

AIRPORT DISTRICT NO. 1  
OF THE PARISH OF BEAUREGARD  
BEAUREGARD PARISH POLICE JURY  
STATE OF LOUISIANA

ANNUAL FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2017

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## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Commissioners  
Airport District No. 1 of the Parish of Beauregard  
State of Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities and the major fund of Airport District No. 1 of the Parish of Beauregard, State of Louisiana, a component unit of the Beauregard Parish Police Jury, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

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 the major fund of Airport District No. 1 of the Parish of Beauregard, State of Louisiana as of December 31, 2017, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Other Matters

#### Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Airport District No. 1 of the Parish of Beauregard, State of Louisiana's basic financial statements. The schedule of compensation, benefits and other payments to agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of compensation, benefits and 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, the schedule of compensation, benefits and other payments to agency head 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 also issued our report dated May 25, 2018, on our consideration of Airport District No. 1 of the Parish of Beauregard, State of Louisiana'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 to provide an opinion on 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 Airport District No. 1 of the Parish of Beauregard, State of Louisiana's internal control over financial reporting and compliance.



DeRidder, Louisiana  
May 25, 2018

## BASIC FINANCIAL STATEMENTS

Statement of Net Position  
December 31, 2017

	<u>Business-Type Activities - Enterprise Fund</u>
Assets	
Cash	\$ 111,225
Grants receivable	4,091
Inventory	22,981
Capital assets not being depreciated	309,358
Capital assets being depreciated - net	<u>6,193,684</u>
Total assets	<u>\$ 6,641,339</u>
Liabilities	
Accounts payable	\$ 1,651
Contracts payable	1,616
Security deposits payable	12,000
Total liabilities	<u>\$ 15,267</u>
Net Position	
Net investment in capital assets	\$ 6,501,426
Unrestricted	124,646
Total net position	<u>\$ 6,626,072</u>
Total liabilities and net position	<u>\$ 6,641,339</u>

The accompanying notes are an integral part of this statement.

Airport District No. 1 of the Parish of Beauregard  
State of Louisiana

Statement B

Statement of Activities  
For the Year Ended December 31, 2017

Program Activities	Expenses	Charges for Services	Program Revenues		Net (Expenses) Revenues and Changes in Net Position Business-Type Activities
			Operating Grants and Contributions	Capital Grants and Contributions	
Business-type activities:					
Airport operations	\$ 729,657	\$ 372,735	\$ 8,597	\$ 4,092	\$ (344,233)
		General revenues:			
		Investment earnings			\$ 4,117
		Total general revenues			\$ 4,117
		Change in net position			(340,116)
		Net position at beginning of year			6,966,188
		Net position at end of year			\$ 6,626,072

The accompanying notes are an integral part of this statement.

Statement of Net Position  
Proprietary Fund  
December 31, 2017

	<u>Business-Type Activities - Enterprise Fund</u>
Assets	
Current Assets	
Cash	\$ 111,225
Grants receivable	4,091
Inventory	22,981
Total current assets	<u>\$ 138,297</u>
Noncurrent Assets	
Capital assets not being depreciated	\$ 309,358
Capital assets being depreciated - net	6,193,684
Total noncurrent assets	<u>\$ 6,503,042</u>
Total assets	<u><u>\$ 6,641,339</u></u>
Liabilities	
Current Liabilities	
Accounts payable	\$ 1,651
Contracts payable	1,616
Total current liabilities	<u>\$ 3,267</u>
Noncurrent Liabilities	
Security deposits payable	<u>\$ 12,000</u>
Total liabilities	<u>\$ 15,267</u>
Net Position	
Net investment in capital assets	\$ 6,501,426
Unrestricted	124,646
Total net position	<u>\$ 6,626,072</u>
Total liabilities and net position	<u><u>\$ 6,641,339</u></u>

The accompanying notes are an integral part of this statement.

Airport District No. 1 of the Parish of Beauregard  
State of Louisiana

Statement D

Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Fund  
For the Year Ended December 31, 2017

	<u>Business-Type Activities - Enterprise Fund</u>
Operating revenues:	
Charges for services	
Fuel sales	\$ 180,596
Timber sales	82,810
Rentals and leases	109,329
Total operating revenues	<u>\$ 372,735</u>
Operating expenses:	
Personal services	\$ 182,767
Supplies and materials	7,912
Fuel	111,187
Contractual services	105,058
Utilities	23,399
Depreciation	299,334
Total operating expenses	<u>\$ 729,657</u>
Income (loss) from operations	<u>\$ (356,922)</u>
Non-operating revenues (expenses)	
Investment income	<u>\$ 4,117</u>
Loss before capital contributions	\$ (352,805)
Capital contributions	<u>\$ 12,689</u>
Change in net position	\$ (340,116)
Net position at beginning of year	<u>6,966,188</u>
Net position at end of year	<u><u>\$ 6,626,072</u></u>

The accompanying notes are an integral part of this statement.

Statement of Cash Flows  
Proprietary Fund  
For the Year Ended December 31, 2017

	Business-Type Activities - Enterprise Fund
Cash flows from operating activities:	
Cash received from customers	\$ 372,735
Cash payments to suppliers for goods and services	(238,665)
Cash payments to employees for services	(182,767)
Net cash used by operating activities	\$ (48,697)
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	\$ (2,475)
Net cash used for capital and related financing activities	\$ (2,475)
Cash flows from noncapital and related financing activities:	
Contributed capital received	\$ 8,598
Net cash provided by noncapital and related financing activities	\$ 8,598
Cash flow from investing activities:	
Interest on cash and investments	\$ 4,117
Net cash provided by investing activities	\$ 4,117
Net increase (decrease) in cash and cash investments	\$ (38,457)
Cash and cash investments, beginning	149,682
Cash and cash investments, ending	\$ 111,225

(Continued)

The accompanying notes are an integral part of this statement.

Statement of Cash Flows  
Proprietary Fund  
For the Year Ended December 31, 2017

	<u>Business-Type Activities - Enterprise Funds</u>
Reconciliation of income (loss) from operations to net cash used by operating activities:	
Income (loss) from operations	<u>\$ (356,922)</u>
Adjustments to reconcile income (loss) from operations to net cash used by operating activities:	
Depreciation	\$ 299,334
Change in assets and liabilities:	
Increase in inventory	(3,808)
Increase in accounts payable	699
Increase in security deposits payable	12,000
Net cash used by operating activities	<u>\$ (48,697)</u>
	(Concluded)

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

Airport District No. 1 of the Parish of Beauregard  
State of Louisiana

Notes to the Financial Statements  
As of and for the Year Ended December 31, 2017

**INTRODUCTION**

Airport District No. 1 of the Parish of Beauregard, State of Louisiana was created by the Beauregard Parish Police Jury through the adoption of Resolution 58-88 dated December 13, 1988, by virtue of the authority conferred by Sub-Part A, Part IV, Chapter 2, Title 2 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority. The Airport District provides for the general maintenance, upkeep, and construction of property, plant and equipment of the Beauregard Regional Airport, DeRidder, Louisiana. The governing authority of the Airport District is a Board of Commissioners consisting of ten members selected by the Beauregard Parish Police Jury to serve a period of two years. The commissioners of the District receive no compensation for their services. The airport employees consist of five individuals that handle all maintenance and clerical work. The Airport District's boundaries include approximately four thousand acres located within the Parish of Beauregard, State of Louisiana.

GASB Statement No. 14, The Reporting Entity, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Airport District No. 1 of the Parish of Beauregard, State of Louisiana is considered a component unit of the Beauregard Parish Police Jury. As a component unit, the accompanying financial statements are included within the reporting of the primary government, either blended into those financial statements or separately reported as discrete component units.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Airport District No. 1 of the Parish of Beauregard, State of Louisiana. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Airport District No. 1 of the Parish of Beauregard, State of Louisiana reports the following proprietary fund:

The Proprietary Fund accounts for operations (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Airport District No. 1 of the Parish of Beauregard  
State of Louisiana

Notes to the Financial Statements (Continued)

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Charges for services of providing fuel, water, rentals, leases, and timber sales comprise the operating revenue of the District's enterprise fund. Operating expenses for enterprise funds include the cost of sales and services, administrative expense, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

**C. Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, time deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Airport District No. 1 of the Parish of Beauregard, State of Louisiana's investment policy allow the entity to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

**D. Inventories**

All inventories are valued at cost using the first-in/first-out method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased.

**E. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$5,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. There was no interest expense during the current fiscal year.

All capital assets, other than land and work in progress, are depreciated using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings	40-50 years
Improvements other than buildings	10-40 years
Machinery and equipment	5-20 years

Notes to the Financial Statements (Continued)

**F. Compensated Absences**

The District has the following policy relating to sick leave and annual leave:

**Sick Leave**

All permanent, full-time employees are eligible to receive five days sick leave per year. There can be no sick leave carried over from one year to the next. Upon termination of employment the employee will not be paid for unused sick leave.

**Annual Leave**

Permanent, full-time employees may earn annual leave. All annual leave must be scheduled no later than January 31<sup>st</sup> each year and approved in advance.

Annual leave will accrue as follows:

<u>Required Length of Employment</u>	<u>Annual Leave Authorized</u>
One year	One week / 5 days
Two – Four years	Two weeks / 10 days
Five – Ten years	Three weeks / 15 days
Eleven years & above	Four weeks / 20 days

Employees may accumulate and carry over a maximum of two weeks /10 days from one year to the next. Any annual leave above the two weeks maximum must be taken prior to December 31<sup>st</sup> of each calendar year or be lost.

Any accumulated annual leave as of December 31<sup>st</sup> would be immaterial to the financial statements and has not been recorded.

**G. Long-Term Obligations**

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Airport District No.1 of the Parish of Beauregard, State of Louisiana has no long-term obligations as of December 31, 2017.

**H. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the district, which are either unusual in nature or infrequent in occurrence. There were no extraordinary or special items to report as of December 31, 2017.

**I. Estimates**

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

Airport District No. 1 of the Parish of Beauregard  
State of Louisiana

Notes to the Financial Statements (Continued)

**2. CASH AND CASH EQUIVALENTS**

At December 31, 2017, the District has cash and cash equivalents (book balances) totaling \$111,225 as follows:

Money market accounts	\$ 110,925
Petty cash	300
Total	<u>\$ 111,225</u>

The District's cash is on deposit along with the cash of the Beauregard Parish Police Jury. The Policy Jury has federal deposit insurance along with adequate amounts of pledged securities to secure all deposits under their control.

The cash and cash equivalents of the Airport District No. 1 of the Parish of Beauregard, State of Louisiana are subject to the following risk:

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. 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 or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. 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 District that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the District's name.

At December 31, 2017, the District has \$111,225 in deposits (collected bank balances). These deposits are secured from risk by \$111,225 of federal deposit insurance and pledged securities held by an unaffiliated bank of the pledgor bank. These pledged securities are deemed by law to be under the control and possession and in the name of the District and deposits are therefore properly collateralized.

**3. RECEIVABLES**

The receivables of \$4,091 at December 31, 2017 are as follows:

Grants	<u>\$ 4,091</u>
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Airport District No. 1 of the Parish of Beauregard  
State of Louisiana

Notes to the Financial Statements (Continued)

**4. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2017, for the primary government is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 305,267	\$ -	\$ -	\$ 305,267
Construction in progress	-	4,091	-	4,091
Total capital assets not being depreciated	<u>\$ 305,267</u>	<u>\$ 4,091</u>	<u>\$ -</u>	<u>\$ 309,358</u>
Capital assets being depreciated				
Buildings	\$ 746,054	\$ -	\$ -	\$ 746,054
Improvements other than buildings	10,439,091	-	-	10,439,091
Machinery and equipment	615,525	-	-	615,525
Total capital assets being depreciated	<u>\$ 11,800,670</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,800,670</u>
Less accumulated depreciation for:				
Buildings	\$ 467,933	\$ 18,652	\$ -	\$ 486,585
Improvements other than buildings	4,363,321	269,119	-	4,632,440
Machinery and equipment	476,398	11,563	-	487,961
Total accumulated depreciation	<u>\$ 5,307,652</u>	<u>\$ 299,334</u>	<u>\$ -</u>	<u>\$ 5,606,986</u>
Total business-type assets being depreciated, net	<u>\$ 6,493,018</u>	<u>\$ (299,334)</u>	<u>\$ -</u>	<u>\$ 6,193,684</u>

**5. CONSTRUCTION COMMITMENTS**

The District had an active construction project as of December 31, 2017. The project is to rehabilitate the runway apron.

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Rehabilitate Apron Project	\$ 4,091	\$ 154,478

**6. ACCOUNTS AND OTHER PAYABLES**

The payables of \$15,267 at December 31, 2017, are as follows:

Accounts	\$ 1,651
Contracts	1,616
Security deposits	<u>12,000</u>
Total accounts and other payables	<u>\$ 15,267</u>

Airport District No. 1 of the Parish of Beauregard  
State of Louisiana

Notes to the Financial Statements (Concluded)

**7. PENSION PLAN**

Substantially all employees of Airport District No. 1 of the Parish of Beauregard, State of Louisiana are members of the Parochial Employees Retirement System of Louisiana (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. The employees of the Airport District are members of Plan A.

The employees of the District are included along with the employees of the Beauregard Parish Police Jury's Parochial Employee's Retirement System of Louisiana, therefore the District's employees are also included in the reporting by the Police Jury of their participation in the Parochial Employee's Retirement system of Louisiana in accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions as amended by the GASB Statement 71, Pension Transition for Contributions Made Subsequent to the Measurement Date, which have been adopted by the Beauregard Parish Police Jury.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to 1 percent of final-average salary plus \$24 for each year of supplemental-plan-only service earned prior to January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

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

Funding Policy

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary and the district is required to contribute at an actuarially determined rate. The current rate is 13.00% of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the District are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District's contributions to the System under Plan A for the years ending December 31, 2017, 2016 and 2015, were \$15,363, \$16,059, and \$17,429, respectively, equal to the required contributions for each year.

OTHER SUPPLEMENTAL INFORMATION

Schedule of Compensation, Benefits and  
Other Payments to Agency Head  
For the Year Ended December 31, 2017

Agency Head Name - Sam Lack

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 45,760
Benefits - insurance	7,342
Benefits - retirement	5,720
Deferred compensation	-
Benefits - HSA Contribution	2,500
Car allowance	-
Vehicle provided by government	-
Cell phone	862
Dues	200
Vehicle rental	-
Per diem	-
Reimbursements	1,170
Travel	-
Registration fees	125
Conference travel	84
Housing	-
Unvouchered expenses	-
Special meals	65
Other	-

## OTHER REPORTS

Schedule of Prior Year Audit Findings  
For the Year Ended December 31, 2017

There were no prior year audit findings as of December 31, 2016.

Schedule of Current Year Audit Findings and Management's Response  
For the Year Ended December 31, 2017

There were no current year audit findings as of December 31, 2017.

# Windham & Reed, L.L.C.

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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*

Members of the Board of Commissioners  
Airport District No. 1 of the Parish of Beauregard  
State of 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 and the major fund of Airport District No. 1 of the Parish of Beauregard, State of Louisiana, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Airport District No. 1 of the Parish of Beauregard, State of Louisiana's basic financial statements, and have issued our report thereon dated May 25, 2018.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Airport District No. 1 of the Parish of Beauregard, State of Louisiana'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Airport District No. 1 of the Parish of Beauregard, State of Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of Airport District No. 1 of the Parish of Beauregard, State of Louisiana'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 weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Airport District No. 1 of the Parish of Beauregard, State of Louisiana's financial statements are free from 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 audit 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*.

**Purpose of this Report**

The purpose of this report is 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



DeRidder, Louisiana  
May 25, 2018