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Avoyelles Parish Airport Authority
Marksville, Louisiana

Compiled Financial Statements

December 31, 2003

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 9-1-04

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KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Conrad O. Chapman, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*

P.O. Box 531
Marksville, LA 71351

Phone (318) 253-9252
Fax (318) 253-8681

WEB SITE:
WWW.KCSRPCAS.COM

MEMBER OF:

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Robert S. Carter, CPA
Allen J. LaBry, CPA
Harry J. Clostio, CPA
Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Mary T. Thibodeaux, CPA
Kelly M. Doucet, CPA
Kenneth J. Rachal, CPA
Cheryl L. Bartley, CPA, CVA

* A Professional Accounting Corporation

ACCOUNTANTS' REPORT

Board of Directors
Avoyelles Parish Airport Authority
Marksville, Louisiana

We have compiled the accompanying financial statements of the Avoyelles Parish Airport Authority, a component unit of the Avoyelles Parish Police Jury, as of December 31, 2003 and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary information that is the representation of management. We have not audited or reviewed the accompanying 2003 financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Kolder, Champagne, Slaven & Rainey, LLC
Certified Public Accountants

Marksville, Louisiana
June 22, 2004

183 South Beadle Road
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

133 East Waddil
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

408 W. Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W. Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

GENERAL PURPOSE FINANCIAL STATEMENTS

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Combined Balance Sheet - All Governmental Fund Types and Account Group
December 31, 2003

	<u>Governmental Fund Types</u>		<u>Account Group</u>	<u>Total 2003</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>General Fixed Assets</u>	
ASSETS				
Cash	\$ 183,448	\$ -	\$ -	\$ 183,448
Receivables:				
Grants	5,926	-	-	5,926
Other	3,813	-	-	3,813
Buildings	-	-	41,314	41,314
Equipment	-	-	4,975	4,975
Improvements	-	-	294,525	294,525
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 193,187</u>	<u>\$ -</u>	<u>\$ 340,814</u>	<u>\$ 534,001</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 16,118	\$ -	\$ -	\$ 16,118
Total liabilities	<u>16,118</u>	<u>-</u>	<u>-</u>	<u>16,118</u>
Fund Equity:				
Investment in general fixed assets	-	-	340,814	340,814
Fund balance -				
Unreserved, undesignated	<u>177,069</u>	<u>-</u>	<u>-</u>	<u>177,069</u>
Total fund equity	<u>177,069</u>	<u>-</u>	<u>340,814</u>	<u>517,883</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund equity	<u>\$ 193,187</u>	<u>\$ -</u>	<u>\$ 340,814</u>	<u>\$ 534,001</u>

The accompanying notes are an integral part of this statement.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balance -
All Governmental Fund Types
Year Ended December 31, 2003

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total 2003</u>
Revenues:			
Intergovernmental -			
Federal grant	\$ -	\$ 221,553	\$ 221,553
State grant	-	23,192	23,192
City of Marksville	4,000	-	4,000
Avoyelles Parish Police Jury	10,420	-	10,420
Donations - Grand Casino Avoyelles	1,800	-	1,800
Interest	2,246	-	2,246
Rent Income	5,575	-	5,575
Total revenues	<u>24,041</u>	<u>244,745</u>	<u>268,786</u>
Expenditures:			
Current -			
General Government -			
Contract labor	5,500	-	5,500
Dues & subscriptions	438	-	438
Miscellaneous	3,667	-	3,667
Repairs and maintenance	4,620	-	4,620
Supplies	833	-	833
Telephone	486	-	486
Utilities	4,169	-	4,169
Airport improvements	-	238,022	238,022
Total expenditures	<u>19,713</u>	<u>238,022</u>	<u>257,735</u>
Excess (deficiency) of revenues over expenditures	4,328	6,723	11,051
Other financing sources (uses):			
Operating transfers in (out)	<u>6,723</u>	<u>(6,723)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	11,051	-	11,051
Fund balance, beginning	<u>166,018</u>	<u>-</u>	<u>166,018</u>
Fund balance, ending	<u>\$ 177,069</u>	<u>\$ -</u>	<u>\$ 177,069</u>

The accompanying notes are an integral part of this statement.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
All Governmental Fund Types
Year Ended December 31, 2003

	General Fund			Special Revenue Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:						
Intergovernmental -						
Federal grant	\$ -	\$ -	\$ -	\$222,000	\$221,553	\$ (447)
State grant	-	-	-	24,000	23,192	(808)
City of Marksville	4,000	4,000	-	-	-	-
Avoyelles Parish Police Jury	16,250	10,420	(5,830)	-	-	-
Donations - Paragon Casino	1,800	1,800	-	-	-	-
Interest	-	2,246	2,246	-	-	-
Rent Income	5,760	5,575	(185)	-	-	-
Total revenues	<u>27,810</u>	<u>24,041</u>	<u>(3,769)</u>	<u>246,000</u>	<u>244,745</u>	<u>(1,255)</u>
Expenditures:						
Current -						
General Government -						
Contract labor	6,000	5,500	500	-	-	-
Dues & subscriptions	400	438	(38)	-	-	-
Miscellaneous	4,503	3,667	836	-	-	-
Repairs and maintenance	5,000	4,620	380	-	-	-
Supplies	1,000	833	167	-	-	-
Telephone	517	486	31	-	-	-
Utilities	3,641	4,169	(528)	-	-	-
Airport improvements	-	-	-	240,000	238,022	1,978
Total expenditures	<u>21,061</u>	<u>19,713</u>	<u>1,348</u>	<u>240,000</u>	<u>238,022</u>	<u>1,978</u>
Excess (deficiency) of revenues over expenditures	6,749	4,328	(2,421)	6,000	6,723	723
Other financing sources (uses):						
Operating transfers in (out)	<u>6,000</u>	<u>6,723</u>	<u>723</u>	<u>(6,000)</u>	<u>(6,723)</u>	<u>(723)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	12,749	11,051	(1,698)	-	-	-
Fund balance, beginning	<u>166,018</u>	<u>166,018</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ 178,767</u>	<u>\$177,069</u>	<u>\$ (1,698)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The Avoyelles Parish Airport Authority (The Authority) was incorporated under the provisions Louisiana Revised Statutes 2:601-2:612, "Airport Authorities Law". The Authority is comprised of 6 commissioners appointed by the Avoyelles Parish Police Jury. The six commissioners hold terms as follows: One for six (6) years, one for five (5) years, one for four (4) years, one for three (3) years, one for two (2) years, and one for one (1) year.

The Authority complies with Generally Accepted Accounting Principles (GAAP). The Authority's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Such accounting and reporting procedures also conform to the guides set forth in the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

These general purpose financial statements only include funds, account groups, activities, et cetera, that are controlled by the Authority. Based upon the criteria established by the Government Accounting Standards Board (GASB) Statement No. 14 it was determined that the Avoyelles Parish Airport Authority is a component unit of the Avoyelles Parish Police Jury.

B. Fund Accounting

The accounts of the Authority are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds and account group presented in the general purpose financial statements are described as follows:

Governmental Funds -

General Fund

The General Fund is the general operating fund of the Authority. It is used to account for all financial resources except those required to be accounted for in another fund.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Notes to Financial Statements (Continued)

Special Revenue Fund

The Special Revenue Fund is used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Account Group-

This is not a fund but rather an account group that is used to account for general fixed assets acquired principally for general purposes. It is concerned only with the measurement of financial position, not with the measurement of results of operations.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The governmental funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Federal and state grants are recorded when the reimbursable expenditures have been incurred. Other major revenues that are considered susceptible to accrual include intergovernmental revenues, donations and rental income.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchases of various operating supplies are regarded as expenditures at the time purchased.

D. Budgets and Budgetary Accounting

The secretary prepares a proposed budget for the general and special revenue funds on the modified accrual basis of accounting and submits it to the Board of Commissioners. Prior to the adoption of the budget, a summary of the proposed budget is available for public inspection at the Authority's office. The proposed budget is adopted in an open meeting prior to the end of the fiscal year. All budgetary appropriations lapse at the end of each fiscal year. Budgeted amounts included in the accompanying financial statements are as originally adopted.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Notes to Financial Statements (Continued)

E. Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased. The Authority has elected not to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems. No depreciation has been provided on general fixed assets.

All fixed assets are stated 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. Estimated amounts are immaterial in relation to total fixed assets.

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Authority as an extension of formal budgetary integration in the funds.

G. Memorandum Only - Total Columns

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, results of operations, or changes in financial position 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.

(2) Cash and Interest-Bearing Deposits

Under state law, the Authority may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Authority may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2003, the Authority had cash and interest-bearing deposits (book balances) totaling \$183,448 as follows:

Demand deposits	\$ 32,851
Certificates of deposit	<u>150,597</u>
Total	<u>\$ 183,448</u>

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Notes to Financial Statements (Continued)

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 bank. 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. Deposit balances (bank balances) at December 31, 2003 were secured as follows:

Bank balances	<u>\$ 216,879</u>
Federal deposit insurance	166,282
Pledged securities (Category 3)	<u>50,597</u>
Total federal deposit insurance and pledged securities	<u>\$ 216,879</u>

Pledged securities in Category 3 include uninsured or unregistered investments, for which securities are held by the broker or dealer, or by its trust department or agent, but not in the Authority's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Authority that the fiscal agent has failed to pay deposited funds upon demand.

(3) Changes in General Fixed Assets

Changes in general fixed assets are as follows:

	<u>Balance</u> <u>1/1/2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2003</u>
Building	\$ 41,314	\$ -	\$ -	\$ 41,314
Equipment	4,975	-	-	4,975
Improvements	<u>-</u>	<u>294,525</u>	<u>-</u>	<u>294,525</u>
Total	<u>\$ 46,289</u>	<u>\$ 294,525</u>	<u>\$ -</u>	<u>\$ 340,814</u>

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Notes to Financial Statements (Continued)

(4) Compensation of Authority Officials

Noncommissioned members of the Board as of December 31, 2003 are as follows:

Bill Belt - Chairman
John Ed Laborde
Dr. Richard Michel
Gerald Roy
A. J. Roy III
Charles Jones

Board members serve with no compensation.

(5) Pending Litigation

There are no lawsuits presently pending against the Avoyelles Parish Airport Authority involving possible monetary liability.

(6) New Reporting Standard

In June 1999, the Governmental Accounting Standard Board (GASB) issued Statement 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." This statement establishes new financial reporting requirements for state and local governments throughout the United States. When implemented, it will require new information and restructure much of the information that the governments have presented in the past. Comparability with reports issued in all prior years will be affected. The Airport Authority is required to implement this standard for the fiscal year ended June 30, 2004. The Airport Authority has not yet determined the full impact that adoption of GASB Statement 34 will have on the financial statements.

SUPPLEMENTARY INFORMATION

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Conrad O. Chapman, CPA*
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Gerald A. Thibodeaux, Jr., CPA*

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* A Professional Accounting Corporation

ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Avoyelles Parish Airport Authority
Marksville, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Avoyelles Parish Airport Authority and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Avoyelles Parish Airport Authority's compliance with certain laws and regulations during the year ended December 31, 2003 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedure engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested of for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$7500, or public works exceeding \$50,000 and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

The two expenditures made during the year that exceeded \$7,500 were in accordance with the public bid law.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of management as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

183 South Beadle Road
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

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Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

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Fax (337) 363-3049

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4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management (agreed-upon procedure (3)) appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.
6. Trace the budget adoption and amendments to the published advertisement in the official journal.
7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

Actual revenues and expenditures did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select 10 disbursements made during the period under examination and:
 - a. trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the ten selected disbursements and found that payment was for the proper amount and made to the correct payee.

- b. determine if payments were properly coded to the correct fund and general ledger account; and

All payments were properly coded to the correct fund and general ledger account.

- c. determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the ten selected disbursements indicated approval from the Avoyelles Parish Airport Authority.

- 9. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits to be proceeds of bank loans, bonds, or like indebtedness.

- 10. Examine payroll records for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

There is no payroll for the Avoyelles Parish Airport Authority. Board members are noncommissioned.

We were not engaged to and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Avoyelles Parish Airport Authority and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Marksville, Louisiana
June 22, 2004

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)
June 25, 2004

Kolder, Champagne, Slaven, and Company, LLC
133 East Waddill Street
P.O. Box 531
Marksville, LA 71351

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 7, 2004.

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [] No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [] No []

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [] No []

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.
Yes [] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

<u>Chip Johnson</u>	Secretary	<u>6-23-04</u>	Date
<u>Chip Johnson</u>	Treasurer	<u>6-23-04</u>	Date
<u>Bill Bell</u>	President	<u>JUNE, 23, 2004</u>	Date

Note: If the engagement is for a routine compilation/attest that will be completed within six months of the entity's fiscal year-end and the CPA will submit either a Fax Approval Form or an Email engagement approval form to the legislative auditor, the space for the legislative auditor's approval may be omitted.