

**OFFICIAL
FILE COPY**

DO NOT SEND OUT

(Some necessary
pages from this
copy and PLACE
BACK in FILE)

IBERIA PARISH AIRPORT AUTHORITY
(A COMPONENT UNIT OF THE IBERIA PARISH GOVERNMENT)
REPORTING PACKAGE
FOR THE YEAR ENDED DECEMBER 31, 1987

CONTENTS

- SECTION 1: Data Collection Form
- SECTION 2: Financial Statements, Required Schedules,
and Independent Auditors' Reports
- SECTION 3: Management Letter and Corrective Action Plan

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, 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 July 14, 1988

RECEIVED
LEGISLATIVE AUDITOR
28 JUN 15 AM 11:41

IBERIA PARISH AIRPORT AUTHORITY
(A COMPONENT UNIT OF THE IBERIA PARISH GOVERNMENT)
DATA COLLECTION FORM
FOR THE YEAR ENDED DECEMBER 31, 1997

Data Collection Form for Reporting on

AGENTS OF STATES, LOCAL GOVERNMENTS, AND NON-PROFIT ORGANIZATIONS

Complete this form, as required by OMB Circular A-111, "Audit of States, Local Governments, and Non-Profit Organizations."

RETURN TO

Single Audit Requirements
1010 1. 10th Street
Washington, DC 20533

PART I GENERAL INFORMATION (To be completed by auditor, except for items 2)	
1. Fiscal year ending date for this submission Month: <u>Dec</u> Day: <u>31</u> Year: <u>97</u>	2. Type of Circular A-111 audit <input checked="" type="checkbox"/> Single audit <input type="checkbox"/> Program-specific audit
3. Audit period covered <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Other - <u>Months</u> <input type="checkbox"/> Biennial	4. Date received by Federal OIG/inspector
5. Employer Identification Number (EIN)	
a. Auditor EIN: <u>1 0 1 8 1 2 0 0 0 0</u>	b. Are multiple EINs covered in this report? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6. AUDITEE INFORMATION	7. AUDITOR ORGANIZATION (To be completed by auditor)
a. Auditor name <u>Iberia Parish Airport Authority</u>	a. Auditor name <u>Ray, Metz & Nelson, CPAs</u>
b. Auditor address (please use street) <u>5017 North/South Tami Road</u> City <u>New Iberia, LA 70560</u> State <u>LA</u> Zip <u>70560</u>	b. Auditor address (please use street) <u>400 East Main</u> City <u>New Iberia, LA 70560-0120</u> State <u>LA</u> Zip <u>70560</u>
c. Auditor contact Name <u>BOB LADDERS</u> Title <u>Director</u>	c. Auditor contact Name <u>Robert J. Metz</u> Title <u>Certified Public Accountant</u>
d. Auditor contact telephone <input checked="" type="checkbox"/> (318) 363-7202	d. Auditor contact telephone <input checked="" type="checkbox"/> (318) 367-3204
e. Auditor contact FAX (optional) <input type="checkbox"/> () -	e. Auditor contact FAX (optional) <input checked="" type="checkbox"/> (318) 367-3208
f. Auditor contact E-mail (optional)	f. Auditor contact E-mail (optional)

8. AUDITEE CERTIFICATION STATEMENT - This is to certify that, to the best of my knowledge and belief, the above data has been prepared in accordance with the instructions and procedures of OMB Circular A-111 for the period described in Part I, items 1 and 2; the auditor has completed such audit and presented a signed audit report which states that the audit was conducted in accordance with the procedures of this Circular and, in the information reported in Parts I, 6, and 7 of this form, is accurate and complete. I declare that the foregoing is true and correct.

9. AUDITOR STATEMENT - The data accuracy and completeness included in this form are limited to those prepared by OMB Circular A-111. This information is not to be used for any other purpose, except for Part II, items 1 and 2, and is not to be used for any other report for the performance of Part I, items 1 and 2, and is not to be used as a substitute for such reports. This auditor has not performed any auditing procedures since the date of the auditor's report. A copy of the reporting standards required by OMB Circular A-111, which includes the complete auditor's report, is available in its entirety from the Office of the Inspector General, 1010 1st Street, NE, Washington, DC 20533. As required by OMB Circular A-111, the information in Parts II and III of this form may be shared in the form by the auditor based on information included in the reporting package. The auditor has not performed any auditing procedures in connection with the completion of this form.

Signature of certifying official

Date

Bob Ladders, Jr.
 Signature of certifying official

Date

5/20/98
 Date

Bob Ladders, Jr., Airport Director

Signature of auditor

Date

5/20/98
 Date

Ray, Metz & Nelson, CPAs
 Signature of auditor

1047 2 1 2 1 3 4 5 6 7 8

PART I GENERAL INFORMATION - (Continued)

8. Indicate whether the auditee has either a Federal cognizant or oversight agency for audit. (Check *DO NOT* one/each)
- Cognizant agency Oversight agency
9. Name of Federal cognizant or oversight agency for audit. (Check *DO NOT* one/each)
- | | | | |
|---|---|--|--|
| <input type="checkbox"/> African Development Foundation | <input type="checkbox"/> Federal Emergency Management Agency | <input type="checkbox"/> Justice | <input type="checkbox"/> Peace Corps |
| <input type="checkbox"/> Agency for International Development | <input type="checkbox"/> Federal Mediation and Conciliation Service | <input type="checkbox"/> Labor | <input type="checkbox"/> Small Business Administration |
| <input type="checkbox"/> Agriculture | <input type="checkbox"/> General Services Administration | <input type="checkbox"/> National Aeronautics and Space Administration | <input type="checkbox"/> Social Security Administration |
| <input type="checkbox"/> Commerce | <input type="checkbox"/> Health and Human Services | <input type="checkbox"/> National Archives and Records Administration | <input type="checkbox"/> State |
| <input type="checkbox"/> Corporation for National and Community Service | <input type="checkbox"/> Housing and Urban Development | <input type="checkbox"/> National Endowment for the Arts | <input type="checkbox"/> Transportation |
| <input type="checkbox"/> Defense | <input type="checkbox"/> Institute for Museum Services | <input type="checkbox"/> National Endowment for the Humanities | <input type="checkbox"/> Treasury |
| <input type="checkbox"/> Education | <input type="checkbox"/> Inter-American Foundation | <input type="checkbox"/> National Science Foundation | <input type="checkbox"/> United States Information Agency |
| <input type="checkbox"/> Energy | <input type="checkbox"/> Interest | <input type="checkbox"/> Office of National Drug Control Policy | <input type="checkbox"/> Veterans Affairs
<input type="checkbox"/> Other - Specify: |
| <input type="checkbox"/> Environmental Protection Agency | | | |

PART II FINANCIAL STATEMENTS (To be completed by auditee)

1. Type of audit report. (Check *DO NOT* one/each)
- Unqualified opinion Qualified opinion Adverse opinion Disclaimer of opinion
2. Is a "going concern" explanatory paragraph included in the audit report? Yes No
3. Is a reportable condition disclosed? Yes No - See Part Item 5
4. Is any reportable condition reported as a matter of emphasis? Yes No
5. Is a material noncompliance disclosed? Yes No

PART III FEDERAL PARTICIPATION (To be completed by auditee)

1. Type of audit report on major program compliance.
- Unqualified opinion Qualified opinion Adverse opinion Disclaimer of opinion
2. What is the dollar threshold to distinguish Type A and Type B programs? \$ _____ (2008)
- \$ 300,000
3. Did the auditee qualify as a low-risk auditee? Yes No
4. Are there any audit findings required to be reported under § 501(c)(3)? Yes No
5. Which Federal Agencies are required to receive the reporting package? (Check *DO NOT* all that apply)
- | | | | |
|---|---|--|--|
| <input type="checkbox"/> African Development Foundation | <input type="checkbox"/> Federal Emergency Management Agency | <input type="checkbox"/> Justice | <input type="checkbox"/> Peace Corps |
| <input type="checkbox"/> Agency for International Development | <input type="checkbox"/> Federal Mediation and Conciliation Service | <input type="checkbox"/> Labor | <input type="checkbox"/> Small Business Administration |
| <input type="checkbox"/> Agriculture | <input type="checkbox"/> General Services Administration | <input type="checkbox"/> National Aeronautics and Space Administration | <input type="checkbox"/> Social Security Administration |
| <input type="checkbox"/> Commerce | <input type="checkbox"/> Health and Human Services | <input type="checkbox"/> National Archives and Records Administration | <input type="checkbox"/> State |
| <input type="checkbox"/> Corporation for National and Community Service | <input type="checkbox"/> Housing and Urban Development | <input type="checkbox"/> National Endowment for the Arts | <input type="checkbox"/> Transportation |
| <input type="checkbox"/> Defense | <input type="checkbox"/> Institute for Museum Services | <input type="checkbox"/> National Endowment for the Humanities | <input type="checkbox"/> Treasury |
| <input type="checkbox"/> Education | <input type="checkbox"/> Inter-American Foundation | <input type="checkbox"/> National Science Foundation | <input type="checkbox"/> United States Information Agency |
| <input type="checkbox"/> Energy | <input type="checkbox"/> Interest | <input type="checkbox"/> Office of National Drug Control Policy | <input type="checkbox"/> Veterans Affairs
<input type="checkbox"/> Other - Specify: |
| <input type="checkbox"/> Environmental Protection Agency | | | |

IBERIA PARISH AIRPORT AUTHORITY
(A COMPONENT UNIT OF THE IBERIA PARISH GOVERNMENT)
FINANCIAL STATEMENTS, REQUIRED SCHEDULES, AND
INDEPENDENT AUDITORS' REPORTS
FOR THE YEAR ENDED DECEMBER 31, 1997

CONTENTS

	SCHEDULE	PAGE
Independent Auditor's Report on General-Purpose Financial Statements and Supplementary Schedule of Expenditures of Federal Awards		3 - 4
Proprietary Fund Type - Airport Enterprise Fund:		
Balance Sheet		5 - 6
Statement of Revenues, Expenses, and Changes in Retained Earnings		7
Statement of Cash Flows		8
Notes to the General-Purpose Financial Statements		9 - 19
Other Supplementary Information		
Schedule of Expenditures of Federal Awards	1	21
Schedule of Expenditures of State Awards	2	22
Schedule of Amounts Paid to Commissioners	3	23
Summary Schedule of Prior Audit Findings	4	24
Schedule of Findings and Questioned Costs	5	25
Miscellaneous Required Reports		
Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>		27 - 28
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133		29 - 30

Moore, Roy, Mann & Moore

Certified Public Accountants
A Professional Corporation
400 East Main, St. - P. O. Box 8720
New Orleans, LA 70112-8720

Paul E. Moore, Jr., CPA
James H. Roy, CPA
Thomas J. Mann, CPA
James R. Moore, CPA

Telephone
(504) 587-9294
FAX
(504) 587-9294

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, 1997 as listed in the table of contents. 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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, 1997, and the results of its operations and cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated April 1, 1998 on our consideration of the Iberia Parish Airport Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The Iberia Parish Airport Authority

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of Iberia Parish Airport Authority, taken as a whole. The accompanying schedule of expenditures of federal awards which is required by U. S. Office of Management and Budget Circular A-113, Audits of States, Local Governments, and Non-Profit Organizations, and the other schedules listed in the table of contents are not required parts of the general-purpose financial statements and are presented for additional analysis. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

Mixon, Roy, Metz & Mixon
MIXON, ROY, METZ & MIXON
CERTIFIED PUBLIC ACCOUNTANTS

April 1, 1998

IBERIA PARISH AIRPORT AUTHORITY
 (A Component Unit of the Iberia Parish Government)
PROPRIETARY FUND TYPE
AIRPORT ENTERPRISE FUND
 Balance Sheet
 December 31, 1997

Assets:

Current Assets:

Cash and cash equivalents	\$ 303,218
Investments, at cost	135,973
Accounts receivable, net of allowance for uncollectible accounts of \$52,880	32,257
Grants receivable	39,286
Accrued interest	<u>2,480</u>
Total Current Assets:	\$ 513,214

Property, Plant and Equipment:

Land	\$ 1,218,000
Buildings and improvements	14,388,334
Machinery and equipment	<u>765,082</u>
	\$16,371,416
Accumulated depreciation	<u>(11,262,829)</u>
Total Property, Plant and Equipment:	\$ 5,108,587

Total Assets: **\$ 5,621,499**

The accompanying notes are an integral part of this statement.

IBERIA PARISH AIRPORT AUTHORITY
 (A Component Unit of the Iberia Parish Government)
 PROPRIETARY FUND TYPE
 AIRPORT ENTERPRISE FUND
 Balance Sheet
 December 31, 1997

Liabilities and Fund Equity:

Current Liabilities:

Accounts payable	\$ 31,278
Contracts payable	7,818
Refund due farmers	31,399
Lessee deposits	2,801
Current maturities of long-term debt	12,551
Compensated absences	14,700
Due to other funds	<u>2,714</u>
Total Current Liabilities:	\$ 73,051

Long-Term Liabilities:

Notes payable	<u>105,283</u>
---------------	----------------

Total Liabilities:	\$ 178,334
---------------------------	-------------------

Fund Equity:

Contributed capital:	
Federal	\$ 9,999,513
State	3,677,871
Local	<u>893,613</u>
	\$14,571,007
Amortization	<u>(10,689,588)</u>
Net contributed capital:	\$ 3,881,419
Retained earnings:	
Unreserved	<u>\$ 882,840</u>
Total retained earnings:	\$ 882,840

Total Fund Equity:	\$ 4,764,259
---------------------------	---------------------

Total Liabilities and Fund Equity:	\$ 5,147,493
---	---------------------

The accompanying notes are an integral part of this statement.

IBERIA PARISH AIRPORT AUTHORITY
 (A Component Unit of the Iberia Parish Government)
PROPRIETARY FUND TYPE
AIRPORT ENTERPRISE FUND

Statement of Revenues, Expenses, and Changes in Retained Earnings
 For the Year Ended December 31, 1997

Operating Revenues:	
Leases and rentals	\$ 544,798
Fees and other revenues	69,155
Sale of property	<u>20,080</u>
Total Operating Revenues:	\$ 633,953
Operating Expenses:	
Personal services	\$ 138,767
Professional fees	21,227
General repairs	85,873
Utilities	26,218
Telephone and other communications	7,206
Insurance	32,113
Materials and supplies	13,602
Fuel and oil	5,971
Chemicals	14,434
Other	12,844
Employee benefits	35,601
Unemployment tax	2,892
Contract payments - other	<u>28,420</u>
Total Operating Expenses Excluding Depreciation:	\$ 416,290
Operating Income Before Depreciation:	\$ 217,673
Depreciation	<u>214,283</u>
Operating Income:	\$ 3,390
Nonoperating Revenues (Expenses):	
Interest income	\$ 22,640
Operating grants	192,282
Contract payments	(192,280)
Interest expense	(12,018)
Transfer-intermodal facility	<u>(5,000)</u>
Total Nonoperating Revenues (Expenses):	\$ 3,624
Net income	65,004
Depreciation on fixed assets acquired with contributed capital	<u>145,890</u>
Increase in Retained Earnings:	\$ 210,900
Retained Earnings, Beginning of Year:	<u>690,940</u>
Retained Earnings, End of Year:	<u>\$ 901,840</u>

The accompanying notes are an integral part of this statement.

IBERIA PARISH AIRPORT AUTHORITY
 (A Component Unit of the Iberia Parish Government)
PROPRIETARY FUND TYPE
AIRPORT ENTERPRISE FUND
 Statement of Cash Flows
 For the Year Ended December 31, 1997

Cash Flows From Operating Activities:

Operating income	\$ 59,365
Adjustments to reconcile operating income to net cash used in operating activities:	
Depreciation	214,288
Decrease in accounts receivable	10,629
Increase in accounts payable and accrued expenses	24,477
Sale of property	<u>(88,000)</u>
Net Cash Provided by Operating Activities:	\$ 220,759

Cash Flows From Noncapital Financing Activities:

Operating grants received	\$ 202,281
Air Traffic Control disbursements	(187,280)
Transfer-intramodal facility	(5,000)
Net increase in due to other funds	<u>1,000</u>
Net Cash Provided by Noncapital Financing Activities:	\$ 11,001

Cash Flows From Capital and Related Financing Activities:

Capital grants received	\$ 248,760
Capital expenditures - buildings	(244,199)
Capital expenditures - equipment	(96,619)
Principal payments on notes	(44,771)
Interest payments on notes	<u>(18,816)</u>
Net Cash Used in Capital and Related Financing Activities:	\$ (115,635)

Cash Flows From Investing Activities:

Interest on investments	\$ 19,200
Purchase of investments	<u>(79,322)</u>
Net Cash Used in Investing Activities:	\$ (60,122)

Net Increase in Cash and Cash Equivalents:

	\$ 64,323
Cash and Cash Equivalents at Beginning of Year:	245,915

Cash and Cash Equivalents at End of Year:

	\$ 310,238
--	-------------------

Non-Cash Transactions:

During the year 180,000 of notes payable were paid by a transfer of land with a fair market value of \$180,000.

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

1. 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 2:601-2:613. 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 2:601-2:613 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 financial statements of the Iberia Parish Airport Authority are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The Iberia Parish Airport Authority's reporting entity applies all relevant Governmental Accounting Standards (GASB) pronouncements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, also apply, unless these pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 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:

GASB Statement No. 14 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. Has potential for financial burden

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

A. Financial Reporting Entity (continued):

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.

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 focus 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 reimbursement 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.

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

E. Cash and Cash Equivalents and Investments:

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

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. Donated fixed assets are recorded at fair market value at the time of donation.

Depreciation of all exhaustible 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 Absence:

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 Revenues:

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 511 (A) (13). Basically this Act requires that all revenues generated by the airport be expended for the capital or operating costs of the airport.

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

2. Deposits and Investments

Cash and cash equivalents consisted of the following at December 31, 1997:

	<u>Amount</u>
Interest-bearing demand deposits	\$ 288,799
Certificates of deposit	31,422
	<u>\$ 320,221</u>
Investments consisted of certificates of deposit	<u>\$ 153,872</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or 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, 1997 the Iberia Parish Airport Authority had \$496,210 in deposits (collected bank balances including certificates of deposits). These deposits are secured from risk by \$173,090 of federal deposit insurance and \$329,210 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Cat. 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 29:1219 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Iberia Parish Airport Authority that the fiscal agent has failed to pay deposited funds upon demand.

1. A. Operating Leases as Lessor

The primary business of the Iberia Parish Airport Authority is providing space and facilities for fixed base operations, and private and public transportation. The Iberia Parish Airport Authority also leases excess land to agricultural tenants. The revenues derived from the leases of Airport facilities and land are in the form of operating leases. Lease contracts include escalation clauses, options to renew, and penalty clauses. The Iberia Parish Airport Authority does not require deposits or any other collateral other than normal lease 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, 1997:

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

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

Year Ended	Amount
1998	\$ 398,800
1999	388,353
2000	316,453
2001	254,444
2002	204,773
Later Years	<u>4,791,680</u>
	<u>\$6,353,799</u>

In addition to the above operating leases, the Iberia Parish Airport Authority also receives flowage fees based on a prorated percentage of invoice cost of aviation fuel and oil sold by Airport tenants. Flowage fees were \$42,380 in the current year.

Agricultural leases were \$93,948 in the current year. Lease revenues are based on an annual minimum rental as 1/6 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, 1997.

Year Ended	Amount
1998	\$ 369,343
1999	322,971
2000	267,971
2001	198,130
2002	185,082
Later Years	<u>4,572,851</u>
	<u>\$5,866,330</u>

Lease payments billed to this tenant in the current year was \$357,620, which represent 60% of the total leases and rentals. As December 31, 1997 included in accounts receivable as due from this tenant were rents totaling \$30,938 all of which was subsequently collected. This tenant's major business is the repainting of large commercial passenger aircraft for a small number of major customers all of which are considered material to the tenant's operations.

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

4. Changes in Fixed Assets:

A summary of changes in fixed assets are as follows:

	Balance December 31, 1998	Additions	Deletions	Balance December 31, 1999
Land	\$ 1,346,302	\$ 0	\$ 27,520	\$ 1,318,802
Building & Imp	13,590,149	318,182	0	14,298,331
Machinery & Equip	<u>668,433</u>	<u>96,600</u>	<u>0</u>	<u>765,043</u>
	<u>\$15,594,904</u>	<u>\$ 414,782</u>	<u>\$ 27,520</u>	<u>\$16,382,176</u>

5. Long-Term Liabilities:

During 1998, the Iberia Parish Airport Authority purchased two buildings built by former lessees on Airport property: one from F.D.I.C. and one from a bank.

Consideration to F.D.I.C. is 30% of the base rental of said building for the period June 1, 1998 through May 31, 1999 (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 \$150,000 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).

The following schedule represents the annual requirements to amortize long-term debt including interest of \$64,418 based on information in existence at December 31, 1999.

Year Ending December 31,

1998		\$ 21,978
1999		15,100
2000		15,100
2001		15,100
2002		15,100
2003 thru 2009		<u>102,928</u>
		<u>\$ 185,296</u>

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

5. Long-Term Liabilities (continued):

Changes in long-term debt were as follows:

	Balance December 31, 1996	Additions	Deductions	Balance December 31, 1997
FDIC	\$ 10,518	\$ 0	\$ 4,079	\$ 6,439
Bank	120,077	0	5,892	114,185
Iberia Parish Government	<u>113,000</u>	<u>0</u>	<u>113,000</u>	<u>0</u>
Total	<u>\$ 243,595</u>	<u>\$ 0</u>	<u>\$ 122,971</u>	<u>\$ 120,614</u>

6. Lease 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 owing.

For the contracts with the agricultural tenants annual minimum lease payments are required prior to harvesting. During harvesting, the mills send 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.

7. Contributed Capital

Donations of assets or amounts 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 net additions to contributed capital of \$125,647. Contributed capital generated through donations and grants externally restricted for capital acquisitions is amortized based on the depreciation recognized on the portion of the assets acquired or constructed from such grants. This amortization is closed to the appropriate contributed capital account and is reflected as an adjustment to net income. In the current year this amortization was \$168,891.

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, 1997 was \$115,633. Total payroll paid during the year was \$142,369.

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

8 Defined Benefit Pension Plan (continued):

All permanent employees who work at least 28 hours per week and are under 60 years of age are members of the plan. Members of the plan may retire with thirty years 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 3% of the member's final compensation multiplied by his years 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 1.75% of each employee's salary as an employer match.

The total contribution for the year was \$19,947 which consisted of \$8,962 from the Iberia Parish Airport Authority and \$10,985 for its employees. Although contributions are determined by state statute rather than actuarial calculation, 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 step-rate benefits, estimated to be payable in the future as a result of employee service to date.

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 PERA and employees. The System does not make separate reassessments of assets and pension benefit obligation for individual employees. The pension benefit obligation at December 31, 1998 for the system as a whole, determined through actuarial valuation performed as of that date, was \$857,931,800. The System's net assets available for benefits on that date were \$756,123,008, leaving an unfunded pension benefit obligation of \$101,808,800.

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, 1998 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 1997 was not available.

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

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 amount 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 option (s) is made by the participants. As of the audit report date information on the plan for 1997 was not available.

10. Postretirement Health Care and Life Insurance Benefits:

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

These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee 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.

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 43 days of annual leave and up to 360 days of sick leave.

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

11. Annual and Sick Leave (continued)

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 31 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 1998 for air traffic control (ATC) from the Federal Aviation Administration. The grant is currently for \$15,788 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 \$15,788 per month. For the current year grant revenues were \$187,200 and ATC cost were \$187,200.

Because the Airport Authority anticipates they would not incur the cost for ATC at it's 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 1998. 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 current tenants and their abilities to meet their lease obligations.

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:

	Indefinite	Cumulative
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

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

13. Self-Insurance (continued):

At December 31, 1997 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 agreement requires that airport tenants maintain general liability, workmen'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.

15. Contingencies and Subsequent Events:

As noted earlier, the federal grant for air traffic control services is on a year to year basis and the consequences of it possibly not being renewed is unknown.

The Iberia Parish Airport Authority with FAA approval sold land to the Iberia Parish Government in 1997 at appraised value, with the understanding that the Iberia Parish Government would be responsible for any crop damages sustained by the current farm tenant. If the Airport Authority is forced to satisfy the tenant damages, it could amount to an estimated \$85,000. In addition, it is also not clear if payment of the \$85,000 would be viewed as a violation of Section 301(a)(3)(D) concerning revenue diversion or PL289 concerning the sale of property at fair market value. If there is a violation, it is not known what the consequences would be.

In 1998, the Iberia Parish Government anticipates a bond issue to finance a new hangar for the major tenant of the Iberia Parish Airport Authority. The bond issue is anticipated to be \$4,200,000 for the \$8,200,000 hangar. Revenues for the hangar would satisfy approximately 83% of the debt with the Iberia Parish Airport Authority and the Iberia Parish Government responsible for the remaining 17%, or about \$70,000 per year.

OTHER SUPPLEMENTARY INFORMATION

IBERIA PARISH AIRPORT AUTHORITY
 (A Component Unit of the Iberia Parish Government)
Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 1997

Federal Grantor Program Title	Federal Pass-Through		Project Description	Federal Revenues	Federal Expenditure
	CFDA Number	Grants Number			
U.S. Department of Transportation Federal Aviation Administration Air Traffic Control	N/A	N/A	Air Traffic Control	<u>\$ 187,200</u>	<u>\$ 187,200</u>
Total Federal Assistance				<u>\$ 187,200</u>	<u>\$ 187,200</u>

IBERIA PARISH AIRPORT AUTHORITY
 (A Component Unit of the Iberia Parish Government)
 Schedule of Expenditures of State Awards
 For the Year Ended December 31, 1987

DOTD Project Number	Project Description	State Revenues	State Expenditures
715-23-0006	Wide Body Hangar	\$ 318,182	\$ 318,182
788-23-0006	Air Cargo Study	5,000	5,000
923-02-0008	Grade Slope Project	7,465	7,465
Total State Assistance:		<u>\$ 330,647</u>	<u>\$ 330,647</u>

IBERIA PARISH AIRPORT AUTHORITY
(A Component Unit of the Iberia Parish Government)
Schedule of Amounts Paid to Commissioners
For the Year Ended December 31, 1997

For the year ended December 31, 1997 there were no amounts paid to the Iberia Parish Airport Authority commissioners for compensation or per diem allowances.

IBERIA PARISH AIRPORT AUTHORITY
(A Component Unit of the Iberia Parish Government)
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 1997

96-1-1-1-1 - Internal Control Finding

Condition: This finding was a reportable condition due to a lack of segregation of duties. One individual was responsible for all aspects of the billing and collecting cycle.

Recommendation: Due to adding another individual is not economically feasible, the auditor recommended that the Iberia Parish Airport Authority's Director and the Commissioners review the monthly data.

Current Status: The recommendation was adopted in the prior year.

IBERIA PARISH AIRPORT AUTHORITY
(A Component Unit of the Iberia Parish Government)
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 1987

For the year ended December 31, 1987, there were no findings or questioned costs.

MISCELLANEOUS REQUIRED REPORTS

Mason, Roy, Mann & Mason

Certified Public Accountants
A Professional Corporation
450 East Main St. • P. O. Box 9708
New Orleans, LA 70189-0708

Thomas E. Mason, Jr., CPA
James B. Roy, CPA
Robert J. Mann, CPA
Arthur S. Mann, CPA

Telephone
(504) 581-0100
FAX
(504) 587-0200

INDEPENDENT AUDITORS' REPORT
ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF 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 71366

We have audited the 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, 1987 and have issued our report thereon dated April 1, 1988. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Iberia Parish Airport Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Iberia Parish Airport Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

MEMBER OF

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

The Iberia Parish Airport Authority

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Mexon, Boy, Metz & Mixon
MEXON, BOY, METZ & MIXON
CERTIFIED PUBLIC ACCOUNTANTS

April 1, 1998

Mason, Roy, Mann & Mason

Certified Public Accountants
A Professional Corporation
480 East Main St. • P. O. Box 9718
New Iberia, LA 70560-9718

Tracy B. Mason, Jr., CPA
James R. Roy, CPA
Francis J. Mann, CPA
Arnell S. Mason, CPA

Telephone
(504) 387-9300
Fax
(504) 387-9300

**INDEPENDENT AUDITORS' REPORT
ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

The Iberia Parish Airport Authority
(A Component Unit of the Iberia Parish Government)
New Iberia, Louisiana 70566

We have audited the compliance of the Iberia Parish Airport Authority (A Component Unit of the Iberia Parish Government) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 1997. Iberia Parish Airport Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Iberia Parish Airport Authority's management. Our responsibility is to express an opinion on the Iberia Parish Airport Authority's compliance based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audit of State, Local Governments, and Non-Profit Organizations. These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Iberia Parish Airport Authority's compliance with these requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Iberia Parish Airport Authority's compliance with these requirements.

In our opinion, Iberia Parish Airport Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1997.

MEMBER OF

American Institute of Certified Public Accountants
Louisiana Society of Certified Public Accountants

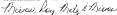
The Florida Parish Airport Authority

Internal Control Over Compliance

The management of the Florida Parish Airport Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Florida Parish Airport Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.


MINON, ROY, METZ & MINON
CERTIFIED PUBLIC ACCOUNTANTS

April 1, 1998

IBERIA PARISH AIRPORT AUTHORITY
(A COMPONENT UNIT OF THE IBERIA PARISH GOVERNMENT)
MANAGEMENT LETTER AND CORRECTIVE ACTIONS PLAN
FOR THE YEAR ENDED DECEMBER 31, 1997

Mixco, Roy, Marr & Mixco

Certified Public Accountants
A Professional Corporation
480 East Main St. - P. O. Box 9729
New Iberia, LA 70562-9729

**MANAGEMENT LETTER
AND
CORRECTIVE ACTION PLAN**

Telephone
504 337-6334
FAX
504 337-6334

THOMAS B. MIXCO, JR., CPA
JAMES B. ROY, CPA
ROBERT J. MARR, CPA
ARON S. MIXCO, CPA

April 1, 1998

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

Overview:

As indicated in our report dated April 1, 1998, we have audited the Iberia Parish Airport Authority for the year ending December 31, 1997 and as indicated in that report we found no material weaknesses or irregularities.

The following are our findings and comments and your responses as to your plans to address the issues noted. It is the responsibility of the audit committee to make sure the plans are followed:

1. **Comment:**

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, the final contract terms should be reached in 1998.

2. **Comment:**

A review of the minutes indicate the Airport Authority may be required to pay the farm tenant for the ag tract sold to the Iberia Parish Government. This could be viewed as a violation of Section 511(a)(12) concerning revenue diversion or PL289 concerning sale at fair market value. I suggest the FAA be asked to review this to determine the consequences if a violation does occur.

Response: We will discuss and make sure there are no actions taken detrimental to the airport prior to making any payments.

MEMBER OF

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

April 11, 1998

3. Comments:

DOTD has certain requirements for construction of the wide body hangar. It is recommended the Airport Authority review these requirements.

Response: We will review as soon as possible and comply with the requirements as needed.

4. Comments:

The bond issue being anticipated represents a long term liability of the Airport Authority and the Iberia Parish Government. The appropriate steps should be taken to ensure that the revenues will be there to repay the bonds.

Response: We understand the issue and the appropriate steps will be taken.

5. Prior year findings and comments:

95-1 - Lack of segregation of duties.

Has been resolved.

96-2 - No new lease terms for Hangar 11.

Has not been resolved, project is still not complete.

96-3 - Sale of airport property.

Has been resolved.

95-4 - One tenant missing proof of insurance.

Has been resolved.

A copy of the audit report needs to be sent to the Legislative Auditor, The Iberia Parish Government, in the central audit report clearing house (Bureau of the Census, Data Preparation Division, 1201 East 10th Street, Jeffersonville, Indiana 47130) and to the federal grantor agencies. The Legislative Auditor requires 9 copies plus this management letter.

The Iberia Parish Airport Authority

Page 3

April 1, 1998

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 engagements. 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,



MINSON, ROY, METZ & MINSON
CERTIFIED PUBLIC ACCOUNTANTS

MRMM:ac