

FALSE RIVER AIR PARK COMMISSION
NEW ROADS, LOUISIANA
BASIC FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2021

FALSE RIVER AIR PARK COMMISSION
ANNUAL FINANCIAL STATEMENTS WITH SUPPLEMENTAL INFORMATION
YEAR ENDED DECEMBER 31, 2021
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MC DUFFIE K. HERROD, LTD.

(A Professional Accounting Corporation)

McDUFFIE K. HERROD
CERTIFIED PUBLIC ACCOUNTANT

Member:

American Institute of CPAs
Society of Louisiana CPAs

POST OFFICE BOX 8436
12410 WOODVILLE ST.
CLINTON, LA 70722
Telephone (225) 683-3888
Facsimile (225) 683-6733
Email mkherrod@bellsouth.net

Independent Auditor's Report

Members of the Board of Directors
False River Air Park Commission
New Roads, Louisiana

Opinions

We have audited the accompanying financial statements of the business-type activities and each major fund of the False River Air Park Commission (the Commission), a component unit of Pointe Coupee Parish, Louisiana as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the False River Air Park Commission, as of December 31, 2021, the respective changes in financial position, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the False River Air Park Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

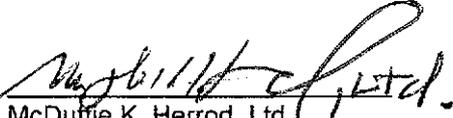
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of compensation, benefits & other payments to agency head is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and other procedures performed as described above, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, We have issued a report dated June 27, 2022, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.


McDuffie K. Herrod, Ltd.
A Professional Accounting Corporation
June 27, 2022

FALSE RIVER AIR PARK COMMISSION

NEW ROADS, LOUISIANA

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

FALSE RIVER AIR PARK COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

Management's discussion and analysis (MD&A) is a required element of the reporting model adopted by the Government Accounting Standards Board (GASB) in their Statement No. 34. Its purpose is to provide an overview of the financial activities of the False River Air Park Commission based on currently known facts, decisions or conditions.

HIGHLIGHTS OF THE PAST YEAR

- Net assets of the Commission as a whole at year-end were \$11,230,012, with \$11,171,091 being invested in capital assets, and there were no restrictions by management for spending on capital projects during the upcoming year.
- The Commission's net position increased by \$569,146 during the year, 2021.

The Commission is dependent upon grants for its survival. We truly appreciate all of the agencies that donate money for our capital improvements. Otherwise, we would be unable to acquire new equipment and improve our facilities.

OVERVIEW OF THE FINANCIAL STATEMENT PRESENTATION

These financial statements are comprised of three components - (1) Management discussion and Analysis, (2) basic financial statements with footnotes and, (3) supplementary information.

Statement of Net Position. This statement presents information on all of the Commission's assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or not.

Statement of Activities. This statement presents information showing how the Commission's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement is designed to show the Commission's financial reliance on general revenues.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements and begin on page 12.

FALSE RIVER AIR PARK COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

FINANCIAL ANALYSIS OF THE COMMISSION

Net assets are an indicator of the Commission's financial position from year to year. A summary of net position follows.

STATEMENT OF NET POSITION

	2021	2020
Assets		
Current and Restricted Assets	\$ 77,801	\$ 213,033
Capital assets, net	11,171,091	10,449,332
Total Assets	<u>11,248,892</u>	<u>10,662,365</u>
Liabilities & Deferred Inflows		
Current liabilities	12,828	1,499
Deferred Inflows – Grant related	6,052	0
Total Liabilities	<u>18,880</u>	<u>1,499</u>
Net Position		
Net investment in capital assets	11,171,091	10,449,332
Restricted	0	0
Unrestricted	58,921	211,534
Net Position	<u>\$ 11,230,012</u>	<u>\$ 10,660,866</u>

A summary of changes in net position is as follows:

SUMMARY OF CHANGES IN NET POSITION

	2021	2020
Revenues		
Operating:		
Charges for services	\$ 212,465	\$ 132,251
Non-operating:		
Legal Settlement	0	196,000
Transfers-local governments	84,875	76,375
Total Revenues	<u>297,340</u>	<u>404,626</u>
Expenses		
Operating	942,655	872,460
Non-operating	10,032	12,200
Total Expenses	<u>952,687</u>	<u>884,660</u>

FALSE RIVER AIR PARK COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

Income/(loss) before contributions	(655,347)	(480,034)
Contributions – capital grants	1,224,493	1,872,678
Change in net position	569,146	1,392,644
Net position, beginning	10,660,866	9,268,222
Net position, ending	11,230,012	10,660,866

Net position is comprised of assets restricted according to the purposes they can be used for, or can be invested in capital assets (buildings, equipment, lighting, fencing, navigational aids, runways, taxiways, etc.). Unrestricted net position are those assets that do not have any limitations for which these amounts may be used. At December 31, 2021, the Commission had an unrestricted net position of \$58,921.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The Commission's investment in capital assets at December 31, 2021 was \$11,171,091, including property, buildings, runways, taxiways, lighting, navigational aids, fencing, and equipment. There were additions to capital assets of \$1,330,670 (net of deletions) during 2021. The Commission had no outstanding debt at December 31, 2021, other than payables to be paid during the next operating cycle.

Capital assets at year-end are summarized as follows:

CAPITAL ASSETS

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable Assets				
Construction in Progress	\$292,294		(292,294)	\$ 0
Land	2,250,021			2,250,021
Total non-depreciable assets	2,542,315		(292,294)	2,250,021
Depreciable Assets				
Buildings	2,760,410			2,760,410
Equipment	313,803	214,218		528,021
Runways, Apron and Roads	8,886,978	767,468		9,654,446
Furniture and Fixtures	5,911			5,911
Land Improvements	1,481,028	641,278		2,122,306
Radios and Antennas	484,843			484,843
Total Capital Assets, being depreciated	13,932,973	1,622,964		15,555,937
Capital Assets, total	\$16,475,288	\$1,622,964	\$(292,294)	\$17,805,958

Accumulated depreciation totaled \$6,634,867 for all funds for a net capital assets balance of \$11,171,091 for the year ended December 31, 2021.

FALSE RIVER AIR PARK COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

ECONOMIC ENVIRONMENT AND NEXT YEAR'S BUDGET

The budget for 2022 again anticipates grant funding for improving the Commission's facilities. The Airport Layout Master Plan Update Project will continue, but no other changes in operations are expected.

ADDITIONAL INFORMATION

This financial report is designed to provide a general overview of the Commission's finances, comply with finance-related laws and regulations and demonstrate the Commission's commitment to public accountability. Any questions or requests for additional information can be obtained by contacting the False River Air Park Commission's office at the False River Regional Airport in New Roads, Louisiana, (225) 638-3192.

BASIC FINANCIAL STATEMENTS

FALSE RIVER AIR PARK COMMISSION
(A component unit of the Pointe Coupee Parish Police Jury)
STATEMENT OF NET POSITION
DECEMBER 31, 2021

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 75,551	
Accounts Receivable, net	2,250	
Total Current Assets	77,801	

Capital Assets

Nondepreciable	2,250,021	
Depreciable (net of accumulated depreciation)	8,921,070	
Total Capital Assets	11,171,091	

Total Assets	11,248,892
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LIABILITIES AND NET POSITION

LIABILITIES

Payable from Current Assets

Accounts payable	12,828	
Total Payable from Current Assets	12,828	

Total Liabilities	12,828
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DEFERRERD INFLOWS

Deferred Grant Revenue	6,052	
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Total Liabilities and Deferred Inflows	18,880
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NET POSITION

Net investment in capital assets	11,171,091	
Restricted	-	
Unrestricted	58,921	

Total Net Position	\$ 11,230,012
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The accompanying notes are an integral part of this statement

FALSE RIVER AIR PARK COMMISSION
(A component unit of the Pointe Coupee Parish Police Jury)
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2021

OPERATING REVENUES

Charges for Services	
Hangar and Land Rents	\$84,691
Fuel Sales	117,956
Miscellaneous Revenue	935
Reimbursements from LA DOTD	8,883
Total Operating Revenues	<u>\$212,465</u>

Operating Expenses

Salaries and Benefits	106,441
Professional and Contract Services	12,640
Insurance	19,851
Utilities	14,248
Fuel Purchases	100,068
Repairs and Supplies	65,596
Travel & Training Expenses	1,237
Telephone	8,009
Dues and Subscriptions	1,216
Office Expenses	3,627
Other Expenses	812
Depreciation	608,910
Total Operating Expenses	<u>942,655</u>

Income/(Loss) From Operations (730,190)

Non-Operating Revenues/(Expenses)

Grant expenditures	(10,032)
Legal Settlement for Breach of Contract	0
Transfers - Local Government	84,875
Total Non-Operating Revenues/(Expenses)	<u>74,843</u>

Income/(Loss) Before Contributions (655,347)

Grants & Capital Contributions Received

Grants from LA DOTD for Capital Asset Acquisitions	727,053
Grants from FAA for Capital Asset Acquisitions	497,440
Donations	0
Total Grants & Capital Contributions	<u>1,224,493</u>

Change in Net Position	569,146
Net Position, at beginning of year	<u>10,660,866</u>
Net Position, at end of year	<u><u>\$ 11,230,012</u></u>

The accompanying notes are an integral part of this statement

FALSE RIVER AIR PARK COMMISSION
(A component unit of the Pointe Coupee Parish Police Jury)
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers/grantors	\$ 216,267
Cash paid to suppliers for goods/services	(222,027)
Cash paid to employees for services	(106,441)
Net Cash Provided (used) by Operating Activities	<u>(112,201)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers from local governments	<u>84,875</u>
Net cash provided (used) by Non-capital financing activities	<u>84,875</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(1,330,668)
Change in deferred revenue	(3,981)
Proceeds from grants	<u>1,224,493</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(110,156)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Net Cash Provided (used) by Investing Activities	<u>-</u>
Net Increase (decrease) in Cash and Cash Equivalents	(137,482)
Cash and Cash Equivalents, beginning of year	<u>213,033</u>
Cash and Cash Equivalents, end of year	<u>\$ 75,551</u>

The accompanying notes are an integral part of this statement

FALSE RIVER AIR PARK COMMISSION
(A component unit of the Pointe Coupee Parish Police Jury)
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2021

RECONCILIATION OF OPERATING LOSS TO NET
CASH PROVIDED BY OPERATING ACTIVITIES

Operating Loss	(\$730,190)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation	608,910
(Increase) decrease in assets:	
Accounts & other receivables	(2,250)
Prepaid expenses	-
Increase (decrease) in liabilities:	
Accounts & other payables	11,329
Net Cash Used by Operating Activities	<u>(112,201)</u>
Cash Presentation on Statement of Net Assets:	
Current Assets: Cash and cash equivalents	75,551
Restricted Assets: Cash and cash equivalents	<u>-</u>
Cash and Cash Equivalents, end of year	<u>\$ 75,551</u>

The accompanying notes are an integral part of this statement

NOTES TO THE FINANCIAL STATEMENTS

FALSE RIVER AIR PARK COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

INTRODUCTION

The False River Air Park Commission (hereafter referred to as 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 provision of Louisiana Revised Statutes (LRS) 2.131. et seq. Said Commission operates under the Powers as outlined under LRS 2:135.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accounting and reporting practice of the Commission conforms to generally accepted accounting principles (GAAP) in the United States of America. The Governmental Accounting Standards Board (GASB) is responsible for establishing accounting principles for state and local governments through its pronouncements (Standards and Interpretations).

Financial Reporting Entity

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

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Pointe Coupee Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes: (1) appointing a voting majority of an organization's governing body, and the ability of the Police Jury to impose its will on that organization, and/or the potential for the organization to provide specific financial benefits to or impose specific financial burdens of the Police Jury; (2) organizations for which the Police Jury does not appoint a voting majority but are financially dependant on the Police Jury; and (3) organizations for which the reporting entity financial statements would be misleading if the data of the organization is not included because of the nature or significance of the relationship.

Basic Financial Statements – Fund Financial Statements

The financial transactions of the Commission are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues and expenses. The operations are financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that the costs and expenses of providing goods or services to the general public on a continuing basis be financed primarily through user charges.

Proprietary Funds: The focus of a proprietary fund is the determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to business in the private sector. The Commission reports a single proprietary fund.

FALSE RIVER AIR PARK COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity is financed with debt that is solely secured by a pledge of the net revenues. The Commission rents or leases hangar space and land for storage of privately owned aircraft.

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

The accrual basis of accounting is utilized by proprietary fund types. The fund financial statements are reported using the economic resources measurement focus in accordance with the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

Budgets

The Commission uses the following budget practices:

- Budgets are prepared for the Enterprise Fund on the GAAP basis and appropriations (unexpended budget balances) lapse at year end.
- Budgetary control is exercised at the line item level.
- During the year, monthly budgetary comparison statements are used as a management tool to control operations. When necessary, the Commission adopts budget amendments which are included in minutes published in the official journal.

Financial Statement Amounts

Cash and Cash Equivalents: Cash includes amounts in demand deposits, interest bearing demand deposits and money market savings. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less.

Receivables: Receivables consist of all revenue earned at year end that has not yet been received. The Commission uses the direct charge-off method because it does not cause a material departure from GAAP and it approximates the valuation. Management bases its uncollectible amounts in part on historical information. Revenues become susceptible to accrual when they become both measurable and available.

Restricted Assets: Grants are received from federal and state agencies for funding of various capital projects. These funds are restricted for use for this purpose and cannot be used for operations. Restricted assets may consist of cash and/or grant funds receivable related to these projects.

Inventory and prepaid expenses: Inventory of the Commission includes fuel, the amount of which is considered immaterial. Therefore, the acquisition of such items is expensed when purchased, and the inventory on hand at year-end is not reported in the accompanying financial statement. Certain payments to vendors represent benefits to be realized in future periods and, if material, are reported as prepaid expenses.

Capital Assets: Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Infrastructure assets such as runways, aprons and other assets that are immovable and of value only to the Commission are defined as assets with an initial

FALSE RIVER AIR PARK COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

cost of more than \$1,000 and are capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the statement of net assets. Depreciation of contributed assets of proprietary funds is charged against contributed capital as opposed to unrestricted net assets. Donated or contributed assets are recorded at their estimated fair market value at the date of donation. Major outlays for capital improvements are capitalized as the projects are completed. Any interest incurred during the construction phase of the projects is reflected in the capitalized value of the asset constructed for proprietary funds. As of December 31, 2021, no interest has been capitalized on projects.

The cost of maintenance and repairs that do not add to the value or extend the useful life of the asset are not capitalized. Major improvements are capitalized and depreciated over the remaining useful life of the related capital asset.

Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

▪ Buildings	20-40 years
▪ Equipment	10 years
▪ Furniture & fixtures	5-10 years
▪ Land Improvements, including runways, aprons and roads	20 years

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Operating/Non-Operating Revenues

Proprietary funds separately report operating and non-operating revenues. Revenues from transactions of the Commission's operation of providing fuel, hangar space and other services are considered operating revenues. All other revenues, which are reported as cash flows from capital or non-capital financing and investing, and grants are reported as non-operating revenues.

Fund Equity

In the statement of net position of proprietary funds, the three components of net position are as follows:

- 1) **Net Investment in Capital Assets:** This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of capital assets.
- 2) **Restricted Net Position:** Net position that is reserved by external sources such as banks or by law are reported separately as restricted net position. When assets are required to be retained in perpetuity, the resulting non-expendable net position are recorded separately from expendable net position. These are components of restricted net position.

FALSE RIVER AIR PARK COMMISSION
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2021

- 3) **Unrestricted Net Position:** This category represents net position not appropriate for expenditures or legally segregated for a specific future use.

Use of Restricted Resources

When an expense that can be paid using either restricted or unrestricted resources (net position), the Commission's policy is to first apply the expense toward restricted resources then toward unrestricted resources. Restricted amounts would be reduced first when expenditures are incurred for purposes for which restriction was applicable.

Deferred Outflows or Resources and Deferred Inflows of Resources and Net Position

GASB statement number 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

In addition to assets, the statement of financial position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period or periods and will not be recognized as an outflow of resources until then. The Commission had no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period or periods and will not be recognized as an inflow of resources until that time. The Commission had no items that qualify for reporting in this category.

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits are stated at cost, which approximates market. Under state law, they 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 mutually acceptable to both parties.

Even though pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, La. 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 that the fiscal agent has failed to pay deposited funds upon demand.

With the adoption of GASB Statement No. 40, only deposits that are considered exposed to custodial credit risk are required to be disclosed. The Commission has no deposits (bank balances) that are considered uninsured and uncollateralized at December 31, 2021.

A summary of cash and cash equivalents (book balances) at December 31, 2021, is as follows:

Account	Amount
Demand deposits	\$ 75,551
Temporarily restricted	0
Total	\$ 75,551

FALSE RIVER AIR PARK COMMISSION
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2021

NOTE 3 – RECEIVABLES AND INTERGOVERNMENTAL RECEIVABLES

The False River Air Park Commission had receivables of \$2,250 to report at December 31, 2021.

NOTE 4 -CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable Assets				
Land	\$2,250,021	\$	\$	\$2,250,021
Construction in progress	292,294		(292,294)	0
Total Non-depreciable Assets	2,542,315		(292,294)	2,250,021
Depreciable Assets				
Buildings	2,760,410			2,760,410
Equipment	313,803	214,218		528,020
Radios and Antennas	484,843			484,843
Furniture and Fixtures	5,911			5,911
Runways, apron and roads	8,886,978	767,468		9,654,446
Land Improvements	1,481,028	641,278		2,122,306
Total Capital Assets, being depreciated	13,932,973	1,622,964		15,555,937
Capital Assets, total	16,475,288	1,622,964	(292,294)	17,805,958
Accumulated depreciation				
Buildings	529,595	73,861		603,456
Equipment	133,226	38,218		171,444
Radios & Antennas	246,648	42,714		289,362
Furniture and Fixtures	5,911	0		5,911
Runways, apron & roads	4,215,084	349,421		4,564,505
Land Improvements	895,492	104,696		1,000,188
Total Accumulated Depreciation	6,025,956	608,910		6,634,866
Capital Assets - Net	\$10,449,332	1,014,054	(\$292,294)	\$11,171,092

Depreciation expense in the amount of \$608,910 is reported as an operating expense in the Statement of Revenues, Expenses and Changes in Fund Net Position.

NOTE 5 -ACCOUNTS AND OTHER PAYABLES

The following is a summary of current payables at December 31, 2021:

Accounts payable – vendors for operations	\$ 12,828
Accounts payable – for capital improvements	\$ 0
Total	\$ 12,828

FALSE RIVER AIR PARK COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 6 - LONG-TERM OBLIGATIONS

There were no long-term obligations at December 31, 2021.

NOTE 7 -RESTRICTED NET POSITION

The following is a summary of restricted net position at December 31, 2021:

There were no restrictions of net position as of December 31, 2021.

NOTE 8 - LEASES

No leases existed at December 31, 2021.

NOTE 9 -RETIREMENT SYSTEM

All employees of False River Air Park Commission are members of the Parochial Employee's Retirement System of Louisiana ("System"), reported through the Pointe Coupee Parish Police Jury. All salaries and benefits are paid and reported by the Police Jury who is subsequently reimbursed by the Commission. The Commission's contributions to the System under for the years ended December 31, 2021, 2020, and 2019 were \$6,145, \$5,921, and \$5,357, respectively.

The System issues an annual publically available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the

Parochial Employee's Retirement System, P.O. Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

NOTE 10- OTHER POST-EMPLOYMENT BENEFITS

The Commission does not provide any post-employment benefits to its employees.

NOTE 11 -RELATED PARTY TRANSACTIONS

There were no related party transactions that require disclosure.

NOTE 12 - LITIGATION

There is no current pending or threatened litigation.

FALSE RIVER AIR PARK COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 13 -SUBSEQUENT EVENTS

Management evaluated subsequent events that would materially impact the accompanying financial statements through June 27, 2022, the date on which the financial statements were available to be issued and determined there were no events subsequent to issuance of the financial statements that would materially affect the financial statements.

SUPPLEMENTARY INFORMATION

**SCHEDULE OF COMPENSATION, BENEFITS, ETC.
PAID TO AGENCY HEAD**

FALSE RIVER AIR PARK COMMISSION
(A component unit of the Pointe Coupee Parish Police Jury)
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD
YEAR ENDED DECEMBER 31, 2021

Chief Executive Officer: Kirk White, President	
Salary	\$ -
Benefits	-
Reimbursements for travel and other expenses	-
	<hr/>
	\$ -
	<hr/> <hr/>

The accompanying notes are an integral part of this statement

MC DUFFIE K. HERROD, LTD.
(A Professional Accounting Corporation)

McDUFFIE K. HERROD
CERTIFIED PUBLIC ACCOUNTANT

Member:
American Institute of CPAs
Society of Louisiana CPAs

POST OFFICE BOX 8436
12410 WOODVILLE ST.
CLINTON, LA 70722

Telephone (225) 683-3888
Facsimile (225) 683-6733

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

To the Board of Directors
False River Air Park Commission
New Roads, Louisiana

We have audited, in accordance with the 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, the financial statements of the business-type activities of the False River Air Park Commission (a component unit of Pointe Coupee Parish, Louisiana) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents and have issued our report thereon dated June 27, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered False River Air Park Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of False River Air Park Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weakness. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control described in the accompanying schedule of findings and responses that we consider to be significant deficiencies listed as item 2021-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether False River Air Park Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

False River Air Park Commission's Response to Findings

False River Air Park Commission's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. False River Air Park Commission's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is intended solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the False River Air Park Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. This report is intended solely for the information and use of management, the board of directors, others within the Commission and federal awarding agencies, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



McDuffie K. Herrod, Ltd.

A Professional Accounting Corporation

Clinton, Louisiana

June 27, 2022

**FALSE RIVER AIR PARK COMMISSION
SCHEDULE OF AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021**

SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of False River Air Park Commission
2. No material weaknesses were identified during the audits of the financial statements.
3. No instances of noncompliance material to the financial statements of False River Air Park Commission were disclosed during the audits.

FINDINGS-FINANCIAL STATEMENTS AUDIT

Current Period Findings:

Finding number 2021-001 – Inadequate Controls Over Financial Statement Preparation

Condition:

The Commission does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in preparing financial statements, including related notes.

Criteria:

Statement on Auditing Standards (SAS) No. 115 requires that the auditor report the above condition as a deficiency in internal control. SAS No. 115 does not provide for exceptions to reporting deficiencies that are resolved with non-audit services performed by the auditor or deficiencies for which the costs make it impractical to correct.

Cause:

The commission's funding is not sufficient to employ a qualified accountant on staff to prepare the financial statements in accordance with GAAP.

Effect:

The Commission is to prepare the financial statements in accordance with generally accepted accounting principles but is unable to do so without qualified staff.

Recommendation:

The Commission should again consider outsourcing this function to a qualified accounting firm, on an as-needed basis.

FALSE RIVER AIR PARK COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, continued
FOR THE YEAR ENDED DECEMBER 31, 2021

Management's response:

Management agrees with the recommendation and will continue to search for a qualified accounting firm to provide assistance. The Commission will carefully review the draft of the financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

Current Status: Unresolved

Prior Period Findings:

Finding number 2020-001 – Inadequate Controls Over Financial Statement Preparation

Condition:

The Commission does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in preparing financial statements, including related notes.

Criteria:

Statement on Auditing Standards (SAS) No. 115 requires that the auditor report the above condition as a deficiency in internal control. SAS No. 115 does not provide for exceptions to reporting deficiencies that are resolved with non-audit services performed by the auditor or deficiencies for which the costs make it impractical to correct.

Cause:

The commission's funding is not sufficient to employ a qualified accountant on staff to prepare the financial statements in accordance with GAAP.

Effect:

The Commission is to prepare the financial statements in accordance with generally accepted accounting principles but is unable to do so without qualified staff.

Recommendation:

The Commission should consider outsourcing this function to a qualified accounting firm, on an as-needed basis.

Management's response:

Management agrees with the recommendation and will continue to search for a qualified accounting firm to provide assistance. The Commission will carefully review the draft of the financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

Current Status: Unresolved.

FALSE RIVER AIR PARK COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, continued
FOR THE YEAR ENDED DECEMBER 31, 2021

FINDINGS – INTERNAL CONTROL OVER FINANCIAL REPORTING

Current Period Findings:

None.

Prior Period Findings:

None.

MANAGEMENT LETTER

A management letter was not issued.

**FALSE RIVER AIR PARK COMMISSION
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

COMMUNICATIONS

Results of audit findings were discussed with Yvonne Chenevert, Airport Manager, on June 27, 2022.

**STATEWIDE AGREED-UPON
PROCEDURES**

MC DUFFIE K. HERROD, LTD.
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POST OFFICE BOX 8436
12410 WOODVILLE ST.
CLINTON, LA 70722
Telephone (225) 683-3888
Facsimile (225) 683-6733
Email:
mkherrod@bellsouth.net

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Governing Board of False River Air Park Commission and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period **January 1, 2021 through December 31, 2021**. **False River Air Park Commission's** management is responsible for those C/C areas identified in the SAUPs.

False River Air Park Commission has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period **January 1, 2021 through December 31, 2021**. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
No exceptions were noted for this procedure.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
No exceptions were noted for this procedure.
 - c) **Disbursements**, including processing, reviewing, and approving.

No exceptions noted.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

No exceptions were noted.

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

No exceptions were noted.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

No exceptions were noted.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

No exceptions were noted.

- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

No exceptions were noted.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

No exceptions were noted.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Not applicable

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

No exceptions were noted.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

No exceptions were noted.

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

No exceptions were noted.

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

No exceptions were noted.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Not applicable.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

No exceptions were noted.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

No exceptions noted.

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions were noted.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

No exceptions were noted.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees responsible for cash collections do not share cash drawers/registers.

Not applicable since there is only one employee.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Not applicable.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Not applicable.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Not applicable.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Not applicable.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

No exceptions were noted.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exceptions were noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions were noted.

- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

No exceptions were noted.

- e) Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Not applicable.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

The one employee and a Board member.

- b) At least two employees are involved in processing and approving payments to vendors.

No exceptions noted.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Not applicable.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Not applicable.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

No exceptions were noted.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

No exceptions were noted.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

No exceptions were noted

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

No exceptions noted.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

Not applicable.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

All transactions tested had all required documentation and approvals with no exceptions noted.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Management provided us with the general ledger along with representation of completion.

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Not applicable

- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Not applicable

- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Not applicable

- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Not applicable

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

No exceptions were noted.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

No exceptions were noted.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

No exceptions were noted.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions were noted.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

No exceptions were noted.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

Not applicable.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Not applicable.

- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Not applicable.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions were noted for this procedure.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Not applicable.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Not applicable.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

No exceptions were noted.

- b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

No exceptions were noted.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

Not applicable

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Not applicable

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

According to management, there was not misappropriation of public funds or assets.

24. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Notice is posted on a bulletin board in lobby no exceptions noted.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
 - a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported. Done
 - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months. Done

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

The accounting software is accessible only one computer, with only one user - encrypted backups are done daily – on & offsite (cloud-based). Antivirus software is updated daily w/ firewalls.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Training has been verified.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

It is posted on premises.

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

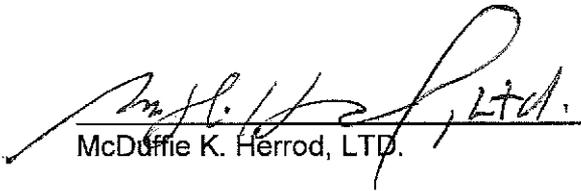
- a) Number and percentage of public servants in the agency who have completed the training requirements; - *the agency provided this information.*
- b) Number of sexual harassment complaints received by the agency; - *none received.*
- c) Number of complaints which resulted in a finding that sexual harassment occurred; - *n/a, none received.*
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and - *n/a, none.*
- e) Amount of time it took to resolve each complaint. - *n/a, none.*

We were engaged by **False River Air Park** to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion,

respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of **False River Air Park** and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



McDuffie K. Herrod, LTD.

Clinton, Louisiana

June 23, 2022