the purpose of forming an opinion on the general-purpose financial statements of the Iberia Parish Airport Authority, taken as a whole. The financial information listed as "Schedule" in the table of contents, including the Schedule of Federal Financial Assistance, is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

Price, Roy, Pitz & Price
PRICE, ROY, PITZ & PRICE
CERTIFIED PUBLIC ACCOUNTANTS

April 3, 1997

The Texas Parish Airport Authority

This report is intended for the information of the audit committee and management. However, this report is a matter of public record and its distribution is not limited.

Prisco, Kay, Metz & Prisco

MEMPHIS, TENN. 38103-4000
CERTIFIED PUBLIC ACCOUNTANTS

April 1, 1999

The Iberia Parish Airport Authority

In planning and performing our audit of the general-purpose financial statements of the Iberia Parish Airport Authority, for the year ended December 31, 1990, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general-purpose financial statements.

1. Suspension of Duties -

Firebug - (Repeat of a prior year finding)

One individual is responsible for all aspects of the billing and collecting cycle.

Response -

Due to limited staff size it is not feasible to add personnel. Alternately, the Airport Director and Commissioners review the monthly data.

A material weakness is a reportable condition in which the design or operation of one or more of the specific 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 employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above is a material weakness.

MISCELLANEOUS REQUIRED REPORTS

OTHER SUPPLEMENTARY INFORMATION

IBERIA PARISH AIRPORT AUTHORITY
A Component Unit of the Iberia Parish Government
Notes to the General-Purpose Financial Statements (Continued)

7. Contributed Capital:

Donations of assets or services contributed to the airport for acquisition or construction of fixed assets are recognized in the enterprise funds as contributed capital. In the current year there were no additions to contributed capital of \$80,000. Contributed capital generated through donations and grants externally restricted for capital acquisitions is amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such grants. This amortization is added to the appropriate contributed capital account and is reflected as an adjustment to net income. In the current year this amortization was \$180,000.

8. Defined Benefit Pension Plan:

All employees of the Iberia Parish Airport Authority participate in the Parochial Employees Retirement System (PERS) of Louisiana, a multiple-employer public employee retirement system. The payroll for Airport Authority employees covered by the system for the year ended December 31, 1998 was \$180,312. Total payroll paid during the year was also \$180,312.

All permanent employees who work at least 30 hours per week and are under 65 years of age are members of the plan. Members of the plan may retire with thirty year of creditable service regardless of age, with twenty-five years of service at age 55, and with 10 years of service at age 60. The retirement allowance is equal to 34 of the member's final compensation multiplied by his year of creditable service, with certain provisions made for those employees who were members of the supplemental plan only prior to its revision date. Their retirement allowance may not exceed the greater of 100% of a member's final salary or compensation. The System also provides disability and survivor benefits. Benefits are established by State statute.

Contributions to the System include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each Parish. State statute requires covered employees to contribute 8.50% of their earnings to the plan; the Airport Authority contributes 7.38% of each employee's salary as an employer match.

The total contribution for the year was \$18,205 which consisted of \$7,684 from the Iberia Parish Airport Authority and \$10,521 for its employees. Although contributions are determined by state statute rather than actuarial calculations, actuarial required contributions are determined for the System, but not separately for the Iberia Parish Airport Authority.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and stop-neta benefits, estimated to be payable in the future as a result of employee service to date.

IBERIA AIRPORT AUTHORITY
(A Corporation 1946 of the Iberia Parish Government)
Notes to the General-Purpose Financial Statements (Continued)

13. Self - Insurance:

The Risk Management Fund was begun in 1991 when the Iberia Parish Government (the primary government) made the decision to self-insure its general liability, auto, errors and omissions, property, and workers compensation risks. The Iberia Parish Airport Authority participates in the Fund.

The Parish purchases excess coverage through outside sources for the following coverages:

| | Deductible | Coverage |
|----------------------|------------|-------------|
| General Liability | \$ 50,000 | \$1,000,000 |
| Auto | 50,000 | 1,000,000 |
| Errors and omissions | 50,000 | 1,000,000 |
| Property | 25,000 | 1,000,000 |
| Workers Compensation | 100,000 | 100,000 |
| Aggregate Loss Fund | N/A | 500,000 |

At December 31, 2008 there were no outstanding claims which would affect the Iberia Parish Airport Authority. Also, as of this report date no discussions between the Iberia Parish Government (the primary government) and the Iberia Parish Airport Authority have been made concerning who has the responsibility for the deductible portion of any future claims.

In addition to the above, the lease agreements requires that airport tenants maintain general liability, workers's compensation, and property insurance.

14. Related Party Transactions:

Accounting services for the Airport Authority are provided by the Iberia Parish Government (the primary government). Fees paid for the services in the current year were \$2,400.

IBERIA PARISH AIRPORT AUTHORITY
(A Component Unit of the Iberia Parish Government)
Notes to the General-Purpose Financial Statements (Continued)

10. Retirement, Health Care and Life Insurance Benefits (Continued):

These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employees and the Parish. The Iberia Parish Airport Authority recognizes the cost of providing these benefits (Iberia Parish Airport Authority's portion of premiums) as an expenditure when paid, currently the Iberia Parish Airport Authority has no retired employees receiving benefits and none eligible to receive benefits.

11. Annual and Sick Leave:

Employees of the Iberia Parish Airport Authority accrue annual and sick leave at varying rates according to years of service with the authority. Employees may be advanced up to one year's earned sick leave. Employees may accrue up to 45 days of annual leave and up to 360 days of sick leave.

Upon retirement or voluntary separation, employees are paid for accumulated annual leave not to exceed 45 work days. Employees who retire and have accumulated earned annual leave of 21 days or more may apply said annual leave to early retirement or increased retirement credit. Payment of annual leave for involuntary separation is limited to the accumulated annual leave of the current year.

Upon retirement, accumulated sick leave is used in retirement benefit computation as earned service. Upon resignation or death, accumulated sick leave is forfeited.

12. Air Traffic Control Tower Services:

The Iberia Parish Airport Authority was awarded an annual grant through September 1997 for air traffic control (ATC) from the Federal Aviation Administration. The grant is currently for \$28,540 per month. The Iberia Parish Airport Authority has also entered into a contract with a firm to supply the personnel to run the tower. The cost of this contract is also currently \$15,540 per month. For the current year grant revenues were \$170,950 and ATC cost were \$276,950.

Because the Airport Authority anticipates they would not incur the cost for ATC at its current level if they did not receive a grant, the total cost of ATC is included as a nonoperating expense instead of an operating expense.

The FAA has indicated that they anticipate funding for ATC will continue after September 1997. If funding for ATC is not available and if the Airport Authority has no ATC or a reduced ATC, it is not known to what extent air traffic would be curtailed and subsequently, what would be the consequences to aircraft owners and their abilities to meet their tower obligations.

ISLEIA MARSH AIRPORT MINORITY
 (A Component Unit of the Isleia Parish Government)
 Schedule of State Financial Assistance
 For the Year Ended December 31, 1998

Schedule 2

| DOT Project Number | Project Description | State Revenues | State Expenditures |
|--------------------------------|---------------------|------------------------|------------------------|
| 925-82-0000 | General Project-PAW | \$ 4,243 | \$ 4,243 |
| 780-23-0000 | Air Cargo Study | 50,000 | 75,000 |
| 040-82-0000 | Grade Slope Project | ____ 82,525 | ____ 82,525 |
| TOTAL STATE ASSISTANCE: | | \$ ____ 136,768 | \$ ____ 161,768 |

IBERIA PARISH AIRPORT AUTHORITY
A Component Unit of the Iberia Parish Government
Notes to the General-Purpose Financial Statements (Continued)

8. Deferred Benefit Pension Plan (Continued):

The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among years and employees. The System does not make separate measurements of assets and pension benefit obligation for individual employees. The pension benefit obligation at December 31, 1995 for the system as a whole, determined through actuarial valuation performed as of that date, was \$908,104,800. The system's net assets available for benefits on that date were \$686,315,211, leaving an unfunded pension benefit obligation of \$221,789,589.

Historical trend information showing the system's progress in accumulating sufficient assets to pay benefits when due is presented in the System's December 31, 1995 comprehensive annual financial report. The Iberia Parish Airport Authority does not guarantee the benefits granted by the System. As of the audit report date information on the system for 1996 was not available.

9. Deferred Compensation Plan:

The Iberia Parish Government (the primary government) offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Parish employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are until paid or made available to the employee or other beneficiary solely the property and rights of the Parish subject only to the claims of the Parish's general creditors. Participants' rights under the plan are equal to those of general creditors of the Parish in an event equal to the fair market value of the deferred account for each participant. The Parish believes it is unlikely that it will use the assets to satisfy claims of general creditors in the future.

Investments are managed by the plan's administrator under one of five investment options, or a combination thereof. The choice of the investment options is made by the participants. As of the audit report date information on the plan for 1996 was not available.

10. Retirement, Health Care and Life Insurance Benefits:

The Iberia Parish Government (the primary government) provides certain continuing health care and life insurance benefits for ten retired employees. Substantially all of the parish employees become eligible for these benefits if they reach normal retirement age while working for the Parish.