

FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2003

A JOINT VENTURE OF THE
POLICE JURY OF THE PARISH OF POINTE COUPEE
NEW ROADS, LOUISIANA

and
CITY OF NEW ROADS, LOUISIANA

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

Release Date 8-11-04

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FALSE RIVER AIR PARK COMMISSION
8662 AIRPORT SPUR
NEW ROADS, LOUISIANA 70760
(225) 638-3192

GOVERNING BOARD

<u>Commissioner</u>	<u>Appointed By</u>	<u>Term Expires</u>
Charlie Bonnette, Chairman	Pointe Coupee Police Jury	August 31, 2004
John M. Olinda, Jr. Secr/Treas	Pointe Coupee Police Jury	August 31, 2005
James E. Saison, Jr.	Pointe Coupee Police Jury	August 31, 2006
Louis A. Hebert	City of New Roads	August 31, 2007
John L. Ewing	City of New Roads	August 31, 2008
Gerry Battley	City of New Roads	August 31, 2009

MANAGER

Yvonne Chenevert

MEETING DATE

First Thursday of Every Month
at Airport Terminal

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George F. Delaune

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GOVERNMENT FINANCE
OFFICERS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

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

I have audited the accompanying general purpose financial statements of FALSE RIVER AIR PARK COMMISSION, NEW ROADS, LOUISIANA, a joint-venture of the Pointe Coupee Parish Police Jury and City of New Roads, Louisiana, as of and for the year ended December 31, 2003, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and with provisions of Louisiana Revised Statute 24:513 and the provisions of the *Louisiana Governmental Audit Guide*, published jointly by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of False River Air Park Commission, New Roads, Louisiana, as of December 31, 2003, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 9, 2004, on my consideration of the Commission's internal control over financial reporting and

my tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

My audit was performed for the purpose of forming an opinion on the general purpose financial statements of the False River Air Park Commission taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the general purpose financial statements of the False River Air Park Commission. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

George F. Delaune, CPA

June 9, 2004

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FALSE RIVER AIR PARK COMMISSION
 NEW ROADS, LOUISIANA
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 2003
 (With Comparative Totals for December 31, 2002)

	Governmental Fund Type	Account Group	Totals (Memorandum Only)	
	General	General Fixed Assets	2003	2002
ASSETS				
Cash	\$ 9,548		\$ 9,548	\$ 27,590
Due from other governments - State	4,070		4,070	0
Inventory - fuel	1,391		1,391	3,169
Property, plant, and equipment		\$ 4,000,020	4,000,020	3,933,827
TOTAL ASSETS	\$ 15,009	\$ 4,000,020	\$ 4,015,029	\$ 3,964,586
LIABILITIES & FUND EQUITY				
Liabilities:				
Accounts payable	\$ 8,756		\$ 8,756	\$ 8,795
Construction costs payable	12,504		12,504	22,885
Total Liabilities	21,260		21,260	31,680
Fund Equity:				
Investment in general fixed assets		\$ 4,000,020	4,000,020	3,933,827
Fund balances - Unreserved - undesignated	(6,251)		(6,251)	(921)
Total Fund Equity	(6,251)	4,000,020	3,993,769	3,932,906
TOTAL LIABILITIES & FUND EQUITY	\$ 15,009	\$ 4,000,020	\$ 4,015,029	\$ 3,964,586

The accompanying notes are an integral part of these statements.

FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (GAAP BASIS)
GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2003
(With Comparative Totals for December 31, 2002)

	2003			2002
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues:				
Charges for Services -				
Hangers	\$ 9,217	\$ 8,382	\$ (835)	\$ 8,951
Ag-sites	3,615	3,615	0	3,615
Property	3,047	3,559	512	3,549
Fuel sales	19,887	35,011	15,124	38,194
Total Charges for Services	35,766	50,567	14,801	54,309
Intergovernmental Revenues -				
Capital grants -				
Federal	130,577	130,577	0	38,023
State	14,624	14,624	0	4,225
Operating grants -				
State	10,000	10,000	0	9,221
Parish of Pointe Coupee	32,500	32,500	0	30,000
City of New Roads	32,000	32,000	0	30,000
Total Intergovernmental Revenues	219,701	219,701	0	111,469
Miscellaneous Revenues -				
Interest earned	1,000	935	(65)	8
Total Miscellaneous Revenues	1,000	935	(65)	8
Total Revenues	256,467	271,203	14,736	165,786
Expenditures:				
Operations -				
Salaries and benefits	\$ 26,721	\$ 26,721	\$ 0	\$ 25,504
Professional fees	1,200	1,300	(100)	1,200
Utilities	10,000	10,250	(250)	9,237
Contract labor -				
Maintenance	9,000	11,222	(2,222)	11,169
Janitor	2,500	2,755	(255)	2,905

The accompanying notes are an integral part of these statements.

FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (GAAP BASIS)
GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2003
(With Comparative Totals for December 31, 2002)

	2003			2002
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Insurance	14,225	10,435	3,790	9,989
Telephone and internet service	3,000	4,599	(1,599)	3,408
Membership dues	300	388	(88)	424
Subscriptions	100	141	(41)	231
Meetings and seminars	1,623	1,711	(88)	1,101
Fuel purchases	28,000	26,216	1,784	29,038
Repairs and supplies -			0	
Grounds	3,500	2,456	1,044	793
Buildings and hangars	1,500	1,445	55	1,383
Runways and roads	4,000	1,646	2,354	2,699
Communications	9,000	10,801	(1,801)	15,556
Machinery and equipment	1,000	730	270	1,234
Fuel tanks and pumps	2,000	2,879	(879)	5,318
Office	2,000	3,204	(1,204)	1,745
All other	500	918	(418)	1,081
Total Operations	120,169	119,817	352	124,015
Capital Outlays -				
Equipment	10,000	10,000	0	2,463
Construction and land acquisitions	146,716	146,716	0	42,248
Total Capital Outlays	156,716	156,716	0	44,711
Total Expenditures	276,885	276,533	352	168,726
Excess (Deficiency) of Revenues Over Expenditures before Transfers	(20,418)	(5,330)	15,088	(2,940)
Fund Balance - January 1	(921)	(921)	0	2,019
FUND BALANCE - December 31	\$ (21,339)	\$ (6,251)	\$ 15,088	\$ (921)

The accompanying notes are an integral part of these statements.

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

NOTE 1 - INTRODUCTION

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Reporting Entity

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Statement No. 14, the False River Air Park Commission includes all funds, account groups, et cetera, that are within the oversight responsibility of the False River Air Park Commission.

The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
 - c. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
2. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

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

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

Certain units of local government over which the False River Air Park Commission exercises no oversight responsibility, such as the parish police jury, parish school board, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the False River Air Park Commission.

Fund Accounting

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

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

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

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

Basis of Accounting

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

Revenues

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

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

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

Expenditures

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

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

Budgets

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

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

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

Encumbrances

The Commission does not follow the encumbrance method of accounting.

Cash

Cash includes amounts in demand deposits and investment in Louisiana Asset Management Pool, Inc. (LAMP). Under state law, the Commission may deposit or invest funds in demand deposits, interest-bearing demand deposits, money market accounts, United States bonds, treasury notes and bills, or certificate or time deposits of state banks organized under Louisiana law and national banks having their principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at cost.

Bad Debts

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

Inventories

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

Fixed Assets

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

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

Compensated Absences

The Commission has no vacation or sick leave policies.

Fund Equity

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

Comparative Data

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

Total Columns on Combined Statements

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

NOTE 3 - CASH

At December 31, 2002, the status of deposited funds and collateralized balances are as follows:

Balance per bank statements	\$	44,277
Secured by Federal Deposit Insurance		44,277
		44,277
Unsecured and Uncollateralized	\$	0

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

Cash also includes \$1,719 invested in the Louisiana Asset Management Pool, Inc. (LAMP), a local government investment pool (see Summary of Significant Accounting Policies). In accordance with GASB Codification Section 150.165, the investment in LAMP at December 31, 2003, is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors comprising the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPAs. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-

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

quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balance.

NOTE 4 - OPERATING GRANTS

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

NOTE 5 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>01/01/2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2003</u>
Land	\$ 406,706	\$ 58,525		\$ 465,231
Land improvements	699,711			699,711
Buildings and sidewalks	93,970			93,970
Roads and runways	2,666,034			2,666,034
Radios and antennas	14,197			14,197
Machinery and equipment	37,655	11,408	\$ (1,800)	47,263
Water well	5,134			5,134
Furniture and fixtures	10,210		(1,730)	8,480
Totals	<u>\$ 3,933,617</u>	<u>\$ 69,933</u>	<u>\$ (3,530)</u>	<u>\$ 4,000,020</u>

Since its inception in 1974, equipment and improvements have been contributed by the Office of Aviation, originally under the Louisiana Department of Public Works and presently under the Louisiana Department of Transportation and Development and jointly by the Parish and City. Because of the inability to obtain reliable cost data necessary for accurate accountability, these assets are not included in general fixed assets. Consequently, General Fixed Assets as presented above represent only those assets and improvements disbursed by the Commission for the years after December 31, 1985.

NOTE 6 - PENSION PLAN AND RETIREMENT COMMITMENTS

Plan Description: The Commission's only employee is under the umbrella of the Pointe Coupee Parish Police Jury and is a member of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Commission are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with

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

at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3% of final-average salary for each year of service credited after the revision date. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Funding Policy: Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the Commission is required to contribute at an actuarially determined rate. The current rate is 7.75% of annual covered payroll. Contributions to the System also include one-fourth of 1% of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Commission are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Commission's contributions to the System under Plan A for the year ended December 31, 2003, 2002, and 2001 was \$1,909, \$1,497, and \$1,460, respectively, equal to the required contribution for the year.

NOTE 7 - CONTINGENT LIABILITIES

There is no pending litigation against the Commission.

NOTE 8 - ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 9 - RISK MANAGEMENT

The False River Air Park Commission is exposed to various risks of loss relating to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission attempts to minimize risk from significant losses through the purchase of commercial insurance.

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

NOTE 10 - COMPENSATION PAID TO BOARD MEMBERS

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

Charlie Bonnette
John M. Olinde, Jr.
James E. Saison, Jr.
Christopher Battley
John L. Ewing
Louis A. Hebert

	\$ 0
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NOTE 11 - CAPITAL GRANT

Runway Protection Zone Land Purchase and Airport Layout Plan Update

On August 29, 2003, the Parish of Pointe Coupee and the City of New Roads executed an agreement with the U.S. Department of Transportation, Federal Aviation Administration (FAA) in the amount of \$150,000, for improvements consisting of the purchase of runway protection zone land and updating of the airport layout plan (FAA AIP No. 3-22-0074-009-2002). Prior to this agreement, the Louisiana Department of Transportation and Development (DOTD), agreed to support this project for the 10% matching funds of \$16,667. The following is a summary of completed costs as of December 31, 2003.

Federal	\$ 105,441
State	11,715
	\$ 117,156

NOTE 12 - FUND BALANCE (DEFICIT)

The Airport Commission has requested additional funding from the Pointe Coupee Parish Police Jury and the City of New Roads.

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain a report on compliance with laws and regulations and on internal control over financial reporting as required by Government Auditing Standards, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material misstatements in internal control or compliance matters that would be material to the presented financial statements.

George F. Delaune

CERTIFIED PUBLIC ACCOUNTANT
(A Professional Corporation)

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LOUISIANA SOCIETY OF CPAs
GOVERNMENT FINANCE
OFFICERS ASSOCIATION

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

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

I have audited the general purpose financial statements of FALSE RIVER AIR PARK COMMISSION, NEW ROADS, LOUISIANA (the "Commission"), a joint venture of the Pointe Coupee Parish Police Jury and City of New Roads, Louisiana, as of and for the year ended December 31, 2003, and have issued my report thereon dated June 9, 2004. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Commission's general purpose financial statements are free of material misstatement, I 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 those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my 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 my audit, I considered the Commission's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My 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 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information and use of management, the Police Jury of the Parish of Pointe Coupee, New Roads, Louisiana (oversight entity), the City of New Roads, Louisiana, and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

George F. Delaune, CPA

June 9, 2004

FALSE RIVER AIR PARK COMMISSION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED DECEMBER 31, 2003

Federal Grantor Pass-Through Grantor/ Program Name	CFDA Number	Agency or Pass-through Number	Federal Disbursements/ Expenditures
U.S. Department of Transportation Federal Aviation Administration Airport Improvement Program Runway Safety Area & Drainage Improvement	20.106	N/A	\$ 130,577
Total			<u>\$ 130,577</u>

FALSE RIVER AIR PARK COMMISSION
SCHEDULE OF FINDINGS
YEAR ENDED DECEMBER 31, 2003

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of False River Air Park Commission.
2. No reportable conditions were disclosed during the audit of the general purpose financial statements.
3. No instances of noncompliance were considered nonmaterial to the general purpose financial statements of False River Air Park Commission during the audit.

B. FINDINGS — FINANCIAL STATEMENTS AUDIT

NONE

C. FINDINGS AND QUESTIONED COSTS – FEDERAL AWARD PROGRAMS

NONE